PUBLIC SERVICE COMMISSION

PSC

Custodian of Good Governance

Annual Report 2008/2009

Vision

The Public Service Commission is an independent and impartial body created by the Constitution, 1996, to enhance excellence in governance within the Public Service by promoting a professional and ethical environment and adding value to a public administration that is accountable, equitable, efficient, effective, corruption-free and responsive to the needs of the people of South Africa.

Mission

The Public Service Commission aims to promote the constitutionally enshrined democratic principles and values of the Public Service by investigating, monitoring, evaluating, communicating and reporting on public administration. Through research processes it will ensure the promotion of excellence in governance and delivery of affordable and sustainable quality services.

ANNUAL REPORT 2008/2009

Published in the Republic of South Africa

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31 August 2009

Prof SS Sangweni
Chairperson of the Public Service Commission
Private Bag X121
PRETORIA
0001

Dear Prof Sangweni

I have the honour of submitting to you the Public Service Commission's Annual Report for the period 1 April 2008 to 31 March 2009.

The Report provides the overall performance of the Public Service Commission and its contribution to public administration. Key achievements and challenges that the organisation faced in executing its mandate during the period under review are also highlighted in the Report.

Kind regards

ODETTE R RAMSINGH
DIRECTOR-GENERAL

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FOREWORD BY THE CHAIRPERSON

Professor Stan Sangweni

The Public Service Commission (PSC) is pleased to submit its Annual Report for the 2008/2009 financial period. This Report is particularly special to me as it is my last Annual Report as Chairperson of the PSC. Having completed my second term in the Commission, I retire fully satisfied that we have succeeded in guiding the transformation of the Public Service and also entrenching the 9 Constitutional values and principles which define good governance for our democratic public administration. By the end of 2008, the PSC operated with only 65% of its Commissioners as some members had reached their two terms in the PSC, and Parliament acted swiftly in filling the vacancies left by the Commissioners.

The period under review was fraught with challenges such as the impact of the global economic meltdown which necessitated that many institutions both in the public and private sectors had to "tighten their belts". The PSC was not immune to the effects of the economic meltdown and, as such, had to apply its own "belt tightening". Regardless, the PSC witnessed exceptional success in achieving its strategic goals as outlined in its workplan for the 2008/2009 financial period. Such success is evident through the research reports that the PSC has produced and advice in public administration rendered to the Executive and departments. Today, the PSC has achieved the status of a knowledge-based organisation and custodian of good governance in the Republic of South Africa.

The PSC's knowledge in the area of leadership and management practices has contributed immensely towards the current discourse on the management of the turn-over rate among the most senior members of the administration leadership in the Public Service, namely Heads of Department (HoDs). The research undertaken by the PSC on the Turn-Over Rate of HoDs and its Implications for the Public Service identifies factors contributing to the departure of HoDs in the Public Service and the implications thereof. The findings of the report which pointed out that legislation and regulations which govern the appointments and termination of HoDs contracts proved to be the key contributory factor towards the turn-over rate of HoDs, was subsequently presented to Cabinet with firm recommendations.

The PSC also continues to chair the panel for the evaluation of HoDs and its involvement in the evaluation processes has provided it with an opportunity to have a strategic interface and interaction with the Executive and administrative leadership in the Public Service. It is this advantage that enabled the PSC to produce a Report on Strategic Issues Emanating from the Evaluation of HoDs. The findings of the report which analyses cross cutting issues and identifies challenges faced by HoDs in fulfilling their mandates, will stimulate further dialogue among stakeholders and inform decisions on how to further support and strengthen the effectiveness of the administrative leadership of the Public Service. The PSC has

positioned itself as the main arbiter of grievances in the Public Service and as such continues with its role of considering grievances of public servants and assist departments to improve their capacity in managing grievances.

The PSC's work and influence extends outside the borders of South Africa as it plays an increasingly prominent role in regional integration. This is evidenced through the role it plays in the Association of African Public Services Commissions (AAPSComs) and with the appointment of the Chairperson of the South African PSC as the inaugural President of AAPSComs. Furthermore, the PSC continues to provide technical assistance to the Southern Sudan Civil Service Commission (SSCSC) as the SSCSC strengthens its role in conducting oversight of the civil service in Southern Sudan.

The PSC recognises Monitoring and Evaluation (M&E) as a key component to public administration. Its Transversal Monitoring and Evaluation System which has been operational since 2000, assesses the extent to which departments comply with the nine values and principles of public administration contained in Chapter 10 of the Constitution. The work of the PSC in the area of M&E has contributed towards the development of the annual State of the Public Service (SOPS) Report. Acknowledged by stakeholders as a barometer of trends in the Public Service, the SOPS Report continues to be a valuable source of information that influences policy at the highest level. As South Africa will be the first African country to host the 2010 FIFA World Cup, this will be a historic milestone for the African Continent. Given the centrality of the Public Service in the successful hosting of the 2010 FIFA World Cup, the 2009 State of the Public Service Report focused on the *State of Readiness of the Public Service for 2010 and Beyond.*

In response to governments call for the eradication of poverty, the PSC contributed in this discourse by evaluating government poverty reduction programmes. To this end, the PSC hosted dialogues on Poverty and Women, and on Poverty, Access to Services and Xenophobia. Some of the reasons attributed to xenophobic attacks that the country experienced during 2008 were as a result of the lack of public participation. Having an appreciation of the significance of public participation, the PSC continues to produce evidence based research that contributes to ongoing initiatives towards the deepening of public participation in the Public Service. An Assessment of Public Participation in the Public Service carried out by the PSC during the reporting period as well as the PSC external magazine which focused on the theme: *Public Participation – a key to effective service delivery*, is a case in point. Furthermore, the PSC's work that is aimed at gauging the level of citizen satisfaction through satisfaction surveys remains an integral part of our mandate. In this regard, the PSC conducted a citizen satisfaction survey focusing on the emergency services provided by the provincial Departments of Health.

The promotion of a high standard of professional ethics in the Public Service is a key imperative for good governance. To this end, the PSC continues to serve as secretariat to the National Anti-Corruption Forum (NACF) and played a critical role in hosting the 3rd National Anti-Corruption Summit in August 2008. The adoption of the Summit Resolutions by members of the NACF, namely government, business and civil society is a strong indication that all the sectors are committed to the fight against corruption. The Resolutions have been translated into a National Anti-Corruption Programme and the PSC continues to monitor the implementation thereof. Over the years, the PSC has introduced various mechanisms aimed at the preventing and combating of corruption in the Public Service. These include amongst others, the National Anti-Corruption Hotline for the Public Service, the Complaints Rules and the Financial Disclosure Framework (FDF) for senior managers.

The achievements that I have alluded to could not have been possible without the support of the Office of the Public Service Commission (OPSC).

I therefore, would have failed in my duty if I did not thank the OPSC officials under the astute leadership of the Director-General, Ms Odette Ramsingh for another successful financial year which witnessed the PSC achieve its strategic goals despite the global economic meltdown. Earlier I mentioned that terms of office of some members of the Commission came to an end during the period under review and I, therefore, would like to take this opportunity to congratulate the following Commissioners on their respective re-appointment and appointment:

- Dr N Mxakato-Diseko (re-appointment)
- Ms P Tengeni (re-appointment)
- Mr P Helepi (re-appointment)
- Ms S Nkosi (new appointment)
- Adv M Malahlela (new appointment)
- Mr S Mafanya (new appointment)
- Mr D Mkhwanazi (new appointment)

In conclusion, I would like to thank my fellow Commissioners for their commitment and hard work demonstrated during the period under review. I am grateful to the Minister for Public Service and Administration, Mr Richard Baloyi for his support and guidance during the reporting period. I would also like to thank the former Chairperson of the Portfolio Committee on Public Service and Administration, Ms MJJ Matsomela and the former Chairperson of the Select Committee on Local Government and Administration, Mr BJ Mkhaliphi for their support and engagement during the reporting period.

**PROFESSOR SS SANGWENI
CHAIRPERSON: PUBLIC SERVICE
COMMISSION**

CHAPTER 1: INTRODUCTION

Ms Odette R Ramsingh

1.1   OVERVIEW BY THE DIRECTOR-GENERAL

During the 2008/2009 financial year, the PSC continued to excel in executing its mandate. This is evidenced by the quality and impact of its work that is widely acknowledged by government and other stakeholders. The PSC also ensured that its research work reaches a wider audience by intensifying advocacy work on its projects through continuous engagements with the relevant stakeholders by among others, hosting roundtables and dialogues on issues pertinent to the Public Service. As the Accounting Officer, I am glad that we were able to make a significant impact in the Public Service discourse and continue to contribute to sound public administration. This achievement was realised through the implementation of the new organisational structure, which now consists of four programmes that came into effect in April 2008. The PSC was also able to move to greater heights in spite of operating within the confines of limited resources.

In recent years, the PSC has witnessed an increase in demand for its services and support in other parts of the continent. In this regard, the PSC spearheaded the establishment and launch of AAPSComs in February 2009, where the Chairperson of the PSC, Professor Stan Sangweni was appointed as the first President of AAPSComs with the Office of the PSC being the secretariat. The PSC also continued to share experience on best practice in good governance and provided assistance to other African institutions such as the Southern Sudan Civil Service Commission and the Federal Civil Service Commission of Nigeria. These initiatives have marked the beginning of our growing involvement in the region.

The PSC recognises the critical role that HoDs play in ensuring Public Service delivery and therefore continues to promote sound Public Service leadership. Likewise, it has been managing the HoD evaluation process since 2001 and as such has acquired important skills and insights. Through the challenges experienced in previous HoD evaluations, the PSC decided to revise its approach in implementing the HoD Evaluation Framework. This revised approach scheduled evaluations according to clusters and saw all eligible HoDs being evaluated by the same panel over a two-day period. Based on the success of the pilot in the Western Cape, the PSC followed a similar approach at the provincial and national level, and this resulted in many more HoD evaluations being completed over a shorter period of time. The PSC has also grown to appreciate the link between the performance of HoDs and their respective departments by developing a Founding Document to guide the implementation of the Organisational Performance Assessment (OPA) template. The OPA seeks to measure departmental performance and provide organisational performance information to evaluation panels, thus improving the quality of information available to panel members.

As part of government's Programme of Action, adherence to the signing of performance agreements (PAs) by managers in the Public Service continues to be flagged as one of the key Apex projects. During the period under review, the PSC continued to assess the quality of PAs but still remains concerned with the low levels of compliance. To highlight the issues of compliance, the PSC produced a fact sheet on the submission of PAs which was presented to Cabinet and the Portfolio Committee on Public Service and Administration.

As South Africa is preparing to host one of the biggest sporting events in the world, the 2010 FIFA World Cup, the PSC decided to focus a significant section of its M&E work on *"The State of Readiness of the Public Service for 2010 and Beyond"*, which is the theme of the seventh edition of the State of the Public Service Report. On-site inspections still serve as the best mechanism to gather first-hand knowledge on service delivery and therefore the PSC undertook service delivery assessments on departments that will play a critical role in hosting the 2010 FIFA World Cup. The PSC conducted site inspections at selected police stations in the 2010 host cities and the individual reports reflect on the state of readiness of these police stations to meet the increased service delivery demands. The PSC also conducted site inspections on the management of visa applications and port control processes in the Department of Home Affairs and assessed the provision of emergency medical services provided by Departments of Health. Through these reports, the PSC hopes that the relevant departments will consider its recommendations in making this sporting event a success.

The PSC remains a pivotal role player in combating and preventing maladministration and corruption in the Public Service. Complaints lodged through the PSC's Complaints Rules and the National Anti-Corruption Hotline (NACH) are investigated by the PSC, and reports with findings and recommendations are provided to Executive Authorities for necessary corrective action. The number of complaints dealt with by the PSC has increased by 413% since the inception of the Complaints Rules, from 45 in the 2004/2005 financial year to 186 in the 2008/2009 financial year. In addition, during the 2008/2009 financial year, the PSC received over 208 complaints on poor service delivery. Risk assessment profiling during investigations requires an element of research work into public administration practices to advise on best practice. Research reports were produced on the management of job applicants with criminal records and an overview of financial misconduct in the Public Service. These reports serve as strategic enablers for policy makers, departments and the Executive to introduce measures to improve public administration.

As the custodian of the NACH, which is a mechanism for whistle-blowers to report acts of corruption, the PSC decided to evaluate the effectiveness of the NACH. The Report found amongst others, that the successful investigation of cases reported through the NACH has already resulted in the recovery of R86 million from perpetrators. Since its inception in 2004, there has been 1 348 complaints lodged through the NACH. As secretariat to the NACF, the PSC continued to provide secretarial support to the NACF and played an instrumental role in hosting the third National Anti-Corruption Summit during August 2008.

The period under review saw the PSC taking a proactive approach in managing conflicts of interest through the management of FDF for senior managers. From the financial disclosure forms received for the 2007/2008 financial year, the PSC identified potential conflicts of interest of senior managers by analysing a sample of 3 000 forms. Emanating from this analysis, a Report on the Management of Conflicts of Interest through the Financial Disclosure Framework was produced and the report reflected that 21% of all senior managers that formed part of the sample may experience potential conflicts of interest between their private interests and their official

responsibilities. This illustrated the importance of financial disclosures in managing potential conflicts of interest before they become actual conflicts of interest.

One of the key focus areas of the PSC was to strengthen interaction with the Legislature. During the period under review, the PSC made an array of presentations to the Portfolio Committee on Public Service and Administration and was also honoured to present to the Committee of Chairpersons in Parliament. The PSC also made presentations to Provincial Legislatures, national and provincial departments. I would therefore like to thank the Legislature, national and provincial departments for their support in our research work. All PSC reports are accessible on our website (www.psc.gov.za) and from our national and provincial offices.

The terms of office of some members of the Commission expired during the financial year and with the Chairperson of the PSC, Professor Stan Sangweni retiring in June 2009, the PSC will experience a change in guard. It is therefore befitting that I pay tribute to firstly, Professor Stan Sangweni for being a moral beacon for the Public Service and an intellectual powerhouse for the PSC. Secondly, to the former and present members of the Commission for collectively being a guiding light for the Commission.

To all the OPSC staff members, thank you for showing your dedication and enthusiasm by ensuring that the PSC continues to excel in executing its mandate. You have truly contributed in making the PSC a *custodian of good governance*.

ODETTE R RAMSINGH
DIRECTOR-GENERAL: OFFICE OF THE
PUBLIC SERVICE COMMISSION

1.2 INFORMATION ABOUT THE PUBLIC SERVICE COMMISSION

1.2.1 Background

The PSC was established in terms of Section 196 of the Constitution of the Republic of South Africa, 1996. The Constitution stipulates that there is a single PSC for the Republic of South Africa, consisting of 14 members, five of which are appointed by the President on the recommendation of the National Assembly. One member is appointed from each of the nine provinces, after nomination by the Premier of the province on the recommendation of a committee of the Provincial Legislature. The PSC is accountable to the National Assembly and must report to it annually. It must also report to the Legislature of the province concerned on its activities in each province.

The President appointed the first members of the PSC with effect from 1 January 1999. However, the commencement of formal operations by the PSC was delayed until 1 July 1999 because of legal difficulties around certain aspects of the Public Service Laws Amendment Act, 1997.

1.2.2 Members

The following are members of the PSC:

Nominated by the National Assembly:

Prof SS Sangweni, Chairperson
Dr EG Bain until 31 December 2008
Adv MJ Malahlela from 1 March 2009
Ms MRV Mashigo until 30 June 2009
Dr NJ Mxakato-Diseko
Ms SS Nkosi from 23 February 2009

Nominated by the Provincial Legislatures:

Mr M Msoki (Eastern Cape – until 31 December 2008)
Mr S Mafanya (Eastern Cape – from 1 February 2009)
Mr P Helepi (Free State)
Dr R Mgijima (Gauteng)
Ms PM Tengeni (KwaZulu-Natal)
Mr KE Mahoai (Limpopo – until 30 June 2009)
Mr DW Mashego (Mpumalanga – until 31 December 2008)
Ms DS Mkhwanazi (Mpumalanga – from 23 April 2009)
Mr KL Mathews (Northern Cape)
Dr NV Maharaj (Western Cape – until 30 April 2009)

Members of the Public Service Commission

Prof SS Sangweni
Chairperson

Ms MRV Mashigo
*(Pretoria – until
30 June 2009)*

Dr EG Bain
*(Pretoria – until
31 December 2008)*

Advocate MJ Malahlela
*(Pretoria – from
1 March 2009)*

Dr NJ Mxakato-Diseko
(Pretoria)

Ms SS Nkosi
*(Pretoria – from
23 February 2009)*

Mr M Msoki
*(Eastern Cape – until
31 December 2008)*

Mr S Mafanya
*(Eastern Cape – from
1 February 2009)*

Mr P Helepi
(Free State)

Dr R Mgijima
(Gauteng)

Ms PM Tengeni
(KwaZulu-Natal)

Mr KE Mahoai
*(Limpopo – until 30 June
2009)*

Mr DW Mashego
*(Mpumalanga – until
31 December 2008)*

Mr DS Mkhwanazi
*(Mpumalanga – from
23 April 2009)*

Mr KL Mathews
(Northern Cape)

Dr NV Maharaj
*(Western Cape – until
30 April 2009)*

1.2.3 Institutions falling under the control of the Chairperson of the PSC

During the reporting period, there were no such institutions.

1.2.4 Bills submitted during the period under review

During the reporting period, no bills were submitted.

1.2.5 Official visits aboard

The Chairperson of the PSC, Professor Stan Sangweni and Commissioners undertook official visits abroad as follows, during the period under review:

Destination	Period	Name of Commissioner	Purpose of visit
Kampala, Uganda	7 to 11 April 2008	Prof SS Sangweni Dr NV Maharaj Dr NJ Mxakato-Diseko	To attend the African Association for Public Administration and Management (AAPAM) and the Institute of Public Administration of Canada (IPAC) Workshop
Kampala, Uganda	9 April 2008	Prof SS Sangweni	To attend the meeting of the Association of African Public Services Commissions (AAPSComs)
Kampala, Uganda	14 to 18 July 2008	Ms PM Tengeni	To attend the International Association of Schools and Institute of Administration (IASIA) Conference
Abuja, Nigeria	28 to 30 July 2008	Prof SS Sangweni Dr NV Maharaj Dr NJ Mxakato-Diseko	To attend the 1st meeting of the Interim Presidency of the AAPSComs
Washington DC, United States of America	11 to 15 August 2008	Ms MRV Mashigo	To undertake a study tour on the Integrity Barometer
Juba, Southern Sudan	17 to 22 August 2008	Prof SS Sangweni Dr NJ Mxakato-Diseko	To provide support to the Southern Sudan Civil Service Commission (SSCSC) as part of the Memorandum of Understanding entered between the PSC and the SSCSC
Quebec City, Canada	23 to 27 August 2008	Dr NV Maharaj	To attend the Profession in Perspective 2008 Executive Meeting and the Annual Conference of the Institute of Public Administration of Canada (IPAC) hosted by the PSC of Canada
London, United Kingdom	20 to 28 September 2008	Dr NJ Mxakato-Diseko	To undertake a comparative study tour on the management of career incidents of HoDs in the United Kingdom
Accra, Ghana	6 to 10 October 2008	Mr P Helepi	To attend the African Association for Public Administration and Management's (AAPAM) 30th Annual Roundtable Conference
Bridgetown, Barbados	19 to 22 October 2008	Prof SS Sangweni Mr KE Mahoai	To attend the 8th Commonwealth Association for Public Administration and Management (CAPAM) Biennial Conference
Mbabane, Swaziland	6 November 2008	Ms MRV Mashigo	To attend the launch of the National Anti-Corruption Forum of the Swaziland Anti-Corruption Commission
Nairobi, Kenya	23 to 27 November 2008	Dr NJ Mxakato-Diseko	To undertake a comparative study tour on the management of career incidents of HoDs in the United Kingdom

1.3   MISSION STATEMENT

The PSC's vision and mission are derived from the values and principles of public administration laid down in the Constitution, 1996 (Section 195 (1) (a)-(i)).

Vision

The PSC is an independent and impartial body created by the Constitution, 1996, to enhance excellence in governance within the Public Service by promoting a professional and ethical environment and adding value to a public administration that is accountable, equitable, efficient, effective, corruption-free and responsive to the needs of the people of South Africa.

Mission

The PSC aims to promote the constitutionally enshrined democratic principles and values of the Public Service by investigating, monitoring, evaluating, communicating and reporting on public administration. Through research processes, it will ensure the promotion of excellence in governance and the delivery of affordable and sustainable quality services.

1.4   LEGISLATIVE MANDATE

The PSC derives its mandate from Sections 195 and 196 of the Constitution, 1996. Section 195 sets out the values and principles governing public administration, which should be promoted by the PSC. These values and principles are:

a. a high standard of professional ethics;
b. efficient, economic and effective use of resources;
c. a development-orientated public administration;
d. provision of services in an impartial, fair and equitable way, without bias;
e. responding to people's needs and encouraging the public to participate in policy-making;
f. accountable public administration;
g. fostering transparency;
h. the cultivation of good human resource management and career-development practices; and
i. a representative public administration with employment and personnel management practices based on ability, objectivity, fairness and the need to redress the imbalances of the past.

In terms of Section 196(4) of the Constitution, 1996, the functions and powers of the PSC are:

a. to promote the values and principles, as set out in Section 195, throughout the Public Service;
b. to investigate, monitor and evaluate the organisation, administration and personnel practices of the Public Service, in particular adherence to the values and principles set out in Section 195 and the Public Service procedures;
c. to propose measures to ensure effective and efficient performance within the Public Service;
d. to give directions aimed at ensuring that personnel procedures relating to recruitment, transfers, promotions and dismissals comply with the values and principles set out in Section 195;
e. to report on its activities and the performance of its functions, including any findings it may make and directions and advice it may give; and to provide an evaluation of the extent to which the values and principles set out in Section 195 are complied with; and
f. either of its own accord, or on receipt of any complaint,
    i.   to investigate and evaluate the application of personnel and public administration practices and to report to the relevant Executive Authority and Legislature;

ii. to investigate grievances of employees in the Public Service concerning official acts or omissions and to recommend appropriate remedies;

iii. to monitor and investigate adherence to applicable procedures in the Public Service; and

iv. to advise national and provincial organs of state regarding personnel practices in the Public Service, including those relating to the recruitment, appointment, transfer, discharge and other aspects of the careers of employees in the Public Service.

The Public Service Commission Act, 1997 provides for the regulation of the Public Service Commission with regard to:

a. the Constitution of the Public Service Commission;
b. appointment of Commissioners;
c. designation of the Chairperson and Deputy Chairperson;
d. conditions of appointment of Commissioners;
e. removal from office of Commissioners;
f. functions of the Commission (inspections, inquiries, etc);
g. rules according to which the PSC should operate;
h. the Office of the Public Service Commission; and
i. transitional arrangements with regard to service commissions (created under the Interim Constitution, 1994).

1.5   MANAGEMENT SYSTEMS

The Office of the Public Service Commission supports the PSC, with its Head Office in Pretoria and Regional Offices in each province. The OPSC is headed by a Director-General, who is the Accounting Officer. The work of the PSC is structured around six key performance areas as outlined in **2.1.2.2**. These areas are divided into line function branches*.

(i)   Branch: Leadership and Management Practices

This branch enables the PSC to promote sound Public Service leadership, human resource management, labour relations and labour practices.

(ii)   Branch: Monitoring and Evaluation

This branch enables the PSC to establish a high standard of service delivery, monitoring and good governance in the Public Service.

(iii)   Branch: Integrity and Anti-Corruption

This branch enables the PSC to undertake public administration investigations, promote a high standard of ethical conduct among public servants and contribute to preventing and combating corruption.

Corporate Services supports the three line function branches by rendering administrative services.

* *More information on the branches follows in Chapter 2 under Programme Performance.*

CHAPTER 2:
PROGRAMME PERFORMANCE

Main Appropriation   R 113 672 000

Statutory Appropriations

Responsible Minister   Minister for Public Service and
                       Administration

Administering   Office of the Public Service
Department   Commission

Accounting Officer   Director-General of the Office of the
                       Public Service Commission

2.1   THE PUBLIC SERVICE COMMISSION

The activities undertaken by the PSC during the period under review are discussed in this chapter according to each programme and sub-programme. In order to put into context the activities of the sub-programmes, a brief description of the aims and key objectives of Vote 9 (the Public Service Commission) is provided.

2.1.1   Aim of the vote

The aim of the PSC is to promote the Constitutional values and principles of public administration in the South African Public Service.

2.1.2   Key measurable objectives

The PSC's objectives are to promote and maintain effective and efficient public administration with a high standard of professional ethics. The core business of the PSC is to investigate, monitor, evaluate and advise on strategic Public Service issues. The PSC is a knowledge-based institution that produces research reports and renders advice which seeks to contribute towards a participatory and developmental Public Service.

2.1.2.1 Key objectives of the PSC

- Build professional ethics and risk management
- Investigate allegations of corruption
- Monitor and evaluate service delivery and improve its management
- Monitor labour relations and improve human resource management and development
- Promote sound institution-building in the Public Service.

2.1.2.2 Key performance areas of the PSC

- Leadership and human resource reviews
- Labour relations improvement
- Governance monitoring
- Service delivery and compliance evaluations
- Public administration investigations
- Professional ethics.

2.1.3   Summary of programmes

The activities of the PSC are grouped into four programmes: Administration; Leadership and Management Practices; Monitoring and Evaluation and Integrity and Anti-Corruption.

- **Administration** conducts the overall management of the PSC and provides centralised support services.
- **Leadership and Management Practices** enables the PSC to promote sound Public Service leadership, human resource management, labour relations and labour practices.
- **Monitoring and Evaluation** enables the PSC to establish a high standard of service delivery, monitoring and good governance in the Public Service.
- **Integrity and Anti-Corruption** enables the PSC to undertake public administration investigations, promote a high standard of ethical conduct among public servants and contribute to preventing and combating corruption.

2.1.3.1 Overview of the service delivery environment for the 2008/2009 financial year

This section provides an overview of the environment in which the PSC operated during the period under review. It includes an account of external developments that may have had a significant impact on the PSC's ability to deliver on its services and also provides a broad overview of the organisation's performance.

The PSC has continued to operate within the confines of limited resources. Therefore when the improved conditions of service for members of the Senior Management Service (SMS) was implemented with effect from September 2008, this further eroded the PSC's limited resources as it did not receive additional funding for this. To accommodate this increase, the PSC had to place a hold on the filling of some vacant posts and scale down on its research projects.

On the external front, the country, during the 2008/2009 financial year, has been undergoing intense preparations for hosting the 2009 FIFA Confederations Cup and the 2010 FIFA World Cup. Central to these efforts is the role of the Public Service and its interface with most of the processes relating to the hosting of these events. Given this centrality, the PSC found it necessary to monitor critical departments that have a key role in hosting these events. The PSC conducted site inspections at selected police stations in the 2010 host cities, and the individual reports reflect on the state of readiness of police stations in these cities to meet the increased service delivery demands of the South African public and the influx of tourists. The PSC has provided the South African Police Service (SAPS) with specific recommendations in this regard. It is expected that 1.3 million tourists will pass through our ports of entry, placing a huge increase on the workload of the Department of Home Affairs during the event. The PSC assessed the management of visa applications and port control processes in this department to facilitate the entry of visitors into the country.

The hosting of a mega-event such as the FIFA World Cup 2010, which involves massive resources and income generating opportunities, also poses risks of an increase in corrupt practices. It is against this background that the PSC continued to produce relevant research reports in the area of professional ethics and anti-corruption. The PSC produced reports on Financial Misconduct in the Public Service, the Employment of Persons with Criminal Records in the Public Service, and the State of Professional Ethics in the Limpopo Province. In addition, the PSC continued to manage systems designed to promote and strengthen integrity in the Public Service such as, the Financial Disclosure Framework for senior managers and the National Anti-Corruption Hotline. At the end of the 2008/2009 financial year, the PSC received 85% of all senior managers' financial disclosures. A sample of 30% of these disclosures was analysed by the PSC with a view to identify potential conflicts of interest of senior managers. Emanating from this analysis, a Report on the Management of Conflicts of Interest through the FDF was produced. The Report reflected that 21% of all senior managers that formed part of the sample may experience potential conflicts of interest between their private interests and their official responsibilities. Through this report, the PSC again highlighted the need for departments and the Executive to proactively identify potential conflicts of interest and to introduce measures to ensure that these do not become actual conflicts of interest.

The NACH remains a visible and proactive mechanism in the fight against corruption in the Public Service. An evaluation of its effectiveness, conducted by the PSC during the 2008/2009 financial year, found amongst others, that the successful investigation of cases reported through the NACH has already resulted in the recovery of R86 million from perpetrators. As a result of the successful investigation of cases, 81 officials were found guilty of misconduct. Of these cases, 15 officials were suspended, 25 officials were given final written warnings and 29 officials were dismissed. The PSC is of the view that these

positive results are only the beginning of what will be achieved through the NACH which has only been in existence for just over four years.

In our continued efforts to strengthen ties with our regional counterparts, the PSC played a pivotal role in the establishment and launch of the African Public Services Commissions, where the Chairperson of the PSC was appointed as the first President of the AAPSComs and the Office of the PSC as secretariat. The PSC also provided technical assistance to the Southern Sudan Civil Service Commission through a Memorandum of Understanding. Emanating from the PSC's interactions with the SSCSC, the Southern Sudan Employee Justice Chamber requested the PSC to assist them with training on handling of grievances, which was undertaken in March 2009. While important, the PSC's role in regional integration places an additional strain on its limited capacity.

2.1.3.2 Overview of the organisational environment for the 2008/2009 financial year

This section provides an overview of significant developments internal to the PSC that had the potential to impact on the PSC's ability to deliver on its strategic plan.

In its continued attempt to curb staff turnover, the PSC evaluated and subsequently upgraded all Assistant Directors posts from level 9 to level 10.

The new organisational structure, which consists of four programmes came into effect during the period under review. The realignment of the structure was to ensure that the PSC meets its strategic objectives more effectively. The Director: Finance and Procurement Management was appointed as the Deputy Director-General: Corporate Services in May 2008 and the Chief Director: Governance Monitoring was appointed as the Deputy Director-General: Leadership and Management Practices in August 2008, in the newly created programme.

During the period under review, six of the Com-missioners' term of office expired at the end of December 2008 and January 2009, namely Dr Eddie Bain, David Mashego, Mzwandile Msoki, Dr Nozipho Mxakato-Diseko, Phelele Tengeni and Paul Helepi. Commissioners Diseko, Tengeni and Helepi were re-appointed for a further five year term in office. During March 2009, Adv MJ Malahlela and Ms SS Nkosi were appointed as Commissioners based at Head Office whilst Mr S Mafanya was appointed as Commissioner in the Eastern Cape.

2.1.3.3 Strategic overview and key policy developments for the 2008/2009 financial year

This section gives an overview of key policy developments and legislative changes that had an impact on the PSC during the period under review.

Evaluation of Heads of Department

The PSC has continued to administer the evaluation of Heads of Department and in the last financial year revised its approach to overcome some of the problems experienced in dealing with individual HoD evaluations. An approach was piloted in the Western Cape which saw all eligible HoDs being evaluated by the same panel over a two-day period. This was highly successful, and ensured that performance was benchmarked and norms met. Based on this success, the PSC followed a similar approach at the provincial and national level, and this resulted in many more HoD evaluations being completed over a shorter period of time. However, the momentum was lost later in the year given the political changes that occurred. The PSC was still, however, able to complete several evaluations of HoDs where the Ministers had changed. It did this by soliciting the input of the former Ministers, who were in most instances willing to assist. A number of the evaluations that were scheduled to take place at the national level were however cancelled, due to the commitments of Executive Authorities (EAs) over the election period. The PSC is in the process of revising how

it approaches HoD evaluations in future, drawing from its international experience obtained through study tours, and the latest developments in this area.

Amendments to the Grievance Rules

Amendments to the Grievance Rules, 2003, which were published in September 2007 by the PSC in a Report on Grievance Trends in the Public Service, were forwarded to the Department of Public Service and Administration (DPSA) on 4 April 2008. As the employer, the DPSA is responsible for presenting possible amendments for negotiation at the Public Service Coordinating Bargaining Council (PSCBC). This however, did not materialise as the Executive Committee of the PSCBC, through which matters must be tabled at the Council, had not been operational since July 2008. It is expected that these amendments will be submitted for negotiation during the 2009/2010 financial year. Once the amended Grievance Rules have been agreed upon, the PSC will ensure that maximum awareness on the relevant amendments to the Grievance Rules is raised in the Public Service.

Since members of the SMS and HoDs do not fall in the scope of collective bargaining, and to give effect to amendments to the Public Service Act, the PSC is in the process of drafting Rules for dealing with the grievances of members of the SMS. Once approved, these draft Rules will be forwarded to the DPSA for inclusion in the SMS Handbook.

Amendments to Public Service Act

Amendments to the Public Service Act, 1994 through the enactment of the Public Service Amendment Act, 1997, came into effect on 1 April 2008. In terms of these amendments, the PSC may issue directives in terms of section 196(4)(d) of the Constitution regarding the personnel practices of appointments, promotions, dismissals and transfers. These directives must be implemented by the Executive and HoDs. In order to prepare

for its role in this regard, the PSC developed a protocol document on the issuing of directives.

Monitoring and Evaluation

During the 2008/2009 financial year, there was a stronger drive for coordination of monitoring and evaluation activities in the Public Service. In this regard, Cabinet approved that an M&E Coordination Forum comprising of government officials be formally constituted, with the responsibility to promote the alignment of all M&E work in government. The Forum is expected to, among others, ensure that any new transversal M&E System is aligned to those that are already in existence. The PSC participates in the Forum, and its transversal M&E System is one of the few functioning systems from which others can draw insightful lessons. The Forum provides an important opportunity to obviate a duplication of M&E efforts, a practice which, in the PSC's experience, also contributes to departments not always cooperating fully when approached with requests for monitoring data.

In order to enhance the usefulness of its M&E system, the PSC began to re-apply the System in departments it has evaluated previously. Such re-evaluation allows the PSC to compare the performance of a department against the outcome of its earlier evaluation, and to compare the performance of similar departments (for instance, all housing departments) against one another.

Service Delivery Assessments

The *Batho Pele* White Paper has continued to be the key guiding framework for improving service delivery and the year under review saw renewed efforts to deepen its implementation. In particular, a set of guidelines was launched on the appointment and role of *Batho Pele* Coordinators in government departments, an initiative which seeks to assist the departments in their efforts to mainstream the implementation of the *Batho Pele* policy. Considering that in its oversight reports the

PSC has consistently raised concerns about the lack of *Batho Pele* champions in departments, the appointment of *Batho Pele* Coordinators should be seen as a welcome initiative to take the Public Service forward. The introduction of *Batho Pele* Coordinators also provides another lever through which the PSC can advocate good practices in service delivery transformation.

In addition, under the overall supervision of the Governance and Administration Cluster of the Forum for South Africa's Directors-General, there was a continued focus on the development and submission of Service Delivery Improvement Plans (SDIPs) by departments. SDIPs are an important base for improved service delivery because they, among others, specify the services departments will provide and the standards that will be adhered to in offering these services. Credible SDIPs can also serve as an important launching pad for the PSC's oversight activities on service delivery transformation in the Public Service.

Strengthening the management of conflicts of interest through the Financial Disclosure Framework

The PSC has focused on a closer scrutiny of the financial disclosure forms of the more than 8 000 senior managers in the Public Service to assist the Executive Authorities to manage potential conflicts of interest. Given its limited resources, during the 2008/2009 financial year the PSC assessed a sample of 3 000 disclosures using the database of the Companies and Intellectual Property Registration Office of South Africa (CIPRO) to identify directorships in companies and the Deeds Register to identify the properties owned by senior managers. While these measures have been useful in identifying managers that did not disclose their directorships in companies or ownership of certain properties in their financial disclosures, and potential conflicts of interest, they are labour intensive and have high financial implications which have not been accommodated in the PSC's budget.

Managing conflicts of interest is critical in the fight against corruption, and government should provide the requisite resources to the PSC to strengthen the management of the FDF.

Implementing the National Anti-Corruption Programme of the National Anti-Corruption Forum

The PSC as secretariat of the NACF, a cross-sectoral body in the fight against corruption, was instrumental in the successful hosting of the third National Anti-Corruption Summit held during August 2008. At the Summit, a total of 32 resolutions were adopted supporting the theme of developing a National Integrity Framework for South Africa. As secretariat, the PSC has the responsibility, in consultation with the Implementation Committee of the NACF, to translate the resolutions into a National Anti-Corruption Programme with sector specific and cross-sectoral projects. Many of the resolutions and the resulting projects will require dedicated research capacity, which in most instances will have to be supplied by the PSC. The implementation of the NACP should be accorded a high priority by government and the PSC should be supported with the necessary resources to ensure that tangible outcomes are achieved through the NACP.

2.1.4 Collection of departmental revenue

An amount of R268 000 was collected for the period under review in the form of departmental receipts comprising commissions received from financial institutions on insurance premium deductions from employee salaries, capital repayments of study loans as well as conditional bursaries, parking fees and private telephone use.

2.1.5 Transfer payments

An amount of R35 000 was paid for membership fees to international organisations.

2.1.6 Conditional grants and earmarked funds

There were no conditional grants. An amount of R1.5 million was earmarked for information technology infrastructure.

2.1.7 Capital investment, maintenance and asset management plan

Capital assets to the value of R1.3 million and current assets to the value of R457 701 were procured in line with the OPSC's asset acquisition plan.

2.1.8 Notes on programmes

For ease of reference, each Chief Directorate in a branch (programme) will be considered as a sub-programme.

Ms Bontle Lerumo
Deputy Director-General

2.2 PROGRAMME 1: ADMINISTRATION

The **purpose** of this programme is to manage, organise and provide administrative support to the PSC and its Office.

The **measurable objective** of this programme is to provide logistical and management support through efficient human resources management, accountable financial management, effective communication and information technology services.

The programme is divided into three sub-programmes, namely: the PSC, Management and Corporate Services.

2.2.1 Sub-programme: Public Service Commission

Purpose

This sub-programme provides for the conditions of service of the 14 Commissioners appointed in terms of Section 196 of the Constitution, 1996.

Measurable objectives

The objectives and activities of the PSC are based on its Constitutional mandate and are presented in its business plan for each financial year.

The objectives and activities for the 2008/2009 financial year are discussed in detail under Programme 1: Administration, Programme 2: Leadership and Management Practices, Programme 3: Monitoring and Evaluation and Programme 4: Integrity and Anti-Corruption.

2.2.2 Sub-programme: Management

Purpose

This sub-programme handles the overall management of the OPSC. It comprises the Office of the Director-General and the heads of the three line-function branches, as well as Corporate Services.

Measurable objectives

By means of strategic direction, management and control, the OPSC ensures that the business plan of the PSC is executed in an effective way. In addition, it ensures that the PSC is correctly advised on all matters emanating from its Constitutional mandate.

2.2.3 Sub-programme: Corporate Services

Purpose

The main aim of this sub-programme is to provide corporate services to the PSC and its Office.

Measurable objectives

The activities of this sub-programme are structured to meet the following objectives:

- Implement and maintain sound human re- source management and development prac- tices
- Provide effective logistical support
- Ensure accountable financial administration and management
- Provide effective information technology services
- Provide effective communication and infor- mation services

2.2.3.1 Service delivery objectives and indicators

Sound financial management continues to be a hallmark in running the organisation. Year in and year out this is demonstrated in its unqualified audits, internal structures such as Budget and Pro- curement Committees, and its expenditure trends. In the year under review, the PSC has successfully spent 99.99% of its total budget allocation. However, the organisation must remain alert to effectively track and control assets, specifically information technology (IT) equipment. To this end, the PSC will conduct monthly spot checks and present quarterly reports to management.

During the period under review, the PSC has attempted to ensure that its research work contri- butes to sound public administration and reaches a wider audience through various communication tools such as the media, roundtable, discussions and exhibitions. Members of the Commission and management have advocated the work of the PSC through their continued engagement with stakeholders. The PSC has also effectively used its website to ensure its research reports on better

practise reaches the broader public, and such public access has been assisted by using the media as a conduit to expose the PSC's work to the citizenry. Through its appreciation of the significant work carried out on public participation, the PSC produced its external magazine, focusing on the theme: *Public participation – a key to effective service delivery*. With the variety of topics and viewpoints covered by external contributors in the magazine, the PSC hopes that the practice of involving citizens in governance will be entrenched amongst key role players in the Public Service. Although there is a growing awareness of the work of the PSC, a lot still needs to be done in terms of branding the organisation as a custodian of good governance in the minds of its stakeholders.

In terms of IT, the PSC successfully documented the business processes for the management of the FDF in order to develop an electronic database system. This will ensure effective and efficient use of Infrastructure Communication Technology (ICT) as an enabler to achieve business objectives. In order to enhance the network connectivity and IT security, the PSC upgraded its infrastructure by implementing the Virtual Private Network (VPN), which ensures a reliable connection for mobile users who wish to connect to the IT network of the PSC.

Human resource planning is key towards the success of an organisation. To this end, the PSC has compiled a Human Resource Plan covering the period 2008-2012 and submitted it to the DPSA. Furthermore, the PSC continued to do well in ensuring that vacant posts are filled timeously despite the PSC having placed a hold on the filling of some vacant posts during the last quarter of the 2008/2009 financial year. A marked improvement was made in the filling of posts at SMS level. The number of female employees rose from 116 in March 2008 to 118 in March 2009, and females represent 43% of the total staff compliment of SMS members. In addition, the PSC managed to employ six people with disabilities, which translated to 2.7% of the total staff compliment. The PSC has therefore exceeded the national target of 2% by 0.7%.

2.2.3.2 Service delivery achievements

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Performance as per workplan for 2008/2009				
Internal Audit	Implementation and revision of Risk Management Strategy	Effective and improved internal controls	March 2009	Risk Management Strategy was approved by the Audit Committee (AC) in March 2009
	Development and implementation of an Internal Audit Coverage Plan			3 year Audit Coverage Plan was approved by the AC in July 2008
				7 audits were conducted in line with the Internal Audit Coverage Plan
	Implementation and monitoring of Fraud Prevention Plan			Fraud Prevention Plan was approved by the AC in July 2008
	Effective participation in Audit Committee Meetings	Regular attendance of Audit Committee Meetings	March 2009	5 AC meetings were held
	Management of Gift Register	Maintained and updated Gift Register	March 2009	Gift Register was updated on a regular basis
Financial Management	Proper monitoring of expenditure against budget	Funds surrendered to the National Treasury do not exceed 2%	March 2009	Funds to be surrendered amounts to R15 857 which translate to 0.01% of the total budget allocation
		Regular Budget Committee Meetings		10 Budget Committee meetings were held
	Project budgeting and costing per project	Improved budget and expenditure management on projects	March 2009	15 projects were costed
	Financial reports that fairly and accurately present the financial position of the OPSC	Accurate recording of all financial transactions Clean Audit Report	March 2009	Clean Audit Report was received for the 2007/2008 financial year
Asset Management	Effective asset management	Adherence to Asset Management Policy	March 2009	Asset verification exercises were conducted at Head Office and the Regional Offices in July 2008, February and March 2009
		Maintained and updated asset register		Asset register was updated on a regular basis
	Implementation of the electronic system for bar coding and tracking of assets	Bar coded assets	September 2008	Bar coding system was implemented in September 2008

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Procurement Management	Implementation and monitoring of supply chain management	Adherence to procurement management	March 2009	Code of Conduct for supply chain management practitioners was approved in September 2008
		Service Level Agreements in place		9 Service Level Agreements were signed
Logistics Management	Implementation and monitoring of Logistics Policies	Adherence to Logistics Policies	March 2009	Records Management Policy was reviewed and approved in August 2008
				Transport and Travel Policies were reviewed and approved in September 2008
	Maintenance of filing and document tracking in head office and regional offices	Improved filing and document tracking	March 2009	Maintenance of filing and document tracking is ongoing
		Trained users on the filing system		No request for training was received
Property Management	Management of properties/physical properties	Timely renewal/procurement of office accommodation leases	March 2009	Lease agreements for 6 Regional Offices were renewed
		Rental and municipal levies paid		Payments were made on time
	Ensure proper maintenance of property	Problems identified and addressed	March 2009	An assessment of accommodation for Commission House commenced in November 2008
	Assessment of OPSC buildings for accessibility by people with disabilities	Audit conducted and recommendations implemented	March 2009	Audits were conducted in Head Office and 8 Regional Offices
				Report with recommendations was forwarded to the Department of Public Works in September 2008. Awaiting implementation of the recommendations
		Improved accessibility to OPSC buildings by people with disabilities		Assessed accessibility in 8 Regional Offices
Security Services	Installation of security systems	Upgraded security systems	March 2009	Security upgraded in the Eastern Cape Regional Office in December 2008
	Proper screening of visitors and documents			Screening of visitors and documents were conducted

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
	Implementation and monitoring of the Contingency Plan	Minimised risks and threats through effective and efficient handling of emergencies	March 2009	Fire Evacuation drill was conducted in October 2008 Implementation and monitoring of the Contingency Plan is ongoing
Communication and Information Services	Production and publishing of internal newsletter	Internal newsletter produced and distributed bi-monthly	March 2009	6 internal newsletters were compiled and distributed by March 2009
	Host Information Sessions	Information Sessions successfully held	March 2009	A Teambuilding and Information Session was held in September 2008. Another Information Session was held in December 2008
	Serve as secretariat to MANCO and OPSC's Strategic Planning Sessions	MANCO and OPSC Strategic Sessions held	March 2009	MANCO meetings were held in July and December 2008. Strategic Planning Session was held in December 2008
	Management of PSC intranet site	Content updated	March 2009	New look PSC intranet site was launched in May 2008 and content is updated regularly
	Management of printing requirements	Standardised PSC Reports	March 2009	All reports were standardised and printed timeously
	Production of promotional material	Promotional material with appropriate corporate identity procured	March 2009	Due to budgetary constraints, promotional material will be procured during the 2009/2010 financial year
	Production of PSC Annual Report	Annual Report compiled in line with Treasury Guidelines published and distributed	August 2008	The Annual Report for the 2007/2008 financial year was published in August 2008 and tabled in Parliament in September 2008
	Production of Annual Report to Citizens	Annual Report to Citizens compiled	August 2008	The report was approved in July 2008 It was also translated into Tswana and Xhosa in October 2008
	Management of media relations	Media liaison activities successfully coordinated	March 2009	3 media briefings were held and 10 media statements were issued
	Production of external magazine	External magazine published and distributed	March 2009	The external magazine was approved in February 2009
	Management of PSC website	Updated website	March 2009	Website is updated on a regular basis
	Provision of advocacy support to the PSC	Increased understanding and appreciation of the work of the PSC	March 2009	Participated in exhibitions and provided support during PSC events

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
	Annual Review of Section 15 Notice and Promotion of Access to Information Manual	Updated and published Section 15 Notice and Promotion of Access to Information Manual	March 2009	Access to Information Manual was reviewed and submitted to the Human Rights Commission in July 2008

The Section 15 Notice was reviewed and submitted to the Department of Justice and Constitutional Development in July 2008

The Access to Information Manual was translated into Afrikaans, Tswana, Xhosa, isiZulu and Sepedi |
| | Provision of online research support to line function

Purchase relevant Information Resource Centre material | Information Resource Centre equipped with relevant material | March 2009 | A book exhibition was held in September 2008 as part of celebrating the International Literacy Week

Research support and purchasing of library material is done as and when required |
| Information Technology | Installation of Cellular Least Cost Routing (CLCR) | Reduced cellular phone costs (Telkom-to-Cellular) | September 2008 | Cellular Least Cost Routing was piloted in September 2008

The project was cancelled as savings realised were found to be the same as the discount received from Telkom |
| | Implementation of the Virtual Private Network (VPN) Phase II | Improved network connectivity, security and productivity | December 2008 | VPN Phase II was completed in October 2008 |
| | Installation of Windows Vista and Office 2007 on all OPSC computers | Migration to Windows Vista and Office 2007 in line with Microsoft Enterprise Agreement | March 2009 | 98 officials were successfully migrated to Vista by March 2009 |
| | Assess ICT enablement of business processes in the OPSC | Developed strategic information plan for business processes | March 2009 | The User Requirement Specifications (URS) document was submitted for approval in February 2009

There was a delay in the approval of the project agreement between the PSC and the service provider |

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	**Actual**
	Automate Financial Disclosure Framework	Case management system in place	March 2009	The server for the FDF was procured in February 2009 The automation of the system will be operational in June 2009 as the original server crashed
	Management of Document Tracking and DG-Submission System	Train users on the Document Management Tracking and DG-Submission System	March 2009	Training of users is ongoing The DG-Submission System was implemented in July 2008 and is fully operational
	Promote effective use of Information and Knowledge Management (IKM) system	Maximum number of IKM users reached	March 2009	Enhancement has been completed, database updated and users are continuously using the system
	Re-design and development of the internet website	Re-designed internet website	March 2009	The testing of the re-designed internet website was completed in November 2008
	Maintain existing Electronic Library System	Improved usage of the electronic library system	March 2009	The maintenance of the library system is ongoing The abstracts for books were completed in September 2008
Human Resource Management	Implement, monitor and evaluate the effectiveness of the HR Plan	Skilled and competent workforce	March 2009	Implementation of the HR Plan is ongoing The HR Plan for 2008-12 was approved in September 2008 and submitted to the DPSA
	Review and implement Employment Equity targets	Revised EE targets to address employment equity matters	March 2009	The review of EE targets is ongoing. This is done by comparing targets achieved since April 2007 to date
	Development and implementation of the Retention Strategy	Retention Strategy in place Low staff turnover	March 2009	Currently no national policy/guideline that can be used for developing the strategy
	Employment of People with Disabilities (PWDs)	PWDs to comprise at least 2% of staff	March 2009	PWDs comprise 2.7% of the staff complement
	Employment of women in all management levels	Women to comprise at least 50% of staff employed at management level	March 2009	Women comprise 43% of the staff complement
	Implementation, monitoring and evaluation of effectiveness of HR delegations	HR delegations in place	March 2009	HR delegations in place

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	**Actual**
	Verify qualifications of employees	Qualifications of employees verified	March 2009	Verification undertaken before appointments are made
	Revision and implementation of HR Policies	Approved HR Policies	March 2009	6 policies were approved
	Development and training of the workforce	Skilled workforce	March 2009	29 officials were trained
	Placement of learners and interns in the OPSC	Skilled youth with workplace experience ready to enter the open labour market	March 2009	10 learners and 20 interns were placed
	Conduct Induction/Re-orientation Programme to all employees	Induction/Re-orientation Manual Well informed employees	March 2009	54 employees and 24 learners and interns were inducted
	Promote, monitor and evaluate Employees Wellness Programme (EWP)	Improved utilisation of EWP	March 2009	A Teambuilding and Information Session was held in September 2008 Voluntary Counselling and Testing (VCT) as well as Health Risk Assessment screening were held in 8 Regional Offices and VCT was conducted at Head Office in November 2008
	Commemoration of National and International Special events and programmes	Events hosted in line with the National Calendar of Events from the Presidency (Special Programmes)	March 2009	5 events were commemorated
	Effective implementation of EPMIS and PMDS	EPMIS and PMDS linked to the OPSC's objectives and applied in a sound, reliable and objective manner	March 2009	EPMIS Policy was reviewed and approved in January 2009
	Timely submission of workplans and performance agreements	Workplans and performance agreements submitted on time	March 2009	40 PAs and 163 workplans were submitted for the 2009/2010 financial year
	Half yearly assessment undertaken	Half yearly assessment conducted on time and feedback provided	October 2008	All half yearly assessments were undertaken
	Annual assessment undertaken	Annual assessments conducted on time and feedback provided	July 2009	The annual assessments for the 2008/2009 financial year will be conducted in July 2009
	Implementation and monitoring of service delivery standards	Approved Service Delivery Improvement Plan (SDIP)	January 2009	The SDIP for the 2008/2009 financial year is being implemented

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
	Compile the SDIP for 2009/2010	Approved SDIP	March 2009	The SDIP for the 2009/2010 financial year was approved in August 2008
	Management of discipline and grievances in the OPSC	Informed workforce on labour relations matters Compliance with labour relations prescripts	March 2009	7 Labour Relations Sessions were conducted • 1 grievance was finalised • 1 grievance was referred to the EA • 2 disputes lodged with the GPSSBC finalised • 1 disciplinary hearing was finalised
	Management of the efficient functioning of the OPSC Departmental Bargaining Chamber (DBC)	Consultations conducted with organised labour on matters of mutual interest	March 2009	11 DBC meetings were held

Mr Indran Naidoo
Deputy Director-General

Ms Balungile Mbanda
Chief Director

2.3 PROGRAMME 2: LEADERSHIP AND MANAGEMENT PRACTICES

The **purpose** of this programme is to promote sound Public Service leadership, human resources management, labour relations and labour practices.

The **measurable objective** of this programme is to improve Public Service labour relations, practices and policies, monitor the standard of Public Service leadership and evaluate human resource policies.

The programme is divided into two sub-programmes, namely Leadership and Human Resource Reviews and Labour Relations Improvement.

2.3.1 Sub-programme: Leadership and Human Resource Reviews

The quality of the administrative leadership of the Public Service is critical and influences the extent to which service delivery takes place. Given this relationship, it is imperative for senior managers, in particular HoDs, to be held accountable for the mandates of their departments. Since 2000 the PSC has been responsible for facilitating the evaluation of HoDs, and in the process has acquired extensive experience on the performance of HoDs and insights into departments. This in turn places the PSC in a unique position of having deep insights into the performance of the Public Service.

Underpinning performance and accountability of HoDs in the Public Service is an effective Performance Agreement. The PSC continues to advise Executive Authorities (EAs) and HoDs on the quality of PAs, and its usefulness as a performance management tool.

In addition, the PSC has also endeavoured to improve the manner in which Public Service departments manage their human resources. In this regard the PSC has conducted numerous studies on Public Service leadership and broader human resource issues with the aim of identifying and sharing best practices with government institutions at all levels.

Purpose

The main aim of this sub-programme is to promote a high standard of Public Service leadership and to encourage improvements in service delivery.

Measurable objectives

The main objectives of this sub-programme are to:

- Provide guidelines on the performance management of HoDs
- Facilitate the evaluation of national and provincial HoDs
- Advise EAs and HoDs on the quality of PAs
- Engage in research to promote and improve Public Service leadership
- Engage in research on strategic human resource issues

2.3.1.1 Service delivery objectives and indicators

In the period under review the PSC continued to finalise outstanding evaluations from the 2006/ 2007 performance cycle. There were 100 HoDs within the national and provincial departments who qualified to be evaluated during the 2006/2007 financial year. However, only 56 were evaluated, which represents a 56% compliance rate.

Furthermore, preparations were also made to conduct evaluations of all qualifying HoDs for the 2007/2008 financial year in terms of the HoD Evaluation Framework. The PSC published Guidelines for the 2007/2008 Evaluation Cycle during August 2008. A total of 27 out of 102 (26%) of all qualifying HoDs from both national

and provincial departments were evaluated for the 2007/2008 evaluation cycle by the end of March 2009. The PSC remains concerned about the high number of HoDs who qualified to be evaluated but were not evaluated in the relevant financial year.

In an attempt to improve compliance with the evaluation framework, the evaluations were scheduled according to clusters. This approach followed a successful pilot that was conducted during the evaluation of HoDs in the Western Cape, for both the 2006/2007 and 2007/2008 financial years. In terms of this approach, all HoDs belonging to the same cluster were evaluated within the same day using the same panel members. This ensured a common approach around norms and standards, and also expedited the process itself.

The PSC continues to monitor and evaluate the PAs of HoDs. A total of 27 HoDs in national departments filed their 2008/2009 PAs for monitoring and evaluation by the end of the financial year. Only 9 (33%) of the national HoDs PAs were received by 30 June 2008, as required by prescripts. A total of 70 HoDs in provincial departments had filed their PAs at the end of the financial year, with only 36 (51%) of the PAs being received by the end of June 2008. Clearly the compliance with the date for filing was not met, and this impacts upon the quality assessment that the PSC undertakes of PAs, and delays the overall evaluation process. To highlight the issues of compliance, the PSC produced a fact sheet on the submission of PAs which was presented to Cabinet and the Portfolio Committee on Public Service and Administration.

In order to develop the link between organisational and individual performance, the PSC developed an Organisational Performance Assessment template. The OPA seeks to measure departmental performance and provide organisational performance information to evaluation panels, thus improving the quality of information available to panel members. Based on the findings of the pilot, the tool has been improved and a founding document developed to guide the implementation of the OPA template.

As part of strengthening the role played by Public Service leadership in the acceleration of service delivery imperatives, the PSC continues to conduct research in this area with a view to providing information critical to improving the management of government departments. In this regard a number of reports were produced by the PSC. A report on the analysis of PAs as a performance management tool was published. This report sought to establish the extent to which the PA system assists departments in achieving their strategic objectives. This was followed by a report on the implementation of the PMDS for senior managers in the Northern Cape Province. The report established that overall there was non-compliance with the requirements of the PMDS.

The PSC produced a Report on an Audit of Selection Processes in the Selected National and Provincial Departments. Through this Report the PSC underscored the importance of effective selection processes in ensuring that the most suitable candidates are employed in the Public Service.

Furthermore, the PSC attended the launch of the first African Public Sector Human Resource Manager's Network (APS-HRMnet) in Arusha, Tanzania in February 2009. The workshop theme was *Capacity Building for Human Resource Development Policy and Strategy in the Public Service in Africa*. The Director-General, Ms OR Ramsingh, played a pivotal role in the establishment of this Network and was subsequently elected as the Deputy President of the Network.

2.3.1.2 Service delivery achievement

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Performance as per workplan for 2008/2009				
Leadership and Human Resource Reviews	Assess the state of HRM in the Public Service • Evaluate HRM • Develop a HRM Self Assessment Instrument to enable departments to assess the state of human resource management within their departments	Report with recommendations	December 2008	PSC EXCO approved that the finalisation of the report be extended to April 2009 as a result of a shift in methodology Report was finalised by the OPSC in March 2009 and submitted to the PSC for approval
	Respond to requests for *ad hoc* investigations into human resource practices in the Public Service	Departments advised on best practice in HR management	March 2009	No *ad hoc* requests were received
	Evaluate selection processes of selected national and provincial departments against best practice	Report with recommendations	July 2008	Report was finalised by the OPSC in August 2008 and approved by the PSC in September 2008. The report was published in November 2008 Delay was as a result of outstanding information from departments

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
	Comparative study on the management of career incidents of HoDs in the Public Service	Report with recommendations	March 2009	PSC EXCO approved that the finalisation of the Report be extended to June 2009 as the study tours to the United Kingdom and the Republic of Kenya only took place in September and November 2008. The information gathered from the study tours was used to inform the development of a questionnaire which was approved in January 2009 Draft report in progress
	Assess the implementation of Performance Management and Development System for senior managers in the Northern Cape	Report with recommendations	November 2008	Report was approved in November 2008. The report was published in February 2009
	Assess the effectiveness of Public Service leadership in the promotion of intergovemmental relations	Report with recommendations	March 2009	PSC EXCO approved that the finalisation of the Report be extended to April 2009 Report was finalised by the OPSC in March 2009 and submitted to the PSC for approval
	Analysis of performance agreements as a performance management tool	Report with recommendations	June 2008	Report was approved in December 2008. The report was published in March 2009 Delay was as a result of the additional international research undertaken to strengthen the findings of the study
	The HoDs performance agreements quality assured	All PAs filed assessed and advice given to EAs and HoDs Compliance report to Cabinet developed	March 2009	27 national and 70 provincial HoDs filed their performance agreements for the 2008/2009 financial year Fact sheet on the submission of PAs was finalised in August 2008

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
	The HoD evaluation process managed • Published Guidelines for the next evaluation cycle • All qualifying HoDs evaluated	The HoD evaluation process managed Guideline produced 28 national and 74 provincial HoDs	 August 2008 March 2009	 Guideline was published in August 2008 12 national and 15 provincial HoDs were evaluated for the 2007/2008 financial year. Not all qualifying HoDs could be evaluated due to unavailability of EAs
	Strengthening the HoD evaluation process	Implementation of the framework assessed and report produced	March 2009	Fact sheet was approved in October 2008
	The role of the PSC in the evaluation of the performance of HoDs (an internal position paper)	Internal discussion document developed Report with recommendations	October 2008	Internal discussion document has been incorporated as a chapter within the comparative study on the Management of Career Incidents of HoDs in the Public Service
	Founding document on organisational performance assessment	Departments performance evaluated	June 2008	Founding document was approved in August 2008 and published in September 2008 Delay was due to the need to source additional information
	Implementation of the Organisational Performance Assessment Framework	Report on the implementation of the Assessment	February 2009	Organisational instrument has been reviewed and the pilot has subsequently been extended into the next financial year
	Analysis of key Public Service leadership issues arising from deliberations of HoD Evaluation Panels	Report with findings and recommendations	May 2008	Report approved in March 2008. The report was published in August 2008

The PSC undertook two research projects that focused on areas of concern. Through such research the PSC monitors and evaluates key aspects of labour relations in the Public Service to assist departments and the Executive in improving employer-employee relations.

Purpose

The main aim of the sub-programme is to improve Public Service labour relations and management practices.

Measurable objectives

The main objectives of the sub-programme are to:

- Investigate grievances and complaints lodged by public servants and recommend appropriate remedies to national and provincial EAs
- Conduct investigative research into labour relations practices in the Public Service, and making recommendations

2.3.2.1 Service delivery objectives and indicators

During the period under review, the PSC received 654 grievances compared to 588 grievances for the 2007/2008 financial year. This is a 10% increase over the previous financial year. Of the 654 grievances received, 191 cases were finalised and recommendations made to departments. 281 grievances were referred back to departments on the basis of non-compliance with the Grievance Rules. In 98 cases, the grievances were resolved internally by departments. In 105 cases, the matters were closed due to the withdrawal of the grievance by aggrieved employees. As at 31 March 2009, 77 cases were pending due to incomplete information provided to the PSC. The non-compliance by departments to provide complete information or information on time remains problematic and accounts for the delays in the finalisation of grievances.

Ms Mmathari Mashao
Chief Director

2.3.2 Sub-programme: Labour Relations Improvement

The promotion of sound and fair labour relations in the workplace is an essential aspect of human resource management. Given the importance accorded to human resource management, which is seen as pivotal for effective public administration and service delivery, it is essential that grievances are well-managed. As part of its role in enhancing Public Service labour relations and management practices, the PSC has assisted departments to improve their capacity in managing grievances, held several bi-lateral meetings and conducted numerous sessions to enlighten departments on the importance of adherence to the grievance procedure. In addition, the PSC maintains a database of grievances referred to it, which serves for research purposes.

Chart 1 below depicts the status and number of grievances handled during the period under review.

Chart 1: Status and number of grievances handled for 2008/2009
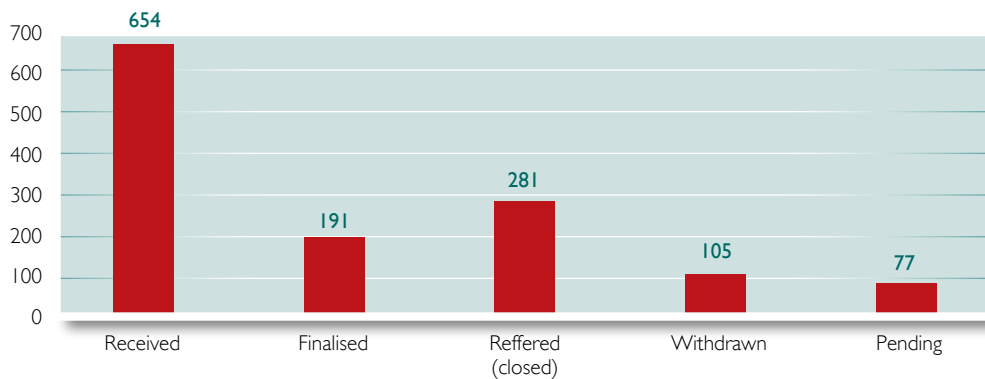
In **Chart 2** below, an overview of the nature of grievances is provided. Of the total number of 654 cases:

- 210 cases relate to salary problems
- 158 cases relate to performance assessments
- 131 cases were about unfair treatment
- 105 relate to the filling of posts
- 24 cases relate to disciplinary matters
- 21 cases were about non-approval of applications (such as leave applications)
- 3 cases could not be classified under the specified categories
- 2 cases relate to the undermining of authority.

Most of the grievances relate to issues of salary and performance assessments.

Chart 2: Nature of grievances for 2008/2009 financial year
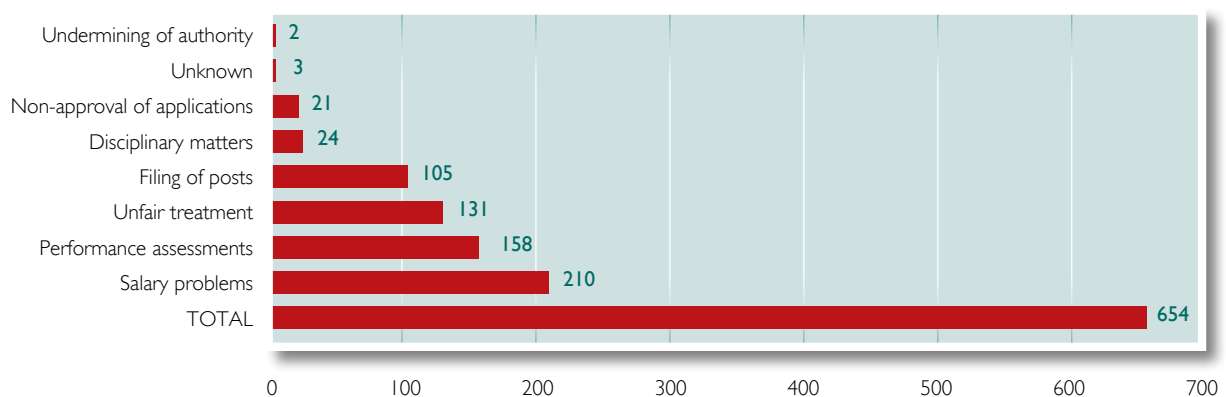
The PSC also categorised its data along the basis of gender and race. **Chart 3** below depicts that most of the grievances that were lodged by males (55%), with females comprising 40% of the aggrieved. The gender of the remaining 5% could not be established, as this information was not provided by departments and aggrieved employees.

Chart 3: Grievances lodged in terms of gender for the 2008/2009 financial year
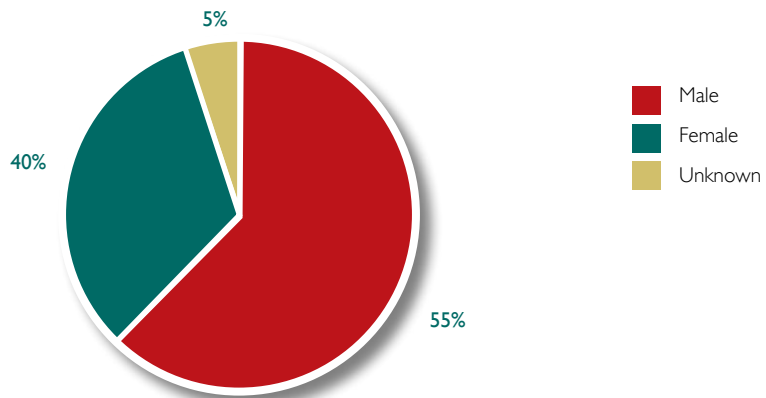
In **Chart 4**, a breakdown is provided in terms of the racial classification of aggrieved employees. It was found that 55% of the grievances were lodged by Africans, followed by Whites (21%), Coloureds (6%) and Indians (3%). The race category of the remaining 15% could not be verified due to incomplete information provided by aggrieved employees and departments.

Chart 4: Grievances lodged in terms of race for the 2008/2009 financial year
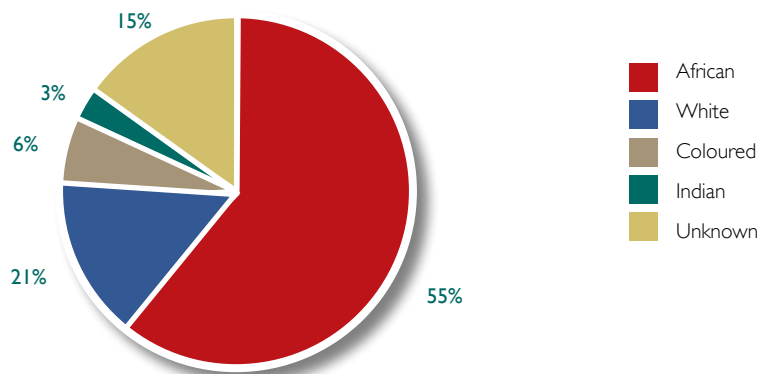
The PSC also considers complaints lodged in terms of its Rules for the Lodging of Complaints regarding the Public Service (Complaints Rules). This excludes those grievances that fall within the ambit of the formal grievance procedure and misconduct appeals of public servants. Despite this restriction, the PSC found that complainants still lodge complaints about unfair dismissals and disciplinary matters with the PSC.

There has been a steady decline in the number of complaints lodged. In the 2006/2007 financial year the PSC received 65 complaints, which fell to 40 during the 2007/2008 financial year, and then to 27 in the 2008/2009 financial year. **Chart 5** illustrates the breakdown of the status of the 2008/2009 cases, and it can be noted that of the 27 complaints received, 23 were finalised and only four cases were still pending.

Chart 5: Status of complaints received for the 2008/2009 financial year

Chart 6 below illustrates the nature of complaints received for the 2008/2009 financial year. Out of the 27 cases received, the majority related to unfair treatment (9 cases), followed by salary problems (6), disciplinary matters (5) and filling of posts (3). In 4 cases the nature could not be established, due to incomplete information provided by the complainants.

Chart 6: Nature of complaints received for the 2008/2009 financial year
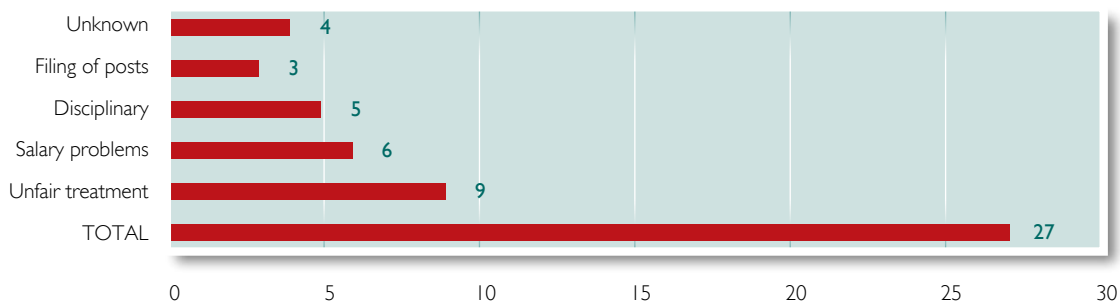
Chart 7 below depicts the complainants in terms of gender breakdown. From the total number of complaints received, 85% were lodged by males, while 15% were lodged by females.

Chart 7: Complaints lodged in respect of gender for the 2008/2009 financial year
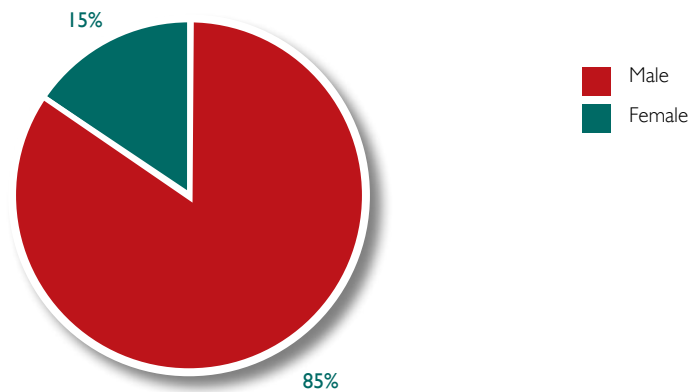
In **Chart 8**, the racial profile of complainants is provided. Most of the complainants were Africans (59%), followed by Whites (22%) and Coloureds (4%). The race of 15% of the complainants could not be verified due to incomplete information provided by complainants.

Chart 8: Complaints lodged in terms of race for the 2008/2009 financial year
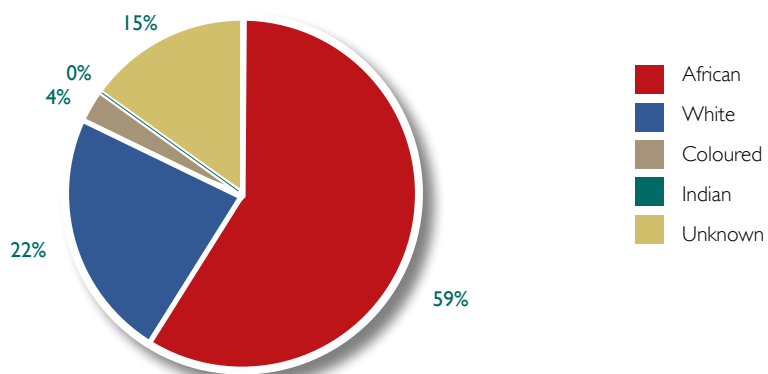
The PSC's continued investigation of grievances has led to the generation of monthly internal reports, with graphical analysis of grievance trends. These reports have placed the PSC in a position to identify problems with the current management of grievances. This has also assisted in the preparation for presentations and bilateral meetings held with departments.

The recommendations made by the PSC in the Report on Grievance Trends in the Public Service which was published in September 2007 were forwarded to the DPSA during the reporting period, for presentation to the PSCBC.

2.3.2.2 Service delivery achievements

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	**Actual**
Performance as per workplan for 2008/2009				
Labour Relations Improvement	Grievance and complaints management in the Public Service	Timely, accurate and quality submissions Backlog cleared	March 2009	The PSC received 654 grievances • 191 grievances were finalised, whilst 281 were referred back to departments due to non-compliance with the Grievance Rules • 105 grievances were withdrawn by aggrieved employees • 77 cases were pending due to incomplete information 27 complaints were received • 23 complaints have been finalised • 4 were pending due to incomplete information
	Six monthly reports on departmental grievance resolution	Timeous, accurate and quality six monthly reports produced	May 2008 November 2008	Two six monthly reports were finalised in May 2008 and December 2008, respectively Delay of second report was due to the late submission of reports by departments
	Monitoring implementation of PSC recommendations on grievances and labour relations complaints submitted to Executive Authorities	Report to the PSC on the implementation of the PSC's recommendations	March 2009	Report was approved in June 2008
	Trends analysis on grievance resolution in the Public Service	Report with recommendations	July 2008	Report was finalised by the OPSC in October 2008 and approved by the PSC in November 2008 Delay was due to a variation of the methodology
	Provide legal support to the PSC and the OPSC	Accurate advice and legal support to the PSC and the OPSC	March 2009	Advice and legal support was provided

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
	Assessment of PSETA in the development of skills and contribution towards employability of people	Report with recommendations	January 2009	PSC EXCO approved that the finalisation of the report be extended to April 2009 due to the unavailability of data and non-cooperation of respondents

Draft report in progress |
| | Preparations for hosting 2nd Biennial Labour Relations Conference conducted | Programme and documentation pack compiled | March 2009 | Conference theme and sub-themes were approved in March 2009 |
| | Report on the consistency of sanctions on misconduct in the Public Service | Report with recommendations | June 2008 | Report approved in June 2008. The report was published in August 2008 |
| | Establishment of the Association of African Public Service Commissions and other Service Commissions (AAPSComs) | Successful hosting of meeting | March 2009 | The meeting of Chairpersons of AAPSComs was hosted in April 2008 in Kampala, Uganda

Interim Presidency met in July 2008 in Nigeria

Launch of AAPSComs and the 1st General Assembly was held in Cape Town in February 2009 |
| | | Memorandum of Understanding (MoU) agreed and signed | | A MoU was signed at the meeting of Chairpersons held in April 2008

The Constitution was drafted and adopted at the 1st General Assembly of AAPSComs |
| | | Website approved | | The website was activated and passwords and user IDs were provided to the members

The website is updated with the latest developments |
| | | Registration form approved | | Registration form was approved in April 2008

Registration forms were completed by the founding members and other countries |

Mr Mashwahle Diphofa
Deputy Director-General

Mr Kobus van der Merwe
Chief Director

2.4 PROGRAMME 3: MONITORING AND EVALUATION

The **purpose** of this programme is to enable the PSC to establish a high standard of service delivery, monitoring and good governance in the Public Service.

The **measurable objective** of this programme is to improve governance and conduct service delivery assessments.

The programme is divided into two sub-programmes, namely: Governance Monitoring and Service Delivery and Compliance Evaluations.

2.4.1 Sub-programme: Governance Monitoring

Good governance is defined by the PSC as compliance with the values governing public administration in section 195 of the Constitution. The PSC has, therefore, put in place M&E systems and undertakes specific commissioned evaluations to establish the level of compliance with the values and principles of public administration. The evaluations focus, firstly, on the extent to which departments comply with the values and principles, and secondly on the progress made in providing better public services. The PSC's M&E work generates critical analyses and insights which the Legislatures and other stakeholders can use to assess the performance of the Executive and to hold them accountable. These analyses are also the main instrument for learning about what works and what does not, so that policies and systems can be adjusted to perform better.

Purpose

The main aim of this sub-programme is to promote good governance and improve governance practices in the Public Service.

Measurable objectives

The main objective of the sub-programme is to monitor and evaluate compliance with the principles governing public administration in selected government departments and selected government delivery programmes.

2.4.1.1 Service delivery objectives and indicators

During the reporting period, the PSC produced 25 evaluation reports, comprising 7 national and 18 provincial departments, through the application of the PSC's M&E System. Drawing from departmental M&E reports completed during the 2007/2008 financial year, the fifth Consolidated M&E Report was produced. The fifth Consolidated M&E Report did not only provide an overview of the overall performance of the individual departments that were evaluated, but also provided an assessment of the trend of adherence to the standards for each principle for the period 2000 to 2008. It was found that whereas the overall average performance of departments for the periods 2000 to 2005 and the 2006/2007 research cycle was almost the same (between 47% and 48%), a slight improvement in performance (55%) occurred in the 2007/2008 research cycle. This improvement is encouraging since it shows that departments are now beginning to attend to the most basic administrative practices required, to better enable them to improve service delivery and good governance.

The seventh edition of the State of the Public Service (SOPS) Report was produced under the theme: *The State of Readiness of the Public Service for 2010 and Beyond*. As in other years, the Report provides an overview of the performance of the Public Service in relation to the theme. The PSC believes that central to the readiness of the country to host the World Cup is an effective Public Service which has the necessary institutional capacity. This includes the capacity to ensure that, among others, there is properly maintained physical infrastructure, good transport, effective management of ports of entry, safety and security, and good health care.

Oversight reports such as the SOPS are important resources for public administration, and they should be responsive and relevant to the needs of their intended stakeholders. Against this background, the PSC has continued to engage with stakeholders on its products. A roundtable on the 2008 edition of the SOPS Report was held in June 2008, and it drew together academics, organised labour, departments, research institutions and others to reflect on the findings of the report. Given the usefulness of the roundtable, and in keeping with the recommendations made during the 2007 roundtable, in August 2008, the PSC held another roundtable on the 2008 SOPS in the Mpumalanga Province and in partnership with the Office of the Premier. This was the first time such a SOPS roundtable was held, and it facilitated focused province-specific discussions on the state of Public Service delivery.

The PSC's SOPS reports are a consolidation of different individual oversight reports which the PSC generates each year. These include the reports that emanate from the PSC's series of evaluations of government's poverty reduction programmes. As part of this series, the PSC completed an evaluation of the Integrated Sustainable Rural Development Programme. Drawing from its work in such evaluations, the PSC initiated a series of dialogues on poverty reduction strategies and interventions. Two such dialogues were conducted, namely on *Poverty and Women*, and on *Poverty, Access to Services and Xenophobia*. These dialogues highlighted important programme design and institutional issues that contributed to the poverty reduction debate. Through these dialogues, the PSC hopes that it will not only enhance its poverty reduction programme evaluations but also formulate points of action for government on important policy issues.

During the reporting period, the PSC also piloted meta-evaluation (defined as an evaluation of an evaluation) by completing a meta-evaluation of the

Expanded Public Works Programme (EPWP). It found that good evaluations are indeed available for this programme and that a solid evaluation base has been laid by the Department of Public Works.

As part of expanding its knowledge base on M&E, the PSC has participated in various international M&E activities. In this regard, a representative of the PSC presented a training course for the International Programme for Development Evaluation Training in June 2008. The PSC was also represented at a meeting of the Network of Networks on Impact Evaluation and the European Evaluation Association Conference in Lisbon in September 2008. Representatives of the PSC also attended the African Evaluation Association Conference in Cairo in March 2009.

2.4.1.2 Service delivery achievements

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	**Actual**
Performance as per workplan for 2008/2009				
Governance Monitoring	Roundtable on the critical review of the 2008 SOPS Report	Convene roundtable session	July 2008	First roundtable was held in Pretoria in June 2008 and a second in Nelspruit in August 2008 The second roundtable was an additional output to the workplan
	2009 State of the Public Service Report	Legislatures and departments receive an independent assessment of the state of governance	February 2009	Report was finalised by the OPSC in February 2009 and submitted to the PSC for approval
	Theme for the 2010 SOPS Report	Approved theme for the 2010 SOPS Report	June 2008	Theme was approved in September 2008 The approval of the theme was delayed due to the internal consultations that needed to take place before the final decision could be made
	Reports evaluating department's adherence to the Constitutional principles for public administration	Departmental reports identifying key findings, good practice and recommendations	January 2009	All 25 reports were finalised by January 2009
	Consolidated M&E Report for the 2007/2008 research cycle	Consolidated report presenting findings of departmental performance for period under review	July 2008	Report was finalised in June 2008 and published in July 2008
	Evaluation of the Integrated Sustainable Rural Development Programme	Report with recommendations	November 2008	Report was finalised by the OPSC in January 2009 and approved by the PSC in February 2009 The report was returned to the consultant for further work and this resulted in a delay

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
	Dialogue on Poverty Reduction Strategies and Interventions	Awareness created on poverty reduction strategies	October 2008	A dialogue was held in August 2008. An additional dialogue was held in November 2008
	Monitoring the implementation of PSC recommendations	Report with recommendations	February 2009	First report was approved in November 2008 and the second in March 2009 Processing of information for the second report was not completed timeously, and this resulted in the delay
	Impact assessment of the work of the PSC	Report with recommendations	February 2009	Report was finalised by the OPSC in March 2009 and submitted to the PSC for approval Problems in identifying a suitable service provider resulted in the delay
	A meta-evaluation of selected poverty reduction evaluation reports of departments	Report with recommendations	November 2008	PSC EXCO approved that the finalisation of the report be extended due to a delay in obtaining the necessary evaluation reports from the Department of Public Works Report was finalised by the OPSC in March 2009 and submitted to the PSC for approval
	Promoting M&E in the Public Service	Promotion of M&E	March 2009	The PSC presented a training course for the International Programme for Development Evaluation Training in June 2008 The PSC was represented at a meeting of the Network of Networks on Impact Evaluation and the European Evaluation Association Conference in Lisbon in September 2008 Representatives of the PSC attended the African Evaluation Association Conference in Cairo in March 2009

and promoting good governance. Citizens' involvement in governance processes ensures that their experiential and grounded perspectives inform government on their needs and how these needs can best be addressed. With the PSC's research suggesting that public participation by departments is implemented and managed in an *ad hoc* manner, the need to keep the oversight spotlight on the citizens engagement practices of departments is justifiable. Indeed, the recent protests on service delivery have acutely driven home the concerns around effective participation and the space for citizens' voices to be heard. These are clear signals that government cannot afford to take ''its eye'' off this fundamental priority.

Purpose

The main aim of this sub-programme is to promote improved service delivery through public participation and monitoring quality audits.

Measurable objectives

The main objectives of the sub-programme are to:

*   Conduct performance and management audits
*   Promote *Batho Pele* compliance
*   Assess the impact of the quality assurance assessment methodology
*   Plan, conduct and manage Citizen Satisfaction Surveys and Citizen' Forums
*   Monitor and investigate adherence to applicable procedures in the Public Service.

2.4.2.1 Service delivery objectives and indicators

Recognising that *Batho Pele* remains the central policy framework for transforming Public Service delivery, the PSC continued with its series of evaluations on the implementation of the individual principles of *Batho Pele*. As part of this series, the PSC undertook an evaluation of the implementation of the *Batho Pele* Principles of Courtesy and Information. This evaluation was the last in a series of evaluations on the progress departments have made towards the implementation of the eight *Batho Pele* principles in the Public Service.

Dr Dovhani Mamphiswana
Chief Director

2.4.2 Sub-programme: Service Delivery and Compliance Evaluations

South Africa is about to host the 2010 FIFA World Cup, which is one of the biggest sporting events in the world. The Public Service is the mechanism through which most services will be rendered during the event, as it remains the primary provider of services to citizens at large. Accordingly, during the year under review the PSC directed a significant section of its service delivery assessments towards the readiness of the Public Service to host the World Cup. The purpose of this focus was to ensure that through the recommendations that the PSC makes, the institutional infrastructure of the Public Service can be optimally leveraged to achieve a successful World Cup event.

In addition to a focus on the World Cup, the PSC continued to deepen its work in the promotion of citizen participation. An informed citizenry which actively participates in public policy making and implementation is critical for deepening democracy

The findings of the study on these principles suggest that departments' level of compliance with the implementation of the principles is largely inadequate.

Ultimately, the successful implementation of any of the *Batho Pele* principles can only count if there is visible improvement in the way the public experiences government's services. For some of these services, government is the only provider available, thus making it even more critical to have an effective service delivery machinery in place. One such service is the provision of visas and the management of ports of entry by the Department of Home Affairs (DHA). The Department has a critical role to play towards the successful hosting of the 2010 FIFA World Cup. The effectiveness and efficiency with which the DHA facilitates the entry into and the exit of visitors from the Republic of South Africa will be key in creating a positive perception amongst foreign visitors. Against this background, the PSC conducted an assessment of how the DHA manages ports of entry and the provision of visas.

Part of the above assessment involved conducting on-site inspections of selected ports of entry to see first-hand how they operate. Such inspections have become one of the PSC's key mechanisms of reinforcing accountability across the Public Service. Given its recognition of the value of this mechanism, the PSC also conducted inspections at SAPS, focusing on police stations as service delivery sites. Again, with the country hosting the 2010 FIFA World Cup, SAPS will play critical role in ensuring the safety and security of football fans, participating teams, citizens and property. Reports with findings and recommendations derived from the service delivery inspections were compiled and sent to the EA and the Acting National Police Commissioner for further intervention.

Furthermore, the PSC conducted a study aimed at assessing the provision of emergency medical services (EMS) provided by Departments of Health in their effort to support the 2010 FIFA World Cup. The study focused on EMS sites that are located in the 2010 FIFA World Cup host cities. The findings of the study show that levels of satisfaction vary from one EMS site to another and that in some EMS sites, there is reason to be concerned about readiness to support the World Cup.

2.4.2.2 Service delivery achievements

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Performance as per workplan for 2008/2009				
Service Delivery and Compliance Evaluations	Citizen Satisfaction Survey on the Emergency Services provided by the provincial Departments of Health	Report with recommendations	March 2009	Report was approved in March 2009
	Consolidated Report on Inspections in the Departments of Education	Report with recommendations	June 2008	The report finalised by the OPSC in June 2008, approved by the PSC in July 2008 and published in August 2008
	Service delivery inspections conducted in the SAPS	Report with recommendations	March 2009	9 individual inspection reports were approved in October 2008
	Assess public participation in selected departments	Report with recommendations	December 2008	Report was approved by the PSC in December 2008 and published in March 2009

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	**Actual**
	Support implementation of Citizens' Forums Toolkit	Executive and Legislatures are informed about the state of service delivery	March 2009	No requests for support were received from departments
	Evaluation of the implementation of the *Batho Pele* principle of Information	Report with recommendations	March 2009	Report was finalised by the OPSC in March 2009 and submitted to the PSC for approval
	Evaluation of the *Batho Pele* Principle of Courtesy	Report with recommendations	March 2009	Report was finalised by the OPSC in March 2009 and submitted to the PSC for approval
	Assess the delivery of Immigration Services by the Department of Home Affairs	Report with recommendations	December 2008	Report was finalised by the OPSC in December 2008 and approved by the PSC in January 2009
	Develop Quality Promotion Methodology (Governance Alert)	Report with recommendations	June 2008	Report was finalised by the OPSC in September 2008 and approved by the PSC in October 2008 During implementation it became necessary to split the project into two phases, each with its own report. The first phase required extensive consultations with other stakeholders, which caused a delay in the finalisation of the report The report of the second phase was approved in October 2008
	Develop and implement support programmes for targeted departments through the application of Governance Alert Instrument	Report on the application of Government Alert Instrument	March 2009	No request for support was received
	Coordinate the PSC's support to the Southern Sudan Civil Service Commission	Report on the nature and support provided to the Southern Sudan Civil Service Commission	March 2009	The report was approved in November 2008, covering a variety of support activities the PSC conducted for the SSCSC The PSC hosted a high level delegation from the Southern Sudan Employee Justice Chamber from 2 to 12 March 2009 where they received training on the handling of grievances and other labour relations issues

Mr Admill Simpson
Deputy Director-General

Ms Caroline Mampuru
Chief Director

2.5 PROGRAMME 4: INTEGRITY AND ANTI-CORRUPTION

The **purpose** of this programme is to enable the PSC to undertake public administration investigations, promote a high standard of professional ethical conduct amongst public servants and contribute to preventing and combating corruption.

The **measurable objective** of this programme is to combat corruption and maladministration, and promote professional ethics in the Public Service.

The programme is divided into two sub-programmes, namely: Public Administration Investigations and Professional Ethics.

2.5.1 Sub-programme: Public Administration Investigations

The PSC continues to be a key role player in the promotion of integrity in the Public Service. It has introduced various mechanisms aimed at the prevention and combating of corruption and the promotion of professional ethics. In its endeavours to prevent and combat corruption and maladministration in the Public Service, the PSC has introduced access mechanisms through which public servants and members of the public can report corruption, namely the PSC's Complaints Rules and the NACH. The PSC also conducts investigations of own accord and produces research reports reflecting on the management of specific public administration practices. Such research reports do not only provide valuable

information to Parliament and the Provincial Legislatures in performing their oversight responsibilities, but also serves as vehicles through which best practice is promoted in the Public Service.

Investigative capacity within the PSC is limited and there are increasing demands being made on the PSC to respond to requests for investigations through the Complaints Rules and the NACH. The pressure on the PSC to investigate complaints has been exacerbated through the introduction of the NACH as callers, in addition to reporting corruption, make use of the toll-free number to complain about issues such as poor service delivery and labour relations. The PSC has a responsibility to investigate such complaints and to provide feedback to the callers. Given the demands on the PSC it has had to adapt its methodology in conducting investigations by limiting it largely to desktop investigations. This approach has limitations in that the PSC is dependent on departments for the provision of the necessary documentary evidence which in many instances are not provided timely. In order to maintain the credibility of the access mechanisms created, investigative capacity within the PSC would have to be bolstered.

Purpose

The main purpose of this sub-programme is to undertake audits and investigations into public administration practices.

Measurable objectives

The main objectives of the sub-programme are to:

- Investigate public administration practices and make recommendations to departments
- Undertake forensic audits and investigations into public administration practices
- Monitor and evaluate financial misconduct cases and maintain a database

2.5.1.1 Service delivery objectives and indicators

The PSC continued to actively pursue the promotion of good governance by conducting a number of audits and investigations into public administration practices. The investigations emanated from complaints lodged with the PSC, and requests from, among others, EAs, public servants and whistle-blowers. The complaints received predominantly related to maladministration, irregularities regar-ding human resource and procurement practices.

The PSC cannot predict the number of requests for investigations into public administration practices and must frequently reprioritise its workplan to accommodate priority cases referred to it. In the past year, an increase in the demand for investigations was experienced. As at 31 March 2009, a total of 186 complaints/requests for investigations were received as compared to the 150 received during the previous financial year. **Chart 9** which follows provides an overview of the status of the 186 cases lodged with the PSC.

Chart 9: Status of complaints lodged with the PSC in terms of the Complaints Rules
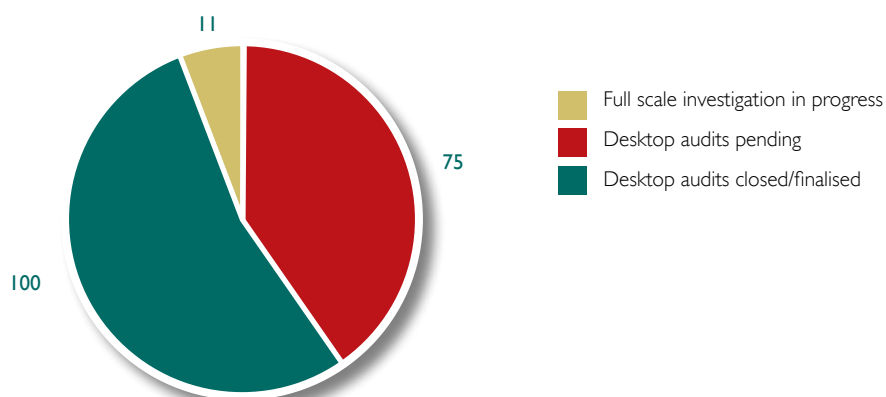
The above figure indicates that of the 175 desktop audits handled, 75 (42,8%) cases are still pending as a result of outstanding documents requested from departments in order to finalise investigations as well as comments being awaited on reports submitted to departments and EAs. One hundred (57,1%) cases have been closed/finalised and where applicable, findings and recommendations were provided to EAs. The remaining 11 (5,9%) cases were conducted as full scale investigations. **Table 1** below reflects the names of the departments and the nature of full scale investigations that were in progress.

Table 1: Details of full scale investigations in progress during the 2008/2009 financial year

Department	Nature of investigation
Department of Health: Eastern Cape	Investigation into allegations of irregularities at the East London Hospital
Department of Economic Affairs, Environment and Tourism: Eastern Cape	Investigation into allegations of irregularities against the Ministerial Executive Council (MEC) and staff of the Department
Department of Safety and Liaison: Eastern Cape	Investigation into allegations of irregular appointments
Department of Education: Eastern Cape	Investigation into allegations of irregularities
Department of Health: Gauteng	Investigation into irregularities at the Folateng Wards at the Johannesburg Hospital
Department of Health: Gauteng	Investigation into allegations of irregular employment and labour relations practices
Department of Sport and Recreation: KwaZulu-Natal	Investigation into allegations of corruption and irregularities
Department of Arts, Culture and Tourism: KwaZulu-Natal	Investigation into allegations of corruption and irregularities
Department of Sports, Arts and Culture: Limpopo	Investigation into allegations of maladministration
Department of Communication	Investigation into allegations of irregular promotions
Department of Public Works	Investigation into allegations of irregular filling of posts, awarding contracts, disposal of land and foreign travel

Since the inception of the NACH, 1 348 service delivery cases were lodged, of which 208 were received during the period under review. **Chart 10** below provides an overview of the status of the 1 348 cases lodged with the NACH.

Chart 10: Number of complaints lodged with the PSC in terms of the NACH
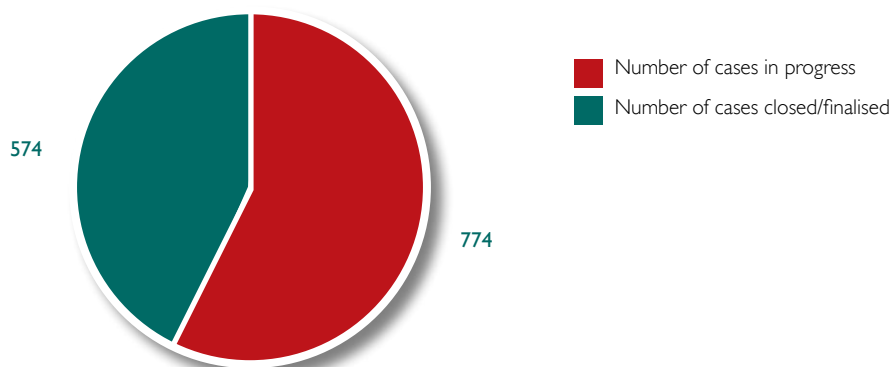
The above figure indicates that of the 1 348 complaints lodged with the NACH since its inception, 774 (57,4%) cases are still pending as a result of outstanding documents requested from departments in order to finalise the investigation. 574 (42,6%) have been closed/finalised and where applicable, findings and recommendations were provided to the EAs. Departments are required to provide feedback on the progress and outcome of the cases referred to them to enable the PSC to conduct an analysis and pronounce on its findings and make recommendations.

A Monitoring Fact Sheet on Complaints Lodged with the PSC during the 2007/2008 Financial Year was also published. The aim of the Fact Sheet was to provide a synopsis of the number of complaints lodged during the 2007/2008 financial year, their origin, nature and status. The Fact Sheet indicates a decrease in the number of complaints lodged with the PSC in terms of the Complaints Rules as well as the NACH in respect of the 2007/2008 financial year.

In addition to investigations, a number of research projects and investigations focusing on public administration practices were conducted. As custodian of good governance, the PSC prides itself on its promotion and monitoring of the efficient, economic and effective use of resources. An important recognised research tool in this regard is the annual overview of financial misconduct in the Public Service by the PSC since the 2001/2002 financial year. The increased transparency through the PSC's reports and overviews on financial misconduct provides a means to encourage better financial management, administration and public accountability. The Report on the 2007/2008 financial year provides information on finalised financial misconduct cases reported to the PSC in terms of the Public Finance Management Act, 1999 and illustrates new trends in financial misconduct emerging within the Public Service. Part of the annual overview of financial misconduct in the Public Service during the period under review consisted of data verification by the PSC. This verification was conducted in a number of selected departments in order to improve data integrity and provide guidance to officials responsible for the completion of the PSC's reporting format on financial misconduct cases.

The PSC noted that there is limited policy direction in the Public Service regarding the recruitment of persons with criminal records and that departments may not be aware of their responsibilities in managing such appointments. In this regard, the PSC deemed it appropriate to conduct an investigation into the matter. The investigation determined, amongst others, how job applicants with a criminal record are managed by departments and provided strategic direction in this regard. Inconsistencies in the approach adopted by departments were found and reported on. Of particular concern to the PSC, is that a large number of departments do not conduct any pre-employment screening at all.

2.5.1.2 Service delivery achievements

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Performance as per workplan for 2008/2009				
Public Administration Investigations	Investigation of complaints lodged and requests emanating from: • The Commission (proactively) • Legislatures • Executive Authorities • Public servants • Anonymous complaints/whistle-blowing, e.g. NACH	Number of reports with recommendations produced Recommendations implemented Best practices are identified and promoted Number, quality and timeliness of reports	March 2009	Full scale investigations: • 11 full scale investigations were in progress Desktop investigations: • 175 complaints were dealt with by the PSC. Of these, 87 were lodged since 1 April 2008 whilst 88 complaints were carried over from the previous financial year • 75 complaints were being investigated • 100 complaints were finalised NACH cases (not corruption related): • 208 NACH were received during the 2008/2009 financial year • 129 cases were closed
	Analysis of trends in complaints lodged with the PSC	Fact Sheet on complaints lodged with the PSC	June 2008	Fact Sheet was approved in July 2008. It was published in September 2008 Finalisation of the fact sheet was delayed due to reprioritisation of work as a result of staff shortages

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	**Actual**
	Report on financial misconduct	Report with recommendations	January 2009	Report was finalised by the OPSC in December 2008 and approved by the PSC in January 2009
	Report on the management of job applicants with a criminal record	Report with recommendations	January 2009	Report was approved in December 2008
	Compile a report on the evaluation of supply chain management practices into the procurement of goods and services in selected departments focusing on general payments within the R200 000 threshold	Report with recommendations	July 2008	PSC EXCO approved that the finalisation of the report be extended to April 2009 due to inadequate donor funds and lack of cooperation from departments resulted in a delay in finalising the report

Mr John Mentoor
Chief Director

2.5.2 Sub-programme: Professional Ethics

Public servants are expected to display professionalism in their conduct, their relationship with the public and in their performance of duties. As such, a public servant's behaviour must be above reproach, characterised by honesty, integrity, courtesy and always in the public interest. It is only through such behaviour that integrity and professional ethics can be imbued in the Public Service. Against this background the PSC has continued to promote transparency, accountability and integrity in the Public Service. During the 2008/2009 financial year, the PSC has promoted these values through its management of the FDF, the NACH and through professional ethics research.

Purpose

The main aim of this sub-programme is to establish a culture of professional and ethical behaviour in the Public Service.

Measurable objectives

The main objectives of the sub-programme are to:

- Research and evaluate professional ethics and corruption prevention
- Monitor and raise awareness of conflict of interest issues among managers and manage the FDF
- Manage the NACH for the Public Service

2.5.2.1 Service delivery objectives and indicators

During the year under review, the PSC continued with its provincial approach to evaluate professional ethics in the Public Service. In this respect, an assessment of the state of professional ethics in the Limpopo Provincial Government was conducted. As in the case with similar assessments conducted in the Free State and KwaZulu-Natal, it was found that there is a distinct lack of investigative capacity in provincial departments in Limpopo.

The PSC's role in promoting integrity and professional ethics is not limited to the Public Service alone. As secretariat to the NACF, an anti-corruption coalition that promotes dialogue and collective action against corruption amongst the different sectors of the South African society, the PSC was instrumental in the hosting of the third National Anti-Corruption Summit during August 2008. A total of 32 resolutions were adopted, in support of the development of a National Integrity Framework for South Africa.

In order to ensure an integrity driven Public Service, a key element that has to be addressed is the management of conflicts of interest of public

servants. The PSC has therefore placed huge emphasis on the management of the FDF for senior managers and has developed Rules in this regard with a view to assist departments, EAs and the PSC in pro-actively identifying potential conflicts of interest and to manage these appropriately. Financial disclosures are submitted by members of the SMS in April of each year to their EAs in respect of financial interests gained in the previous financial year. As reflected in **Table 2** below, 85% of all disclosures were received by 31 March 2009 and 1 278 (15%) forms were outstanding from provincial and national departments. The compliance rate was 90% for provinces and 80% for national departments.

Table 2: Number of Financial Disclosure Forms received and outstanding for the financial year: 2007-2008

National department/ Province	No. of SMS members	No. of forms received	No. of forms outstanding	Percentage received
National Departments	4 328	3 472	856	80%
Eastern Cape	548	450	98	82%
Free State	375	351	24	94%
Gauteng	885	774	111	87%
KwaZulu-Natal	684	523	161	76%
Limpopo	459	454	5	99%
Mpumalanga	264	241	23	91%
Northern Cape	181	181	0	100%
North West	298	298	0	100%
Western Cape	388	388	0	100%
Overall Provincial Submission	4 082	3 660	422	90%
Country Average	8 410	7 132	1 278	85%

The PSC has also produced a Report on the Management of Conflicts of Interest through the FDF which reflected on a sample of thirty percent (30%) of the disclosure forms received for the 2007/2008 financial year (2 036). This sample included the Western Cape, Eastern Cape and the Limpopo provincial departments and ten national departments were also included as part of the sample. The PSC identified 422 senior managers that may have potential conflicts of interest between their private interests and their official duties. This total represents 21% of the sample that was scrutinised. The fact that 21% of all senior managers that formed part of the sample may experience potential conflicts of interest illustrates the importance of a system such as the FDF as a mechanism to prevent corruption. Through the identification of the potential conflicts of interest departments are able to manage the risks associated with the conflicts of interest and ensure that it does not become an actual conflict of interest.

A further key instrument in promoting integrity in the Public Service continues to be the NACH which provides a "one stop" mechanism for whistle-blowing for members of the public to report acts of corruption. In addition to providing a mechanism for the safe and anonymous reporting of corruption, it also creates opportunities for different role-players (e.g. departments) to co-operate more efficiently in receiving and investigating cases of alleged corruption. Various forms of allegations of corruption are being reported to the NACH. These include fraud, bribery, abuse of school funds, social grant fraud and nepotism. Since the inception of the NACH there has been a significant increase in the number of cases reported to the NACH as reflected in **Table 3**.

Table 3: Cases of alleged corruption reported on the NACH as at 31 March 2009

Cases referred to departments	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009	TOTAL
Provincial departments	391	495	565	747	825	**3 023**
National departments	204	527	542	652	824	**2 749**
Public bodies	3	8	19	68	103	**201**
TOTAL	**598**	**1 030**	**1 126**	**1 467**	**1 752**	**5 973**

Of the 1 752 cases referred during the 2008/2009 financial year, only 41 have been closed on the Case Management System of the NACH following investigation, illustrating the validity of the PSC's concern regarding investigation capacity in departments. In addition to the increase in the volume of calls, nine public entities have requested to join the NACH. Should the hotlines of these public entities merge with the NACH, the volume of cases reported to the NACH will increase immeasurably and the capacity of the PSC to manage the NACH will have to be increased.

During the 2008/2009 financial year, the PSC conducted research to measure the effectiveness of the NACH. The research found that departments are experiencing problems with the handling and investigation of NACH cases. These problems appear to be linked to a lack of investigative capacity and the fact that departments do not have appropriate structures or specialised units to deal with cases of alleged corruption as required by the Minimum Anti-Corruption Capabilities as set out by Cabinet. The PSC is concerned that adequate financial and human resources are not allocated to combat and prevent corruption by departments and their political principals.

2.5.2.2 Service delivery achievements

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Performance as per workplan for 2008/2009				
Professional Ethics	Manage assets register	Monitoring compliance to financial disclosure framework	March 2009	As at 31 March 2009, a total of 7 132 forms (85%) were submitted and 1 278 forms (15%) are outstanding
	Develop a fact sheet on compliance	Fact sheet with recommendations	July 2008	Fact Sheet on compliance was approved in July 2008 and published in September 2008
	Disclosure forms scrutinised for conflicts of interest	Advice to EA provided	March 2009	Advice was provided to one EA
	Overview of the implementation of the Financial Disclosure Framework	Report with recommendations	October 2008	Report was submitted to the PSC for approval in March 2009
				Delay as a result of additional research conducted, which was initially not part of the report

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
	Management of the National Anti-Corruption Hotline	Timeous and accurate referral of allegations received from whistle-blowers to departments	March 2009	1 752 cases of alleged corruption were referred in line with agreed protocols to departments
	Conduct workshops to facilitate the effective implementation of the NACH	Workshops held	March 2009	A total of 9 workshops were held
	Bi-annual assessment of the effectiveness of the NACH	Report with recommendations	October 2008	Report was approved in November 2008. The report was published in January 2009

Delay was a result of incomplete information submitted by departments |
| | Development of an Integrity Barometer | Consultations undertaken

Concept document on Integrity Barometer | December 2008 | PSC EXCO approved that the finalisation of the report be extended to April 2009. The lack of good practice examples has delayed the finalisation of the concept document

The first draft was produced in December 2008 but is in the process of being reworked to incorporate further information gathered through research |
| | Evaluate the state of professional ethics in Limpopo Province | Report with recommendations | January 2009 | Report was approved by the PSC in January 2009 |
| | Serve as secretariat to the National Anti-Corruption Forum | Successfully arrange meetings

Accurate minute taking

NAP projects successfully co-ordinated and implemented | March 2009 | 2 Implementation Committee, 2 EXCO and 1 NACF meetings were held

The NACF decided that the report of the third National Anti-Corruption Summit would serve as the NACF report for 2007/2008. This report was published in December 2008 |

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
	Establish a joint research initiative to evaluate the implementation by the Executive of resolutions made by Parliament and its committees pertaining to corruption	Report with recommendations	July 2008	PSC EXCO approved that the finalisation of the report be extended to April 2009

Delay due to the non-cooperation of some departments which had to be summonsed to a special inquiry in order to obtain the required information

Report was finalised by the OPSC in March 2009 and submitted to the PSC for approval |
| | Hosting the third National Anti-Corruption Summit | Successfully arrange third National Anti-Corruption Summit | May 2008 | The Summit was hosted in August 2008. The Summit's postponement was as a result of sectors not agreeing on a date to host the Summit |
| | Produce Summit Report | Accurate report with decisions and resolutions of the Summit produced | August 2008 | Report was approved in October 2008. The report was published in December 2008

Delay was as a result of the postponement of the Summit to August 2008 |
| | Intensify ethics awareness in the Public Service | Promotional material produced | March 2009 | Successfully hosted International Anti-Corruption Day in conjunction with the United Nations Organisation against Drugs and Crime and the University of South Africa in December 2008. Various promotional material were distributed at the Special Roundtable on International Anti-Corruption Day |
| | | Workshops held | March 2009 | 9 workshops on the NACH were held |

CHAPTER 3:
HUMAN RESOURCE
MANAGEMENT SUPPORT

In compliance with the requirements in terms of Section 40 (1)(d)(i) of the Public Finance Management Act, 1999, read in conjunction with the Public Service Regulations Chapter 1, Part 111, paragraphs J.1 to 4, this Chapter provides the statistics and information relating to the management of the Office of the Public Service Commission.

3.1 SERVICE DELIVERY

The PSC developed its Service Delivery Improvement Plan for the 2008/2009 financial year which is accessible on the PSC website (www.psc.gov.za). The following tables reflect the components of the SDIP as well as progress made in implementing the plan:

Ms Bontle Lerumo
Deputy Director-General

Table 1.1 - Main services provided and standards

Key services	Clients	Current standard	Actual achievement against standards
Conduct research on labour relations issues and investigate grievances of public servants	Government departments	Report with findings and recommendations finalised	Reports on the Grievance Trends in the Public Service and on the Evaluation of Consistency of Sanctions Imposed for Misconduct in the Public Service have been published
		80% of all referred grievances finalised within three months from date of receipt of all relevant documentation	The PSC received 654 grievances. However, 281 (43%) cases were referred back to departments due to non-compliance with the Grievance Rules. 191 cases were finalised by the end of the financial year. In 105 cases, the aggrieved employees withdrew their grievances before they could be finalised. A total of 77 (13%) cases were pending due to incomplete information provided by departments

Key services	Clients	Current standard	Actual achievement against standards
Investigate irregular or inefficient public administration practices	Government departments The Executive Portfolio Committees Provincial Legislatures Academia Non-governmental organisations	80% of investigations finalised within three months from the date of receipt of all documents	100 desktop audits were closed/finalised and 11 full scale investigations were in progress. Some investigations exceeded the 3 month period due to poor feedback from departments 208 service delivery related complaints were received through the NACH during the financial year. 129 cases were finalised during the financial year, which include cases that were carried over from the previous financial year (2007/2008)
		Report with findings and recommendations finalised	The Fact Sheet on Complaints Lodged with the PSC, the Management of Applicants with a Criminal Record and the Report on Financial Misconduct for the 2007/2008 Financial Year were finalised. The Report on the Evaluation of Supply Chain Management Practices into the Procurement of Goods and Services in selected departments focusing on general payments within the R200 000.00 threshold is being compiled
Establish a culture of professional behaviour in the Public Service	Executives Government departments Legislatures Complainants	Provide professional secretarial support to the National Anti-Corruption Forum	The PSC provided secretarial services to the NACF. Two NACF Implementation Committee, two EXCO and one NACF meetings were held
		Manage the extent of compliance to the Financial Disclosure Framework by members of the SMS	An 85% compliance rate from departments with regards to the FDF was achieved
		Management of the National Anti-Corruption Hotline	In terms of the NACH, 1 752 cases of corruption were referred to departments in terms of the agreed protocols
		Successful hosting of workshops and report on proceedings	Seven workshops were held with provincial administrations on the management of the NACH
		Revise Code of Conduct and gazette in the Public Service Regulations	Seven workshops were held to promote the Code of Conduct
		Awareness created on professional ethics and anti-corruption	Hosted a roundtable to celebrate International Anti-Corruption Day and also distributed anti-corruption promotional material during the celebration
Review the implementation of human resource practices through production of research reports and recommendations	Executives Government departments Legislatures Complainants	Report with findings and recommendations finalised	Report on Audit of Selection Processes in Selected National and Provincial departments was produced

Key services	Clients	Current standard	Actual achievement against standards
Evaluation of departments against the values listed in section 195 of the Constitution	Government departments The Executive Parliament Provincial Legislatures The public domain (academics, civic society organisations)	Reports with findings and recommendations finalised	Twenty five departmental M&E reports focusing on how departments complied with the Constitutional values and principles of public administration were compiled A fifth Consolidated Public Service M&E report was produced
Evaluation of the State of the Public Service	Government departments The Executive Parliament Provincial Legislatures The public domain	Report with findings and recommendations finalised	The SOPS Report 2009 under the theme: *The State of Readiness of the Public Service for 2010 and beyond* was finalised
Evaluation of the success of identified government programmes	Government departments The Executive Parliament Provincial Legislatures The public domain	Reports with findings and recommendations finalised	An evaluation of the Integrated Sustainable Rural Development Programme was completed Two dialogues on Poverty Reduction Strategies and Intervention were conducted with stakeholders
Evaluation of service delivery	Government departments The Executive Portfolio Committees Provincial Legislatures Academia Non-governmental organisations	Reports with findings and recommendations finalised	Inspections were conducted at selected police stations and reports were finalised Two evaluations on the implementation of the *Batho Pele* Principles of Information and Courtesy were undertaken. Reports based on the evaluations were finalised
Propose measures to ensure effective and efficient performance within the Public Service	Government departments The Executive Portfolio Committees Provincial Legislatures Academia Non-governmental organisations	Reports with findings and recommendations finalised	An Assessment of the Quality of Support provided to Emergency Medical Services Practitioners was completed Reports on an Assessment of Public Service Participation Practices in the Public Service and the Management of Visa Applications and Port Control at the Department of Home Affairs were produced
Improving and promoting Public Service leadership	The Presidency Government departments Academia Non-governmental organisations Provincial Executive Councils	Reports with findings and recommendations finalised	A Report on the Analysis of Performance Agreements as an Effective Performance Management Tool was published

Key services	Clients	Current standard	Actual achievement against standards
Monitoring the Heads of Department performance management	The Presidency Government departments Academia Non-governmental organisations Provincial Executive Councils	All qualifying HoDs successfully evaluated	Guidelines for the 2007/2008 evaluation cycle were published in August 2008 A total of 12 national and 15 provincial HoDs were evaluated for the 2007/2008 performance cycle. The evaluations will continue until July 2009
		HoD performance agreements monitored and evaluated	27 national and 70 provincial HoDs filed their performance agreements for the 2008/2009 financial year
		Reports with findings and recommendations finalised within set targets	The PSC submitted a report to Parliament and to the EA on progress made in the filing of performance agreements for the 2008/2009 financial year
Recruitment and retention of competent staff to ensure service delivery in the Office	Appointment beneficiaries/appointees Programme managers	Recruitment and selection done in accordance with the Recruitment and Selection Policy	Vacant posts were filled timeously. There is a marked increase in the filling of posts at SMS level. The number of female employees rose from 116 in March 2008 to 118 in March 2009 and females represent 43% of the total staff compliment of SMS members. The PSC has employed 6 people with disabilities, which translates to 2.7% of the total staff compliment, thus exceeding the national target of 2% by 0.7%
Manage, maintain and ensure efficient use of the overall IT infrastructure, systems and services	Commissioners OPSC staff	IT operations conducted in accordance with IT policies and best practices	The PSC has defined and developed the business processes for the FDF. It also successfully developed a concept of the FDF system
Sound financial management	Commissioners OPSC staff Service providers Auditor-General National Treasury Government departments	Monitoring of expenditure and utilisation of budget within the budget allocation	The PSC received a clean audit report. Ten Budget Committee meetings were held
Provide communication and information support by among others, marketing the work of the PSC through media campaign and exhibitions; and tabling and distribution of published reports	Commissioners OPSC staff	Media activities on selected PSC published reports held Tabling and timely distribution of PSC published reports	Research work of the PSC reached a wider audience through media, roundtables and exhibitions to mention a few Reports tabled in Parliament and Provincial Legislatures are also placed on the website (www.gov.za) for accessibility by the public

Table 1.2 - Consultation arrangements with customers

Type of arrangement	Actual customers	Potential customers	Actual achievements
Meetings with stakeholders to explain PSC and discuss their expectations of PSC	The Executive Departments Legislatures Public servants Complainants	Consultative forums Institutions of democracy Organised labour Strategic partners Public	Roundtable discussions on SOPS Report were held in Pretoria and Nelspruit Interim M&E findings were presented to top management of departments
Extensive engagement on terms of reference of projects, and conclusion of project on findings and recommendations	Executives Legislatures Departments	Executives Legislatures Departments	The PSC has engaged stakeholders including the Portfolio Committee on Public Service and Administration on its reports
Guidelines widely distributed to all stakeholders Continuous formal and informal engagement of all stakeholders by the Office to ensure smooth implementation of the HoD Evaluation Framework	The Executive Departments Legislatures HoDs	The Executive Departments Legislatures HoDs	Guidelines for the Evaluation of Heads of Department for the 2007/2008 financial year were published in August 2008
Meeting with departments on grievance procedures and promotion of sound labour relations to ensure adherence to applicable prescripts	Departments	Organised labour Labour relations forum HoDs	Departments were informed about grievance procedures

Table 1.3 - Service delivery access strategy

Access strategy	Actual achievements
Departments are encouraged to ensure that an internal process up to the level of EA is exhausted before grievances are referred to the PSC If the aggrieved remains dissatisfied and requests the EA to refer the matter to the PSC, the PSC should consider such grievances. Labour has been continuously advised on the importance of compliance with the Grievance Rules to ensure that grievances are resolved in the shortest possible period	The PSC received 654 grievances. However, 281 cases had to be referred back to departments due to non-compliance with the Grievance Rules Grievances that did not comply with the Grievance Rules were referred back to departments with regular requests for comments and update on recommendations
Telephonic or written requests addressed to the PSC at its Office in Pretoria (head office) and regional offices. Reports and other published material are accessible to all stakeholders through a variety of media, e.g. print and internet and distributed to relevant stakeholders	PSC reports were published and tabled in Parliament and Provincial Legislatures. Selected reports were publicised through various communication tools such as print and electronic media
Depending on capacity of the Office, the PSC undertakes projects on request	*Ad hoc* projects/investigations were undertaken on request after extensive engagement on the terms of reference. At the end of each investigation, the findings were submitted to the EAs for consideration

Access strategy	Actual achievements
Reports are presented to Legislatures' Portfolio Committees at their behest	PSC reports were presented at a variety of Parliamentary Portfolio Committees. Furthermore, requests of Portfolio Committees for presentations were always met
Letters are written to all EAs outlining the process and advising them on what steps to take in complying with the requirements of the HoD Evaluation Framework. Continuous telephone contact with departments to ensure the smooth implementation of the Framework	Letters were sent to all EAs and HoDs advising them on the requirements of the HoD Evaluation Framework and reminding them about the requirements to submit the performance agreements of HoDs. Telephone and e-mail communication also took place with relevant officials in the various departments to assist them in running the process
Members of the public are able to report suspected acts of corruption in the Public Service through the National Anti-Corruption Hotline	Since its inception in September 2004, six thousand (6 000) cases of alleged corruption have been reported

Table 1.4 - Service information tool

Types of information tool	Actual achievements
In order to ensure wider accessibility, PSC reports are distributed to stakeholders	All PSC reports were placed on the PSC website (www.psc.gov.za) for easy access. Furthermore, hard copies were distributed to stakeholders in and outside government, in accordance with the distribution strategy

Table 1.5 - Complaints mechanism

Complaints mechanism	Actual achievements
All complaints are recorded and responded to within the allocated time frames	Complaints with substance, including anonymous ones, were either referred to the relevant institutions (such as the Independent Complaints Directorate, the Auditor-General, the Human Rights Commission) or investigated within set targets in accordance with the Protocol for conducting Public Administration Investigations by the PSC. Terms of reference and project proposals contained strict time frames
Complaints from the public are referred to the Public Protector	Given the overlap in the powers and functions of the PSC and the Public Protector (PP), as well as the optimal utilisation of resources, these institutions have entered into a MoU with regard to the handling of complaints. According to the MoU, the PSC shall investigate complaints by public servants whilst complaints emanating from the general public are referred to the PP for investigation. However, in order to ensure continuous updates of progress with the investigation of complaints lodged with the PSC, the PP is required to provide the PSC with feedback on the status of complaints referred to them
The Guidelines contain a grievance mechanism for HoDs not satisfied with the process or its outcomes	No grievances of HoDs were brought to the attention of the PSC for the 2007/2008 evaluation cycle

3.2 EXPENDITURE

The following tables summarise final audited expenditure on personnel costs per programme (Table 2.1) and salary bands (Table 2.2).

Table 2.1 - Personnel costs by programme, 2008/2009

Programme	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services (R'000)	Total expenditure (R'000)	Average personnel cost per employee (R'000)
1. Admin	35 504	281	1 050	60 882	366
2. LMP	12 108	33	413	14 999	345
3. M&E	14 261	67	1 559	18 843	317
4. IAC	15 352	209	1 513	18 935	341
Theft and losses	0	0	0	0	0
TOTAL	**77 225**	**590**	**4 535**	**113 659**	**347**

Table 2.2 - Personnel costs by salary band, 2008/2009

Salary band	Personnel expenditure (R'000)	% of total personnel cost	Average personnel cost per employee (R'000)	Total personnel expenditure	Number of employees
Lower skilled (Levels 1-2)	0	0	0	0	0
Skilled (Levels 3-5)	4 932	6.4	101	77 225	49
Highly skilled production (Levels 6-8)	8 043	10.4	164	77 225	49
Highly skilled supervision (Levels 9-12)	25 459	33	364	77 225	70
Senior management (Levels 13-16)	38 791	50.2	718	77 225	54
TOTAL	**77 225**	**100**	**348**	**77 225**	**222**

The following tables provide a summary of expenditure incurred as a result of salaries, overtime, home owners allowance and medical assistance per programme (Table 2.3) and salary band (Table 2.4). An indication of the percentage of the personnel budget used for these items is provided in the tables.

Table 2.3 - Salaries, overtime, home owners allowance and medical assistance by programme, 2008/2009

Programme	Salaries		Overtime		Home owners allowance (HOA)		Medical assistance		Total personnel cost (R'000)
	Amount (R'000)	Salaries as a % of person-nel cost	Amount (R'000)	Overtime as a % of person-nel cost	Amount (R'000)	HOA as a % of person-nel cost	Amount (R'000)	Medical assis-tance as a % of person-nel cost	
Programme 1	22 284	62.7	648	1.8	599	1.6	1 106	3.1	35 504
Programme 2	8 084	64.5	14	0.1	236	1.8	354	2.8	12 108
Programme 3	9 419	66	0	0	294	2	416	2.9	14 261
Programme 4	10 138	67.8	110	0.7	169	1.1	400	2.6	15 352
TOTAL	**49 925**	**64.6**	**772**	**0.9**	**1 298**	**1.6**	**2 276**	**2.9**	**77 225**

Table 2.4 - Salaries, overtime, home owners allowance and medical assistance by salary band, 2008/2009

Salary band	Salaries		Overtime		Home owners allowance		Medical assistance		Total personnel cost (R'000)
	Amount (R'000)	Salaries as a % of person-nel cost	Amount (R'000)	Overtime as a % of person-nel cost	Amount (R'000)	HOA as a % of person-nel cost	Amount (R'000)	Medical assis-tance as a % of person-nel cost	
Lower skilled (Levels 1-2)	0	0	0	0	0	0	0	0	0
Skilled (Levels 3-5)	3 293	66.6	182	3.7	218	4.4	396	8	4 932
Highly skilled production (Levels 6-8)	5 936	73.7	335	1.7	183	2.3	410	5.1	8 043
Highly skilled supervision (Levels 9-12)	19 470	75.7	255	0.7	321	1.2	835	3.2	25 459
Senior management (Levels 13-16)	21 226	27	0	0	576	0.7	635	0.8	38 791
TOTAL	**49 925**	**64.6**	**772**	**0.9**	**1 298**	**1.6**	**2 276**	**2.9**	**77 225**

3.3 EMPLOYMENT AND VACANCIES

The following tables provide the employment statistics and vacancy rate in the organisation as per programme (Table 3.1), salary band (Table 3.2) and critical occupation (Table 3.3). The vacancy rate reflects the percentage of posts that are not filled.

Table 3.1 - Employment and vacancies by programme, 31 March 2009

Programme	Number of posts	Number of posts filled	Vacancy rate	Number of posts filled additional to the establishment
1. Programme 1	109	97	11	0
2. Programme 2	40	35	12.5	0
3. Programme 3	47	45	4.3	0
4. Programme 4	52	45	13.5	0
TOTAL	**248**	**222**	**10.5**	**0**

Table 3.2 - Employment and vacancies by salary band, 31 March 2009

Salary band	Number of posts	Number of posts filled	Vacancy rate	Number of posts filled additional to the establishment
Lower skilled (Levels 1-2)	0	0	0	0
Skilled (Levels 3-5) Permanent	53	49	7 5	0
Skilled (Levels 3-5) Temporary	0	0	0	0
Highly skilled production (Levels 6-8)	55	49	10.9	0
Highly skilled supervision (Levels 9-12)	82	70	14.6	0
Senior management (Levels 13-16) Permanent	58	54	6.9	0
TOTAL	**248**	**222**	**10.5**	**0**

Table 3.3 - Employment and vacancies by critical occupation, 31 March 2009

Critical occupation	Number of posts	Number of posts filled	Vacancy rate	Number of posts filled additional to the establishment
Administrative related, Permanent	4	4	0	0
Cleaner, Permanent	1	1	0	0
Switchboard operator, Permanent	1	1	0	0
Communication and information related, Permanent	2	2	0	0
Finance and economics related, Permanent	1	1	0	0
Financial and related professionals, Permanent	8	8	0	0
Financial clerks, Permanent	5	5	0	0
Head of Department	1	1	0	0
Human resources & organisation dev related, Permanent	30	24	20	0
Human resources clerks, Permanent	8	8	0	0
Human resources related, Permanent	43	38	11.6	0
Information technology, Permanent	1	1	0	0
Other communication related, Permanent	0	0	0	0
Library related personnel, Permanent	6	6	0	0
Driver, Permanent	1	1	0	0
Logistical support personnel, Permanent	6	4	33.3	0
Material recording and transport clerks, Permanent	4	4	0	0
Messengers, Permanent	0	0	0	0
Other administrative and related clerks, Permanent	2	2	0	0
Other administrative policy and related officers, Permanent	0	0	0	0
Other information technology personnel, Permanent	7	7	0	0
Others occupations, Permanent	0	0	0	0
Chairperson: PSC	1	1	0	0
Deputy Chairperson: PSC	1	0	100	0
Member: PSC	12	11	8.3	0
Secretaries, Permanent	49	41	16.3	0
Security officers, Permanent	11	10	9.1	0
Senior managers, Permanent	43	41	4.7	0
TOTAL	**248**	**222**	**10.5**	**0**

3.4   JOB EVALUATION

The Public Service Regulations, 2001, introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, EAs may evaluate or re-evaluate any job in his or her organisation. Furthermore, in terms of these Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled.

The following table (Table 4.1) summarises the number of jobs that were evaluated and subsequently upgraded or downgraded, while Table 4.2 summarises the number of employees whose salary position was upgraded to due to their posts being upgraded.

Table 4.1 - Job evaluation, 1 April 2008 to 31 March 2009

Salary band	Number of posts	Number of jobs evaluated	% of posts evaluated by salary band	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1-2)	0	0	0	0	0	0	0
Skilled (Levels 3-5)	53	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	55	1	1.8	1	1.8	0	0
Highly skilled supervision (Levels 9-12)	82	15	18.3	15	18.3	0	0
Senior Management Service Band A	32	0	0	0	0	0	0
Senior Management Service Band B	7	0	0	0	0	0	0
Senior Management Service Band C	16	0	0	0	0	0	0
Senior Management Service Band D	3	0	0	0	0	0	0
TOTAL	**248**	**16**	**6.5**	**16**	**6.5**	**0**	**0**

Table 4.2 - Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2008 to 31 March 2009

Beneficiaries	African	Asian	Coloured	White	Total
Female	5	0	0	2	**7**
Male	6	0	0	1	**7**
TOTAL	**11**	**0**	**0**	**3**	**14**

Employees with a disability	0

Table 4.3 indicates the number of employees whose salaries exceeded the grades determined by job evaluation in the reporting period.

Table 4.3

Total number of employees whose salaries exceeded the grades determined by job evaluation in 2008/2009	**None**

Table 4.4 indicates the beneficiaries of the above in terms of race, gender and disability.

Table 4.4 - Profile of employees whose salary levels exceed the grade determined by job evaluation, 1 April 2008 to 31 March 2009 (in terms of PSR 1.V.C.3)

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	0	**0**
Male	0	0	0	0	**0**
TOTAL	**0**	**0**	**0**	**0**	**0**

Employees with a disability	0

3.5 EMPLOYMENT CHANGES

This section provides information on the annual turnover rates by salary band (Table 5.1) and by critical occupation (Table 5.2).

Table 5.1 - Annual turnover rates by salary band for the period 1 April 2008 to 31 March 2009

Salary band	Number of employees per band as on 1 April 2009	Appointments and transfers into the Office	Terminations and transfers out of the Office	Turnover rate
Lower skilled (Levels 1-2) Permanent	0	0	0	0
Skilled (Levels 3-5) Permanent	49	14	6	12.2
Highly skilled production (Levels 6-8) Permanent	49	18	15	30.6
Highly skilled supervision (Levels 9-12) Permanent	70	13	15	21.4
Senior Management Service Band A Permanent	32	2	1	3.1
Senior Management Service Band B Permanent	5	0	0	0
Senior Management Service Band C Permanent	14	3	3	21.4
Senior Management Service Band D	3	0	0	0
TOTAL	**222**	**50**	**40**	**18**

Table 5.2 - Annual turnover rates by critical occupation for the period 1 April 2008 to 31 March 2009

Occupation	Number of employees per occupation as on 1 April 2009	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative related, Permanent	4	2	1	25
Cleaner, Permanent	1	0	0	0
Switchboard operator, Permanent	1	0	0	0
Communication and information related, Permanent	2	1	1	50
Finance and economics related, Permanent	1	0	0	0
Financial and related professionals, Permanent	8	1	2	25
Financial clerks, Permanent	5	2	2	40
Human resources & organisation dev related, Permanent	24	7	9	37.5
Human resources clerks, Permanent	8	2	0	0
Messenger	0	0	0	0

Occupation	Number of employees per occupation as on 1 April 2009	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Human resources related, Permanent	38	12	9	23.7
Library related personnel, Permanent	6	3	1	16.7
Logistical support personnel, Permanent	4	4	3	75
Material recording and transport clerks, Permanent	4	1	1	25
Driver	1	0	0	0
Other administrative and related clerks, Permanent	2	0	0	0
Information technology, Permanent	1	0	0	0
Other administrative policy and related officers, Permanent	0	0	0	0
Other information technology personnel, Permanent	7	1	1	14.3
Secretaries, Permanent	41	8	5	12.2
Security officers, Permanent	10	1	1	10
Senior managers, Permanent	41	3	1	2.4
Head of Department	1	0	0	0
Chairperson: PSC	1	0	0	0
Deputy Chairperson: PSC	0	0	0	0
Member: PSC	11	3	3	27.3
TOTAL	222	50	40	18

Table 5.3 identifies the major reasons why staff left the organisation.

Table 5.3 - Reasons why staff are leaving the OPSC

Termination type	Number	% of total	% of total employment
Death	0	0	0
Resignation, Permanent	16	72.7	7.2
Expiry of contract, Permanent	3	13.6	1.4
Retirement	1	4.5	0.5
Ill-health Retirement	0	0	0
Other, Permanent	2	9.1	0.9
TOTAL	22	100	9.9

Table 5.4 - Promotions by critical occupation

Occupation	Employees as at 1 April 2009	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Administrative related	4	0	0	2	50
Cleaner	1	0	0	0	0
Switchboard operator	1	0	0	0	0
Communication and information related	2	1	50	0	0
Finance and economics related	1	0	0	0	0
Financial and related professionals	8	0	0	2	25
Financial clerks	5	0	0	4	80
Head of Department & DDG's	5	2	40	0	0
Human resources & organisation dev related	24	9	37.5	4	16.7
Human resources clerks	8	0	0	3	37.5
Human resources related	38	4	10.5	22	57.9
Library related personnel	6	0	0	3	50
Logistical support personnel	4	3	75	4	100
Material recording and transport clerks	4	0	0	1	25
Driver	1	0	0	1	100
Other administrative and related clerks	2	0	0	2	100
Information technology, Permanent	1	0	0	0	0
Other administrative policy and related officers	0	0	0	0	0
Other information technology personnel	7	1	14.3	2	28.6
Secretaries	41	2	4.9	27	65.9
Security officers	10	0	0	10	100
Senior managers	37	2	5.4	36	97.3
Chairperson: PSC	1	0	0	0	0
Deputy Chairperson: PSC	0	0	0	0	0
Member: PSC	11	0	0	0	0
TOTAL	**222**	**24**	**10.8**	**123**	**55.4**

Table 5.5 - Promotions by salary band

Salary band	Employees as at 1 April 2009	Promotions to another salary level	Salary band promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	0	0	0	0	0
Lower skilled (Levels 1-2) Temporary	0	0	0	0	0
Skilled (Levels 3-5)	49	1	2	34	69.4
Highly skilled production (Levels 6-8)	49	4	8.2	23	46.9
Highly skilled supervision (Levels 9-12)	70	15	21.4	19	27.1
Senior management (Levels 13-16)	54	4	7.4	47	87
TOTAL	**222**	**24**	**10.8**	**123**	**55.4**

3.6 EMPLOYMENT EQUITY

The tables in this section are based on the formats prescribed by the Employment Equity Act, 55 of 1998.

Table 6.1 - Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2009

Occupational categories (SASCO)	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior managers	22	3	4	3	15	2	1	4	**54**
Middle managers	27	2	0	7	26	1	2	5	**70**
Administrative/ clerks	16	0	0	1	27	1	1	3	**49**
Service and sales workers, Permanent	20	1	0	0	24	4	0	0	**49**
Elementary occupations	0	0	0	0	0	0	0	0	**0**
TOTAL	**85**	**6**	**4**	**11**	**92**	**8**	**4**	**12**	**222**

Employees with a disability	**1**	**0**	**0**	**1**	**3**	**1**	**0**	**0**	**6**

Table 6.2 - Total number of employees (including employees with disabilities) in each of the following occupational band as on 31 March 2009

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	8	1	2	1	8	1	0	1	**22**
Senior management	14	2	2	2	7	1	1	3	**32**
Professionally qualified and experienced specialists and mid-management	27	2	0	7	26	1	2	5	**70**
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	16	0	0	1	27	1	1	3	**49**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Semi-skilled and discretionary decision making	20	1	0	0	24	4	0	0	**49**
Unskilled and defined decision making	0	0	0	0	0	0	0	0	**0**
TOTAL	**85**	**6**	**4**	**11**	**92**	**8**	**4**	**12**	**222**

Table 6.3 - Recruitment for the period 1 April 2008 to 31 March 2009

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	2	0	0	0	1	0	0	0	**3**
Senior management	1	0	0	0	2	0	0	0	**3**
Professionally qualified and experienced specialists and mid-management	5	0	0	0	7	0	0	0	**12**
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	10	0	0	0	10	0	0	0	**20**
Semi-skilled and discretionary decision making	3	0	0	0	8	1	0	0	**12**
Unskilled and defined decision making	0	0	0	0	0	0	0	0	**0**
TOTAL	**20**	**0**	**0**	**0**	**28**	**1**	**0**	**0**	**49**

| **Employees with a disability** | **1** | **0** | **0** | **0** | **0** | **0** | **0** | **0** | **1** |

Table 6.4 - Promotions for the period 1 April 2008 to 31 March 2009

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management (15-16)	0	0	1	0	1	0	0	0	**2**
Senior management (13-14)	0	0	0	0	1	0	0	1	**2**
Professionally qualified and experienced specialists and mid-management (9-12)	6	0	0	1	6	0	0	2	**15**
Skilled technical and academically qualified workers, junior management, supervisors (7-8)	0	0	0	0	4	0	0	0	**4**
Semi-skilled and discretionary decision making (4-6)	0	0	0	0	1	0	0	0	**1**
Unskilled and defined decision making (1-3)	0	0	0	0	0	0	0	0	**0**
TOTAL	6	0	1	1	13	0	0	3	24

Employees with a disability	0	0	0	0	0	0	0	0	0

Table 6.5 - Terminations for the period 1 April 2008 to 31 March 2009

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	2	0	0	1	0	0	0	0	**3**
Senior management	0	0	0	0	0	0	0	0	**0**
Professionally qualified and experienced specialists and mid-management	3	1	1	0	6	0	0	0	**11**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	3	0	0	0	2	0	0	0	5
Semi-skilled and discretionary decision making	1	0	0	0	2	0	0	0	3
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
TOTAL	9	1	1	1	10	0	0	0	22

Employees with a disability	0	0	0	0	0	0	0	0	0

Table 6.6 - Disciplinary action for the period 1 April 2008 to 31 March 2009

	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	1	0	0	0	5	0	0	0	6

Table 6.7 - Skills development for the period 1 April 2008 to 31 March 2009

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior officials and managers (13-16)	7	1	1	0	4	0	1	1	15
Professionally qualified and experienced specialists and middle management (9-12)	15	1	1	4	22	0	2	1	46
Skilled technical, junior management and supervisors (7-8)	7	0	0	0	14	0	0	0	21

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Semi-skilled workers (4-6)	20	1	0	0	29	1	0	0	**51**
Elementary occupations (1-3)	0	0	0	0	0	0	0	0	**0**
TOTAL	**49**	**3**	**2**	**4**	**69**	**1**	**3**	**2**	**133**

Employees with a disability	1	0	0	1	1	0	0	0	3

3.7 SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

Table 7.1 - Signing of performance agreements by SMS members as on 30 September 2008

SMS level	Total number of funded SMS posts per level	Total number of SMS members per level	Total number of signed performance agreements per level	Signed performance agreements as % of total number of SMS members per level
Director-General/ Head of Department	1	1	1	100
Salary level 16, but not HoD	3*	2	0	0
Salary level 15	15**	14	4	100
Salary level 14	7	5	5	100
Salary level 13	32	32	32	100
TOTAL	**58**	**54**	**42**	**100**

*	Denotes posts of Commissioner.

**	Included in the 15 posts are 11 posts of Commissioner, of which 1 was vacant.

Table 7.2 - Reasons for not having concluded performance agreements for all SMS members as on 30 September 2008

1. Not applicable as all performance agreements were concluded by 30 September 2008.

Table 7.3 - Disciplinary steps taken against SMS members for not having concluded performance agreements on 30 September 2008

1. Not applicable as all SMS members concluded performance agreements by 30 September 2008.

3.8 FILLING OF SMS POSTS

Table 8.1 - SMS posts information as on 31 March 2009

SMS level	Total number of funded SMS posts per level	Total number of SMS posts filled per level	% of SMS posts filled per level	Total number of SMS posts vacant per level	% of SMS posts vacant per level
Director-General/ Head of Department	1	1	100	0	0
Salary level 16, but not HoD	3	2	66.7	1	33.3
Salary level 15	15	14	93.3	1	6.7
Salary level 14	7	5	71.4	2	28.6
Salary level 13	32	32	100	0	0
TOTAL	**58**	**54**	**93**	**4**	**7**

Table 8.2 - SMS posts information as on 30 September 2008

SMS level	Total number of funded SMS posts per level	Total number of SMS posts filled per level	% of SMS posts filled per level	Total number of SMS posts vacant per level	% of SMS posts vacant per level
Director-General/ Head of Department	1	0	0	1	100
Salary level 16, but not HoD	3*	3	100	0	0
Salary level 15	15**	15	100	0	0
Salary level 14	7	7	100	0	0
Salary level 13	32	32	100	0	0
TOTAL	**58**	**57**	**98.2**	**1**	**1.8**

*   *Denotes posts of Commissioner who are not required to sign Performance Agreements.*

**   *Included in the 15 posts are 11 posts of Commissioner who are not required to sign Performance Agreements.*

Table 8.3 - Advertising and filling of SMS posts as on 31 March 2009

SMS level	Advertising	Filling of posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months after becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0
Salary level 16, but not HoD	0	0	0
Salary level 15	1	1	0
Salary level 14	1	0	1
Salary level 13	3	1	2
TOTAL	**5**	**2**	**3**

Table 8.4 - Reasons for not having complied with the filling of funded vacant SMS posts – advertised within 6 months and filled within 12 months after becoming vacant

Reasons for vacancies not advertised within six months
1. Not applicable.
Reasons for vacancies not filled within 12 months
1. Not applicable.

Table 8.5 - Disciplinary steps taken for not complying with the prescribed timeframes for filling of SMS posts within 12 months

1. All SMS posts were filled within 12 months.

3.9   PERFORMANCE REWARDS

The organisation has granted the following performance rewards during the year under review in its effort to encourage good performance. The information is categorised in terms of race, gender and disability (Table 9.1), salary band (Table 9.2) and critical occupation (Table 9.3).

Table 9.1 - Performance rewards by race, gender and disability, 1 April 2008 to 31 March 2009

	Beneficiary profile			Cost	
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	15	84	17.9	340	22 637
Female	17	89	19	302	17 773
Asian					
Male	3	4	75	92	30 640
Female	0	4	0	0	0
Coloured					
Male	3	6	50	90	29 936
Female	2	7	28.6	406	203 116
White					
Male	3	10	30	106	35 350
Female	5	12	41.7	107	21 402
Employees with a disability	1	6	16.7	8	8 396
TOTAL	**49**	**222**	**22**	**1 451**	**29 615**

Table 9.2 - Performance rewards by salary band for personnel below Senior Management Service, 1 April 2008 to 31 March 2009

Salary band	Beneficiary profile				
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Lower skilled (Levels 1-2)	0	0	0	0	0
Skilled (Levels 3-5)	13	49	27	116	8 923
Highly skilled production (Levels 6-8)	9	49	18	131	14 556
Highly skilled supervision (Levels 9-12)	14	70	20	401	28 643
TOTAL	**36**	**168**	**21**	**648**	**18 000**

Table 9.3 - Performance rewards by critical occupation, 1 April 2008 to 31 March 2009

Critical occupation	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Senior managers	13	54	24	804	6 184.6
Professionally qualified and experienced specialists and middle management	14	70	20	401	28 643
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	9	49	18	131	14 556
Semi-skilled and discretionary decision making	13	49	27	116	8 923
Unskilled and defined decision making	0	0	0	0	0
TOTAL	**49**	**222**	**22**	**1 451**	**29 612**

Table 9.4 - Performance related rewards (cash bonus), by salary band for SMS

Salary band	Beneficiary profile			Total cost (R'000)	Average cost per employee	Total cost as a % of the total personnel
	Number of beneficiaries	Number of employees	% of total within occupation			
Band A	5	32	16	141	2 820	17.5
Band B	4	5	80	125	3 125	15.5
Band C	3	14	21	141	4 700	17.5
Band D	1	3	33	397	39 700	49.4
TOTAL	**13**	**54**	**24**	**804**	**6 184.6**	**100**

3.10 FOREIGN WORKERS

The tables following summarise the employment of foreign nationals in the organisation in terms of salary band and by major occupation.

Table 10.1 - Foreign workers, 1 April 2008 to 31 March 2009, by salary band

Salary band	1 April 2008		31 March 2009		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0	0	0
TOTAL	**0**	**0**	**0**	**0**	**0**	**0**

Table 10.2 - Foreign workers, 1 April 2008 to 31 March 2009, by major occupation

Salary band	1 April 2008		31 March 2009		Change	
	Number	% of total	Number	% of total	Number	% change
Professionals and managers	0	0	0	0	0	0
TOTAL	**0**	**0**	**0**	**0**	**0**	**0**

3.11 LEAVE UTILISATION FOR THE PERIOD 1 JANUARY 2008 TO 31 DECEMBER 2008

The PSC identified the need for careful monitoring of sick leave within the Public Service. The following tables provide an indication of the use of sick leave (Table 11.1) and disability leave (Table 11.2). In both cases, the estimated cost of the leave is also provided.

Table 11.1 - Sick leave, 1 January 2008 to 31 December 2008

Salary band	Total days taken	% days with medical certifica-tion	Number of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)	Total number of days with medical certifica-tion
Lower skilled (Levels 1-2)	0	0	0	0	0	0	0
Skilled (Levels 3-5)	242	85.1	39	20.4	6	63	206
Highly skilled production (Levels 6-8)	350	78.9	49	25.7	7	151	276

Salary band	Total days taken	% days with medical certification	Number of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)	Total number of days with medical certification
Highly skilled supervision (Levels 9-12)	438	81.1	61	31.9	7	515	355
Senior management (Levels 13-16)	208	86.1	37	19.4	6	477	179
TOTAL	**1 238**	**82**	**186**	**15**	**7**	**1 206**	**1 016**

Table 11.2 - Disability leave (temporary and permanent), 1 January 2008 to 31 December 2008

Salary band	Total days taken	% days with medical certification	Number of employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated cost (R'000)	Total number of days with medical certification
Skilled (Levels 3-5)	0	0	0	0	0	0	0
Skilled production (Levels 6-8)	0	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	8	100	1	50	8	7	8
Senior management (Levels 13-16)	23	100	1	50	23	68	23
TOTAL	**31**	**100**	**2**	**100**	**16**	**75**	**31**

Table 11.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000, requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 11.3 - Annual leave, 1 January 2008 to 31 December 2008

Salary band	Total days taken	Average per employee	Employment
Lower skilled (Levels 1-2)	0	0	0
Skilled (Levels 3-5)	879	16	49
Highly skilled production (Levels 6-8)	1 047	16	49
Highly skilled supervision (Levels 9-12)	1 762	21	70
Senior management (Levels 13-16)	1 408	41	54
TOTAL	**5 096**	**23**	**222**

Table 11.4 - Capped leave, 1 January 2008 to 31 December 2008

Salary band	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2008	Total number of capped leave available at 31 December 2008	Number of employees as at 31 December 2008
Lower skilled (Levels 1-2)	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0
Highly skilled production (Levels 6-8)	7	7	29	666	23
Highly skilled supervision (Levels 9-12)	28	6	50	1 991	40
Senior management (Levels 13-16)	8	8	76	2 648	35
TOTAL	**43**	**6**	**54**	**5 305**	**98**

Table 11.5 summarises payments made to employees as a result of leave that was not taken.

Table 11.5 - Capped payouts for the period 1 April 2008 to 31 March 2009

Reason	Total amount (R'000)	Number of employees	Average payment per employee
Capped leave payouts on termination of service for 2008/2009	239	19	12 579
Current leave payout on termination of service for 2008/2009	58	11	5 273
TOTAL	**297**	**30**	**9 900**

3.12 HIV/AIDS and Health Promotion Programmes

Table 12.1 - Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV and related diseases (if any)	Key steps taken to reduce the risk
0	None yet

Table 12.2 - Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	√		Mr HA Maluleke Director: Human Resource Management and Development

Question	Yes	No	Details, if yes
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	√		23 Employment Equity Consultative Forum Members
3. Has the department introduced an Employee Wellness Programme for your employees? If so, indicate the key elements/services of this Programme.	√		The programme aims to: • Encourage and assist employees to overcome personal problems affecting their work performance negatively • Provide an effective framework for wellness promotion and preventative services • In so far as it is possible to provide a reasonable, confidential and professional counselling service to all employees and their immediate families within the context of issues affecting the employee in order to enhance and sustain the quality of life • Enhance performance and maintain high productivity levels of all employees • Establish a working relationship with other departments and stakeholders who are involved in employee wellness • Prevent unnecessary absenteeism and low productivity caused by social, physical and psychological factors • Allow supervisors to manage their human resources in an objective and consistent manner
4. Has the department established (a) committee(s) as contemplated in Part VI E 5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	√		Mr HA Maluleke – Chairperson Mr JD Kgoedi – Deputy Chairperson Mr SW Ngema – Head Office Mr TJ Matlhare – Gauteng Ms T Moeeng – Head Office Mr M Dolamo – Mpumalanga Mr JS Hartzenberg – Head Office Ms B Sam – Northern Cape Ms JH Human – Head Office Ms LC Qithi – Free State Mr E Lamola – Head Office Ms DN Shazi – Head Office Mr BS Mdladla – KwaZulu-Natal Ms T Dibetle – Head Office Ms N Fumazele – Eastern Cape Ms AR Chauke – Limpopo Ms S Lahri – Head Office Ms C Gunn – Head Office Mr S Buso – Head Office Ms GL Kunene – Head Office Ms L Dambuza – Head Office Mr SS Malema – Head Office Ms MV Slier – Western Cape Ms Y Bloem – North West

Question	Yes	No	Details, if yes
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	√		1. HIV/AIDS and Employee Wellness Programme (EWP) Policies 2. Recruitment and Selection Policy
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	√		HIV/AIDS and EWP Policies Contracted The Careways Group as service provider
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing (VCT)? If so, list the results that you have you achieved.	√		During the period under review 65 employees underwent VCT
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	√		HIV/AIDS Programme Employee Wellness Programmes Quarterly reports from The Careways Group Smoking Policy Health Risk Assessment and VCT

3.13 LABOUR RELATIONS

The following collective agreements were entered into with trade unions within the department.

Table 13.1 - Collective agreements, 1 April 2008 to 31 March 2009

Total collective agreements	0

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 13.2 - Misconduct and disciplinary hearings finalised, 1 April 2008 to 31 March 2009

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	0	0
Final written warning	2	33.3
Suspended without pay	0	0
Fine	0	0
Demotion	0	0
Dismissal	2	33.3
Not guilty	1	16.7
Case withdrawn	1	16.7
TOTAL	**6**	**100**

Table 13.3 - Types of misconduct addressed at disciplinary hearings

Type of misconduct	Number	% of total
Contravention of Security Policy	0	0
Contravention of Telephone Policy	0	0
TOTAL	**0**	**0**

Table 13.4 - Grievances lodged for the period 1 April 2008 to 31 March 2009

	Number	% of total
Number of grievances resolved	0	0
Number of grievances not resolved	4	100
TOTAL	**4**	**100**

Table 13.5 - Disputes lodged with Councils for the period 1 April 2008 to 31 March 2009

	Number	% of total
Number of disputes upheld	2	100
Number of disputes dismissed	0	0
TOTAL	**2**	**100**

Table 13.6 - Strike actions for the period 1 April 2008 to 31 March 2009

Total number of person working days lost	0
Total cost (R'000) of working days lost	0
Amount (R'000) recovered as a result of no work no pay	0

Table 13.7 - Precautionary suspensions for the period 1 April 2008 to 31 March 2009

Number of people suspended	1
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	179
Cost (R'000) of suspensions	35 283.92

3.14 SKILLS DEVELOPMENT

This section highlights the efforts of the organisation with regard to skills development.

Table 14.1 - Training needs identified for the period 1 April 2008 to 31 March 2009

Occupational categories	Gender	Number of employees as at 1 April 2009	Training needs identified at start of reporting period			
			Learnerships identified	Skills programmes & other short courses	Other forms of training	Total
Chairperson	Female	0	0	0	0	0
	Male	1	0	0	0	0
Deputy Chairperson	Female	0	0	0	0	0
	Male	0	0	0	0	0
Commissioners	Female	4	0	0	0	0
	Male	7	0	0	0	0
Director-General	Female	1	0	1	0	1
	Male	0	0	0	0	0
Deputy Director-General	Female	1	0	1	0	1
	Male	3	0	3	0	3
Chief Directors	Female	4	0	4	0	4
	Male	1	0	1	0	1
Directors	Female	12	0	9	0	9
	Male	20	0	20	0	20
Deputy Directors	Female	17	0	17	0	17
	Male	19	0	19	0	19
Assistant Directors	Female	17	0	13	0	13
	Male	17	0	13	0	13
Senior/State Accountants	Female	4	0	3	0	3
	Male	0	0	0	0	0
Accounting Clerk	Female	1	0	1	0	1
	Male	3	0	2	0	2
Chief Personnel Officer	Female	0	0	0	0	0
	Male	1	0	1	0	1
Principal Personnel Officer	Female	1	0	1	0	1
	Male	1	0	1	0	1
Personnel Officer	Female	1	0	1	0	1
	Male	3	0	3	0	3
Provisioning Administration Officer	Female	0	0	0	0	0
	Male	1	0	1	0	1
Provisioning Administration Clerk	Female	0	0	0	0	0
	Male	3	0	1	0	1
Document Clerk	Female	1	0	1	0	1
	Male	0	0	0	0	0

Occupational categories	Gender	Number of employees as at 1 April 2009	Training needs identified at start of reporting period			
			Learnerships identified	Skills programmes & other short courses	Other forms of training	Total
Communication Officer	Female	1	0	0	0	0
	Male	1	0	1	0	1
Registry Clerk	Female	1	0	1	0	1
	Male	0	0	0	0	0
Administrative Secretary	Female	36	0	33	0	33
	Male	2	0	2	0	2
Telecom Operator	Female	1	0	1	0	1
	Male	0	0	0	0	0
Library Assistant	Female	1	0	1	0	1
	Male	0	0	0	0	0
Administration Clerk	Female	0	0	0	0	0
	Male	3	0	0	0	0
General Aid	Female	1	0	0	0	0
	Male	4	0	0	0	0
Typist	Female	0	0	0	0	0
	Male	0	0	0	0	0
Cleaner	Female	0	0	0	0	0
	Male	1	0	1	0	1
State Administration Officer	Female	2	0	0	0	0
	Male	4	0	1	0	1
Administration Officer	Female	2	0	0	0	0
	Male	0	0	0	0	0
Assistant Administration Officer	Female	0	0	0	0	0
	Male	0	0	0	0	0
Messenger	Female	0	0	0	0	0
	Male	0	0	0	0	0
Chief Accounting Clerk	Female	0	0	0	0	0
	Male	0	0	0	0	0
Human Resource Practitioners	Female	5	0	5	0	5
	Male	1	0	1	0	1
PC Specialist	Female	1	0	1	0	1
	Male	1	0	1	0	1
Security Administration/ Security Officer	Female	1	0	1	0	1
	Male	9	0	9	0	9
Sub Total	**Female**	**116**	**0**	**95**	**0**	**95**
	Male	**106**	**0**	**81**	**0**	**81**
TOTAL		**222**	**0**	**176**	**0**	**176**

Table 14.2 - Training provided for the period 1 April 2008 to 31 March 2009

Occupational categories	Gender	Number of employees as at 1 April 2009	Training provided within the reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
Senior officials and managers	Female	22	0	6	0	6
	Male	32	0	9	0	9
Technicians and associate professionals	Female	34	0	25	0	25
	Male	36	0	21	0	21
Clerks	Female	32	0	16	0	16
	Male	17	0	10	0	10
Elementary occupations	Female	28	0	27	0	27
	Male	21	0	22	0	22
Sub Total	**Female**	**116**	**0**	**74**	**0**	**74**
	Male	**106**	**0**	**62**	**0**	**62**
TOTAL		**222**	**0**	**136**	**0**	**136**

3.15 INJURY ON DUTY

The following tables provide basic information on injury on duty.

Table 15.1 - Injury on duty, 1 April 2008 to 31 March 2009

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0
Temporary total disablement	0	0
Permanent disablement	0	0
Fatal	0	0
TOTAL	**0**	**0**

3.16 UTILISATION OF CONSULTANTS

Table 16.1 - Report on consultant appointments using appropriated (voted) funds

Project title	Total number of consultants that worked on the project	Duration: work days	Contract value in Rand
Analysis of Performance Agreements as an Effective Management Tool	3	80	337 440
Total number of projects	**Total individual consultants**	**Total duration: work days**	**Total contract value in Rand**
1	**3**	**80**	**337 440**

Table 16.2 - Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs)

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that worked on the project
Analysis of Performance Agreements as an Effective Management Tool	100	100	3

Table 16.3 - Report on consultant appointments using donor funds

Project title	Total number of consultants that worked on the project	Duration: work days	Donor and contract value in Rand
0	0	0	0
Total number of projects	**Total individual consultants**	**Total duration: work days**	**Total contract value in Rand**
0	**0**	**0**	**0**

Table 16.4 - Analysis of consultant appointments using donor funds, in terms of Historically Disadvantaged Individuals (HDIs)

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that worked on the project
0	0	0	0

CHAPTER 4:
REPORT OF THE
AUDIT COMMITTEE

INTRODUCTION

We are pleased to present our report for the financial year ended 31 March 2009 in terms of the Public Finance Management Act, 1 of 1999 section 38 (1) a, 76 (4)d and 77, and Treasury Regulations 3.1.11.

MEMBERSHIP AND ATTENDANCE:

The Audit Committee consists of the members listed below, who are independent members, which is in line with the industry corporate governance practice. Consistent with the Audit Committee terms of reference, the Committee held 4 meetings for the year under review, and a special Audit Committee meeting was held on 29 May 2008 to approve the Annual Financial Statements for the year ended 31 March 2008.

Name of member	Number of meetings attended
Zienzile Musamirapamwe (Chairperson)	5/5
Thembisa Fuzani	5/5
Viren Magan	4/5

AUDIT COMMITTEE RESPONSIBILITY

The Audit Committee confirms that it has complied with its responsibilities arising from section 38(1)(a) of the Public Financial Management Act (PFMA) and Treasury Regulation 3.1.13.

In line with the approved terms of reference, the Audit Committee has regulated its affairs in compliance with the same and has discharged all its responsibilities as contained therein. The Audit Committee charter is reviewed on an annual basis.

THE EFFECTIVENESS OF INTERNAL CONTROL

The review of the effectiveness of the system of internal control by the Audit Committee is informed by the reports submitted by Internal Audit and management, who are responsible for the development and maintenance of the internal control system. The quality reports submitted by Internal Audit and management have facilitated an effective oversight role by the Audit Committee.

The system of internal control is designed to provide cost effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed. In line with the PFMA and the King II Report on Corporate Governance requirements, Internal Audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. The Committee would like to highlight that the improved risk management reporting system has enabled the committee to discharge its risk management oversight function.

From the various reports of the Internal Auditors, the Audit Report on the Annual Financial Statements and the management letter of the Auditor-General, it was noted that no significant or material non compliance with prescribed policies and procedures have been reported. Accordingly, we can report that the system of internal control for the period under review was efficient and effective.

Risk Management

A robust risk governance structure was implemented during the year by expanding the scope of the existing Fraud Prevention Committee. The committee is now called the Fraud Prevention and Risk Management Committee and is chaired

by the Chief Financial Officer. All significant risk issues are escalated to the Audit Committee and risk mitigation actions subsequently monitored. A risk management strategy was reviewed and implemented during the year under review.

The OPSC risk profile is monitored on an on-going basis. Further, risk management, compliance and whistle-blowing reports are a permanent subject on the Audit Committee agenda. The Fraud Prevention Plan was reviewed and approved during the year under review.

To facilitate effective compliance monitoring, a regulatory universe was developed for subsequent compliance and monitoring through the internal audit process.

THE QUALITY OF MANAGEMENT AND MONTHLY/QUARTERLY REPORTS SUBMITTED IN TERMS OF THE PFMA AND THE DIVISION OF REVENUE ACT

The Audit Committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued by the Accounting Officer of the OPSC during the year under review.

EVALUATION OF FINANCIAL STATEMENTS

The Audit Committee has:
- reviewed and discussed the audited annual financial statements to be included in the annual report, with the Auditor-General and the Accounting Officer;
- reviewed the Auditor-General's management letter and management's response thereto; and
- reviewed significant adjustments resulting from the audit.

The Audit Committee concurs and accepts the Auditor-General's conclusions on the annual financial statements, and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.

Outlook

The focal area for the Audit Committee will include performance management information to ensure readiness by 2010. Additional focus will also be on ensuring a deepened risk management culture within the department and this will be achieved by ensuring continuous risk management process improvement and training.

CHAIRPERSON OF THE AUDIT COMMITTEE
31 JULY 2009

CHAPTER 5:
ANNUAL FINANCIAL STATEMENTS

Annual Financial Statements
for the year ended 31 March 2009

5.1 REPORT OF THE ACCOUNTING OFFICER

for the year ended 31 March 2009

Report by the Accounting Officer to the Executive Authority and Parliament of the Republic of South Africa.

5.1.1 General Review of the State of Financial Affairs

Policy review and strategic issues facing the department

There is a growing significance of multi-stakeholder initiatives between government, private sector and civil society. The National Anti-Corruption Forum is a good example of such an initiative. During the financial period under review, the PSC participated in an International Workshop on Multi-Stakeholder initiatives which focused on the evolution of South Africa's National Anti-Corruption Forum, its challenges, achievements and its role in development of policies. The workshop acknowledged the contributions made by the PSC in combating corruption and recognised the partnership dimension of our country's anti-corruption efforts as international best practice.

In terms of the Public Service Anti-Corruption Strategy, the effective management of the hot-lines had to be reviewed in order to improve the system. Following a decision by Cabinet, a NACH has been effectively implemented by the PSC. The NACH is accessible to the public regardless of where they may be in the country. The service is available 24 hours per day in all official languages. The main purpose of the hotline is to assist the public (including public servants) to report cases of alleged corruption that are occurring in the Public Service. Since the inception of the NACH, 5 832 cases of alleged corruption were lodged. The PSC does not have the capacity to investigate cases

of alleged corruption lodged through the NACH and is reliant on departments for feedback. The PSC has noted that departmental investigation capacity is not sufficient as the rate of feedback and finalisation of investigations is unacceptable slow. In order to maintain the credibility of the NACH additional resources will be required by the PSC to investigate the alleged corruption reported to the NACH.

A further capacity consideration for the PSC is the fact that the term of office for some Commissioners, including the Chairperson will be coming to an end during 2009. As a result the PSC will be experiencing a "changing of the guard" and will need to ensure a smooth transition. The PSC is confident that the necessary stability will be provided through the remaining Commissioners and the OPSC to ensure that there is no interruption in the performance of its technical oversight responsibilities.

Significant events that have taken place during the year

In our continued efforts to strengthen ties with our regional counterparts, the PSC played a pivotal role in the establishment and launch of AAPSComs, where the Chairperson of the PSC was appointed as the first President of AAPSComs and the Office of the PSC as secretariat. The PSC also provided technical assistance to the Southern Sudan Civil Service Commission and the Southern Sudan Employees Justice Chamber. The PSC's role in regional integration places an additional strain on its limited capacity.

Monitoring and evaluation is key to the PSC's oversight work and a range of instruments have been designed to collect and analyse evaluative data. In an effort to promote M&E in the Public Service, the PSC embarked on a stronger drive in coordinating M&E activities in the Public Service, and this drive gained momentum through government's establishment of an M&E Forum.

The Forum is expected to, amongst others, ensure that any new transversal M&E system is aligned to those that are already in existence.

As secretariat of the National Anti-Corruption Forum, the PSC was instrumental in the success-ful hosting of the third National Anti-Corruption Summit held during August 2008 under the theme *"Towards an Integrated National Integrity Frame-work, Consolidating the Fight Against Corruption"*.

During the period under review, the improved conditions of service for members of the Senior Management Service were implemented with effect from September 2008. The improved conditions of service introduced amongst others, a remuneration structure aligned at 75% of the average market median. The PSC did not receive additional funding for this and therefore had to scale down on projects and place a moratorium on the filling of posts. To this end, 77% of the targeted outputs were achieved in relation to planned activities.

Major projects undertaken during the year

During the year under review the PSC has completed and printed 20 reports and the following serve as highlights:

- Strategic Issues Emanating from the Evalua-tion of Heads of Department;
- Turn-Over Rate of HoDs and its Implications for the Public Service;
- Management of Job Applicants with Criminal Records in the Public Service;
- Overview on Financial Misconduct for the 2007/2008 Financial Year; and
- 2008 State of the Public Service Report.

Spending trends

For the financial year 2008/2009, the Public Service Commission's Vote 9 received R113,672 million from National Treasury. An additional amount of R2,5 million was received to recover the costs

incurred in relation to the improved conditions of service for members of the Senior Management Service. All departments were requested to reprioritise their budgets and fund the additional expenditure from savings as no additional funds were allocated in this regard. The total cost per annum for the PSC was R4,1 million including the carry-through effects over the Medium Term Expenditure Framework (MTEF) period.

The surplus on the budget for the 2008/2009 financial year was R15 858. This represents 0.01% of the total budget allocation for 2008/2009.

Virement

Virement was applied twice in the 2008/2009 financial year and approval was granted by the Accounting Officer. The virement is explained in detail in the Annual Financial Statements.

The budget allocation of Programme 1 was re-duced by R346 000, Programme 2 increased with R428 000, Programme 3 increased with R109 000 and Programme 4 reduced by R191 000.

5.1.2 Services Rendered by the PSC

Mandate of the PSC

The PSC, as an independent and impartial insti-tution, established by the Constitution, 1996, has been tasked and empowered to, amongst other functions and powers, to investigate, monitor and evaluate the organisation and administration of the Public Service. The PSC must also promote measures to ensure effective and efficient perfor-mance within the Public Service and to promote values and principles of public administration as set out in the Constitution, throughout the Public Service.

The PSC comprises 14 Commissioners: 5 Pretoria-based Commissioners and one resident Commissioner in each province. The PSC is supported by the OPSC, with its Head Office in

Pretoria and one Regional Office in each province. The OPSC is headed by the Director-General.

Tariff Policy

The PSC does not charge tariffs to departments.

Free services

The PSC does not charge departments for services rendered in terms of its mandate and functions. It provides these services within its allocated budget.

Inventories

Inventories, such as stationery and domestic consumables, amount to R285 859.38 as at year end.

5.1.3 Capacity Constraints

The average growth in the PSC's budget over the past MTEF period is 7.7%. The budget constraints experienced by the PSC have an impact on its human resource capacity which is severely limited. Currently, the PSC has reached a critical point where the operationalisation of its mandate has broadened. It can no longer sustain service delivery with the current staff capacity and skills accommodated in the current approved establishment. It would particularly be important to increase the resource base of the PSC in such a manner that additional human resources can be acquired. The total staff compliment of the PSC is only 222. Per capita the PSC, therefore, has approximately one staff member for every 5 128 public servants. Given that the role of the PSC covers the whole spectrum of public administration, its staff is exposed to a wide range of practices and, therefore, possess unique skills and expertise.

During the 2008 Budget process departments were requested by National Treasury (NT) to budget at 6% for the annual salary increases. However, a 10.5% salary increase came into

effect in July 2008 and January 2009. The PSC only received R2,5 million from NT for the salary increases and the shortfall of R1,594 million had to be funded from savings. This resulted in the PSC scaling down on its projects and suspending the filling of posts.

5.1.4 Utilisation of Donor Funds

During the financial year under review, the PSC received from GTZ an amount of R689 420 for the National Anti-Corruption Summit held in August 2008 and an amount of R511 869 for the 1st General Assembly and Launch of the Association of African Public Service Commissions.

5.1.5 Trading Entities and Public Entities

The PSC does not have any Trading Entities/Public Entities under its control.

5.1. 6 Organisations to Whom Transfer Payments Have Been Made

The PSC has not made any transfer payments to any organisation during the period under review.

5.1.7 Public Private Partnerships (PPP)

The PSC did not enter into any Public Private Partnerships during the period under review.

5.1.8 Corporate Governance Arrangements

The following governance arrangements have been put in place:

Risk management

An improved risk management process, which entails the identification of strategic and significant operational, reputation and public image, performance, community, employees and financial risks within the PSC. The risk profile of the

department is actively monitored by the Fraud Prevention and Risk Management Committee, which meets on a quarterly basis and is chaired by the Chief Financial Officer. Further, minutes of this meeting are submitted to the Audit Committee for subsequent oversight. Whilst risk management function is outsourced in order to assist the PSC in fulfilling this management responsibility, an accountable officer in charge of department wide risk management was appointed. During the year under review, the Fraud Prevention Plan and Risk Management Strategy were reviewed, approved and implemented.

Fraud prevention policies

The Fraud Prevention and Risk Management Committees were combined during the financial year under review and committee meetings were continuously held throughout the year.

Effectiveness of internal audit and audit committee

The PSC has outsourced its internal audit functions to SAB&T. The contract is for a period of 36 months effective from 1 October 2007. This is to assist the PSC in accomplishing its objectives to evaluate and improve the effectiveness of the organisation's risk management, internal control, as well as governance processes.

Audit Committee members are appointed for a period of 24 months and meetings held on a quarterly basis. The primary purpose of the Committee is to assist the Accounting Officer in fulfilling the oversight responsibility required in terms of the PFMA, related Treasury Regulations and Corporate Governance best practice.

During 2008/2009 financial year, the Audit Committee of the PSC was fully functional and it executed its duties and responsibilities in accordance with both the PFMA, 1999 and Treasury Regulations (TR).

The Chairperson of the Audit Committee is Ms Zienzile Musamirapamwe, a non-executive member and the other two Audit Committee members are Ms Thembisa Fuzani and Mr Viren Magan.

The Audit Committee met five times during the financial year.

Other governance structures

The PSC also has other appropriate governance structures to deal with ongoing management issues namely:

Public Service Commission Plenary

This is a quarterly meeting of all the Commissioners together with the Executive Management of the OPSC where policy issues are discussed and decisions in this regard taken. Furthermore, the strategic plan as well as the annual workplan of the PSC are also considered and approved at such meetings.

Executive Committee

The Executive Committee (EXCO) comprises the Chairperson, Deputy Chairperson, Director-General, the Deputy Directors-General, the Pretoria based Commissioners as well as one Regional based Commissioner on a rotational basis. It meets fortnightly to consider and make operational decisions within the parameters of the policy framework including *ad hoc* projects. These decisions are subsequently tabled at full plenary where all the Commissioners are present.

Specialist Teams

The Specialist Teams comprise selected senior officials from the OPSC as well as selected Commissioners. These meet on a quarterly basis to consider progress on projects and related issues. Currently, there are five (5) Specialists Teams, namely:

- Governance Monitoring;
- Labour Relations Improvement and Leadership and Human Resource Reviews;
- Integrity and Anti-Corruption;
- Service Delivery and Consultative Evaluations; and
- Institution Building and Strategic Operations.

Executive Management Committee

This Committee consists of executive managers from the OPSC. It meets on a monthly basis to monitor progress on projects and takes management decisions on various issues affecting the OPSC.

Management Committee

This is a forum comprising Executive and senior managers from the OPSC. It meets quarterly to discuss progress on projects in the workplan. The feedback received at the meeting is linked to the feedback in the quarterly reports submitted to National Treasury and the Minister for Public Service and Administration.

Management Processes

The management of conflict of interest in the PSC is dealt with in accordance with the Financial Disclosure Framework. Officials involved in supply chain management and members of various Supply Chain Management Committees declare conflicts of interest.

Over and above the Code of Conduct for Public Servants, the PSC has developed a Code of Ethics and Conduct for its employees. The Code of Conduct for Supply Chain Management Practitioners and other role players was approved on 1 September 2008.

A Security, Health and Safety Committee is in place and meets quarterly.

5.1.9 Discontinued Activities

No activities were discontinued during the period under review.

5.1.10 New or Proposed Activities

The OPSC has adopted a revised organisational structure to ensure that it fulfils its constitutional mandate and strengthens its strategic and operational support. This has resulted in the restructuring of line functions around six key performance areas, which translates to the strategic goals of the organisations namely: labour relations improvements; leadership and human resource reviews; governance monitoring; service delivery and compliance evaluation; public administration investigations and the promotion of professional ethics. An additional key performance area relates to institutional building and strategic operations.

5.1.11 Asset Management

During the financial year under review, an electronic asset bar-coding system was successfully implemented. The purpose of the system is to track assets and improve on the exercise of asset physical verification process. In order to strengthen asset management and minimising the risk of IT equipment, spot checks are conducted on a monthly basis and a management report presented on quarterly basis.

The PSC has captured all official assets in the asset register and the register complies with the minimum requirements as set by National Treasury.

The Directorate: Financial and Procurement Management is responsible for the following asset management functions:

- Ensure the adherence to Asset Management reporting requirements; and
- Ensure that officials are sufficiently trained on Asset Management processes and systems within the PSC.

5.1.12 Events after the Reporting Date

There were no material events that occurred after 31 March 2009.

5.1.13 Performance Information

A Medium Term Strategic Plan has been developed for the PSC for the period 1 April 2008 to 31 March 2011, which articulates the strategic priorities of the Office. The plan included all statutory requirements as defined in Chapter 5 of the Treasury Instructions. Quarterly reporting was done to the Minister to facilitate effective performance information monitoring, evaluation and corrective actions were applicable.

As required by the PFMA, accurate financial reporting was submitted timeously to various role players. Apart from the statutory requirements, the PSC also has an effective in-house reporting and cash flow management system. This is evident from the small saving realised in the period under review.

5.1.14 SCOPA Resolutions

There were no SCOPA resolutions for the 2008/2009 financial year.

5.1.15 Prior Modifications to Audit Reports

The PSC has implemented an audit issues tracking system to ensure that audit issues raised by the Auditor-General and the Internal Auditors are followed up and implemented. The audit issues tracking system is presented at management meetings and the Audit Committee meetings.

5.1.16 Exemptions Received from the National Treasury

There were no exemptions received from the National Treasury.

5.1.17 Other

There are no material facts or circumstances addressed elsewhere in this report which may have an effect on the understanding of the financial state of affairs.

5.1.18 Approval

The annual financial statements set out on pages 101 to 147 have been approved by the Accounting Officer.

MS OR RAMSINGH
DIRECTOR-GENERAL
DATE: 31 MAY 2009

5.2 REPORT OF THE AUDITOR-GENERAL

to Parliament on the financial statements and performance information of Vote No. 9: Public Service Commission for the year ended 31 March 2009

Report on the financial statements

Introduction

5.2.1 I have audited the accompanying financial statements of the Public Service Commission which comprise the appropriation statement, the statement of financial position as at 31 March 2009, the statement of financial performance, the statement of changes in net assets and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes as set out on pages 111 to 147.

The accounting officer's responsibility for the financial statements

5.2.2 The accounting officer is responsible for the preparation of these financial statements in accordance with the modified cash basis of accounting determined by the National Treasury as set out in the accounting policy note 1.1 and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) and the Division of Revenue Act, 2008 (Act No. 2 of 2008) (DoRA) and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Auditor-General's responsibility

5.2.3 As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.

5.2.4 I conducted my audit in accordance with the International Standards on Auditing read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

5.2.5 An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

5.2.6 I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

5.2.7 In my opinion the financial statements present fairly, in all material respects, the financial position of the Public Service Commission as at 31 March 2009 and its financial performance and its cash flows for the year then ended, in accordance with modified cash basis of accounting determined by the National Treasury as set out in the accounting policy note 1.1 and in the manner required by the PFMA and DoRA.

Basis of accounting

5.2.8 Without qualifying my opinion, I draw attention to accounting policy note 1.1 which sets out the basis of accounting. The department's policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury.

Other matters

Without qualifying my opinion, I draw attention to the following matters that relate to my responsibility in the audit of the financial statements:

Non-compliance with applicable legislation

Treasury Regulation

5.2.9 Treasury Regulations paragraph 8.2.3 requires payments other than contract payments due to creditors be settled within 30 days from receipt of an invoice. The PSC did not comply with paragraph 8.2.3 of the Treasury Regulation as it did not pay some of its suppliers within 30 days after receipt of the invoice.

5.2.10 Paragraph 21.2.2 of the Treasury Regulations requires that all cash gifts, donations or sponsorships must be paid into the relevant revenue fund. The PSC did not comply with Treasury Regulation 21.2.2 because it did not surrender the R350 000, received as gifts, donations and sponsorship in cash, to the revenue fund.

Governance framework

5.2.11 The governance principles that impact the auditor's opinion on the financial statements are related to the responsibilities and practices exercised by the accounting officer and executive management and key governance responsibilities addressed below:

Key governance responsibilities

5.2.12 The PFMA tasks the accounting officer with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of key governance responsibilities, which I have assessed as follows:

No.	Matter	Y	N
Clear trail of supporting documentation that is easily available and provided in a timely manner			
1.	No significant difficulties were experienced during the audit concerning delays or the availability of requested information.	✓	
Quality of financial statements and related management information			
2.	The financial statements were not subject to any material amendments resulting from the audit.	✓	
3.	The annual report was submitted for consideration prior to the tabling of the auditor's report.	✓	
Timeliness of financial statements and management information			
4.	The annual financial statements were submitted for auditing as per the legislated deadlines as set out in section 40 of the PFMA.	✓	
Availability of key officials during audit			
5.	Key officials were available throughout the audit process.	✓	
Development and compliance with risk management, effective internal control and governance practices			
6.	Audit committee	✓	
	• The department had an audit committee in operation throughout the financial year.	✓	
	• The audit committee operates in accordance with approved, written terms of reference.	✓	
	• The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 3.1.10.	✓	
7.	Internal audit	✓	
	• The department had an internal audit function in operation throughout the financial year.	✓	
	• The internal audit function operates in terms of an approved internal audit plan.	✓	
	• The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 3.2.	✓	
8.	There are no significant deficiencies in the design and implementation of internal control in respect of financial and risk management.	✓	
9.	There are no significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations.	✓	
10.	The information systems were appropriate to facilitate the preparation of the financial statements.	✓	
11.	A risk assessment was conducted on a regular basis and a risk management strategy, which includes a fraud prevention plan, is documented and used as set out in Treasury Regulation 3.2.	✓	
12.	Powers and duties have been assigned, as set out in section 44 of the PFMA.	✓	
Follow-up of audit findings			
13.	The prior year audit findings have been substantially addressed.	✓	
14.	SCOPA resolutions have been substantially implemented.	✓	
Issues relating to the reporting of performance information			
15.	The information systems were appropriate to facilitate the preparation of a performance report that is accurate and complete.	✓	
16.	Adequate control processes and procedures are designed and implemented to ensure the accuracy and completeness of reported performance information.	✓	
17.	A strategic plan was prepared and approved for the financial year under review for purposes of monitoring the performance in relation to the budget and delivery by the Department of Public Service and Administration against its mandate, predetermined objectives, outputs, indicators and targets as set out in Treasury Regulations 5.1, 5.2 and 6.1.	✓	
18.	There is a functioning performance management system and performance bonuses are only paid after proper assessment and approval by those charged with governance.	✓	

5.2.13 The department has maintained satisfactory levels of compliance with the relevant legislation relating to governance and continued to comply with good practice principles. The result of this discipline within the department is acceptable levels of financial and internal control management. These practices resulted in an unqualified audit report for the department for the financial year reviewed.

Report on other legal and regulatory requirements

Report on performance information

5.2.14 I have reviewed the performance information as set out on pages 16 to 60.

The accounting officer responsibility for the performance information

5.2.15 The accounting officer has additional responsibilities as required by section 40(3)(a) of the PFMA to ensure that the annual report and audited financial statements fairly present the performance against predetermined objectives of the department.

The Auditor-General's responsibility

5.2.16 I conducted my engagement in accordance with section 13 of the PAA read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*.

5.2.17 In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.

5.2.18 I believe that the evidence I have obtained is sufficient and appropriate to report that no significant findings have been identified as a result of my review.

Appreciation

5.2.19 The assistance rendered by the staff of the OPSC during the audit is sincerely appreciated.

Auditor-General

PRETORIA
31 JULY 2009

A U D I T O R - G E N E R A L
S O U T H   A F R I C A

Auditing to build public confidence

Appropriation Statement
for the year ended 31 March 2009

Appropriation per programme

	2008/2009							2007/2008	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration									
Current payment	56,512	-	1,516	**58,028**	58,027	1	100.0%	56,197	56,191
Transfers and subsidies	32	-	3	**35**	35	-	100.0%	34	32
Payment for capital assets	1,300	-	-	**1,300**	1,290	10	99.2%	2,724	2,724
2. Leadership and Management Practices									
Current payment	14,913	-	-308	**14,605**	14,604	1	100.0%	13,809	13,797
3. Monitoring and Evaluation									
Current payment	18,504	-	457	**18,961**	18,960	1	100.0%	17,542	17,531
4. Integrity and Anti-Corruption									
Current payment	22,411	-	-1,668	**20,743**	20,740	3	100.0%	17,858	17,859
Subtotal	**113,672**	**-**	**-**	**113,672**	**113,656**	**16**	**100.0%**	**108,164**	**108,134**
TOTAL	**113,672**	**-**	**-**	**113,672**	**113,656**	**16**	**100.0%**	**108,164**	**108,134**
Reconciliation with Statement of Financial Performance									
Add:									
Prior year unauthorised expenditure approved with funding				-				-	
Departmental receipts				268				164	
Aid assistance				1,201				-	
Actual amounts per Statement of Financial Performance (Total Revenue)				**115,141**				**108,328**	
Add:									
Aid assistance					1,201				100
Actual amounts per Statement of Financial Performance (Total Expenditure)					**114,857**				**108,234**

Appropriation Statement
for the year ended 31 March 2009

Appropriation per economic classification

	2008/2009							2007/2008	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	82,372	-	-5,149	**77,223**	77,224	-1	100.0%	71,854	70,163
Goods and services	29,968	-	5,146	**35,114**	35,101	13	100.0%	33,552	35,193
Financial transactions in assets and liabilities	-	-	-	**-**	6	-6	-	-	22
Transfers and subsidies									
Foreign governments and international organisations	32	-	3	**35**	35	-	100.0%	34	32
Payments for capital assets									
Machinery and equipment	1,300	-	-	**1,300**	1,290	10	99.2%	2,592	2,592
Software and other intangible assets	-	-	-	**-**		-	-	132	132
TOTAL	**113,672**	**-**	**-**	**113,672**	**113,656**	**16**	**100%**	**108,164**	**108,134**

Detail Per Programme 1 – Administration
for the year ended 31 March 2009

Programme per sub-programme	2008/2009							2007/2008	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Public Service Commission									
Current payment	14,056	-	-498	**13,558**	13,556	2	100.0%	14,377	14,365
1.2 Management									
Current payment	6,616	-	599	**7,215**	7,216	-1	100.0%	5,475	5,474
Transfers and subsidies	32	-	3	**35**	35	-	100.0%	34	32
1.3 Corporate Services									
Current payment	27,913	-	1,305	**29,218**	29,218	-	100.0%	36,345	36,352
Payment for capital assets	1,300	-	-	**1,300**	1,290	10	99.2%	2,724	2,724
1.4 Property Management									
Current payment	7,927	-	110	**8,037**	8,037	-	100.0%	-	-
TOTAL	**57,844**	**-**	**1,519**	**59,363**	**59,352**	**11**	**100.0%**	**58,955**	**58,947**

Economic classification	2008/2009							2007/2008	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	38,297	-	-2,791	**35,506**	35,504	2	100.0%	34,377	34,357
Goods and services	18,215	–	4,307	**22,522**	22,517	5	100.0%	21,820	21,812
Financial transactions in assets and liabilities	-	-	-	**-**	6	-6	-	-	22
Transfers and subsidies									
Foreign governments and international organisations	32	-	3	**35**	35	-	100.0%	34	32
Payments for capital assets									
Machinery and equipment	1,300	-	-	**1,300**	1,290	10	99.2%	2,592	2,592
Software and other intangible assets	-	-	-	**-**	-	-	-	132	132
TOTAL	**57,844**	**-**	**1,519**	**59,363**	**59,352**	**11**	**100.0%**	**58,955**	**58,947**

Detail Per Programme 2 – Leadership and Management Practices
for the year ended 31 March 2009

Programme per sub-programme	2008/2009							2007/2008	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Labour Relations Improvements									
Current payment	6,961	-	-422	**6,539**	6,537	2	100.0%	7,268	7,266
2.2 Leadership and Human Resource Reviews									
Current payment	7,952	-	114	**8,066**	8,067	-1	100.0%	6,541	6,531
TOTAL	**14,913**	**-**	**-308**	**14,605**	**14,604**	**1**	**100.0%**	**13,809**	**13,797**

Economic classification	2008/2009							2007/2008	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	12,578	-	-473	**12,105**	12,107	-2	100.0%	10,936	10,937
Goods and services	2,335	–	165	**2,500**	2,497	3	99.9%	2,873	2,860
TOTAL	**14,913**	**-**	**-308**	**14,605**	**14,604**	**1**	**100,0%**	**13,809**	**13,797**

Detail Per Programme 3 – Monitoring and Evaluation
for the year ended 31 March 2009

Programme per sub-programme	2008/2009							2007/2008	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Governance Monitoring									
Current payment	9,427	-	-257	**9,170**	9,169	1	100.0%	9,056	9,046
3.2 Service Delivery and Quality Assurance									
Current payment	9,077	-	714	**9,791**	9,791	-	100.0%	8,486	8,485
TOTAL	**18,504**	**-**	**457**	**18,961**	**18,960**	**1**	**100.0%**	**17,542**	**17,531**

Economic classification	2008/2009							2007/2008	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	14,179	-	81	**14,260**	14,261	-1	100.0%	12,510	12,510
Goods and services	4,325	–	376	**4,701**	4,699	2	100.0%	5,032	5,021
TOTAL	**18,504**	**-**	**457**	**18,961**	**18,960**	**1**	**100.0%**	**17,542**	**17,531**

Detail Per Programme 4 – Integrity and Anti-Corruption
for the year ended 31 March 2009

Programme per sub-programme	2008/2009							2007/2008	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 Public Administration Investigations									
Current payment	11,484	-	-393	**11,091**	11,088	3	100.0%	10,323	10,323
4.2 Professional Ethics									
Current payment	10,927	-	-1,275	**9,652**	9,652	-	100.0%	7,535	7,536
TOTAL	**22,411**	**-**	**-1,668**	**20,743**	**20,740**	**3**	**100.0%**	**17,858**	**17,859**

Economic classification	2008/2009							2007/2008	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	17,318	-	-1,966	**15,352**	15,352	-	100.0%	14,031	12,358
Goods and services	5,093	–	298	**5,391**	5,388	3	99.9%	3,827	5,501
TOTAL	**22,411**	**-**	**-1,668**	**20,743**	**20,740**	**3**	**100.0%**	**17,858**	**17,859**

Notes to the Appropriation Account
for the year ended 31 March 2009

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in note 7 (Transfers and subsidies) and Annexure 1 (A-C) to the Annual Financial Statements.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

3. Detail on financial transactions in assets and liabilities:

Detail of these transactions per programme can be viewed in note 6 (Financial transactions in assets and liabilities) to the Annual Financial Statements.

4. Explanations of material variances from amounts voted (after Virement):

4.1 Per Programme	Final appropriation	Actual expenditure	Variance	Variance as a % of final appropriation
	R'000	R'000	R'000	R'000
Programme 1 – Administration	59,363	59,352	11	0.02%
Savings was due to an under spending on payments for capital assets.				
Programme 2 – Leadership and Management Practices	14,605	14,604	1	0.01%
Programme 3 – Monitoring and Evaluation	18,961	18,960	1	0.01%
Programme 4 – Integrity and Anti-Corruption	20,743	20,740	3	0.01%

4.2 Per economic classification:				
Current payment:				
Compensation of employees	77,223	77,224	-1	0.00%-
Goods and services	35,114	35,101	13	0.00%
Financial transactions in assets and liabilities	-	6	-6	0.00%
Transfers and subsidies:				
Foreign governments and international organisations	35	35	-	0.00%
Payments for capital assets:				
Machinery and equipment	1,300	1,290	10	0.01%
Software and other intangible assets	-	-	-	-

Statement of Financial Performance
as at 31 March 2009

	Note	2008/2009 R'000	2007/2008 R'000
REVENUE			
Annual appropriation	1	113,672	108,164
Departmental revenue	2	268	164
Aid assistance	3	1,201	-
TOTAL REVENUE		**115,141**	**108,328**
EXPENDITURE			
Current expenditure			
Compensation of employees	4	77,224	70,163
Goods and services	5	35,101	35,193
Financial transactions in assets and liabilities	6	6	22
Aid assistance	3	1,201	100
Total current expenditure		**113,532**	**105,478**
Transfers and subsidies	7	35	32
Expenditure for capital assets			
Tangible capital assets	23	1,290	2,592
Software and other intangible assets	24	-	132
Total expenditure for capital assets		**1,290**	**2,724**
TOTAL EXPENDITURE		**114,857**	**108,234**
SURPLUS FOR THE YEAR		**284**	**94**
Reconciliation of Net Surplus for the year			
Voted funds		16	30
Departmental revenue	13	268	164
Aid assistance	3	-	-100
SURPLUS FOR THE YEAR		**284**	**94**

Statement of Financial Position
as at 31 March 2009

	Note	2008/2009 R'000	2007/2008 R'000
ASSETS			
Current assets		**1,237**	**2,171**
Cash and cash equivalents	9	323	1,448
Prepayments and advances	10	8	79
Receivables	11	906	644
TOTAL ASSETS		**1,237**	**2,171**
LIABILITIES			
Current liabilities		**982**	**1,885**
Voted funds to be surrendered to the Revenue Fund	12	16	30
Departmental revenue to be surrendered to the Revenue Fund	13	11	3
Payables	14	955	1,852
TOTAL LIABILITIES		**982**	**1,885**
NET ASSETS		**255**	**286**
Represented by:			
Recoverable revenue		255	286
TOTAL		**255**	**286**

Statement of Changes in Net Assets
for the year ended 31 March 2009

	Note	2008/2009 R'000	2007/2008 R'000
Recoverable revenue			
Opening balance		286	97
Transfers		-31	189
Debts recovered (included in departmental receipts)		-120	-81
Debts raised		89	270
Closing balance		255	286
TOTAL		**255**	**286**

Cash Flow Statement
for the year ended 31 March 2009

	Note	2008/2009 R'000	2007/2008 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		115,141	108,328
Annual appropriated funds received	1	113,672	108,164
Departmental revenue received	2	268	164
Aid assistance	3	1,201	-
Net increase in working capital		-1,088	-546
Surrendered to Revenue Fund		-290	-1,105
Current payments		-113,532	-105,478
Transfers and subsidies paid		-35	-32
Net cash flow available from operating activities	15	**196**	**1,167**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	-1,290	-2,724
Net cash flows from investing activities		**-1,290**	**-2,724**
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in net assets		-31	189
Net cash flows from financing activities		**-31**	**189**
Net decrease in cash and cash equivalents		-1,125	-1,368
Cash and cash equivalents at the beginning of the period		1,448	2,816
CASH AND CASH EQUIVALENTS AT END OF PERIOD	16	**323**	**1,448**

5.3 Accounting Policies
for the year ended 31 March 2009

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 2 of 2006.

5.3.1 Presentation of the Financial Statements

Basis of preparation

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid.

Presentation currency

All amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

Rounding

Unless otherwise stated all financial figures have been rounded to the nearest one thousand Rand (R'000).

Comparative figures

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

Comparative figures - Appropriation Statement

A comparison between actual amounts and final appropriation per major classification of expenditure is included in the Appropriation Statement.

5.3.2 Revenue

Appropriated funds

Appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments to the appropriated funds made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

Total appropriated funds are presented in the Statement of Financial Performance.

Unexpended appropriated funds are surrendered to the National Revenue Fund. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position.

Departmental revenue

All departmental revenue is paid into the National Revenue Fund when received, unless otherwise stated. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position.

Amounts receivable at the reporting date are disclosed in the disclosure notes to the annual financial statements.

Sales of goods and services other than capital assets

The proceeds received from the sale of goods and/or the provision of services is recognised in the Statement of Financial Performance when the cash is received.

Fines, penalties & forfeits

Fines, penalties & forfeits are compulsory un-requited amounts which were imposed by a court or quasi-judicial body and collected by the department. Revenue arising from fines, penalties and forfeits is recognised in the Statement of Financial Performance when the cash is received.

Interest, dividends and rent on land

Interest, dividends and rent on land is recognised in the Statement of Financial Performance when the cash is received.

Financial transactions in assets and liabilities

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the Statement of Financial Performance on receipt of the funds.

Cheques issued in previous accounting periods that expire before being banked are recognised as revenue in the Statement of Financial Performance when the cheque becomes stale. When the cheque is reissued the payment is made from Revenue.

Forex gains are recognised on payment of funds.

Transfers received (including gifts, donations and sponsorships)

All cash gifts, donations and sponsorships are paid into the National Revenue Fund and recorded as revenue in the Statement of Financial Performance when received. Amounts receivable at the reporting date are disclosed in the disclosure notes to the financial statements.

All in-kind gifts, donations and sponsorships are disclosed at fair value in an annexure to the financial statements.

Direct exchequer receipts

All direct exchequer receipts are recognised in the Statement of Financial Performance when the cash is received.

All direct exchequer payments are recognised in the Statement of Financial Performance when final authorisation for payment is effected on the system (by no later than 31 March of each year).

Aid assistance

Local and foreign aid assistance is recognised as revenue when notification of the assistance is received from the National Treasury or when the department directly receives the cash from the donor(s).

All in-kind local and foreign aid assistance are disclosed at fair value in the annexures to the annual financial statements.

The cash payments made during the year relating to local and foreign aid assistance projects are recognised as expenditure in the Statement of Financial Performance. The value of the assistance expensed prior to the receipt of the funds is recognised as a receivable in the Statement of Financial Position.

Inappropriately expensed amounts using local and foreign aid assistance and any unutilised amounts are recognised as payables in the Statement of Financial Position.

All CARA funds received must be recorded as revenue when funds are received. The cash payments made during the year relating to CARA earmarked projects are recognised as current or capital expenditure in the Statement of Financial Performance.

Inappropriately expensed amounts using CARA funds and any unutilised amounts are recognised as payables in the Statement of Financial Position.

5.3.3 Expenditure

Compensation of employees

Short-term employee benefits

Salaries and wages comprise payments to employees (including leave entitlements, thirteenth cheques and performance bonuses). Salaries and wages are recognised as an expense in the Statement of Financial Performance when final authorisation for payment is effected on the system (by no later than 31 March of each year). Capitalised compensation forms part of the expenditure for capital assets in the Statement of Financial Performance[1].

All other payments are classified as current expense.

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the Statement of Financial Performance or Position.

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[1] This accounting policy is only relevant where the department elects to capitalise the compensation paid to employees involved on capital projects.

Post retirement benefits

The department provides retirement benefits (pension benefits) for certain of its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions.

Employer contributions (i.e. social contributions) to the fund are expensed when the final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year). No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National Revenue Fund and not in the financial statements of the employer department.

The department provides medical benefits for certain of its employees. Employer contributions to the medical funds are expensed when final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year).

Termination benefits

Termination benefits such as severance packages are recognised as an expense in the Statement of Financial Performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Other long-term employee benefits

Other long-term employee benefits (such as capped leave) are recognised as an expense in the Statement of Financial Performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Long-term employee benefits that give rise to a present legal or constructive obligation are

disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the Statement of Financial Performance or Position.

Goods and services

Payments made for goods and/or services are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). The expense is classified as capital if the goods and services were used for a capital project or an asset of R5 000 or more is purchased. All assets costing less than R5 000 will also be reflected under goods and services.

Interest and rent on land

Interest and rental payments are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.

Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but amounts are disclosed as a disclosure note.

Forex losses are recognised on payment of funds.

All **other losses** are recognised when authorisation has been granted for the recognition thereof.

Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Unauthorised expenditure

When discovered unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the Statement of Financial Performance.

Unauthorised expenditure approved with funding is recognised in the Statement of Financial Performance when the unauthorised expenditure is approved and the related funds are received. Where the amount is approved without funding it is recognised as expenditure, subject to availability of savings, in the Statement of Financial Performance on the date of approval.

Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as expenditure in the Statement of Financial Performance. If the expenditure is recoverable it is treated as an asset until it is recovered from the responsible person or written off as irrecoverable in the Statement of Financial Performance.

Irregular expenditure

Irregular expenditure is recognised as expenditure in the Statement of Financial Performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable in the Statement of Financial Performance.

Expenditure for capital assets

Payments made for capital assets are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

5.3.4 Assets

Cash and cash equivalents

Cash and cash equivalents are carried in the Statement of Financial Position at cost.

For the purposes of the Cash Flow Statement, cash and cash equivalents comprise cash on hand and deposits held.

Other financial assets

Other financial assets are carried in the Statement of Financial Position at cost.

Prepayments and advances

Amounts prepaid or advanced are recognised in the Statement of Financial Position when the payments are made.

Pre-payments and advances outstanding at the end of the year are carried in the Statement of Financial Position at cost.

Receivables

Receivables included in the Statement of Financial Position arise from cash payments made that are recoverable from another party.

Receivables outstanding at year-end are carried in the Statement of Financial Position at cost plus any accrued interest.

Inventory

Inventories purchased during the financial year are disclosed at cost in the notes.

Capital assets

Movable assets

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

Subsequent expenditure of a capital nature is recorded in the Statement of Financial Performance as "expenditure for capital asset" and is capitalised in the asset register of the department on completion of the project.

Repairs and maintenance is expensed as current "goods and services" in the Statement of Financial Performance.

Immovable assets

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the immovable capital asset is stated at R1 unless the fair value for the asset has been reliably estimated.

Work-in-progress of a capital nature is recorded in the Statement of Financial Performance as "expenditure for capital asset". On completion, the total cost of the project is included in the asset register of the department that legally owns the asset or the provincial/national department of public works.

Repairs and maintenance is expensed as current "goods and services" in the Statement of Financial Performance.

5.3.5 Liabilities

Voted funds to be surrendered to the Revenue Fund

Unexpended appropriated funds are surrendered to the National Revenue Fund. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position.

Departmental revenue to be surrendered to the Revenue Fund

Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position at cost.

Direct Exchequer receipts to be surrendered to the Revenue Fund

All direct exchequer fund receipts are recognised in the Statement of Financial Performance when the cash is received.

Amounts received must be surrendered to the relevant revenue fund on receipt thereof. Any amount not surrendered at year end is reflected as a current payable in the Statement of Financial Position.

Bank overdraft

The bank overdraft is carried in the Statement of Financial Position at cost.

Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are recognised at historical cost in the Statement of Financial Position.

Contingent liabilities

Contingent liabilities are included in the disclosure notes to the financial statements.

Commitments

Commitments are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance but are included in the disclosure notes.

Accruals

Accruals are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance but are included in the disclosure notes.

Employee benefits

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the Statement of Financial Performance or the Statement of Financial Position.

Lease commitments

Finance leases

Finance leases are not recognised as assets and liabilities in the statement of financial position. Finance lease payments are recognised as an expense in the statement of financial performance and are apportioned between the capital and the interest portions. The finance lease liability is disclosed in the disclosure notes to the financial statements.

Operating leases

Operating lease payments are recognised as an expense in the statement of financial performance. The operating lease commitments are disclosed in the disclosure notes to the financial statements.

5.3.6 Receivables for Departmental Revenue

Receivables for departmental revenue are disclosed in the disclosure notes to the annual financial statements.

5.3.7 Net Assets

Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior repor-ting period but which are recognised in the Statement of Financial Position for the first time in the current reporting period. Amounts are transferred to the National Revenue Fund on disposal, repayment or recovery of such amounts.

Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year.

5.3.8 Related Party Transactions

Specific information with regards to related party transactions is included in the disclosure notes.

5.3.9 Key Management Personnel

Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.

5.3.10 Public Private Partnerships

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement is included in the disclosure notes.

Notes to the Annual Financial Statements
for the year ended 31 March 2009

1. Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act for National Departments (Voted Funds).

	Final appropriation	Actual funds received	Funds not requested/ not received	Appropriation received 2007/2008
	R'000	R'000	R'000	R'000
Administration	59,363	59,363	-	58,955
Leadership and Management Practices	14,605	14,605	-	13,809
Monitoring and Evaluation	18,961	18,961	-	17,542
Integrity and Anti-Corruption	20,743	20,743	-	17,858
TOTAL	**113,672**	**113,672**	**-**	**108,164**

2. Departmental Revenue

	Note	2008/2009 R'000	2007/2008 R'000
Sales of goods and services other than capital assets	2.1	42	41
Interest, dividends and rent on land	2.2	27	30
Financial transactions in assets and liabilities	2.3	199	93
Total revenue collected		268	164
DEPARTMENTAL REVENUE COLLECTED		**268**	**164**

2.1 Sales of goods and services other than capital assets

	2008/2009	2007/2008
Sales of goods and services produced by the department	41	40
Sales by market establishment	9	-
Other sales	32	40
Sales of scrap, waste and other used current goods	1	1
TOTAL	**42**	**41**

2.2 Interest, dividends and rent on land and buildings

	2008/2009	2007/2008
Interest	27	30
TOTAL	**27**	**30**

2.3 Financial transactions in assets and liabilities

	2008/2009	2007/2008
Receivables	108	75
Stale cheques written back	-	1
Other receipts including recoverable revenue	91	17
TOTAL	**199**	**93**

3. Aid Assistance

	Note	2008/2009 R'000	2007/2008 R'000

3.1 Assistance received in cash from RDP

Foreign

	2008/2009	2007/2008
Opening balance	-	-
Revenue	1,201	-
Expenditure	(1,201)	-
Current	(1,201)	-
CLOSING BALANCE	-	-

3.2 Assistance received in cash from other sources

Foreign

	2008/2009	2007/2008
Opening balance	-	100
Revenue	-	-
Expenditure	-	(100)
Current	-	(100)
CLOSING BALANCE	-	-

3.3 Total assistance

Foreign

	2008/2009	2007/2008
Opening balance	-	100
Revenue	1,201	-
Expenditure	(1,201)	(100)
Current	(1,201)	(100)
CLOSING BALANCE	-	-

Analysis of balance

	2008/2009	2007/2008
Local and foreign aid unutilised	-	-
CLOSING BALANCE	-	-

4. Compensation of Employees

	Note	2008/2009 R'000	2007/2008 R'000
4.1 Salaries and wages			
Basic salary		49,925	43,601
Performance award		1,306	1,438
Service Based		486	374
Compensative/circumstantial		1,154	808
Other non-pensionable allowances		15,551	13,862
Total		**68,422**	**60,083**
4.2 Social contributions			
Employer contributions			
Pension		6,519	7,955
Medical		2,276	2,118
Bargaining council		7	7
Total		**8,802**	**10,080**
TOTAL COMPENSATION OF EMPLOYEES		**77,224**	**70,163**
Average number of employees		221	239

5. Goods and Services

	Note	2008/2009 R'000	2007/2008 R'000
Administrative fees		344	288
Advertising		521	468
Assets less then R5,000	5.1	459	712
Bursaries (employees)		68	165
Catering		304	348
Communication		2,095	2,090
Computer services	5.2	2,197	2,119
Consultants, contractors and agency/outsourced services	5.3	5,104	4,769
Audit cost – external	5.4	1,416	1,463
Inventory	5 5	2,886	4,853
Maintenance, repairs and running costs		-	406
Operating leases		7,291	6,636
Owned and leasehold property expenditure	5.6	1,815	1,489
Travel and subsistence	5.7	8,415	6,362
Venues and facilities		523	820
Training and staff development		590	932
Other operating expenditure	5.8	1,073	1,273
TOTAL		**35,101**	**35,193**

	Note	2008/2009 R'000	2007/2008 R'000

5.1 Assets less than R5,000

	2008/2009 R'000	2007/2008 R'000
Tangible assets	459	712
Machinery and equipment	459	712
TOTAL	**459**	**712**

5.2 Computer services

	2008/2009 R'000	2007/2008 R'000
SITA computer services	1,750	2,017
External computer service providers	447	102
TOTAL	**2,197**	**2,119**

5.3 Consultants, contractors and agency/outsourced services

	2008/2009 R'000	2007/2008 R'000
Business and advisory services	4,784	4,669
Legal costs	7	-
Contractors	256	98
Agency and support/outsourced services	57	2
TOTAL	**5,104**	**4,769**

5.4 Audit cost - external

	2008/2009 R'000	2007/2008 R'000
Regulatory audits	1,416	1,226
TOTAL	**1,416**	**1,463**

5.5 Inventory

	2008/2009 R'000	2007/2008 R'000
Learning and teaching support material	4	-
Other consumable materials	23	40
Maintenance material	-	1
Stationery and printing	2,859	4,812
TOTAL INVENTORY	**2,886**	**4,853**

5.6 Owned and leasehold property expenditure

	2008/2009 R'000	2007/2008 R'000
Municipal services	-	813
Property management fees	1,201	126
Other	614	550
TOTAL	**1,815**	**1,489**

5.7 Travel and subsistence

	Note	2008/2009 R'000	2007/2008 R'000
Local		5,360	4,935
Foreign		3,055	1,427
TOTAL TRAVEL AND SUBSISTENCE		**8,415**	**6,362**

5.8 Other operating expenditure

Professional bodies, membership and subscription fees		64	196
Resettlement costs		631	688
Other		378	389
TOTAL		**1,073**	**1,273**

6. Financial Transactions in Assets and Liabilities

Other material losses written off	6.1	6	22
TOTAL		**6**	**22**

6.1 Other material losses written off

Nature of other material losses	6		
Car accidents		2	15
Cancellation fees		-	4
Other		4	3
TOTAL		**6**	**22**

6.2 Assets written off

	23		
Nature of write off			
Computer equipment		485	928
Furniture and office equipment		12	6
Other machinery and equipment		48	5
TOTAL		**545**	**939**

7. Transfers and Subsidies

Foreign governments and international organisations	Annex 1A	35	32
TOTAL		**35**	**32**

	Note	2008/2009 R'000	2007/2008 R'000
8. Expenditure for Capital Assets			
Tangible assets			
Machinery and equipment	23	1,290	2,592
Total		**1,290**	**2,592**
Software and other intangible assets			
Other intangibles		-	132
Total		-	132
TOTAL		**1,290**	**2,724**

8.1 Analysis of funds utilised to acquire capital assets – 2008/2009

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets			
Machinery and equipment	1,290	-	1,290
TOTAL	**1,290**	**-**	**1,290**

8.2 Analysis of funds utilised to acquire capital assets – 2007/2008

	Voted funds R'000	Aid assistance R'000	Total R'000
TOTAL ASSETS ACQUIRED	**2,724**	**-**	**2,724**

	2008/2009	2007/2008
9. Cash and Cash Equivalents		
Consolidated paymaster general account	305	1,433
Cash on hand	18	15
TOTAL	**323**	**1,448**
10. Prepayments and Advances		
Travel and subsistence	8	79
TOTAL	**8**	**79**

11. Receivables

	Note	Less than one year	One to three years	Older than three years	Total	Total
		R'000	R'000	R'000	R'000	R'000
Claims recoverable	11.1	22	-	13	35	112
Staff debt	11.2	109	140	69	318	349
Other debtors	11.3	466	87	-	553	183
TOTAL		**597**	**227**	**82**	**906**	**644**

	Note	2008/2009	2007/2008
		R'000	R'000

11.1 Claims recoverable

	2008/2009	2007/2008
National departments	20	97
Provincial departments	15	15
TOTAL	**35**	**112**

11.2 Staff debt

	2008/2009	2007/2008
Salary	57	110
Bursary	150	199
Other	28	40
Travel and subsistence	83	-
TOTAL	**318**	**349**

11.3 Other debtors

	2008/2009	2007/2008
Salary deductions	6	2
Other	190	181
Legal cost	357	-
TOTAL	**553**	**183**

12. Voted Funds to be Surrendered to the Revenue Fund

	2008/2009	2007/2008
Opening balance	30	935
Transfer from Statement of Financial Performance	16	30
Paid during the year	-30	-935
CLOSING BALANCE	**16**	**30**

13. Departmental Revenue to be Surrendered to the Revenue Fund

	2008/2009	2007/2008
Opening balance	3	9
Transfer from Statement of Financial Performance	268	164
Paid during the year	-260	-170
CLOSING BALANCE	**11**	**3**

	Note	2008/2009 R'000	2007/2008 R'000
14. Payables – Current			
Advances received	14.1	938	1,852
Other payables	14.2	17	-
TOTAL		**955**	**1,852**
14.1 Advances received			
National Anti-Corruption Programme - DPSA		716	1,852
Association of African Public Service Commissions		222	-
TOTAL		**938**	**1,852**
14.2 Other payables			
Income tax deductions		17	-
TOTAL		**17**	**-**
15. Net Cash Flow Available from Operating Activities			
Net surplus as per Statement of Financial Performance		284	94
Add back non cash/cash movements not deemed operating activities		-88	1,073
Increase in receivables – current		-262	-149
Decrease in prepayments and advances		71	-75
Decrease in payables – current		-897	-322
Expenditure on capital assets		1,290	2,724
Surrenders to revenue fund		-290	-1,105
NET CASH FLOW GENERATED BY OPERATING ACTIVITIES		**196**	**1,167**
16. Reconciliation of Cash and Cash Equivalents for Cash Flow Purposes			
Consolidated paymaster general account		305	1,433
Cash on hand		18	15
TOTAL		**323**	**1,448**

Disclosure Notes to the Annual Financial Statements
for the year ended 31 March 2009

These amounts are not recognised in the financial statements and are disclosed to enhance the usefulness of the financial statements.

17. Contingent Liabilities

Liable to	Nature	Note	2008/2009 R'000	2007/2008 R'000
Motor vehicle guarantees	Employees	Annex 2	445	319
Housing loan guarantees	Employees	Annex 2	141	141
Other departments (Interdepartmental unconfirmed balances)		Annex 4	-	7
TOTAL			**586**	**467**

18. Commitments

	2008/2009 R'000	2007/2008 R'000
Current expenditure		
Approved and contracted	4,992	3,861
	4,992	**3,861**
Capital expenditure		
Approved and contracted	135	141
	135	**141**
TOTAL COMMITMENTS	**5,127**	**4,002**

19. Accruals

Listed by economic classification

	30 Days R'000	30+ Days R'000	Total R'000	Total R'000
Compensation of employees	53	-	53	-
Goods and services	1,863	2,239	4,102	774
Transfers and subsidies	5	5	10	-
Machinery and equipment	19	20	39	-
TOTAL	**1,940**	**2,264**	**4,204**	**774**

	Note	2008/2009 R'000	2007/2008 R'000
Listed by programme level			
Programme 1: Administration		2,459	774
Programme 2: Leadership and Management Practices		439	26
Programme 3: Monitoring and Evaluation		572	4
Programme 4: Integrity and Anti-Corruption		734	-
TOTAL		**4,204**	**774**
Confirmed balances with departments	Annex 4	-	95
TOTAL		**-**	**95**

20. Employee Benefit Provisions

	2008/2009	2007/2008
Leave entitlement	1,844	2,026
Thirteenth cheque	2,049	1,849
Performance awards	1,098	1,111
Capped leave commitments	6,646	6,600
TOTAL	**11,636**	**11,586**

21. Lease Commitments

Finance leases

	Land R'000	Buildings and other fixed strutures R'000	Machinery and equipment R'000	Total R'000
2008/2009				
Not later than 1 year	-	-	171	171
Later than 1 year and not later than 5 years	-	-	187	187
Total lease commitments	**-**	**-**	**358**	**358**
Less: Finance cost	-	-	21	21
Total present value of lease liabilities	**-**	**-**	**337**	**337**
2007/2008				
Not later than 1 year	-	-	198	198
Later than 1 year and not later than 5 years	-	-	273	273
Total present value of lease liabilities	**-**	**-**	**471**	**471**

22. Related Party Transactions

PSC (Vote 9) has related party relationship with the following public sector entities that are falling within the portfolio of the Minister for Public Service and Administration:

- Department of Public Service and Administration;
- State Information Technology Agency (provision of IT communication infrastructure); and
- PALAMA Training and Trading Account (provision of training).

23. Key Management Personnel

	No. of Individuals	2008/2009 R'000	2007/2008 R'000
Political Office Bearers*	15	10,058	11,725
Officials:			
Level 15 to 16	6	4,262	3,071
Level 14	8	3,765	3,097
TOTAL		**18,085**	**17,893**

* Chairperson (1) and other members of the Commission (14).

24. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Opening balance	Current year adjustments to prior year balances	Additions	Disposals	Closing balance
	Cost R'000	Cost R'000	Cost R'000	Cost R'000	Cost R'000
MACHINERY AND EQUIPMENT	**9,536**	**-**	**1,305**	**545**	**10,296**
Transport assets	725	-	-	-	725
Computer equipment	6,726	-	936	485	7,177
Furniture and office equipment	1,033	-	337	12	1,358
Other machinery and equipment	1,052	-	32	48	1,036
TOTAL MOVABLE TANGIBLE ASSETS	**9,536**	**-**	**1,305**	**545**	**10,296**

24.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Cash	Non-cash	(Capital work in progress current costs)	Received current, not paid (paid current year, received prior year)	Total
	Cost R'000	Non-cash R'000	Cost R'000	Cost R'000	Cost R'000
MACHINERY AND EQUIPMENT	**1,290**	**1**	**-**	**14**	**1,305**
Computer equipment	936	-	-	-	936
Furniture and office equipment	322	1	-	14	337
Other machinery and equipment	32	-	-	-	32
TOTAL	**1,290**	**1**	**-**	**14**	**1,305**

24.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash received actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	**-**	**545**	**545**	**-**
Computer equipment	-	485	485	-
Furniture and office equipment	-	12	12	-
Other machinery and equipment	-	48	48	-
TOTAL	**-**	**545**	**545**	**-**

24.3 Movement for 2007/2008

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	**7,743**	**2,732**	**939**	**9,536**
Transport assets	725	-	-	725
Computer equipment	5,275	2,379	928	6,726
Furniture and office equipment	711	328	6	1,033
Other machinery and equipment	1,032	25	5	1,052
TOTAL TANGIBLE ASSETS	**7,743**	**2,732**	**939**	**9,536**

24.4 Minor assets

MINOR ASSETS OF THE DEPARTMENT FOR THE YEAR ENDED 31 MARCH 2009

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000
Minor assets	568	1	6,511	-	7,080
TOTAL	**568**	**1**	**6,511**	**-**	**7,080**
Number of minor assets	321	4	8,154	-	8,479
TOTAL	**321**	**4**	**8,154**	**-**	**8,479**

25. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Opening balance	Current year adjustments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Computer software	195	-	195	-	390
TOTAL INTANGIBLE ASSETS	**195**	**-**	**195**	**-**	**390**

25.1 Additions

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Cash	Non-Cash	(Development work in progress – current costs)	Received current year, not paid (Paid current year, received prior year	Total
	R'000	R'000	R'000	R'000	R'000
Computer software	63	132	-	-	195
TOTAL	**63**	**132**	**-**	**-**	**195**

25.2 Movement for 2007/2008

MOVEMENT IN CAPITAL INTANGIBLE MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2008

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Computer software	63	132	-	195
TOTAL	**63**	**132**	**-**	**195**

Annexures to the Annual Financial Statements
for the year ended 31 March 2009

Annexure 1A
Statement of Transfers to Foreign Government and International Organisations

Foreign government/ international organisation	Transfer allocation				Expenditure		2007/2008
	Adjusted appro-priation act	Roll overs	Adjustments	Total available	Actual transfer	% of available funds transferred	Final appropriation act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
CAPAM	27	-	-	27	27	100.0%	23
IPMA	-	-	-	-	-	100.0%	5
AAPAM	8	-	-	8	8	100.0%	4
TOTAL	**35**	**-**	**-**	**35**	**35**		**32**

Annexure 1B
Statement of Gifts, Donations and Sponsorships Received

Name of organisation	Nature of gift, donation or sponsorship	2008/2009	2007/2008
		R'000	R'000
Received in cash			
Association for Human Resource Management in International Organisation	2007 Association for Human Resource Management in International Organisation	-	70
MTN	1st General Assembly and Launch of the Association of African Public Services Commissions	250	-
Department of Public Service and Administration	1st General Assembly and Launch of the Association of African Public Services Commissions	100	-
Southern Sudan Civil Service Commission	Reimbursement of travel and accommodation costs	162	-
Subtotal		**512**	**70**
Received in kind			
International Public Management Association (IPMA)	Attending the 2007 Inaugural Caribbean Region Public Sector HR Conference	-	3
The Canadian International Development Agency (CIDA)	Study tour to the Institute for Citizen Centred Service	-	329
South African World Bank	Attending Network of Networks on Impact Evaluation	-	50
Subtotal		**-**	**382**
TOTAL		**512**	**452**

Annexure 1C
Statement of Local and Foreign Aid Assistance Received

Name of donor	Purpose	Opening balance	Revenue	Expenditure	Closing balance
		R'000	R'000	R'000	R'000
Received in cash					
German Technical Cooperation (GTZ)	1st General Assembly and Launch of the Association of African Public Services Commissions	-	512	512	-
	3rd National Anti-Corruption Summit	-	689	689	-
Subtotal		**-**	**1,201**	**1,201**	**-**
Received in kind					
German Technical Cooperation (GTZ)	IPMA HR Conference	-	261	261	-
	Printing Cost Report "Consistency of Sanctions"	-	81	81	-
	Evaluation of the Supply Chain Management Practices of the procurement of goods and services below the R200 000 threshold in selected departments	-	1,877	1,877	-
	Institutional and Impact Assessment of the PSETA	-	99	99	-
	Project Management, staff costs, overheads and miscellaneous	-	1,074	1,074	-
Subtotal		**-**	**3,392**	**3,392**	**-**
TOTAL		**-**	**4,593**	**4,593**	**-**

Annexure 2
Statement of Financial Guarantees Issued as at 31 March 2009 – Local

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2008	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Currency revaluations	Closing balance 31 March 2009	Guaranteed interest for year ended 31 March 2009	Realised losses not recoverable
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Motor vehicles								
STANNIC		-	319	254	-128	-	445	-	-
		-	319	254	-128	-	445	-	-
	Housing								
ABSA		-	38	-	-	-	38	-	-
FNB		-	47	-	-	-	47	-	-
NEDCOR		-	26	-	-	-	26	-	-
STANDARD		-	30	-	-	-	30	-	-
		-	141	-	-	-	141	-	-
TOTAL		**-**	**460**	**254**	**-128**	**-**	**586**	**-**	**-**

Annexure 3
Claims Recoverable

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2009	31/03/2008	31/03/2009	31/03/2008	31/03/2009	31/03/2008
	R'000	R'000	R'000	R'000	%	R'000
Department						
Provincial Administration: Western Cape	-	-	3	3	3	3
Department of Traditional and Local Government: KwaZulu-Natal	-	-	-	2	-	2
Department of Education: Eastern Cape	-	-	10	10	10	10
Department of Social Development	-	-	-	32	-	32
Department of Foreign Affairs	-	10	-	-	-	10
Department of Justice and Constitutional Development	-	11	-	-	-	11
Department of Housing: Gauteng	-	-	-	44	-	44
Department of Sports, Arts, Culture and Recreation	7	-	-	-	7	-
Department of Arts and Culture	-	-	12	-	12	-
Provincial Administration: Gauteng	-	-	3	-	3	-
TOTAL	**7**	**21**	**28**	**91**	**35**	**112**

Annexure 4
Inter-Governmental Payables

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2009	31/03/2008	31/03/2009	31/03/2008	31/03/2009	31/03/2008
	R'000	R'000	R'000	R'000	%	R'000
Department						
Current						
Department of Provincial and Local Government	-	53	-	-	-	53
Department of Transport and Public Works: Western Cape	-	42	-	-	-	42
Department of Justice and Constitutional Development	-	7	-	-	-	7
TOTAL	**-**	**102**	**-**	**-**	**-**	**102**

Notes

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EASTERN CAPE

91 Alexandra Road
King William's Town, 5601
Tel: (043) 643-4704
Fax: (043) 642-1371

FREE STATE

62 Fedsure Building
3rd Floor, St Andrews Street
Bloemfontein, 9301
Tel: (051) 448-8696
Fax: (051) 448-4135

GAUTENG

Ten Sixty-Six Building
16th Floor, 35 Pritchard Street
Johannesburg, 2001
Tel: (011) 833-5721
Fax: (011) 834-1200

KWAZULU-NATAL

249 Burger Street
Pietermaritzburg, 3201
Tel: (033) 345-9998
Fax (033) 345-8505

MPUMALANGA

19 Russel Street
Nelspruit, 1200
Tel: (013) 755-4070
Fax: (013) 752-5814

NORTHERN CAPE

1st Floor, Woolworths Building
cnr Lennox & Chapel Street
Kimberley, 8300
Tel: (053) 832-6222
Fax: (053) 832-6225

LIMPOPO

Kirk Patrick Building
40 Schoeman Street
Polokwane, 0701
Tel: (015) 291-4783
Fax: (015) 291-4683

NORTH-WEST

Mmabatho Post Office Building
Ground Floor, University Drive
Mmabatho, 2735
Tel: (018) 384-1000
Fax: (018) 384-1012

WESTERN CAPE

Sanlam Golden Acre Building
21st Floor, Adderley Street
Cape Town, 8000
Tel: (021) 421-3980
Fax: (021) 421-4060

PARLIAMENTARY OFFICE

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