



Custodian of Good Governance

Annual Report

2017/2018

PUBLIC SERVICE COMMISSION

ANNUAL REPORT 2017/2018


Vision

A champion of Public Service excellence in democratic governance in South Africa.

Mission

To promote the constitutionally enshrined democratic values and principles throughout the Public Service by -

- investigating, monitoring, evaluating the organisation and administration, and personnel practices;
- proposing measures to ensure the effective and efficient performance;
- issuing directions with regards to personnel procedures relating to the recruitment, transfers, promotions and dismissals;
- advising on personnel practices; and
- reporting on its activities.



PUBLIC SERVICE COMMISSION

**ANNUAL PERFORMANCE INFORMATION REPORT
FOR THE
2017/18 FINANCIAL YEAR**

RP: RP251/2018
ISBN: 978-0-621-46416-0
Date of issue: August 2018

31 August 2018

Adv RK Sizani

Chairperson of the Public Service Commission
Private Bag X121
PRETORIA
0001

Dear Advocate Sizani

It gives me great pleasure to submit to you the Annual Report of the Public Service Commission (PSC) for the period 1 April 2017 to 31 March 2018.

The Report highlights the overall performance of the PSC and the strides it made in fulfilling its Constitutional mandate. The Report also highlights the key achievements and challenges that the PSC experienced during the 2017/18 financial year.

Kind regards



DR D MAMPHISWANA
DIRECTOR-GENERAL
OFFICE OF THE PUBLIC SERVICE COMMISSION

TABLE OF CONTENTS

PART A: GENERAL INFORMATION 7

1.	DEPARTMENT GENERAL INFORMATION.....	8
2.	LIST OF ABBREVIATIONS/ACRONYMS.....	8
3.	FOREWORD BY THE CHAIRPERSON.....	9
4.	REPORT OF THE ACCOUNTING OFFICER.....	11
5.	STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT	14
6.	STRATEGIC OVERVIEW.....	15
	6.1 Vision.....	15
	6.2 Mission.....	15
	6.3 Values.....	15
7.	LEGISLATIVE AND OTHER MANDATES.....	15
	7.1 Constitutional Mandate.....	15
	7.2 Legislative Mandates.....	19
	7.3 Policy Mandates.....	19
	7.4 Relevant Court Rulings.....	21
8.	ORGANISATIONAL STRUCTURE.....	23
9.	ENTITIES REPORTING TO THE MINISTER.....	24

PART B: PERFORMANCE INFORMATION..... 25

1.	AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES.....	26
2.	OVERVIEW OF DEPARTMENTAL PERFORMANCE	26
	2.1 Service Delivery Improvement Plan.....	27
	2.2 Organisational Environment.....	33
	2.3 Key Policy Developments and Legislative Changes.....	33
3.	STRATEGIC OUTCOME ORIENTED GOALS.....	34
4.	PERFORMANCE INFORMATION BY PROGRAMME.....	35
	4.1 Programme 1: Administration.....	35
	4.2 Programme 2: Leadership and Management Practices	50
	4.3 Programme 3: Monitoring and Evaluation	59
	4.4 Programme 4: Integrity and Anti-Corruption	66
5.	TRANSFER PAYMENTS.....	73
	5.1 Transfer Payments to Public Entities.....	73
	5.2 Transfer Payments to all Organisations other than Public Entities.....	73
6.	CONDITIONAL GRANTS.....	73
	6.1 Conditional Grants and Earmarked Funds Paid	73
	6.2 Conditional Grants and Earmarked Funds Received	73
7.	DONOR FUNDS.....	73
	7.1 Donor Funds Received.....	73
8.	CAPITAL INVESTMENT.....	73
	8.1 Capital Investment, Maintenance and Asset Management Plan.....	73

PART C: GOVERNANCE..... 74

1.	INTRODUCTION.....	75
2.	RISK MANAGEMENT	75
3.	FRAUD AND CORRUPTION.....	75
4.	MINIMISING CONFLICT OF INTEREST	75
5.	CODE OF CONDUCT	76
6.	HEALTH SAFETY AND ENVIRONMENTAL ISSUES.....	76
7.	PORTFOLIO COMMITTEES	76
8.	SCOPA RESOLUTIONS.....	76
10.	INTERNAL CONTROL UNIT	76
11.	INTERNAL AUDIT AND AUDIT COMMITTEES.....	76
12.	AUDIT COMMITTEE REPORT	77

PART D: HUMAN RESOURCE MANAGEMENT 79

1. INTRODUCTION..... 80

2. OVERVIEW OF HUMAN RESOURCES..... 80

3. HUMAN RESOURCES OVERSIGHT STATISTICS..... 80

 3.1 Personnel Related Expenditure..... 80

 3.2 Employment and Vacancies..... 82

 3.3 Filling of SMS Posts..... 84

 3.4 Job Evaluation..... 85

 3.5 Employment Changes..... 86

 3.6 Employment Equity..... 88

 3.7 Signing of Performance Agreements by SMS Members..... 91

 3.8 Performance Rewards..... 92

 3.9 Foreign Workers..... 93

 3.10 Leave Utilisation..... 94

 3.11 HIV/AIDS and Health Promotion Programmes..... 95

 3.12 Labour Relations..... 97

 3.13 Skills Development..... 98

 3.14 Injury on Duty..... 99

 3.15 Utilisation of Consultants..... 99

 3.16 Severance Packages..... 101

PART E: FINANCIAL INFORMATION..... 102

1. REPORT OF THE AUDITOR-GENERAL..... 103

2. ANNUAL FINANCIAL STATEMENTS..... 107



PART A

GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

Full name:	Public Service Commission
Physical address:	Public Service Commission House, Office Park Block B, 536 Francis Baard Street, Arcadia
Postal address:	Private Bag X121, Pretoria, 0001
Telephone number:	(012) 352 1000
E-mail address:	info@opsc.gov.za
Website address:	www.psc.gov.za

2. LIST OF ABBREVIATIONS/ACRONYMS

AAPSComs	Association of African Public Services Commissions
AGSA	Auditor-General of South Africa
BAS	Basic Accounting System
CVPs	Constitutional Values and Principles
DBC	Departmental Bargaining Council
DDG	Deputy Director-General
DG	Director-General
DPME	Department of Planning, Monitoring and Evaluation
DPSA	Department of Public Service and Administration
DPW	Department of Public Works
DS	Developmental State
EA	Executive Authority
EPM	Enterprise Project Management
EWP	Employee Wellness Programme
FDF	Financial Disclosure Framework
FET	Further Education and Training
HDI	Historically Disadvantaged Individuals
HOA	Home Owners Allowance
HoD	Head of Department
HSRC	Human Sciences Research Council
IEC	Independent Electoral Commission
IGCMS	Integrated Grievance and Complaints Management system
IP	Internet Protocol
IT	Information Technology
LTSM	Learner Teacher Support Material
MEC	Member of the Executive Council
M&E	Monitoring and Evaluation
MANCO	Management Committee
MoUs	Memoranda of Understanding
MPSA	Minister for Public Service and Administration
NACH	National Anti-Corruption Hotline
OCSLA	Office of the Chief State Law Advisor
OHS	Occupational Health and Safety
OPSC	Office of the Public Service Commission
PAJA	Promotion of Administrative Justice Act
PFMA	Public Finance Management Act
PMDS	Performance Management and Development System
PSA	Public Service Act
PSC	Public Service Commission
PSR	Public Service Regulations
PWDs	People with Disabilities
RWOPS	Remunerative Work Outside Public Service
SCM	Supply Chain Management
SDIP	Service Delivery Improvement Plan
SMS	Senior Management Service
UNISA	University of South Africa

3. FOREWORD BY THE CHAIRPERSON



Adv RK Sizani
Chairperson

The Public Service Commission (PSC) is pleased to submit its Annual Report for the 2017/18 financial year. During the reporting period, two Provincially Based Commissioners' term of Office came to an end, namely Ms Mosa Sejosingoe, North West Province (09 December 2017) and Dr Gavin Woods, Western Cape Province (31 December 2017). In order to ensure that service delivery was not affected in the two provinces, the Provincially Based Commissioner for the Eastern Cape, Mr Singata Mafanya, was assigned as care-taker Commissioner for the Western Cape. Dr Moeletsi Leballo was appointed as Provincially Based Commissioner for the North West Province with effect from 1 February 2018 for a term of five years. I have no doubt that Commissioner Leballo will make a positive contribution to the implementation of the PSC's mandate.

The 2017/18 financial year was very challenging particularly in light of the financial position of the PSC. The PSC started the 2017/18 financial year with a deficit budget. This constrained the PSC to rigorously implement its constitutional mandate. Regardless of the challenges experienced, the PSC managed to achieve its strategic goals as outlined in the Annual Performance Plan for the 2017/18 financial year by implementing stringent financial controls. I must thank all Commissioners, the Accounting Officer and the Chief Financial Officer for ensuring that the PSC achieved more with less, in spite of the dire financial constraints.

The PSC plays a key role in the promotion of integrity in the Public Service. In its endeavour to execute its constitutional mandate in the area of professional ethics,

during the reporting period, the PSC conducted workshops on professional ethics with the view to promote ethical leadership in the Public Service. Furthermore, the PSC together with the Moral Regeneration Movement hosted a Roundtable Discussion on ethical leadership under the theme: *"Building ethical leadership towards a developmental state"*. Similarly, the PSC continued to manage the National Anti-Corruption Hotline (NACH). Due to financial challenges as a result of the bleak economic outlook, the PSC took a decision to manage the NACH internally. This bold decision will result in the PSC realising substantial savings over the medium term. The NACH call centre agents have gone through rigorous training to respond to the new demands of managing the NACH in-house. In addition, the PSC in partnership with the University of South Africa (UNISA) and the United Nations Office on Drugs and Crime (UNODC) commemorated the 2017 International Anti-Corruption Day under the theme: *"Illicit Financial Flows in Africa and its Impact on Development"*. The then Minister for Public Service and Administration (MPSA), Ms Faith Muthambi delivered the keynote address.

The PSC is responsible for the promotion of Constitutional Values and Principles (CVPs). During the reporting period, the PSC intensified efforts to promote the CVPs across the Public Service. To this end, and as part of a wider consultation with stakeholders, the PSC together with the Human Sciences Research Council (HSRC) held a successful Roundtable Discussion on the CVPs. The purpose of the Roundtable Discussion was to amongst others, promote the CVPs; and to share with stakeholders the initiatives of both the PSC and the HSRC as they seek to respond to the CVPs.

In respect of the payment of service providers within a 30 day period, the PSC welcomed the measures announced by the former Minister of Finance, Mr Malusi Gigaba, in March 2018 to strengthen adherence to the 30 day payment, including the charging of Accounting Officers with financial misconduct in cases of non-compliance. For its part, the PSC took a decision to summons Accounting Officers who fail to adhere to the 30 day payment rule, as part of exercising its oversight function in this matter.

Having an appreciation for the importance of sound labour peace in the Public Service, the PSC provides advice on best practices through amongst others, its research reports. During the reporting period, the PSC conducted an investigation into the "Non-implementation of arbitration awards and labour related court orders by Departments and implications on labour relations". The investigation was informed by enquiries and complaints that the PSC received from employees regarding the same. The PSC viewed this as a grave concern because the non-implementation of arbitration awards and labour court orders has serious implications on the management of labour relations and human resources management and development in general.

The PSC continues to make a contribution in the continent particularly in the area of good governance. During the reporting period, the South African PSC in its capacity as the President of Association of African Public Services Commissions (AAPSComs) hosted the Fifth General Assembly of the AAPSComs from 13-15 March 2018 at Emperors Palace, Kempton Park. The Fifth General Assembly was held under the theme: **“Building and strengthening the capacity of Public Service Commissions to meet the challenges of public administration and service delivery in Africa”**. At the event, the new Office Bearers for the AAPSComs were appointed and the South African PSC did not stand for the Presidency because South Africa has held the Presidency of AAPSComs since 2009, which is beyond the AAPSComs constitutionally mandated period.

During the period under review, the PSC also hosted the Public Service Commission of Nepal where our respective organisations exchanged ideas and shared best practices in an attempt to continually review and improve on the execution of our mandates.

In our continued efforts to strengthen strategic stakeholder relations, the PSC continued to enter into Memoranda of Understanding (MoUs) with likeminded institutions. To this end, during the reporting period, the PSC entered into MoUs with the following Institutions with the primary aim of providing a framework for collaboration in selected areas of research, development and administrative initiatives:

- The Public Protector
- Human Sciences Research Council
- Office of the Health Ombud
- Office of the Military Ombud

The PSC believes that collaborating with these institutions will contribute towards strengthening its research outputs and responsiveness to the needs of stakeholders.

In relation to the oversight work of the PSC, during the reporting period, the PSC has noted an increase in requests for presentations on the various aspects of its work both in Parliament and Provincial Legislatures. This is an affirmation that there is an appreciation of the work undertaken by the PSC in various Portfolio Committees.

The PSC has managed to achieve more with less in light of the 91% (93/102) achievement of its planned targets, which it recorded during the reporting period. This meant that the

scope of some projects had to be changed and inspections were downsized. On behalf of the PSC, I would therefore like to express our sincere gratitude and appreciation to the Office under the stewardship of the Director-General, Dr Dovhani Mamphiswana. I would also like to thank my fellow Commissioners for serving the PSC with distinction during the period under review.

In conclusion, I would like to thank the former Minister of Public Service and Administration (MPSA), Ms Faith Muthambi and the current Minister of Public Service and Administration (MPSA), Ms Ayanda Dlodlo for their support during the period under review. I would also like to thank the former Chairperson of the Portfolio Committee on Public Service and Administration/Planning, Monitoring and Evaluation, Mr Cassel Mathale and the current Acting Chairperson, Ms RMM Lesoma for their continuous engagement and support to the PSC.



ADV RK SIZANI
CHAIRPERSON: PUBLIC SERVICE
COMMISSION

4. REPORT OF THE ACCOUNTING OFFICER



Dr DC Mamphiswana
Director-General

I am pleased to present the Annual Report of the PSC for the 2017/18 financial year. The results in this Annual Report (2017/18) demonstrate the commitment by the PSC Leadership, Senior Management and staff in the execution of the PSC's constitutional mandate.

Overview of the operations

The slow economic growth in South Africa led to government cutting the budget allocations across all departments. Due to the limited financial resources, the PSC decided to institutionalise the process of project costing before the Workplan could be approved. This was to ensure that we do not overcommit ourselves. The PSC therefore decided to prioritise its mandatory projects such as the investigation of grievances and complaints and relook at what projects to prioritise for implementation within the available financial resources.

In order to strengthen financial management in the organisation, the PSC has sought the services of the Government Technical Advisory Centre (GTAC) to support the PSC in its endeavour to have an improved understanding and agreement on the casual factors impacting on our budget, planning and performance challenges. The GTAC will assist, based on the diagnostic report, with the design and establishment of PSC's improved budget and planning processes.

In an attempt to continuously improve on the services it delivers to its stakeholders, the PSC continued with the next phase of reviewing its grievance and complaints management process through the decentralisation of the

resolution of grievances and complaints. This means that grievances and complaints would be investigated and resolved at its closest point of origin, for example, in the provincial offices instead of being submitted to the National Office. The work of the PSC requires strong analytical, research and project management capacities. Therefore, the PSC prioritised the strengthening of its own capacity through various initiatives such as developing and rolling out a customised training course on research in partnership with UNISA as well as offering training on legal drafting, investigations and project management.

Sound labour relations remains key to ensuring that government becomes the employer of choice. It also contributes towards labour peace in the Public Service. To this effect, the PSC continues to play a critical role in the promotion of sound labour relations as well as the resolution of grievances in the Public Service. During the period under review, the PSC concluded 559 (85.5%) of the 654 grievance cases, 510 cases for level 1-12, of which 416 (82%) were concluded within 30 working days of receipt of relevant information, and 49 cases for members of the Senior Management Service (SMS), of which 45 (92%) were concluded within 45 working days of receipt of relevant information. There was a decrease of 9% of grievances handled during the reporting period compared with the total of 709 cases that were handled in the previous financial year. During the period under review, the highest number of grievances handled related to unfair treatment of employees for levels 1-12. This was fuelled mainly by the non-implementation of arbitration awards and Labour Court orders by government departments, as this was identified as one of the factors that contribute towards strained labour relations within departments. In trying to resolve this, the PSC will, in the 2018/19 Financial Year, initiate collaboration with other dispute resolution institutions to address the issues.

The PSC's mandate includes monitoring and evaluating personnel practices in the Public Service. The PSC is cognisant of the fact that strategic leadership and competent human resources are at the heart of effectiveness, efficiency and professionalisation of the Public Service. The PSC further acknowledge that the ability of the Public Service leadership to deliver on the mandate of government is dependent on the skills, competencies and commitment of employees at all levels of the organisation. In contributing towards the effective performance of the Public Service, the PSC engages with the Executive Authorities (EAs), Heads of Departments (HoDs) and various other stakeholders on key topical issues, monitors human resource practices and prioritises strategic research projects in order to address challenges and to identify best practices that can be replicated in the Public Service.

The PSC continues to play a key role in enhancing public administration practices in the Public Service,

through conducting public administration investigations and producing reports that comprise of findings, advice and recommendations made to EAs or HoDs. In the 2017/18 financial year, the PSC produced a "Factsheet on completed disciplinary proceedings on financial misconduct for the 2016/2017 financial year". The PSC also finalised investigations into the awarding of higher salaries in the national departments of Basic Education and Home Affairs. In relation to complaints lodged with the PSC, as at 31 March 2018, a total of 306 complaints/requests for investigations were received. Of the 306 complaints, 211 (69%) were finalised and 95 (31%) were in progress.

The fight against crime and corruption is one of the key priorities of government. The PSC continues to manage the National Anti-Corruption Hotline in-house. The insourcing of the NACH has resulted in significant savings in the PSC's budget. The members of the public, including public servants continue to report allegations of corruption or complaints through the NACH. To this end, during the period under review, a total of 878 out of 882 NACH cases that were lodged with the PSC were referred to relevant national and provincial departments.

During the reporting period, the PSC participated in efforts led by the former Minister for Public Service and Administration (MPSA) to revitalise the National Anti-Corruption Forum (NACF). The process commenced on 19 May 2017 with a meeting of all stakeholders. The meeting unanimously agreed that there is a strong need for the NACF to be revitalised. Three sub-committees were established to provide recommendations that would ensure the effectiveness and sustainability of the NACF going forward. These sub-committees were responsible for the following three areas:

- Reconstitution of the NACF;
- Diagnostic review of the NACF and
- Funding and technical support

Overview of the financial results

Table 1: Departmental receipts

Departmental Receipts	2017/18			2016/17		
	Estimate R'000	Actual Amount Collected R'000	(Over)/ Under Collection R'000	Estimate R'000	Actual Amount Collected R'000	(Over)/ Under Collection R'000
Sale of goods and services other than capital assets	108	108	-	100	100	-
Interest, dividends and rent on land	8	8	-	15	15	-
Financial transactions in assets and liabilities	353	353	-	256	256	-
Total	469	469	-	371	371	-

The revenue received was from the parking, commission insurance and garnishee interest on debts. The PSC does not charge tariffs to departments for services rendered in terms of its mandate and functions. It provides these services within its allocated budget.

Through its work on the management of the Financial Disclosure Framework (FDF), the PSC has scrutinised all the received financial disclosure forms for the 2016/17 financial year. The forms revealed that 1 943 SMS members in both the National and Provincial Departments have directorships in public and private companies and only 721 (37%) disclosed such information. The PSC advised Executive Authorities (EAs) to consult with the SMS members to determine reasons for not disclosing their directorships, and where necessary disciplinary action should be instituted against these SMS members.

Accounting Officers of departments are required in terms of the Public Finance Management Act (PFMA), 1999, to report the outcome of completed disciplinary proceedings on financial misconduct, to amongst others, the PSC. During the period under review, the PSC produced a "Factsheet on completed disciplinary proceedings on financial misconduct covering the period 2016/17". The Factsheet contains information on, amongst others, trend analysis of completed disciplinary proceedings on financial misconduct and disciplinary proceedings on financial misconduct that were not completed by departments as at 31 March of the respective financial year.

The PSC is responsible for promoting the Constitutional Values and Principles (CVPs) throughout the Public Service as set out in Section 195 of the Constitution. In an attempt to carry-out its constitutional mandate in this area, during the reporting period, the PSC customised its Institutional Evaluation Tool to the contexts of 6 classifications of departments in line with their mandate, which has resulted in 6 different tools. Furthermore, as part of consultation, the PSC together with the Human Sciences Research Council (HSRC) held a Roundtable Discussion on the CVPs with a view to amongst others, share with stakeholders the initiatives of the PSC and HRSC as they seek to respond to the CVPs.

Table 2: Programme expenditure

Programme Name	2017/18			2016/17		
	Financial Appropriation R'000	Actual Expenditure R'000	(Over)/ Under Expenditure R'000	Financial Appropriation R'000	Actual Expenditure R'000	(Over)/ Under Expenditure R'000
Administration	125,605	125,565	40	106,179	106,179	-
Leadership and Management Practices	39,312	38,984	328	37,504	37,428	76
Monitoring and Evaluation	33,877	33,785	92	34,349	34,321	28
Integrity and Anti-Corruption	48,965	48,961	4	51,201	51,177	24
Total	247,759	247,295	464	229,233	229,105	128

Unauthorised, fruitless and wasteful expenditure

No unauthorised, fruitless and wasteful expenditure was incurred during the period under review ending 31 March 2018.

Future plans

Details of the PSC's future plans can be found in its Strategic Plan for the periods 2016/17 to 2019/20 and Annual Performance Plan for 2018/19 and subsequent years.

Public private partnerships

The PSC did not enter into any Public Private Partnerships during the 2017/18 financial year.

Discontinued activities/activities to be discontinued

Details of the activities that were discontinued can be found under the performance information section of each programme.

New or proposed activities

The PSC's Annual Performance Plan and the Operational Plan provide detail on the projects and activities that the PSC embarked upon in the 2017/18 financial year. These projects are grouped according to the key performance areas of the PSC.

Supply Chain Management

The following bids were listed in the Procurement Plan for the 2017/18 financial year and were not advertised and awarded:

- Appointment of a service provider to maintain and support the Internet Protocol Telephony for a period of three years.

- Installation of an IT Infrastructure for the OPSC in the new accommodation.
- Removal of furniture and equipment of the OPSC to the new accommodation.

The bid was listed in the Procurement Plan for the 2017/18 financial year and was advertised and awarded:

- Appointment of a service provider to render Employee Wellness Programme (EWP) to the OPSC for a period of two (2) years.
- Appointment of a service provider to render Internal Audit services to the OPSC
- and the Audit Committee for a period of three (3) years.

Effective and efficient Supply Chain Management (SCM) systems, processes and procedures are in place in compliance with the provisions of Public Finance Management Act (PFMA) Act 1 of 1999 and the Treasury Regulations.

Gifts and donations received in kind from non-related parties

No goods and services in kind were received or provided to no-related parties.

Exemptions and deviations received from National Treasury

No exemption from the PFMA or Treasury Regulations or deviation from the financial reporting requirements was received for the current and/or prior financial year.

Events after the reporting date

- A bid for the appointment of a service provider for the procurement and installation of the IT and Security Infrastructure was awarded on 03 May 2018. The total amount for the bid was R3 353 734.65 (VAT incl.).

- The National Office took occupation of new office premises in July 2018 and the lease commitment was updated as such.

Other

No other material facts or circumstances, which may have an effect on the understanding of the financial state of affairs which is not addressed elsewhere in this report require reporting.

Acknowledgements and appreciation/ Conclusion

I would like to thank the PSC for the confidence it showed in me to serve as the Accounting Officer of the Office of the PSC during the period under review. Furthermore, I would like to thank the members of the PSC under the leadership of the Chairperson, Advocate RK Sizani for availing their knowledge and wisdom.

I would also like to thank all the PSC's stakeholders for their continued cooperation. To the Audit Committee, under the leadership of Mr Sakhiseni Simelane, thank you for ensuring that the PSC remains the custodian of good governance in the Public Service and exemplary in the manner it conducts and manages its financial resources.

To Team PSC, thank you for your unwavering support and commitment in ensuring that the PSC delivers on its mandate.

Approval and sign off

I approve and sign off the Annual Report as a true reflection of the work undertaken during the reporting period.



DR DOVHANI MAMPHISWANA
ACCOUNTING OFFICER
OFFICE OF THE PUBLIC SERVICE
COMMISSION
31 AUGUST 2018

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed throughout the annual report are consistent.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgments made in this information.

The Accounting Officer is responsible for establishing, and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements. The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2018.

Yours faithfully



ACCOUNTING OFFICER
DR DOVHANI MAMPHISWANA
31 AUGUST 2018

6. STRATEGIC OVERVIEW

6.1 Vision

A champion of Public Service excellence in democratic governance in South Africa.

6.2 Mission

To promote the constitutionally enshrined democratic values and principles throughout the Public Service by-

- investigating, monitoring, evaluating the organisation and administration, and personnel practices;
- proposing measures to ensure the effective and efficient performance;
- issuing directions with regards to personnel procedures relating to the recruitment, transfers, promotions and dismissals;
- advising on personnel practices; and
- reporting on its activities.

6.3 Values

The PSC's values give direction to our actions and describe how we behave. We uphold the following values:

- Integrity
- Equity
- Honesty
- Excellence
- Dedication
- Respect for professionalism
- Empathy
- Respect for human dignity
- Responsiveness

7. LEGISLATIVE AND OTHER MANDATES

7.1 Constitutional Mandate

The PSC is an independent institution established in terms of Chapter 10 of the Constitution. It derives its mandate from Sections 195 and 196 of the Constitution, 1996¹, which set out the values and principles governing public administration which should be promoted by the PSC, as well as the powers and functions of the PSC. The PSC is required by the Constitution to exercise its powers and to perform its functions without fear, favour or prejudice. The Constitution links the PSC's independence firmly with its impartiality and no organ of state may interfere with the functioning of the PSC.

The PSC is vested with custodial oversight responsibilities for the Public Service and monitors, evaluates and investigates public administration practices. It also has the power to issue directions regarding compliance with personnel procedures relating to recruitment, transfers, promotions and dismissals. The PSC is accountable to the National Assembly and must annually report to the National Assembly on its activities and performance, and to Provincial Legislatures on its activities in a province.

Given the broad mandate of the PSC, which covers all areas of public administration and the limited resources at its disposal, the PSC has elected to focus on six key performance areas:

- a. human resource management and leadership evaluation;
- b. handling labour relations and labour practices;
- c. service delivery evaluation and improvement;
- d. promotion of the democratic values and principles;
- e. conducting Public Service investigations; and
- f. promoting professional ethics.

The PSC has a responsibility to promote the values and principles governing public administration contained in Section 195 (1) of the Constitution. The values and principles are set out below:

VALUES AND PRINCIPLES	SECTION OF THE CONSTITUTION
A high standard of professional ethics must be promoted and maintained	195 (1) (a)
Efficient, economic and effective use of resources must be promoted	195 (1) (b)
Public administration must be development-oriented	195 (1) (c)
Services must be provided impartially, fairly, equitably and without bias	195 (1) (d)
People's needs must be responded to, and the public must be encouraged to participate in policymaking	195 (1) (e)
Public administration must be accountable	195 (1) (f)
Transparency must be fostered by providing the public with timely, accessible and accurate information	195 (1) (g)
Good human resource management and career development practices, to maximise human potential, must be cultivated	195 (1) (h)
Public administration must be broadly representative of the South African people, with employment and personnel management practices based on ability, objectivity, fairness, and the need to redress the imbalances of the past to achieve broad representation	195 (1) (i)

The PSC's powers and functions in terms of the Constitution are as follows

Table 2: Powers and functions

POWERS AND FUNCTIONS	SECTION OF THE CONSTITUTION
The PSC must exercise its powers and perform its functions without fear, favour or prejudice	196 (2)
The PSC must promote the values and principles, as set out in Section 195, throughout the Public Service	196 (4) (a)
The PSC must investigate, monitor and evaluate the organisation, administration and the personnel practices of the Public Service	196 (4) (b)
The PSC must propose measures to ensure effective and efficient performance within the Public Service	196 (4) (c)
The PSC must 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	196 (4) (d)
The PSC must report on its activities and the performance of its functions, including any finding 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	196 (4) (e)
The PSC may either of its own accord or on receipt of any complaint, <ul style="list-style-type: none"> • investigate and evaluate the application of personnel and public administration practices and to report to the relevant executive authority and legislature; • investigate grievances of employees in the Public Service concerning official acts or omissions and to recommend appropriate remedies; • monitor and investigate adherence to applicable procedures in the Public Service; and • 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 	196 (4) (f)
The PSC must exercise or perform the additional powers or functions prescribed by an Act of Parliament	196 (4) (g)
The PSC is accountable to the National Assembly	196 (5)
The PSC must report at least once a year to the National Assembly	196 (6) (a)
The PSC must report at least once a year in respect of its activities in a province, to the legislature of that province	196 (6) (b)

In terms of the Constitution and other legislation relevant to the PSC, the key responsibilities are as follows:

Table 3: Key responsibilities

KEY RESPONSIBILITIES	POWERS AND FUNCTIONS	SECTION OF THE LEGISLATION
Access documents and information	Official documents and information as may be necessary for the performance of its functions under the Constitution or the PSA	PSC Act: 9
Advise	On own accord or on receipt of any complaint, 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	Constitution: 196 (4) (f)
Call upon and administer oath/ accept affirmation	The PSC may call upon and administer an oath, or accept an affirmation from any person present at an inquiry	PSC Act: 10 (2) (b)
Conduct inquiry	Conduct an inquiry into any matter authorised by the Constitution or the PSA	PSC Act: 10 (1)
Consider grievances	Grievances of employees and Heads of Department under certain circumstances	PSA 35
Evaluate	Evaluate the organisation, administration and the personnel practices of the Public Service	Constitution: 196 (4) (b)
	On own accord or on receipt of any complaint, the application of personnel and public administration practices and to report to the relevant executive authority and legislature	Constitution: 196 (4) (f)
Examine or require a person to act	Any person to produce any book, document or object which may have a bearing on the subject of the inquiry	PSC Act: 10 (2) (c)
Exercise/perform functions	The additional powers or functions prescribed by an Act of Parliament	Constitution: 196 (4) (g)
	The powers and the duties entrusted to it by the Constitution, the PSC Act and the PSA	PSC Act: 8
	Its powers and perform its functions without fear, favour or prejudice	Constitution: 196 (2)
Inspect	Departments and other organisational components in the Public Service	PSC Act: 9
Investigate	The organisation, administration and the personnel practices of the Public Service	Constitution: 196 (4) (b)
	On own accord or on receipt of any complaint, the application of personnel and public administration practices and to report to the relevant executive authority and legislature	Constitution: 196 (4) (f)
	On own accord or on receipt of any complaint, grievances of employees in the Public Service concerning official acts or omissions and to recommend appropriate remedies	Constitution: 196 (4) (f)
	On own accord or on receipt of any complaint, adherence to applicable procedures in the Public Service	Constitution: 196 (4) (f)
	Compliance with the PSA	PSA: 5 (8) (a)
	Grievances of employees and Heads of Department under certain circumstances	PSA: 35
Issue 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	Constitution: 196 (4) (d)
	Contemplated in Section 196 (4) (d) of the Constitution in order to ensure compliance with the PSA	PSA: 5 (8) (a)
Keeps register	The Director-General: Office of the Commission shall keep a register of designated employees' interests, who are members of the SMS	Public Service Regulations, 2016, Chapter 2

KEY RESPONSIBILITIES	POWERS AND FUNCTIONS	SECTION OF THE LEGISLATION
Make rules	On the investigation, monitoring and evaluation of those matters to which Section 196 (4) of the Constitution relate	PSC Act: 11 (a)
	On the powers and duties of the chairperson, deputy chairperson or any other commissioner and the delegation and assignment of any power and duty entrusted to the PSC by the PSA, the Constitution or the PSA to provincial commissioners	PSA: 11 (b)
	On the manner in which meetings of the PSC shall be convened, the procedure to be followed in meetings and the conduct of its business, quorum and the manner in which minutes should be kept	PSA: 11 (c)
Monitor	The organisation, administration and the personnel practices of the Public Service	Constitution: 196 (4) (b)
	On own accord or on receipt of any complaint, adherence to applicable procedures in the Public Service	Constitution: 196 (4) (f)
Promote	Values and principles, as set out in Section 195, throughout the Public Service	Constitution: 196 (4) (a)
Propose measures	Measures to ensure effective and efficient performance within the Public Service	Constitution: 196 (4) (c)
Recommend	Appropriate remedies regarding the investigation of grievances of employees in the Public Service	Constitution: 196 (4) (f)
	That executive authorities act in terms of a particular provision(s) of the PSA or any other law	PSA: 35
Report	On its activities and the performance of its functions, including any finding 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	Constitution: 196 (4) (e)
	To the relevant executive authority and legislature on the application of personnel and public administration practices.	Constitution: 196 (4) (f)
	At least once a year to the National Assembly	Constitution: 196 (6) (a)
	At least once a year in respect of its activities in a province, to the legislature of that province	Constitution: 196 (6) (b)
	The PSC is responsible for reporting on the level of compliance as well as trends on financial misconduct in the Public Service	Treasury Regulations: 4.3
	As part of conducting its oversight work, the PSC also reports to Parliament	
	The accounting officer of a department must, as soon as the disciplinary proceedings (financial misconduct) are completed, report to the executive authority, the Department of Public Service and Administration and the PSC on the outcome, including – (a) the name and rank of the official against whom the proceedings were instituted; (b) the charges, indicating the financial misconduct the official is alleged to have committed; (c) the findings; (d) any sanction imposed on the official; and (e) any further action to be taken against the official, including criminal charges or civil proceedings	
Summons	Any person who may be able to give information of material importance concerning the subject matter of the inquiry	PSC Act: 10 (2) (a)
Verify	The PSC shall verify the interests disclosed by SMS members in terms of the Financial Disclosure Framework	Public Service Regulations, 2016, Chapter 2

7.2 Legislative Mandates

The PSC is a constitutional oversight body, established in 1996, primarily to promote “*a high standard of professional ethics in the Public Service*”¹. The PSC operates in terms of the *PSC Act, 1997*². The Act provides for the regulation of the PSC with regard to:

- (a) the constitution of the PSC;
- (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 PSC (inspections, inquiries, etc.);
- (g) rules according to which the PSC should operate;
- (h) the Office of the PSC (OPSC); and
- (i) transitional arrangements with regard to service commissions (created under the Interim Constitution).

The powers and functions of the PSC in terms of legislation is set out above.

7.3 Policy Mandates

The Outcomes Approach as developed by Government³ provides a framework used by the PSC to assist in its strategic development and focus. In particular, the PSC contributes to Outcome 12: “*An efficient, effective and development-oriented Public Service*”.

The following rules and protocols have been put in place by the PSC in terms of Section 11 of the PSC Act, in order to facilitate its operational functioning:

7.3.1 Rules for Dealing with Grievances of Employees in the Public Service, published in Government Gazette No.25209 dated 25 July 2003

The Grievance Rules, 2003, is one of the sets of prescripts that gives effect to the mandate of the PSC as provided in the Constitution of the Republic of South Africa, Section 196(4)(f)(ii), as well as the provisions of Section 35 of the Public Service Act, 1994 (as amended). Both laws provide the PSC with powers to investigate grievances of employees in the Public Service and make recommendations on appropriate remedies. The Grievance Rules, 2003, apply to employees on salary levels 1 to 12 and determine the process that should be followed by a department in investigating grievances, and the circumstances under which grievances should be referred to the PSC.

Once the PSC has finalised its investigation, the relevant Executive Authority (EA) is informed of its findings and recommendations. The latter is expected to inform the PSC and aggrieved employees about his or her decision based on the PSC's recommendations. The PSC also reports on the outcome of its investigations in respect of grievances to the National Assembly and Provincial Legislatures on at least an annual basis.

7.3.2 Rules on Referral and Investigation of Grievances of Employees in the Public Service, which were promulgated in Government Gazette no 40359 of 21 October 2016

The purpose of the Rules is to provide for the procedures and service standards in the investigation of grievances by the PSC, timeframes within which grievances may be referred to or lodged with the PSC and mechanisms of monitoring grievance management by departments.

7.3.3 Rules for the summoning of witnesses in connection with inquiries and investigations of the PSC, published in Government Gazette No.23267 dated 28 March 2002

The mandate of the PSC to issue summonses, is contained in Section 10 read with Section 11 of the PSC Act, 1997, as well as Section 196 (3) of the Constitution of the Republic of South Africa. In order to manage the process in terms of which witnesses can be summonsed, the PSC published Rules for the summoning of witnesses during 2002. The Rules provide for the process that should be followed when a person is summonsed to appear before an inquiry of the PSC.

7.3.4 Rules for dealing with grievances of members of the Senior Management Service, including Heads of Department, published in Government Gazette No 33540 of 17 September 2010

In order to comply with its constitutional mandate to deal with grievances of all employees in the Public Service, as well as the provisions of Section 35 of the Public Service Act, 1994 (as amended), the PSC published Grievance Rules for dealing with grievances of members of the SMS as well as HoDs. The Grievance Rules are included in Chapter 10 of the SMS Handbook. The Grievance Rules provide for the procedure to be followed by a department as well as the PSC in dealing with grievances of SMS members. These Rules also provide for the direct lodging of grievances with the PSC by HoDs. The PSC makes recommendations in respect of its findings to the EA.

¹ Certification of the amended text of the Constitution of the Republic of South Africa, 1996 (Case CCT 37/96, para 142).

² Republic of South Africa. Public Service Commission Act, 1997 (promulgated by Proclamation No. 46 of 1997).

³ <http://www.info.gov.za/issues/outcomes/index.html>

7.3.5 Rules of the PSC: Managing conflicts of interest identified through the Financial Disclosure Framework for Senior Managers, published in Government Gazette No 32298 of 12 June 2009

These Rules provide for a procedure to identify and manage potential conflicts of interest disclosed through the Financial Disclosure Framework for the SMS as prescribed in Chapter 3 of the Public Service Regulations, 1999, as amended. This Chapter requires of the PSC to verify that Financial Disclosure Forms submitted are correctly completed and to scrutinise the contents of the Forms in order to establish whether potential conflicts of interest exist and to alert EAs accordingly.

7.3.6 Governance Rules of the PSC, published in Government Gazette No 38620 of 30 March 2015

The Governance Rules have been put in place to ensure the effective functioning of the PSC. These Rules, inter alia, define the powers and duties of commissioners; delegations and assignment of powers and duties; and the manner in which the meetings of the PSC must be convened. The Governance Rules are read in conjunction with the other Rules promulgated by the PSC.

7.3.7 PSC Rules on Conducting Investigations, published in Government Gazette No 40552 dated 20 January 2017

The purpose of these Rules is to provide for the investigation and evaluation of matters as contemplated in section 196(4)(f)(i), (iii) and (iv) of the Constitution, 1996. It describes the matters that may be investigated and evaluated by the PSC, those matters that will not be investigated, the procedure to be followed before lodging a complaint with the PSC and the information required when lodging a complaint with the PSC.

7.3.8 Cooperative agreements

In addition to the above-mentioned Rules, the PSC also performs the following functions, emanating from Cabinet decisions:

Management of the National Anti-Corruption Hotline

In 2003, Cabinet decided to assign the PSC with the responsibility of establishing and managing the National Anti-Corruption Hotline. The PSC is responsible for outsourcing the call center, housing a central case management system and for the referral system through the case management system which is governed by explicit protocols on referrals.

Resolution of Parliament

The National Assembly adopted as its resolution the recommendation of the Portfolio Committee on Public Service and Administration with regards to the work of the PSC. The resolution requires the PSC to report on the implementation of Section 195 (1) by the administration of all spheres of government, organs of state and public enterprises in South Africa and to include its report in the annual report of the entity it is reporting on every year. In order for the PSC to fully implement the resolution, this will require legislative amendments.

Memoranda of Understanding

The PSC has entered into MoUs with various institutions. These MoUs aim to enhance co-operation, efficiency and effectiveness and to avoid duplication of activities. In promoting best practice and in pursuit of cooperation and collaboration with other institutions, the PSC has entered into MoUs with the following institutions:

Institutions Supporting Democracy:

- Auditor-General of South Africa (AGSA)
- Financial and Fiscal Commission
- Public Protector

Associations:

- Association of Public Account Committee
- South African Monitoring and Evaluation Association (SAMEA)
- Association of South African Schools and Departments of Public Administration and Management

Tertiary Institutions:

- University of South Africa (UNISA)
- Tshwane University of Technology

Civil Society

- Moral Regeneration Movement (MRM)

Other Government Institutions

- Human Science Research Council (HSRC)
- Military Ombudsman
- Office of Health Ombudsman

7.4 Relevant Court Rulings

The following judgments have helped to clarify the role and functions of the PSC:

7.4.1 Certification of the Constitution of the Republic of South Africa, 1996 (CCT 23/96) [1996] ZACC 26; 1996 (4) SA 744 (CC); 1996 (10) BCLR 1253 (CC) (6 September 1996)

In this case, the Constitutional Court dealt with the certification of the formulation of the wording of the role and functions of the PSC. It also ruled that the independence and impartiality of the PSC shall be provided for and safeguarded in the Constitution.

7.4.2 Ex Parte Chairperson of the Constitutional Assembly: In Re Certification of the Amended Text of the Constitution of the Republic of South Africa, 1996 (1997 (2) SA 97 (CC))

In the second certification case, the Court was presented with the full Constitutional provisions relating to the PSC, including its powers and functions.

The Court decided that Section 196 (1) “provides that there shall be a single PSC for the Republic.” As a commission it will have joint responsibility for the work that it does. This, and the fact that it consists of 14 members appointed by 10 different legislatures, enhances its independence and makes any individual commissioner less vulnerable to unfair dismissal than the Public Protector and the Auditor-General might be.

During the proceedings, the Court also dealt with the argument that Section 196 (13) provides that a commissioner appointed by a province may perform the functions of the commission in that province as prescribed by national legislation. The Court found that “that is so, but it will not relieve the PSC of joint responsibility for the work that it does, nor prevent the 13 remaining commissioners from coming to the support of an individual commissioner wrongly accused of misconduct, incompetence or incapacity.”

7.4.3 Premier, Western Cape v President of the Republic of South Africa 1999 (3) SA 657 (CC)

In this case, the Western Cape government sought an order declaring certain provisions of the 1998 Amendment of the Public Service Act to be inconsistent with the Constitution. The outcome of the case confirms that financial

independence is a key component of institutional independence and it is for Parliament and not the Executive to determine what funding is available to the PSC to enable it to carry out its constitutional mandate.

7.4.4 Independent Electoral Commission (IEC) v the Langeberg Municipality

The case also has relevance for the PSC in that the Court confirmed the independence of the IEC as articulated in Section 181 (2) of the Constitution.

The Court held that “the very reason the Constitution created the Commission was that it should be and manifestly be seen to be outside government” and “the Commission is accordingly not an organ of state in the national sphere of government”. Given its standing as an Institution Supporting Democracy, as in the case of the IEC, the PSC would therefore also be regarded as an institution outside government.

7.4.5 Macsand v City of Cape Town and Others unreported judgment of the Constitutional Court, [2012] ZACC 7

In a different but analogous context, the Constitutional Court has ruled as follows in relation to the overlap of functions and role between spheres of government:

“...these powers are not contained in hermetically sealed compartments, sometimes the exercise of powers by two spheres may result in an overlap. When this happens, neither sphere is intruding into the functional area of another. Each sphere would be exercising power within its own competence. It is in this context that the Constitution obliges these spheres of government to cooperate with one another in mutual trust and good faith, and to coordinate actions taken with one another...”

7.4.6 Chirwa v Transnet Ltd and Others 2008 (4) SA 367 (CC) at paragraphs 74-76, (relying on the decision of Institute for Democracy in South Africa and Others v African National Congress and Others 2005 (5) SA 39 (C) (2005 (10) BCLR 995)

In the above matter, it was confirmed that the rights in Section 195 of the Constitution are not justiciable. In other words, while Section 195 of the Constitution provides important interpretative assistance, it does not found a right to bring an action for breach of any the principles. The court held that: “The values enunciated in s 1 of the Constitution are of fundamental importance. They inform and give substance to all the provisions of the Constitution.

7.4.7 Khumalo and Another v Member of the Executive Council KwaZulu-Natal Education J-CCT10-13A

This case concerns a challenge by the Member of the Executive Council (MEC) for Education, KwaZulu-Natal, the respondent in Court, to the lawfulness of her own department's employment decisions.

The matter raises the enforcement of the rule of law in the context of a significant delay by the MEC in bringing her challenge to court. The Labour Court held that Section 195 of the Constitution compelled the MEC, in the public interest, to avoid and eliminate illegalities in public administration. It held that the principle in this Court's decision in Njongi (that it is always open to a government official to admit, without qualification, that an administrative decision was wrongly taken) must apply to unlawful acts committed deliberately, negligently or even in good faith.

The Labour Appeal Court agreed that the "MEC was not only entitled but also duty-bound to approach a court to set aside her irregular administrative act". The Court further held that Section 195 provides for a number of important values to guide decision makers in the context of public-sector employment. When, as in this case, a responsible functionary is enlightened of a potential irregularity, Section 195 lays a compelling basis for the founding of a duty on the functionary to investigate and, if need be, to correct any unlawfulness through the appropriate avenues.

7.4.8 Public Protector v Mail & Guardian Ltd and Others 2011 (4) SA 420 (SCA) at paras 21-22

In considering what a proper investigation entails, the Supreme Court of Appeal in the above case held in as follows:

"... I think there is nonetheless at least one feature of an investigation that must always exist ... which is that the investigation must have been conducted with an open and enquiring mind. An investigation that is not conducted with an open and enquiring mind is no investigation at all. That is the benchmark against which I have assessed the investigation in this case. I think that it is necessary to say something about what I mean by an open and enquiring mind. That state of mind is one that is open to all possibilities and reflects upon whether the truth has been told. It is not one that is unduly suspicious but it is also not one that is unduly believing. It asks whether the pieces that have been presented fit into place. If at first they do not then it asks questions and seeks out information until they do. It is also not a state of mind that remains static.

If the pieces remain out of place after further enquiry then it might progress to being a suspicious mind. And if the pieces still do not fit then it might progress to conviction that there is deceit. How it progresses will vary with the exigencies of the particular case. One question might lead to another and that question to yet another, and so it might go on. But whatever the state of mind that is finally reached, it must always start out as one that is open and enquiring."

While the above case was decided in relation to the office of the Public Protector, the scope and meaning of "an investigation" as defined above applies equally, in our view to an investigation carried out by the PSC.

7.4.9 Economic Freedom Fighters v Speaker of the National Assembly and Others; Democratic Alliance v Speaker of the National Assembly and Others [2016] ZACC 11

The Constitutional Court affirmed that in the case of the Public Protector, the power to take remedial action is binding and if a party is not happy with that remedial action it should take it on review to court. In this regard the Court held that no binding and constitutionally or statutorily sourced decision may be disregarded willy nilly without recourse to a court of law. This would suggest that the directions of the PSC should be treated the same, as the Public Service Act says they are binding. In addition, although the PSC's recommendations are not binding they cannot be disregarded without giving rational reasons.

8. ORGANISATIONAL STRUCTURE

Members of the PSC:



Adv RK Sizani
Chairperson



Mr BM Mthembu
Deputy Chairperson



Ms SS Nkosi
Commission,
National Office



Ms PC Nzimande
Commissioner,
National Office



Dr TB Luthuli
Commissioner,
National Office



Mr S Mafanya
Commissioner,
Eastern Cape



Dr WH Boshoff
Commissioner,
Free State



Mr MH Seloane
Commissioner,
Gauteng



Dr MP Sithole
Commissioner,
KwaZulu-Natal



Mr TG Mashamba
Commissioner,
Limpopo



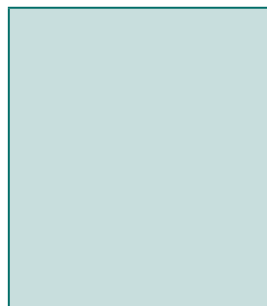
Mr DS Mkhwanazi
Commissioner, Mpumalanga



**Ms MA Marais-
Martin**
Commissioner,
Northern Cape



Dr MS Leballo
Appointed as Commissioner,
North West – 01 February
2018

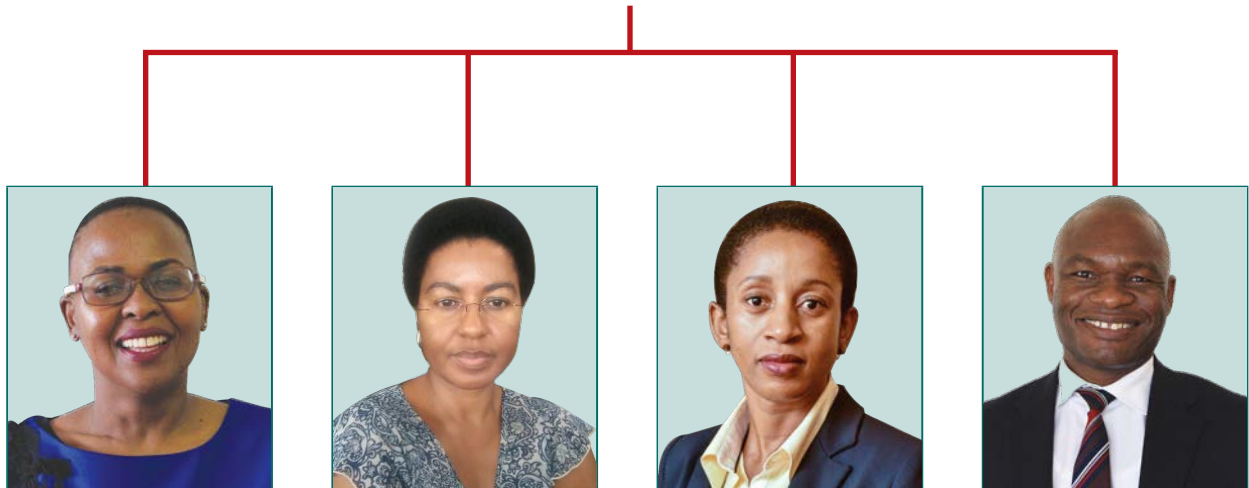


Vacant
Commissioner,
Western Cape

Members of the Executive Management of the Office of the PSC:



Dr DC Mamphiswana
Director-General



Ms BP Lerumo,
*Deputy Director-General:
Corporate Services*



Ms K Sedibe,
*Deputy Director-General:
Leadership and Management
Practices*



Ms I Mathenjwa,
*Deputy Director-General:
Monitoring and
Evaluation (with effect from
1 October 2017)*



Mr M Malatsi,
*Deputy Director-General:
Integrity and Anti-Corruption
(with effect from 1 October
2017)*

9. ENTITIES REPORTING TO THE MINISTER

Not applicable.



PART B

PERFORMANCE INFORMATION

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report of the Auditor-General's report.

Refer to page 103 - 106 of the Report of the Auditor-General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

The PSC has achieved 91% (93 of 102) of its planned targets. Of particular note is the key role played by the PSC in the promotion of sound labour relations as well as the resolution of grievances in the Public Service. During the period under review, the PSC concluded 559 (85.5%) of the 654 grievance cases, 510 cases for level 1-12, of which 416 (82%) were concluded within 30 working days of receipt of relevant information, and 49 cases for SMS members of which 45 (92%) were concluded within 45 working days of receipt of relevant information. There was a decrease of 9% of grievances handled during the reporting period compared with the total of 709 cases that were handled in the previous financial year. During the period under review, the highest number of grievances handled related to unfair treatment of employees for levels 1-12. This was fuelled mainly by the non-implementation of arbitration awards and Labour Court orders by government departments, as this was identified as one of the factors that contribute towards strained labour relations within departments. In trying to resolve this, the PSC will, in the 2018/19 financial year, initiate collaboration with other dispute resolution institutions to address the issues.

In an attempt to continuously improve on the services it delivers to its stakeholders, the PSC continued with the next phase of reviewing its grievance and complaints management process through the decentralisation of the resolution of grievances and complaints. This means that grievances and complaints would be investigated and resolved at its closest point of origin, for example, in the provincial offices instead of being submitted to the National Office. The work of the PSC requires strong analytical, research and project management capacities. Therefore, the PSC prioritised the strengthening of its own capacity through various initiatives such as developing and rolling out a customised training course on research in partnership

with UNISA as well as offering training on legal drafting, investigations and project management.

The PSC's mandate includes monitoring and evaluating personnel practices in the Public Service. The PSC is cognisant of the fact that strategic leadership and competent human resources are at the heart of effectiveness, efficiency and professionalization of the Public Service. The PSC further acknowledges that the ability of the Public Service leadership to deliver on the mandate of government is dependent on the skills, competencies and commitment of employees at all levels of the organisation. In contributing towards the effective performance of the Public Service, the PSC engages with EAs, HoDs and various other stakeholders on key topical issues, monitors human resource practices and prioritises strategic research in order to address challenges and to identify best practices for application in the Public Service. During the period under review, the PSC completed amongst others, the following research outputs:

- (a) Report on recruitment, retention, career pathing and utilisation of Senior Management Service (SMS) expertise and skills in the Public Service
- (b) Report on the evaluation of the recruitment and selection process in the Mpumalanga Provincial Government for the 2015/16 financial year
- (c) Report on Investigation into contract appointments in the Northern Cape Provincial Administration
- (d) Report on Case studies at the three major hospitals in the Western Cape regarding the implementation of the Performance Management and Development System (PMDS)

Some of the reports are more focused on broad policy issues, while others are more focused on implementation issues and the PSC is of the view that the findings contained in these reports will contribute towards good governance in the Public Service.

The PSC continues to play a key role in enhancing public administration practices in the Public Service, through conducting public administration investigations and producing reports that comprise of findings, advice and recommendations made to EAs or HoDs. In the 2017/18 financial year, the PSC produced a "Factsheet on completed disciplinary proceedings on financial misconduct for the 2016/2017 financial year". The PSC finalised the investigation and evaluation of the awarding of higher salaries in the national Departments of Basic Education and Home Affairs. In relation to complaints lodged with the PSC, as at 31 March 2018, a total of 306 complaints/requests for investigations were received. Of the 306 complaints, 211 (69%) were finalised and 95 (31%) were in progress.

The fight against crime and corruption is one of the key priorities of government. The PSC continues to manage the NACH in-house. The insourcing of the NACH has resulted in significant savings to the PSC. The members of the public, including public servants continue to report allegations of corruption or complaints through the NACH. To this end, during the period under review, a total of 878 out of 882 NACH cases that were lodged with the PSC were referred to relevant national and provincial departments.

During the reporting period, the PSC participated in efforts led by the former MPSA to revitalise the NACF. The NACF comprises of business, civil society and public sectors. The NACF revival meeting which was hosted by the former MPSA during the period under review, discussed amongst others,

- (a) Re-constitution of the sectors of the NACF
- (b) Funding for the implementation of programmes and sustainability of the NACF
- (c) Programmes to be selected within budget for maximum impact

The PSC continues to play a critical role in monitoring the implementation of FDF for members of the SMS in the Public Service. The forms revealed that 1 943 SMS members in both the National and Provincial Departments have directorships in public and private companies and only

721 (37%) disclosed such information. The PSC advised EAs to consult with the SMS members to determine reasons for not disclosing their directorships, and where necessary disciplinary action should be instituted against these SMS members.

Accounting Officers of departments are required in terms of the PFMA to report the outcome of completed disciplinary proceedings on financial misconduct, to amongst others, the PSC. During the period under review, the PSC produced a "Factsheet on completed disciplinary proceedings on financial misconduct covering the period 2016/17". The Factsheet contains information on amongst others, trend analysis of completed disciplinary proceedings on financial misconduct and disciplinary proceedings on financial misconduct that were not completed by departments as at 31 March of the respective financial year.

The PSC is responsible for promoting the CVPs throughout the Public Service as set out in Section 195 of the Constitution. In an attempt to carry-out its constitutional mandate in this area, during the reporting period, the PSC customised its Institutional Evaluation Tool to the contexts of 6 classifications of departments in line with their mandate, which has resulted in 6 different tools. Furthermore, as part of consultation, the PSC together with the HSRC held a Roundtable Discussion on the CVPs with view to amongst others, share with stakeholders the initiatives of the PSC and HSRC as they seek to respond to the CVPs.

2.1 Service Delivery Improvement Plan

Table 5: Main services provided and standards

Main Services	Beneficiaries	Current/ Actual Standard of Service	Desired Standard of Service	Actual Achievement
Grievances and complaints investigated	<ul style="list-style-type: none"> • Public servants • Government departments 	From the 709 grievances registered on the PSC's database, 615 (87%) were concluded.	75%	As at 31 March 2018, a total of 654 cases were registered of which 559 (85.5%) were concluded
Investigations conducted either of its own accord or on receipt of any complaints lodged and requests made	<ul style="list-style-type: none"> • National and provincial legislatures • Public servants • Government departments • Public 	360 complaints were on the data base, of which 303 (84%) were concluded. Of these complaints that were concluded 61 (20%) were concluded through investigations, of which 49 (80%) were finalised within 3 months of receipt of all relevant documentation.	60% public administration investigations	As at 31 March 2018, there were 306 complaints on the database, of which 211 (69%) were concluded. Of the 211, 46 (22%) were concluded through investigations, of which 38 (83%) were concluded within 3 months of receipt of all relevant documentation.
		148 (49%) cases lodged in the 2016/17 financial year were finalised/closed as early resolution cases, of which 126 (85%) were finalised within 45 days of receipt of all relevant documentation.	65% complaints finalised through early resolution mechanisms	As at 31 March 2018, 165 (78%) cases were finalised as early resolution cases, of which 148 (90%) were finalised within 45 days of receipt of all relevant documentation.

Table 6: Batho Pele arrangements with beneficiaries

Main Services	Current/Actual Arrangement	Desired Arrangement	Actual Achievements
Grievances and complaints investigated	Consultation		
	Liaise with aggrieved during the investigation	Liaise with aggrieved during the investigation	All aggrieved employees are liaised with as part of the investigation process.
	Liaise with the relevant department during the investigation	Liaise with the relevant department during the investigation	All departments were liaised with during the investigation of grievances.
	Mediation process may be followed in order to resolve a grievance	Mediation process may be followed in order to resolve a grievance	Mediation process was followed in two (2) cases, resulting in settlement agreements between the parties.
	Mediation process must be finalised within 30 days of notification	Mediation process must be finalised within 30 days of notification	Mediation process followed in the two (2) cases were finalised within 30 days of notification to the parties.
	At the conclusion of an inquiry, the PSC may, where necessary make the provisional report available to the affected parties for comment	At the conclusion of an inquiry, the PSC may, where necessary make the provisional report available to the affected parties for comment	Since there was no inquiry, no provisional reports were made available during the period under review.
	Courtesy		
	Acknowledge receipt of a grievance with 48 hours of receipt thereof	Acknowledge receipt of a grievance with 48 hours of receipt thereof	All grievances were acknowledged with 48 hours of receipt thereof by the Chief Directorate
	Telephonic feedback on level of service received	Telephonic feedback on level of service received	Telephonic feedback on level of service was received
	Assist aggrieved employee in completing the Grievance Form	Assist aggrieved employee in completing the Grievance Form	Aggrieved employees were assisted in completing the Grievance Form where requested
	Obtain the services of an interpreter if necessary	Obtain the services of an interpreter if necessary	Investigators who understand the language used predominantly by the aggrieved were assigned to assist other investigators during meetings and interviews. Therefore there was no need to use external interpreters.
	Access		
	Grievance Rules are posted on the PSC website	Grievance Rules are posted on the PSC website	Grievance Rules were posted on the PSC website in October 2016
	Grievance Rules may be circulated to stakeholders upon request	Grievance Rules may be circulated to stakeholders upon request	Grievance Rules were circulated to DGs/HODs through a memo and the Rules are also circulated to stakeholders upon request
	Aggrieved employees may submit their grievance via post, e-mail, fax, hand delivery or walk in	Aggrieved employees may submit their grievance via post, e-mail, fax, hand delivery or walk in	Aggrieved employees submitted their grievances via post, e-mail, fax, hand delivery or walk ins
	Grievance can be lodged at the National Office or any Provincial Office	Grievance can be lodged at the National Office or any Provincial Office	654 grievances had been lodged at the National Office and Provincial Offices of the PSC.
	Information		
	Aggrieved employee and EA provided with the contact details of the investigator	Aggrieved employee and EA provided with the contact details of the investigator	Aggrieved employees and EAs were provided with the contact details of the investigators

Main Services	Current/Actual Arrangement	Desired Arrangement	Actual Achievements
	Aggrieved employee and relevant EA informed with the outcome of the grievance within 30 days of receipt of all information	Aggrieved employee and relevant EA informed with the outcome of the grievance within 30 days of receipt of all information	Aggrieved employees and relevant EAs informed with the outcome of the grievance within 30 days of receipt of all information
	Publish grievance management communiqué	Publish grievance management communiqué	Published the grievance management communiqué through the PSC website in September 2016.
Openness & transparency			
	Inform relevant department of the grievance	Inform relevant department of the grievance	All departments were informed of the grievances received
	Inform aggrieved employee of the grievance procedure and time frames	Inform aggrieved employee of the grievance procedure and time frames	Aggrieved employees were informed of the grievance procedure and time frames
	Inform aggrieved employee on status of investigation on a regular basis	Inform aggrieved employee on status of investigation on a regular basis	Aggrieved employees were informed on status of investigation on a regular basis
	Communicate the outcome of its investigation in writing to the aggrieved employee and EA	Communicate the outcome of its investigation in writing to the aggrieved employee and EA	The outcome of investigation were communicated in writing to the aggrieved employee and EA
	Aggrieved employee or EA notified in writing if a formal inquiry will be conducted	Aggrieved employee or EA notified in writing if a formal inquiry will be conducted	No formal inquiries were conducted
Redress			
	If grievance is not resolved within the stipulated time frame, the aggrieved employee and relevant EA will be advised and provided with reasons for the delay	If grievance is not resolved within the stipulated time frame, the aggrieved employee and relevant EA will be advised and provided with reasons for the delay	No communications were directed to aggrieved employees and EAs regarding delays in finalising grievances
	Follow up on implementation of recommendations	Follow up on implementation of recommendations	Follow up on implementation of recommendations were done on a quarterly basis
	If dissatisfied with the handling of a grievance, the affected party can submit a Grievance Service Complaint Form	If dissatisfied with the handling of a grievance, the affected party can submit a Grievance Service Complaint Form	No Grievance Service Complaint Forms were received
Value for money			
	Cluster of Panels formed to discuss grievances	Cluster of Panels formed to discuss grievances	From the 654 grievances registered on the PSC's database, 559 (85.5%) were concluded in consultation with departments and aggrieved employees, and following consideration by the Panels
	Panel meeting held only when there are more than 10 cases to be discussed	Panel meeting held only when there are more than 10 cases to be discussed	To improve the turnaround of grievances, Panel meetings were held on a monthly basis and as and when the need arose. However, the PSC made use of its Teleconferencing facilities to save cost
	Teleconferencing facilities used	Teleconferencing facilities used	Teleconferencing facilities used when the need arose

Main Services	Current/Actual Arrangement	Desired Arrangement	Actual Achievements
	Time		
	Grievances of employees on salary levels 2 – 12 finalised within 30 working days from date of receipt of all relevant documentation	Grievances of employees on salary levels 2 – 12 finalised within 30 working days from date of receipt of all relevant documentation	The 559 concluded cases include 510 for level 2-12, of which 416 (82%) were concluded within 30 days
	Grievances of members of the Senior Management Service finalised within 45 working days from date of receipt of all relevant documentation	Grievances of members of the Senior Management Service finalised within 45 working days from date of receipt of all relevant documentation	The 559 concluded cases include 49 cases for members of the Senior Management Service, of which 45 (92%) were concluded within 45 days
Investigations conducted either of its own accord or on receipt of any complaints lodged and requests made	Consultation		
	Liaise with complainant during the investigation	Liaise with complainant during the investigation	Investigators liaised with complainants during investigations, where necessary, e.g. where additional information was required.
	Liaise with the relevant department during the investigation	Liaise with the relevant department during the investigation	Investigators and/or Commissioners liaised with all relevant departments during investigations.
	Submit provisional investigation report to the EA/HoD for comment	Submit provisional investigation report to the EA/HoD for comment	Provisional investigation reports were submitted to EAs and/or HoDs for comment.
	EA/HoD provided with an opportunity to comment within 30 days from date of receipt of the provisional report	EA/HoD provided with an opportunity to comment within 30 days from date of receipt of the provisional report	All EAs and/or HoDs were provided with an opportunity to comment within 30 days from date of receipt of the provisional report. In some cases, responses were not received from EAs and/or Heads of Department within the stipulated time frame.
	Access		
	Complaints Rules are posted on the PSC website	Complaints Rules are posted on the PSC website	Complaints Rules which were gazetted in January 2017, were posted on the PSC website in February 2017 and are circulated to stakeholders upon request. With regard to mode of receipt, complaints are received via post, e-mail, short message service, fax, telephone or in person and are lodged in any official language. As at 31 March 2018, there were 306 complaints on the database, of which 211 (69%) were finalized.
	Complaints Rules may be circulated to stakeholders upon request	Complaints Rules may be circulated to stakeholders upon request	
	Complaints can be submitted via post, e-mail, short message service, fax, telephone or in person	Complaints can be submitted via post, e-mail, short message service, fax, telephone or in person	
	Complaints can be lodged at the National Office or any Provincial Office	Complaints can be lodged at the National Office or any Provincial Office	
	Complaint can be lodged in any official language	Complaint can be lodged in any official language	
	Courtesy		
	Acknowledge receipt of a complaint within 48 hours from date of receipt by the Investigating Officer	Acknowledge receipt of a complaint within 48 hours from date of receipt by the Investigating Officer	Investigating Officers acknowledged receipt of all complaints within 48 hours from date of receipt.

Main Services	Current/Actual Arrangement	Desired Arrangement	Actual Achievements
	Telephonic feedback on level of service received.	Telephonic feedback on level of service received.	The Complaints Rules was Gazetted on 20 January 2017.
	Inform the complainant in writing no later than 30 days after receipt of complaint if the PSC will or will not investigate the complaint. Assist complainant in completing a Complaints Form	Inform the complainant in writing no later than 30 days after receipt of complaint if the PSC will or will not investigate the complaint. Assist complainant in completing a Complaints Form	Complainants were informed of the outcome of the investigation where they are contactable.
Openness and transparency			
	Inform the person whom complaint has been laid against.	Inform the person who complaint has been laid against.	The Complaints Rules was Gazetted on 20 January 2017.
	Inform complainant on the complaints procedure and time frames.	Inform complainant on the complaints procedure and time frames.	Nevertheless, all persons affected and implicated in a complaint are informed of a complaint and that, the complainants are informed
	Inform complainant on the status of the investigation on a regular basis.	Inform complainant on the status of the investigation on a regular basis.	of the complaints procedure and the time frames. Lastly, EAs/ HoDs provided with the final
	EA/HoD provided with the final report	EA/HoD provided with the final report	reports that contain findings, advice, recommendations and/or directions.
Information			
	If a complainants' lodging of a complaint directly with the PSC is not accepted by the PSC, the complainant must be informed within 21 days of the decision.	If a complainants' lodging of a complaint directly with the PSC is not accepted by the PSC, the complainant must be informed within 21 days of the decision.	The Complaints Rules was Gazetted on 20 January 2017.
	If a complaint has been already referred to another institution, the complainant will be informed within 21 days from date of receipt of complaint that the PSC will not investigate it.	If a complaint has been already referred to another institution, the complainant will be informed within 21 days from date of receipt of complaint that the PSC will not investigate it.	Complainants were informed of the outcome of the investigation where they are contactable.
	Complainants informed of the outcome of complaints dealt with as early resolution cases within 10 days from date of which the case was closed/ finalised.	Complainants informed of the outcome of complaints dealt with as early resolution cases within 10 days from date of which the case was closed/ finalised.	
	May inform complainant of the outcome of the investigation where they are contactable	May inform complainant of the outcome of the investigation where they are contactable.	

Main Services	Current/Actual Arrangement	Desired Arrangement	Actual Achievements
	Redress		
	If complaint is not resolved within the stipulated time frame, affected parties will be informed of reasons for the delay.	If complaint is not resolved within the stipulated time frame, affected parties will be informed of reasons for the delay.	The Complaints Rules was Gazetted on 20 January 2017. Nevertheless, the PSC followed up on implementation of recommendations and the issuing of directions in respect of all final reports issued. The positive outcome is that no dissatisfactions were raised with the Director-General.
	Follow up on implementation of recommendations and the issuing of directions.	Follow up on implementation of recommendations and the issuing of directions.	
	If dissatisfied with the conduct of an Investigating Officer, the affected party can submit a complaint to the Director-General	If dissatisfied with the conduct of an Investigating Officer, the affected party can submit a complaint to the Director-General	
	Value for money		
	Cluster of Panels formed to discuss complaints.	Cluster of Panels formed to discuss complaints	Cluster of Panels (Grievance and Complaints Panel) met on 12 occasions to discuss complaints.
	Panel meeting held only when there are more than 10 cases to be discussed.	Panel meeting held only when there are more than 10 cases to be discussed.	Panel meetings were also held to conclude a smaller number of cases so as to ensure finalisation of complaints within the 3 months of receiving all the relevant documentation.
	Teleconferencing facilities used.	Teleconferencing facilities used	Teleconferencing facilities used when the need arose.
	Time		
	Complaints finalised within 3 months from date of receipt of all relevant documentation.	Complaints finalised within 3 months from date of receipt of all relevant documentation.	As at 31 March 2018, there were 306 complaints on the database, of which 211 (69%) were finalized. Of the 211, 46 (22%) were finalised through investigations, of which 38 (83%) were finalised within 3 months of receipt of all relevant documentation.
	Early resolution cases finalised within 45 days from date of receipt of all relevant documentation.	Early resolution cases finalised within 45 days from date of receipt of all relevant documentation.	As at 31 March 2018, 165 (78%) cases were finalised as early resolution cases, of which 148 (90%) were finalised within 45 days of receipt of all relevant documentation

Table 7: Service delivery information tool

Current/Actual Information Tool	Desired Information Tool	Actual Achievements
In order to ensure wider accessibility, PSC reports are distributed to stakeholders.	In order to ensure wider accessibility, PSC reports are distributed to stakeholders.	All PSC reports were distributed in accordance with the distribution strategy and all published reports were placed on the PSC website (www.psc.gov.za) for easy access.
Hard copies of reports are distributed to affected stakeholders and in some instances, reports are distributed electronically.	Hard copies of reports are distributed to affected stakeholders and in some instances, reports are distributed electronically.	Hard copies of reports were distributed to affected stakeholders and selected PSC reports were published on the PSC website.

Table 8: Complaints mechanism

Current/Actual Complaints Mechanism	Desired Complaints Mechanism	Actual Achievement
All complaints are recorded and responded to within the allocated time frames. Complaints from the public are referred to the Public Protector	All complaints are recorded and responded to within the allocated time frames. Complaints from the public are referred to the Public Protector	All complaints handled during the reporting period that were lodged were recorded on the status-of-cases database and responded to within the allocated time frames. Investigations were conducted and finalised within 3 months of receipt of all relevant documentation. Early resolution cases were finalised within 45 days of receipt of all relevant documentation. Complaints from the public were referred to the Public Protector in accordance with the MoU between the OPSC and the Public Protector.

2.2 Organisational Environment

The PSC is an independent constitutional institution that was established in 1999 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 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 a province on its activities in each province.

The PSC continued with the implementation of the Governance Rules in the 2017/18 financial year and executed its mandate in line with the Delegations to the Provincially Based Commissioners and assignment of duties to Commissioners and employees of the OPSC. The Delegations and Assignment of duties provides for the following:

- (a) Management and investigations of grievances and complaints;
- (b) Conducting of announced and unannounced inspections;
- (c) Management of the financial disclosure framework; and
- (d) Interface with all relevant stakeholders of the PSC

Through the decentralised process, during the year under review, the PSC has witnessed the speedier finalisation of its outputs as well as increased visibility through branding of provincial offices.

During the year under review, the PSC has continued with the Institutional Practice Review to reposition itself as an independent, impartial constitutional institution, supported by its own integral administration. The need for the Review emanated from discussions by the PSC which revealed that the PSC and other important stakeholders are of the view that the independence, operational effectiveness and financial sustainability of the PSC are not best served by the OPSC being a Public Service department. It is envisaged that a comprehensive amendment of the PSA Act will be necessary to address some of the constraints to the independence of the PSC. The PSC is therefore exploring avenues for establishing a secretariat outside the Public Service to support the PSC in its work. The first phase has been concluded and a legislative review is currently underway.

2.3 Key Policy Developments and Legislative Changes

2.3.1 PSC Amendment Bill of 2015 [B21- 2015]

The purpose of the bill is to amend the Public Service Commission Act, 1997, so as to clarify the procedure with regard to the renewal of term of office of a commissioner; to provide for a commissioner to act as the chairperson when both the chairperson and deputy chairperson are absent or for any reason unable to act as chairperson, and to provide for matters connected therewith.

3. STRATEGIC OUTCOME ORIENTED GOALS

During the reporting period, the PSC's strategic outcome oriented goals were as follows:

- (a) Make a positive impact on the attainment of an efficient, economic, effective and development-oriented Public Service
- (b) Make a positive impact on the attainment of impartial and equitable service delivery that responds to the needs of the people and treat them with dignity
- (c) Strengthened institutional capacity
- (d) Make a positive impact on the attainment of sound labour relations and human resource management

These goals are geared towards the promotion of good governance for a successful developmental state and improved performance of government in the equitable delivery of services.

In terms of government's outcomes, the PSC contributes to Outcome 12: "**An efficient, effective and development-oriented**". During the reporting period, the PSC made progress towards achieving its strategic outcomes oriented goals as well as contributing to government's Outcome 12 by, amongst others, promoting best practice in Public Service leadership and human resource management through quality research reports, contributing towards building a developmental state, undertaking public administration investigations and promoting a high standard of ethical conduct amongst public servants through the management of the FDF and NACH.

4. PERFORMANCE INFORMATION BY PROGRAMME

4.1 Programme I: Administration



Ms BP Lerumo

Deputy Director-General: Corporate Services

Purpose:

The programme provides overall management of the PSC and centralised support services.

Sub-programmes:

- Public Service Commission
- Management
- Corporate Services

4.1.1 Strategic Objectives

Programme: Administration					
Strategic Objectives	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Provide strategic direction to the PSC	Strategic Plan (2015/16) and APP (2017/18) were approved and implemented	APP (2017/18) approved	APP (2017/18) approved	Target achieved	None
Provide corporate support services	Unqualified audit report	Unqualified audit report (2016/17)	Unqualified audit report (2016/17)	Target achieved	None

4.1.2 Performance Indicators

Programme: Administration					
APP INDICATORS/TARGET ACHIEVEMENT					
Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Approved APP (2018/19) tabled in Parliament by 31 March 2018	Annual Performance Plan (2017/18) that adheres to National Treasury Guidelines was approved in February 2017	Tabled Performance Plan for 2018/19 financial year	APP (2018/19) was tabled in Parliament in March 2018	Target achieved	None
Percentage of outputs on the Operational Plan achieved	94% (136 of 145)	80%	91% (93 of 102)	Target exceeded	Target exceeded by 17% due to strong leadership and commitment of management & staff
Annual vacancy rate of below 10% maintained	6.8%	Below 10% vacancy rate maintained	6.2% (17 of 271)	Target achieved	None
Number of reports on the implementation of ICT support systems, processes and governance arrangements produced	4 (99% network connectivity uptime attained)	4	4	Target achieved	None

WORKPLAN INDICATOR/TARGET ACHIEVEMENT					
Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Sub-programme: Internal Audit					
A risk based annual and three year audit plan developed and implemented	The Internal Audit Plan for 2016/17 was implemented.	Produce 4 Quarterly Reports on implementation of a risk-based annual audit plan by March 2018	• Annual Audit Plan implemented with 4 quarterly reports produced (Q1-Q3)	Target achieved	None

WORKPLAN INDICATOR/TARGET ACHIEVEMENT

Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
			<ul style="list-style-type: none"> Appointment of IA service provider in Q4 3 Year Audit Coverage Plan (2018/19-2020/21) presented to Audit Committee & Special MANCO 		
Number of Quarterly risk management performance reports submitted to the Accounting Officer and Audit Committee	4	4	4	Target achieved	None
Sub-programme: Legal Services					
% of legal opinions and advice provided	4 legal opinions (100%) were provided in consultation with the OCSLA	100%	13/13 (100%)	Target achieved	None
% of contracts drafted/vetted	All 5 contracts (100%) submitted were vetted		10/10 (100%)	Target achieved	None
% of Memoranda of Understanding drafted or reviewed	New Indicator	100%	6/6 (100%)	Target achieved	None
Reviewed Section 15 Notice in compliance with PAIA approved by March 2018	Reviewed Section 15 Notice was approved in March 2017	Review of Section 15 Notice conducted by March 2018	Reviewed PAIA Section 15 Notice approved in March 2018	Target achieved	None
Reviewed PAIA Manual approved by March 2018	Review of the Promotion of Access to Information Manual conducted by March 2017	Review of the Promotion of Access to Information Manual conducted by March 2018	Reviewed PAIA Manual approved in March 2018	Target achieved	None
Approved Section 32 Report	Section 32 Report was approved in March 2017	Section 32 Report produced by March 2018	Section 32 Report was produced in March 2018	Target achieved	None

WORKPLAN INDICATOR/TARGET ACHIEVEMENT

Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Sub-programme: International and Regional Integration					
Approved reports on events and minutes of meetings	An EXCO meeting of AAPSComs was held in August 2016	Meetings and events of AAPSComs held	<ul style="list-style-type: none"> Meeting of the Executive Committee of the AAPSComs held and communicate issued and minutes drafted Meeting of Secretaries of AAPSComs held in Sept 2017 General Assembly of AAPSComs held in March 2018 	Target achieved	None
Sub-programme: Planning and Reporting					
Quarterly and Annual Programme Performance Reports submitted to National Treasury and DPME and tabled in Parliament by due dates	<ul style="list-style-type: none"> 4 quarterly reports were submitted to DPME & NT within stipulated timeframes Annual Report approved in August 2016 	4	4 (Annual Report approved in August 2017)	Target achieved	None
Annual Report to Citizens produced	PSC Annual Report to Citizens (2015/16) was approved in August 2016	PSC Annual Report to Citizens (2016/17) produced	PSC Annual Report to Citizens (2016/17) was produced and uploaded onto website in December 2017	Target achieved	None
Management Performance Assessment Tool (MPAT) results submitted within the set time frame	New Indicator	Coordinate MPAT and submit MPAT scores to DPME within stipulated timeframes	MPAT process coordinated and MPAT scores submitted to DPME in November 2017	Target achieved	None
Management Committee (MANCO) meetings and Provincial Directors Forum held quarterly	MANCO meetings and Provincial Directors Forum were held on a quarterly basis	MANCO meetings, Provincial Directors Forum and other OPSC events held by March 2017	<ul style="list-style-type: none"> 4 quarterly MANCO & PD Forum meetings held 2 Special MANCO meetings held on IPR & PSC Recommendation /IA Coverage Plan, respectively Operational Planning Session held in August 2017 	Target achieved	None

WORKPLAN INDICATOR/TARGET ACHIEVEMENT

Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Approved SDIP Annual Report within the set time frame	SDIP Annual Report (2016/17) submitted in March 2017 SDIP for 2016/17-2018/19 was approved in November 2016	Submit SDIP Annual Report to DPSA in March 2018	SDIP Annual Report (2017/18) submitted to DPSA in March 2018	Target achieved	None
Sub-programme: PSC Support					
Number of engagements held	Thirteen (13) engagements held with Parliament Twenty-two (22) engagements held with provincial legislatures as follows <ul style="list-style-type: none"> • KZN Provincial Legislature (5) • Gauteng Provincial Legislature (8) • Eastern Cape Provincial Legislature (3) • Mpumalanga Provincial Legislature (1) • Free State Provincial Legislature (4) • Northern Cape Provincial Legislature (1) PSC Strategic Planning session was hosted in May 2016	3	25	Target exceeded	Target exceeded due to additional demand to table and present the work of the PSC at national and provincial level
			<ul style="list-style-type: none"> • Strategic Plan Session hosted in May 2017 • Strategic Plan Report tabled and adopted by Plenary in September 2017 	Target achieved	None
Sub-programme: Financial Management					
Monthly financial reports produced	12	12	12	Target exceeded	Target exceeded due to a Special Budget Committee meeting that was held in July 2018

WORKPLAN INDICATOR/TARGET ACHIEVEMENT

Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Number of budget submissions submitted to National Treasury by the due dates	Medium Term Expenditure Framework in July, Adjusted Estimates on National Expenditure in September and Estimates on National Expenditure were submitted to NT in November	Medium Term Expenditure Framework Adjusted Estimates on National Expenditure Estimates on National Expenditure	<ul style="list-style-type: none"> 2018 MTEF Budget Submission submitted in July 2017 2017/18 AENE Budget Submission submitted in September 2017 2018 ENE submitted in November 2017 	Target achieved	None
Interim and Annual Financial Statements submitted (AFS) to National Treasury and Auditor-General by the due dates	Interim and AFS were submitted to NT and AG within stipulated timeframes	Financial reports that fairly and accurately presents the financial position of the PSC produced	3 reports and Annual Financial Statements submitted to NT	Target achieved	None
Monthly reports on payment of invoices submitted to National Treasury by the due dates	12 (Out of 5 235 payments processed, only 14 (0.27%) were processed later than 30 days)	12	12	Target achieved	None
Number of asset verification reports produced	2 (Bi-annual asset verification conducted twice)	2	2	Target achieved	None
Sub-programme: Supply Chain Management					
Number of quarterly reports on the implementation of SCM policies produced	SCM policies implemented, however, system failure resulted in late payment of 14 out of 5 235 invoices	4	4	Target achieved	None
All service level agreements signed within 3 months of contract award	3 /3 (100%)	100%	20/21 (95%)	Target not achieved due to administrative oversight	Compliance checklist introduced

WORKPLAN INDICATOR/TARGET ACHIEVEMENT

Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Sub-programme: Facilities and Logistics Management					
Office accommodation leases procured 3 months before the expiry of lease agreements	The Gauteng Provincial Office moved to the new premises on 26 March 2017 and the lease agreement is for a period of 5 years starting from 1 April 2017 to 31 March 2021. The lease agreement for the Western Cape Provincial OPSC was renewed for three years starting from 1 April 2017 to 31 March 2020	OPSC leased immovable properties properly maintained: <ul style="list-style-type: none"> Rentals for 9 offices Relocation costs – Provinces (Gauteng & Free State) Relocation costs (national) Photocopiers Vehicle Fleet Communication Property payments 	OPSC leased immovable properties maintained as follows: <ul style="list-style-type: none"> Lease agreement for national office signed Processes for FS office accommodation under way Lease agreements for photocopiers and vehicle fleet maintained 	Target achieved	None
Quarterly report on the implementation of logistics management policies produced	Logistics management policies implemented complied fully with the prescripts and guidelines Telephone Policy was revised and approved by DG in March 2017	Logistics management policies implemented in compliance with prescripts and guidelines	4	Target achieved	None
Sub-programme: Security Services					
Number of Quarterly report on the implementation of Security Policy and procedure manuals produced	Security Policy and Procedure Manual implemented on an ongoing basis. SOPS were developed	4	4	Target achieved	None
Number of workshops conducted	A total of 9 workshops were conducted: <ul style="list-style-type: none"> Awareness workshop on the vetting process was conducted at the National OPSC in August 2016 Awareness workshops were conducted at 8 provincial OPSCs during August, September and October 2016 	3	12	Target exceeded	Target exceeded due to the need to increase security awareness

WORKPLAN INDICATOR/TARGET ACHIEVEMENT

Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
% of completed vetting forms submitted to the State Security Agency (SSA)	New indicator	100%	100% (9 of 9)	Target achieved	None
Sub-programme: Communication and Information Services					
Number of DG's newsletter produced	12 editions of Mafhungo from the Director-General produced in April, May, June July, August X2, September; October and November 2016 and January, February and March 2017	12	12 (and 3 special editions)	Target exceeded by 3	Target exceeded due to 3 special editions that were produced which was necessitated due to key events
Number of internal newsletters produced	4 editions of Izwi lase OPSC were produced in June, September and December 2016 and March 2017	4	4	Target achieved	None
Number of lift and washroom news produced	12 lift news were produced	12	14	Target exceeded by 2	Target exceeded due to 2 additional lift news linked to government calendar of events
Number of Information and Learning Sessions held	11 Information and learning sessions held in May, June, August, September; November and December 2016 and March 2017	4	9	Target exceeded by 5	Target exceeded due to developments in the organisation that necessitated engagement of staff
Number of bulletins produced	New indicator	4	4	Target achieved	None
Number of media briefings held	New indicator	4	5	Target exceeded	Target exceeded to improve PSC visibility
% implementation of PSC Visibility Programme	13 media engagements, of which 4 media briefings/alerts and 11 media statements were issued. Exhibitions to market the work of the PSC were done	100%	100% implementation of PSC Visibility Programme (Total of 7 media statements were released, 2 exhibitions conducted & use of social media intensified)	Target achieved	None

WORKPLAN INDICATOR/TARGET ACHIEVEMENT

Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Sub-programme: Information Technology					
Number of software licenses maintained	New indicator	11	3	Target not achieved	Target not achieved due to budgetary constraints
Sub-programme: Human Resource Management					
% of people with Disabilities (PWDs) employed	The OPSC had 6 PWDs which translated to 2.32% of the total staff establishment	2%	1.96%	Target not achieved	Target not achieved due to staff changes in the last quarter
% of women employed at SMS level	There were 22 women out of 44 filled posts at Senior Management Service (SMS) level which translated to 50% of the total staff establishment For levels 9-12 there were 49 women out of 115 filled posts which translated to 42% of the total staff establishment	50%	48.9% (23 of 47)	Target not achieved	Target not achieved due to staff changes in the last quarter
Human resource policies revised and implemented by March 2018	Human Resource Development Policy was approved in February 2017 Recruitment and Selection Policy was approved in March 2017	4	6	Target exceeded	Target exceeded due to more policies reviewed
Number of workshops held on HR policies by March 2018	New Indicator	5	8	Target exceeded	Target exceeded due to workshops held to capacitate employees designated as Delegated Authorities on how to exercise their Delegations
Quarterly reports on the implementation of Human Resources and Labour Relations Policies submitted to the Director General	New indicator	4	4	Target achieved	None

WORKPLAN INDICATOR/TARGET ACHIEVEMENT

Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Sub-programme: Human Resource Development					
All PAs and workplans submitted by all employees	All expected PAs and workplans submitted between October and December 2016	100% of PAs and Workplans submitted by all employees within stipulated timeframes	<ul style="list-style-type: none"> 100% (208 of 208) expected workplans received 100% (41 of 41) expected Performance Agreements received 	Target achieved	None
Annual performance assessments finalised	Moderation of performance for the 2015/16 performance cycle finalised in August 2016	Moderation of performance finalised within stipulated timeframes	<ul style="list-style-type: none"> 89% (185 out of 207) of eligible employees on salary levels 2-12 100% (41 out of 41 eligible SMS members) 	Target not achieved	Target not achieved due to disputes declared
Number of customised training programmes conducted	The following 6 capacity building programmes were conducted: <ul style="list-style-type: none"> Legislative Drafting in May, June and July 2016 Protocol and Etiquette in July 2016 Disciplinary Code and Procedure in August and October 2016 Facilities Management in August 2016 Analytical thinking in December 2016 Excel I Skills Sharing in December 2016 	3	4	Target exceeded	Target exceeded due to training of systems that have been developed
Quarterly reports on the implementation of the Employee Wellness Programme (EWP)	The utilisation of the EWP was promoted, monitored and evaluated on a quarterly basis	4	4	Target achieved	None

WORKPLAN INDICATOR/TARGET ACHIEVEMENT

Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Number of National and international special events and programmes commemorated in line with the National Calendar of Events from the Presidency (Special Programmes)	<p>A total of 11 events were conducted:</p> <ul style="list-style-type: none"> Wellness Day in April 2016 Candlelight Memorial in May 2016 Take a Boy/Girl Child to Work in May 2016 Youth Day in June 2016 Men's Wellness Day in June 2016 Winter Games in August 2016 Women's Day and Heritage Day in August 2016 Casual Day in September 2016 National Recreation Day in October 2016 World Aids Day, 16 Days of Activism and Disability Day in November 2016 	3	6 events hosted	Target exceeded	Target exceeded due to 3 additional events that were commemorated and there were no financial implications for the OPSC
Consultations with organised labour on matters of mutual interest held quarterly	4 DBC meetings held (April, May, July and November 2016)	4	<ul style="list-style-type: none"> A total of 6 DBC meetings held, 1 special DG meeting One (1) consultative meeting with employees One (1) meeting with DG & Organized Labour 	Target exceeded	Target exceeded due to a need for Special DBC meetings to engage on Institutional Practice Review (IPR)

WORKPLAN INDICATOR/TARGET ACHIEVEMENT

Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Number of change management programmes implemented	<p>PMDS:</p> <p>Re-engineering-</p> <ul style="list-style-type: none"> A catalogue of PSC products/ reports was approved by the PSC in August 2016 <p>Sustainable green economy-</p> <ul style="list-style-type: none"> Awareness campaign undertaken in August 2016 Green Economy Strategy was approved in October 2016 <p>Culture change-</p> <ul style="list-style-type: none"> DG Information Session to launch the PSC values was held in September 2016 and banners were distributed to the provincial OPSCs Culture survey was conducted and report was approved in December 2016 	5	<p>5</p> <p>Institutional Practice Review:</p> <ul style="list-style-type: none"> Stakeholder Engagement document: Engagement document developed in in August 2017 Consultation Strategy: Consultation Strategy developed Consultations were held with SMS on 19, 20 and 25 October 2017; Revised Business Case: Business case refined to include options regarding the organizational status of the PSC Labour and transitional strategy: Labour and transitional strategy developed in January 2018 	Target achieved	None

WORKPLAN INDICATOR/TARGET ACHIEVEMENT

Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
	<p>Capacity building-</p> <ul style="list-style-type: none"> Capacity Building Pillar SharePoint was unveiled and documentation shared in August 2016 Brown Bag Lunch was held in September 2016 Brown Bag Session on Research Indaba was held in October 2016 				
Host a workshop on "Principles on gender equality" by August 2017	New Indicator	Workshop on "8 Principles on Gender & Equality" hosted by August 2017	Workshop hosted in August 2017	Target achieved	None
Report on "Implementation of 8 Principles on Gender & Equality" approved by 31 October 2017	New Indicator	Approved Report on "Implementation of 8 Principles on Gender & Equality" produced on 31 October 2017	Report approved in October 2017	Target achieved	None

Summary of programme performance

The PSC continues to promote sound corporate governance, over and above the existing governance structures, in order to strengthen financial management. The Plenary of the PSC assigned two Commissioners to oversee the management of finances in the organisation by establishing a Sub-Committee on Finance. The Sub-Committee reports to the PSC Plenary meetings on a quarterly basis. Furthermore, the PSC has sought the services of the GTAC to support the PSC in its endeavour to have an improved understanding and agreement on the casual factors impacting on our budget, planning and performance challenges. The GTAC will subsequently assist, based on the diagnostic report, with the design and implementation of PSC's improved budget and planning processes.

The Terms of Reference of the Budget Committee have been revised to include the Provincial Directors as members of the Budget Committee in order to ensure that the provinces are represented and have an understanding of the financial challenges of the PSC.

The PSC continued to implement cost cutting measures through the installation of video-conferencing facilities at national and provincial offices, decreased its expenditure on catering and venues, reduced delegations for meetings and awarded no bursaries.

As part of strengthening internal communication and promoting dialogue on topical issues within the PSC, Information Sessions were convened regularly wherein the Chairperson, the Director-General and speakers interacted with staff to brief them on key developments within the organisation and the Public Service. An internal newsletter from the Director-General titled Mafhungo was published on a monthly basis as well as a quarterly publication called Izwi lase OPSC which covered internal events and activities. In profiling the work of the PSC, during the period under review, the PSC used various tools to increase its visibility. Quarterly media briefings based on the PSC's operations titled: the Pulse of the Public Service, were held, resulting in the PSC receiving extensive media coverage. Furthermore, media statements on selected research reports were issued to members of the media. Exhibitions were conducted during various events where PSC publications were distributed and social media platforms such as Facebook and Twitter were also used to communicate key activities and events of the PSC.

With regard to strengthening Information Technology (IT), the PSC has re-established the IT Steering Committee and the IT Strategy Committee. The Steering Committee is led by the Director-General and the Strategy Committee is led by Commissioners who report to the PSC Plenary meetings on a quarterly basis.

As part of automating the business processes, the Integrated Grievance and Complaints Management System (IGCMS) has been fully developed with all the reporting requirements of the Chief Directors Labour Relations Investigations and Public Administration Investigations. The IGCMS is a real-time web based system that manages the Grievances and Complaints within the OPSC. It has been built on the early warning functionality. The system enables the OPSC to track the status of Grievances and Complaints that have been lodged with the OPSC and produce real-time reports on the statuses thereof.

Likewise, the Data Warehouse project is in the implementation phase. The purpose of the solution is to collate data, information, reports and statistics into a single knowledge management system which will enable the PSC to compare, monitor and evaluate and improve oversight over government entities as contemplated in Section 195 (1) of the Constitution. The Data Warehouse will enable the PSC to:

- store, mine, analyse, and present such data;
- quickly respond to requests for data;
- provide performance data in a more meaningful way;
- increase access to relevant information; and
- facilitate collaboration and knowledge sharing

During the period under review, the PSC maintained a vacancy rate of below 10% and 6 posts were abolished in order to reduce the compensation of employees' budget. The PSC also implemented the Imvuselelo Programme which is based on four pillars, namely, re-engineering, sustainable green economy, culture change and capacity building.

The PSC has progressed with its Institutional Practice Review in respect of the efficacy, desirability and legal compatibility of an independent constitutional institution being supported by a Public Service department. The need for the Review emanated from discussions by the PSC which revealed that the PSC and other important stakeholders are of the view that the independence of the PSC is not best served by the OPSC being a Public Service department. The National Development Plan (NDP) specifies that there is potential for the OPSC's status as a Public Service department to compromise the PSC's independence. It is against this background that extensive work has been undertaken by the PSC in order to be a fully independent oversight body.

To this end, the PSC has appointed a Legislation Specialist to, amongst others,

- Analyse the mandate of the PSC and the PSC Act, and provide the PSC with a legal opinion in this regard; and
- Advise the PSC on the process map to achieve the drafting of the new Public Service Commission Act.

4.1.3 Strategy to overcome Areas of under Performance

One (1) Service Level Agreement (SLA) was not signed within 3 months due to an administrative oversight, as a matter of strengthening this area, after bids have been awarded, the signing of SLAs is a standing agenda item in the relevant governance structures to ensure that all SLAs are signed timeously.

Financial constraints impacted on the programme's ability to renew the IT licences timeously. Going forward, during the planning stage, projects that are not funded will not be included in the Annual Performance Plan.

With regards to the submission of annual performance assessment documents by employees, managers and supervisors will be held accountable for failure to submit assessment documents by the due date.

The PSC will strive to ensure that 50% of women are employed at SMS level through encouraging females in advertisements to apply for vacant SMS posts. Employees with disabilities will be encouraged to disclose their disabilities in order to attain the target of 2% of people with disabilities and adverts will be forwarded to the Disability Organisations to encourage their members to apply for posts.

4.1.4 Changes to Planned Targets

The following refinements were made to indicators in line with the SMART principles but with no changes to the targets:

Original Indicator/Target	Adjusted Indicator/Target	Target (s) remain (s) the same
The implementation of ICT support systems and processes and governance arrangements monitored	Number of reports on the implementation of ICT support systems, processes and governance arrangements produced	4 (1 st quarter- 4 th quarter reports)

4.1.5 Linking Performance with Budgets

Sub-Programme Name	2017/2018			2016/17		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Public Service Commission	21,728	21,723	5	19,106	19,106	-
Management	13,476	13,459	17	11,816	11,816	-
Corporate Services	52,206	52,188	18	50,489	50,490	(1)
Property Management	38,195	38,195	-	24,768	24,767	1
TOTAL	125,605	125,565	40	106,179	106,179	-

Prior year figures were restated

4.2 Programme 2: Leadership and Management Practices



Ms K Sedibe
Deputy Director-General:
Leadership and Management Practices

Purpose:

The programme promotes sound Public Service leadership, human resource management, labour relations and labour practices.

Sub-programmes:

- Labour Relations Improvement
- Leadership and Human Resource Reviews

4.2.1 Strategic Objectives

Programme: Leadership and Management Practices					
Strategic Objectives	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Improve labour relations in the Public Service	87% (615 of 709) of grievances registered on database concluded	75% of all grievances concluded	As at 31 March 2018, a total of 654 cases were registered of which 559 (85.5%) were concluded	Target exceeded by 10.5%	Improved systems and employees volunteering to work overtime to meet targets resulted in the over-achievement
Conduct leadership and human resource reviews	8 reports produced	4 research reports produced	6 <ul style="list-style-type: none"> • Report on recruitment, retention, career pathing and utilisation of SMS expertise and skills in the Public Service approved in August 2017 	Target exceeded by 2 reports	Additional critical areas identified for review as well as improved work processes through the use of cross functional teams and expertise within the PSC

Programme: Leadership and Management Practices

Strategic Objectives	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
			<ul style="list-style-type: none"> • Report on an evaluation of the recruitment and selection process in the Mpumalanga Provincial Government for the 2015/16 financial year approved in March 2018 • Report on Investigation into contract appointments in the Northern Cape Provincial Administration approved in March 2018 • Report on Case studies at three major hospitals in the Western Cape regarding the implementation of the PMDS approved in Jan 2018 • Report on Assessment of the remuneration of HoDs in the Eastern Cape approved by December 2017 • Report on Investigation into the missing employee records prior to 1993 and implications for current and former employees exiting or exited the Public Service in the North West Provincial Administration approved in March 2018 		

4.2.2 Performance Indicators

Programme: Leadership and Management Practices					
APP INDICATORS/TARGET ACHIEVEMENT					
Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Sub-programme: Labour Relations Improvement					
Percentage of grievances concluded within 30 days (for levels 1-12) of receipt of all documentation	From the 709 grievances registered on the PSC's database, 615 (87%) were concluded. Of the 615 concluded cases, there were 560 cases for level 1-12 of which 456 (81%) were concluded within 30 working days of receipt of relevant information	75%	As at 31 March 2018, a total of 654 cases were registered of which 559 (85.5%) were concluded The 559 concluded cases include 510 for level 1-12, of which 416 (82%) were concluded within 30 days	Target exceeded by 7%	Improved systems and employees volunteering to work overtime to meet target resulted in the over-achievement.
Percentage of grievances concluded within 45 days (for SMS) of receipt of all documentation	55 of 615 concluded cases were for members of the SMS of which 51 (93%) were concluded within 45 working days of receipt of relevant information	75%	The remaining 49 cases were for members of the Senior Management Service, of which 45 (92%) were concluded within 45 days	Target exceeded by 17%	Improved systems and employees volunteering to work overtime to meet target resulted in the over-achievement.
Number of reports on the management of grievances in the Public Service produced	1	1	1 (Fact Sheet approved in December 2017)	Target achieved	None
Number of research reports on labour relations produced	1 (Draft Report on Investigation into the implementation of labour court orders and arbitration awards by departments and implications for labour relations approved in February 2017)	2	2 <ul style="list-style-type: none"> Report on Investigation into the implementation of labour court orders and arbitration awards by departments and implications for labour relations was approved in June 2017. Report on the assessment of the influence of grievances on work attendance in Gauteng provincial departments approved in February 2018. 	Target achieved	None

Programme: Leadership and Management Practices

APP INDICATORS/TARGET ACHIEVEMENT

Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Number of research reports in strategic human resources and leadership produced	5	4	6 <ul style="list-style-type: none"> • Report on recruitment, retention, career pathing and utilisation (SMS) expertise and skills in the Public Service finalised in March 2018 • Report on an evaluation of the recruitment and selection process in the Mpumalanga Provincial Government for the 2015/16 financial year approved in March 2018 • Report on Investigation into contract appointments in the Northern Cape Provincial Administration approved in March 2018 • Report on Case studies at the three major hospitals in the Western Cape regarding the implementation of the PMDS approved in January 2018 • Report on Assessment of the remuneration of HoDs in the Eastern Cape approved by December 2017 • Report on Investigation into the missing employee records prior to 1993 and implications for current and former employees exiting or exited the Public Service in the North West Provincial Administration approved in March 2018 	Target exceeded by 2 reports	Additional critical areas identified for review as well as improved work processes through the use of cross functional expertise within the PSC

WORKPLAN INDICATORS/TARGET ACHIEVEMENT

Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Sub-programme: Labour Relations Improvement					
Number of monthly reports on status of grievances produced	12	12	12	Target achieved	None
Number of technical briefs produced	2 1 st technical brief finalised by the OPSC and approved by the PSC in July 2016 2 nd technical brief finalised by the OPSC and approved by the PSC in February 2017	2	2	Target achieved	None
Approved factsheet on trend analysis within the set time frame	Factsheet was approved in December 2016	Trends analysis on grievances conducted within set timeframe	Factsheet finalised by the OPSC and approved by the PSC in December 2017	Target achieved	None
Number of Management communiqué published	2 1 st issue of the Grievance Management Communiqué (Newsletter) was approved in September 2016 and published on the PSC website 2 nd issue of the Grievance Management Communiqué was approved in March 2017	2	2	Target achieved	None
Number of advocacy and training workshops convened	9	3	3	Target achieved	None

WORKPLAN INDICATORS/TARGET ACHIEVEMENT

Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Number of workshops conducted on promotion of Grievance Rules	2	2	3	Target achieved	None
Sub-programme: Leadership and Human Resource Reviews					
Guide developed within the set timeframes	Factsheet on compliance with the submission of HoD performance agreements was approved in February 2016	Guide on PMDS for HODs developed within the set timeframes	Guide developed in November 2017. Put in abeyance as the MPSA issued a new Directive on HoD Performance Management in January 2018 and DPME developed a new guide based on the Directive	Target achieved as the Guide was developed but overtaken by changes in the policy environment	None
Approved Factsheet within the set time frame	Factsheet on monitoring on career incidents of HoDs approved in March 2017	Factsheet on the study to determine factors impeding government departments in achieving 2% of people with disabilities and 50% of women in senior management in the public sector approved in January 2018	Factsheet approved in January 2018	Target achieved	None

**Summary of performance for sub-programme:
Labour Relations Improvement**

Labour relations management forms an integral part of management in a labour intensive environment such as the Public Service. The PSC is mandated, in terms of Section 196 (f)(ii) of the Constitution of the Republic of South Africa, 1996, to investigate grievances of employees in the Public Service concerning official acts or omissions, and recommend appropriate remedies. During the year under review, the PSC concluded 559 (85.5%) of the 654 grievance cases that were registered on its database. Of the 559 concluded grievance cases, 461 (82%) were concluded within the prescribed timeframes of the Grievance Rules, that is 30 days for levels 1-12 and 45 days for the SMS from date of receipt of the cases. However, 98 (18%) of the grievance cases were not concluded within the prescribed timeframes. The 559 concluded cases comprised of the following: 510 cases for level 1-12, of which 416 (82%) were concluded within 30 working days of receipt of relevant information, and 49 cases for members of the Senior Management Service, of which 45 (92%) were concluded within 45 working days of receipt of relevant information.

Figure 1 below reflects the PSC's performance in relation to the investigation of grievances during the reporting period.

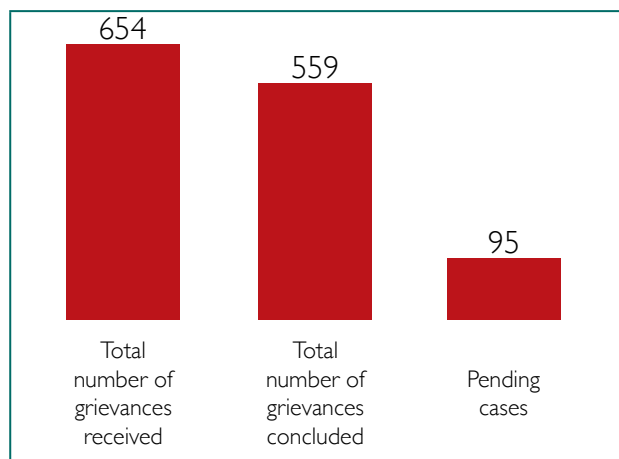


Figure 1: Number of grievances received, concluded and pending

There was a decrease of 9% in grievances handled in the 2017/18 financial year (654 cases) compared to the total of 709 cases that were handled in the previous financial year. Of the 654 grievances handled during the period under review, 290 cases were referred to the PSC by national departments and 364 by provincial departments.

In dealing with grievances, the PSC identified the following challenges confronting departments:

- (a) Failure to finalise grievances within the prescribed timeframes;
- (b) Failure to provide the PSC with all the required information when referring grievances to the PSC;
- (c) Inconsistency in the handling of similar grievances; and
- (d) Repetition of similar instances of non-compliance with prescripts

To address the identified challenges, the PSC developed Rules on Referral and Investigation of Grievances of Employees in the Public Service, which were gazetted in Government Gazette Number 40359 on 21 October 2016 ("the PSC Grievance Referral Rules"). The PSC will continue with advocacy and training workshops to encourage departments to comply with the PSC Grievance Referral Rules. To further minimise inconsistencies in the handling of similar grievances, the PSC will, in the 2018/19 financial year, hold sessions with departments to engage on recommendations it made on grievances on different subject matters and share articles published in the Grievance Management Communiques. The Grievance Management Communiques are available on the PSC website (www.psc.gov.za).

During the period under review, the highest number of grievances handled related to unfair treatment. The PSC will, in the 2018/19 financial year attempt to deal with the possible causes and suggested ways of addressing these challenges in a Grievance Management Communiqué. It will also attempt to collaborate with other dispute resolution institutions to, *inter alia*, find a way to monitor the implementation / non-implementation of arbitration awards and Labour Court orders by government departments, as non-implementation of arbitration awards and Labour Court orders was identified as one of the factors that contribute towards strained labour relations within departments, and further leads to excessive financial implications on employees and departments. As part of implementing its mandate, the PSC monitors the management of grievances by national and provincial departments on a six monthly basis. The information gathered from this process was used to develop six monthly technical briefs, which were submitted to the MPSA and the Portfolio Committee on Public Service Administration as well as Planning Monitoring and Evaluation. The six monthly reports formed the basis for the development and publication of the Factsheet on Grievance Management for the 2016/17 financial year.

Summary of performance for sub-programme: Leadership and Human Resource Reviews

The PSC's mandate, as stipulated in Section 196 of the Constitution, 1996, is broad and includes monitoring and evaluating personnel practices in the Public Service. The PSC is aware that strategic leadership and competent human resources are central to the effectiveness and efficiency, and professionalisation of the Public Service. In particular, the size and uniqueness of the Public Service and the complex environment within which it operates requires a leadership cadre that is visionary, responsive and accountable. However, the ability of the Public Service leadership to deliver on the mandate of government is dependent on the skills, competencies and commitment of the masses of employees at all levels of the organisation. In order to contribute towards the effective performance of the Public Service, the PSC engages with the EAs, HoDs and various other stakeholders on key topical issues, monitors human resource practices and prioritises strategic research projects in order to address challenges and to identify best practices that can be replicated in the Public Service. During the year under review, the PSC completed the following research projects and rapid assessments:

- (a) Report on Recruitment, Retention, Career Pathing and utilisation of SMS Expertise and Skills in the Public Service
- (b) Report on an Evaluation of the recruitment and selection process in the Mpumalanga Provincial Government for the 2015/16 financial year
- (c) Report on Investigation into Contract Appointments in the Northern Cape Provincial Administration
- (d) Report on Case studies at the three major hospitals in the Western Cape regarding the implementation of the PMDS
- (e) Report on Assessment of the remuneration of HoDs in the Eastern Cape
- (f) Report on Investigation into the missing employee records prior to 1993 and implications for current and former employees exiting or exited the Public Service in the North West Provincial Administration

Some of the reports are more focussed on broad policy issues while others are more focused on implementation issues. The findings emanating from all these reports highlight isolated instances of effective performance and compliance with prescripts, and further allude to various human resource management challenges.

Findings from the study on Recruitment Retention, Career Pathing Utilisation of Senior Management Service Expertise and Skills indicate that the lack of a comprehensive

framework makes it difficult for departments to manage these issues in an integrated way. Other reports that focused on provinces such as the report on Recruitment Practices in Mpumalanga and Contract Appointments in the Northern Cape indicate similar challenges.

The findings in the report on Factors impeding government departments in achieving 2% of Persons with Disability and 50% of women in senior management in the Public Service also suggest that the lack of effective integration of equity issues into all policies, the medium term strategic expenditure framework (MTEF), strategic plans, programmes and projects continues to undermine the legislative imperatives.

The PSC also engaged with stakeholders on the following topics:

- Discussion document on standardised recruitment and selection tools for the Public Service
- Managing the political-administrative interface in the context of performance management in the Public Service;
- Keynote Address to the 10th International SPMA Conference: Theme - A decade of debating public administration and management issues in an era of multiple challenges and constraints
- Strategic direction to human resources managers amidst a transformed, diverse, decentralised, participative and democratic Public Service workforce

4.2.3 Strategy to Overcome Areas of Under Performance

In this area of work, the PSC delivered on all targets in the Annual Performance Plan (APP). The monitoring of the implementation of the MPSA Deviation on HoD evaluations as well as the filing of HoD Performance Agreements have been taken over by the DPME in line with a Cabinet decision taken during December 2017. The PSC subsequently took a decision to produce a Guide on PMDS for EAs and HoDs. Although produced, the Guide was overtaken by policy changes to the PMDS.

The PSC also completed extensive additional work due to improved operational processes, such as the conclusion of 85.5% of grievances, of which half of the 14% cases that remained pending were received during the month of March 2018. The PSC is also committed to reducing the percentage of cases that remain pending at the end of the financial year through the implementation of an electronic grievance management system that will enhance monitoring processes.

4.2.4 Changes to Planned Targets

Although there were no changes to the APP targets, the PSC responded to requests from stakeholders by completing the following activities:

- Process Guide for the implementation of recommendations to correct irregular appointments
- Assessment of the PMDS at the Department of Traditional Affairs
- Investigation into the delay of the finalisation of a disciplinary case against a senior employee by the South African Police Service (SAPS)
- Investigation into the employment of Traditional Council Secretaries in the KZN Province
- Investigation into the allocation of resources in the SAPS Western Cape Province

The following indicators were refined in line with SMART principles but with no changes to targets:

Original Indicator/Target	Refined Indicator	Target (s) remain (s) the same
Percentage of grievances received concluded	Percentage of grievances concluded ₂ within 30 days (for levels 1-12) ₃ of receipt of all documentation	75%
	Percentage of grievances concluded within 45 days (for SMS) of receipt of all documentation	75%

4.2.5 Linking Performance with Budgets

Sub-Programme Name	2017/18			2016/17		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Labour Relations Improvement	12,654	12,349	305	11,863	11,862	1
Leadership and Human Resource Reviews	6,910	6,887	23	6,161	6,086	75
Programme Manager: LMP	19,748	19,748	-	19,480	19,480	-
TOTAL	39,312	38,984	328	37,504	37,428	76

Prior year figures were restated

4.3 Programme 3: Monitoring and Evaluation



Ms I Mathenjwa

Deputy Director-General: Monitoring and Evaluation (with effect from 1 October 2017)

Purpose:

The programme is responsible for establishing a high standard of service delivery, monitoring and good governance in the Public Service.

Sub-programmes:

- Governance Monitoring
- Service Delivery and Compliance Evaluations

4.3.1 Strategic Objectives

Programme: Monitoring and Evaluation					
Strategic Objectives	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Undertake governance monitoring	4 research reports on CVPs produced	14 research reports on the evaluation of departments against the CVPs produced	14	Target achieved	The need to respond to topical issues emerging in the Public Service
Conduct service delivery and compliance evaluations	22	12	12	Target achieved	The need to respond to topical issues emerging in the Public Service

4.3.2 Performance Indicators

Programme: Monitoring and Evaluation					
APP INDICATOR/TARGET ACHIEVEMENT					
Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Sub-programme: Governance Monitoring					
Number of institutional assessments and programme evaluation reports produced	4 (Report on the assessment of the Gauteng departments against the CVPs as contained in section 195 of the Constitution, Report on the evaluation of the level of adherence to the Constitutional values and principles in district hospitals; Section 196 (4) (e) Report; and Report on the assessment of Emergency Medical Services)	14: <ul style="list-style-type: none"> • 2 X analytical briefs • 12 X Reports on evaluation of departments against the CVPs) 	2: analytical briefs produced 12 reports on CVPs produced in March 2018	Target achieved	None
Number of participative evaluation reports produced	22 reports produced and 23 inspections conducted	12 reports on inspection of service delivery sites	13 <ul style="list-style-type: none"> • 9 LTSM Reports • Report on Inspections conducted at Thusong Centres in the Eastern Cape Province • Report on inspection at selected Police Stations in the Free State Province • Report on the assessment of effectiveness of public and community libraries in rural areas in the Limpopo Province • Report on inspection at hospitals and clinics in KZN Province 	Target exceeded by 1	The need to respond to topical issues emerging in the Public Service

WORKPLAN INDICATOR/TARGET ACHIEVEMENT

Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Sub-programme: Governance Monitoring					
Approved Report on Systematic review and development of the CVP evaluation tool	New Indicator	Report on Systematic review and development of the CVP evaluation tool (based on 2016 pilots and 2017 evaluations) approved by November 2017	Report approved in November 2017	Target achieved	None
Approved Publication of the review results, which includes development of an abstract and full article approved by March 2018	New indicator	Publish article in journal	<ul style="list-style-type: none"> Article submitted and presented at SAMEA in October 2017 The article was included in the published SAMEA Conference report and also uploaded on the SAMEA Conference website and the PSC website in March 2018 	Target achieved	None
Warehouse developed	The architecture for the web-based data warehouse for complaints, grievances, financial misconduct, financial disclosure, National Anti-Corruption Hotline and Section 196(4)(e) developed	Data Warehouse implementation plan produced by March 2018	Data Warehouse implementation plan produced in Dec 2017	Target achieved 3 months earlier than planned	Due to improved business processes
Number of analytical briefs produced	New Indicator	4	4	Target achieved	None
Section 196(4)(e) Report produced	Section 196(4)(e) Reporting Template approved in February 2016	Produce Part B.1 of Section 196 (4) (e) Report was produced in December 2017	Report produced in December 2017	Target achieved	None
Number of presentations to Portfolio Committees by February 2018	3 presentations (SCOA in May, June & November 2016)	3	3 (SCOA, EDD & SCOA)	Target achieved	None

WORKPLAN INDICATOR/TARGET ACHIEVEMENT

Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Profiles of identified departments updated	A database on profiling of departments was maintained and informed presentations to Parliament	Departmental profiles updated with 2016/17 Annual Report Information by February 2018	122 departmental profiles updated	Target achieved	None
Number of pilot assessments conducted	Pilot assessments in the Departments of Correctional Services, Water and Sanitation, and Economy Enterprise and Development in the North West Province commenced	3	3	Target achieved	None
Data collection on 12 on evaluation of departments against the CVPs by March 2018: <ul style="list-style-type: none"> • 3 X national • 9 X provincial 	Framework for CVPs approved in February 2016 and Institutional Evaluation Tool approved in February 2017 Report on compliance with CVPs by Gauteng departments in Gauteng Province approved Report on compliance with CVPs district hospitals in Western Cape Province was approved	Commence with Data collection on 12 on evaluation of departments against the CVPs by March 2018: <ul style="list-style-type: none"> • 3 X national • 9 X provincial 	Data collection commenced in March 2018	Target achieved	None
Training of officials (national and provincial) on the DW	New indicator	IT officials trained in SQL and MS BI	IT officials and national office staff trained in January and March 2018	Ad-hoc Target achieved	None
Evaluation of the Public Service against the CVPs	New indicator	Provide PSC comments according to the briefing in October 2017	PSC comments provided to the MPSA in October 2017	Ad-hoc Target achieved	None
PSC Comments on the Proposal to Amend Schedule to Adjustments Appropriation Bill [B25-2017[Votes 5 and 7]	New Indicator	Provide comments as and when required	PSC comments provided in November 2017	Ad-hoc Target achieved	None

WORKPLAN INDICATOR/TARGET ACHIEVEMENT

Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Sub-programme: Service Delivery and Compliance Evaluations					
Number of engagements with departments (further roll-out) – national and provincial	New indicator	8	13	Target exceeded	The need for more engagements on CVPs
1 Roundtable on departmental compliance with the CVPs by March 2018	New indicator	Host a Roundtable on departmental compliance with the CVPs by March 2018	Roundtable hosted in March 2018	Target achieved	None
Phase 1: capturing of data on inspections conducted on submission of learner numbers by schools to the Department of Basic Education (DBE) assessed by June 2017	New Indicator	Submission of learner numbers by June 2017	Submission/electronic capturing of learner numbers completed in June 2017	Target achieved	None
Phase 2: Report on Ordering of text books by schools/ Printing workbooks by DBE assessed by September 2017		Produce report in September 2017 on ordering of textbooks	Report produced in November 2017	Target achieved	Achieved late due to slow response by respondents
Report on assessment of delivery of textbooks/ workbooks to schools assessed by February 2018	New Indicator	Consolidated report produced in February 2018	Consolidated Report produced in February 2018	Target achieved	None
Number of Unannounced visits to two Thusong Service Centres	New indicator	2	2 Unannounced visits conducted and advice provided in October 2017	Ad-hoc target achieved	None
Inspection at 1 Military Hospital conducted by March 2018	New indicator	Conduct inspection at 1 Military hospital by March 2018	Inspection was conducted in March 2018	Ad-hoc target achieved	None

Summary of performance for sub-programme: Governance Monitoring

The PSC is mandated by the Constitution to carry out particular functions with regard to the promotion and evaluation of the values and principles contained in the Constitution. In respect of the evaluations, Section 196 (4)(e) of the Constitution requires the PSC to provide an evaluation of the extent to which the values and principles set out in Section 195 are complied with. These evaluations are meant to go beyond compliance and determine whether the intention of the public administration values and principles is achieved at an outcome level. During the period under review, the PSC customised its Institutional Evaluation Tool to the context of classification of 6 departments in line with their different mandates, which resulted in 6 different tools. The values have further been categorised and weighed differently to provide a fair evaluation in line with the departmental mandates.

The PSC makes extensive use of data, both from its own internal sources and from sources across the Public Service. A Data Warehouse was set up in order to modernise the PSC's data analysis processes. This tool will advance the PSC's functionality to analyse data and produce customised reports especially on the quantitative evaluation of the CVPs. Four (4) reports on public administration issues were produced in the following areas:

- (a) 30 days payment of invoices
- (b) Performance information
- (c) Service delivery improvement plans
- (d) Use of consultants

These reports are meant to diagnose problems from an oversight perspective, supported by data from the Data Warehouse and provide recommendations for improvements.

With regard to providing information on the performance of the Public Service to parliamentary committees, the PSC has a long standing relationship with the Standing Committee on Appropriations (SCOA) and it provides information and analysis to the Committee during both the main and the mid-term budget. Similar information is also provided to the Portfolio Committee on Public Service and Administration/ Planning, Monitoring and Evaluation.

Summary of performance for sub-programme: Service Delivery and Compliance Evaluations

The promotion of the CVPs remains a critical aspect of the work of the PSC as mandated by Section 196 (4)(a) of the Constitution. The PSC promotes the CVPs in order to internalise them in the daily activities of public servants with the intention of changing behaviours and attitudes. Furthermore, it is important to establish a common and shared understanding and the PSC's expectations prior to conducting evaluations. During the period under review, 13 engagements were undertaken with departments to promote compliance with the CVPs. Furthermore, these engagements were used to consult departments on the indicators and standards under each value and principle.

Inspections were conducted at various service delivery sites, including inspections of health facilities (hospitals and clinics), Thusong Service Centres, police stations, and schools. Inspections are critical since they afford the PSC a first-hand opportunity to observe service delivery in action while engaging with members of the public on the level and quality of services rendered by government. The inspections were both announced and unannounced and were used to determine whether the services for those departments inspected were rendered accordingly, the state of the facilities and the conditions at the service site. Emanating from the inspections, the PSC issues reports with recommendations for improvements. The inspections provided the PSC with valuable information on practical service delivery challenges at the coal face.

4.3.3 Strategy to overcome Areas of under Performance

The institutional evaluations are conceptually challenging and the PSC is continuously issuing guidelines and training to its researchers on how to apply the tools in order to improve the quality of its evaluations. Similarly, a vigorous campaign on promotion of the CVP at departmental level is ongoing to ensure a common understanding during evaluations.

4.3.4 Changes to Planned Targets

Although there were no changes to the APP targets, the PSC responded to requests from stakeholders by completing the following activities:

- (a) Briefing to the MPSA on the "Evaluation of the Public Service against CVPs"
- (b) PSC Comments to SCOA on the Proposal to Amend Schedule to Adjustments Appropriation Bill [B25-2017[Votes 5 and 7]
- (c) Unannounced visits to two Thusong Service Centres
- (d) Inspection conducted at I Military Hospital

4.3.5 Linking Performance with Budgets

2017/18				2016/17		
Sub-Programme Name	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Governance Monitoring	7,185	7,116	69	7,429	7,401	28
Service Delivery and Compliance Evaluations	6,728	6,696	32	7,466	7,466	-
Programme Manager: M&E	19,964	19,973	-9	19,454	19,454	-
TOTAL	33,877	33,785	92	34,349	34,321	28

Prior year figures were restated

4.4 Programme 4: Integrity and Anti-Corruption



Mr M Malatsi

*Deputy Director-General: Integrity and Anti-Corruption
(with effect from 1 October 2017)*

Purpose:

The programme is responsible for undertaking public administration investigations, promoting a high standard of professional ethical conduct amongst public servants and contributing to the prevention and combating of corruption.

Sub-programmes:

- Public Administration Investigations
- Professional Ethics

4.4.1 Strategic Objectives

Programme: Integrity and Anti-Corruption					
Strategic Objectives	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Conduct public administration investigations	84% (303/360) of complaints concluded	60% of complaints finalised	69% (211 of 306)	Target exceeded	Close monitoring
Promote professional ethics	100% (10302) of financial disclosure forms were scrutinised	100%	100% (10 267 of 10 267)	Target achieved	None
	100% (1856) of NACH cases referred	90%	99.5% (878 of 882)	Target exceeded	Improved business processes

4.4.2 Performance Indicators

Programme: Integrity and Anti-Corruption					
APP INDICATOR/TARGET ACHIEVEMENT					
Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Percentage of public administration investigations finalised within 3 months upon receipt of all relevant documentation	Of the 360 complaints lodged, 303 (84%) complaints were concluded of which 61 (20%) were finalised through investigations, of which 49 (80%) were finalised within 3 months of receipt of all relevant documentation	60%	As at 31 March 2018, there were 306 complaints on the database, of which 211 (69%) were finalized. Of the 211, 46 (22%) were finalised through investigations, of which 38 (83%) were finalised within 3 months of receipt of all relevant documentation. Of the 211, 165 (78%) cases were finalised as early resolution cases, of which 148 (90%) were finalised within 45 days of receipt of all relevant documentation	Target exceeded	Close monitoring of investigations
Number of research reports in relation to public administration practices	4 Reports on investigation and evaluation of awarding of higher salaries on appointment and counter offers in the national departments of Transport & Labour, Health & Human Settlements, respectively, approved in July 2016	2	2 <ul style="list-style-type: none"> Report on "An investigation and evaluation of the awarding of higher salaries in the national Department of Home Affairs approved in March 2018 Report on "Investigation and evaluation of the awarding of higher salaries in the national Department of Basic Education approved in March 2018 	Target achieved	None

Programme: Integrity and Anti-Corruption

APP INDICATOR/TARGET ACHIEVEMENT

Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Factsheet on financial misconduct produced	Factsheet on completed disciplinary proceedings on financial misconduct for the 2015/16 financial year produced and approved in November 2016	1	Factsheet on completed disciplinary proceedings on financial misconduct for the 2016/17 financial year approved in November 2017	Target achieved	None
Percentage of NACH cases closed by departments	58% (1 069 of 1 856)	75%	71% (628 of 882)	Target not achieved	The target is outside the control of the PSC and is not achieved due to delays in closure of cases by departments
% of NACH cases referred within 21 days of receipt of case report	100% (1 856 of 1 856)	90%	99.5% (878 of 882)	Target exceeded	Strict application process of the referral within stipulated time frame
% of financial disclosure forms scrutinised	100% (10 302) of financial disclosure forms were scrutinised	100%	100% (10 267 of 10 267)	Target achieved	None
Number of reports reporting on compliance with Financial Disclosure Framework	Overview report (15/16) on the FDF approved in March 2017	Overview report on the FDF produced	Overview Report (16/17) approved in March 2018	Target achieved	None
% of responses from EAs in respect of the findings of the PSC emanating from the scrutiny of financial disclosures	New indicator	60%	12.5% (19 of 152)	Target not achieved	Target not achieved due to delays in submission of information on the implementation of PSC recommendations
Number of research reports in professional ethics	New indicator	1	1 Report on the "Assessment of the state of professional ethics & Anti-Corruption measures in the North West Province against predetermined objectives" approved in March 2018	Target achieved	None

Programme: Integrity and Anti-Corruption

APP INDICATOR/TARGET ACHIEVEMENT

Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations
Number of workshops on professional ethics in the Public Service	69	15	58	Target exceeded	Specific requests made by departments on a regular basis
% of investigations through early resolution finalised within 45 days from the date of receipt of all relevant information	27 cases were received, of which 18 (66%) cases were closed within 45 days from receipt of complaint, 7 were closed outside 45 days and 2 are under investigation	80%	89% (17 of 19)	Target achieved	Consistent monitoring of performance

WORKPLAN INDICATORS (2017/18)

Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from Planned Target to Actual Achievement for 2017/18	Comment on Deviations																																																				
Sub-programme: Professional Ethics																																																									
All NACH cases referred to the respective departments within 21 days of receipt of case reports	<p>Summary of NACH cases as at 31 March 2017:</p> <table border="1"> <thead> <tr> <th>National/Province</th> <th>Cases Referred</th> <th>Feedback Received</th> <th>% Cases Closed</th> </tr> </thead> <tbody> <tr> <td>National</td> <td>436</td> <td>436 (28%)</td> <td>10%</td> </tr> <tr> <td>Eastern Cape</td> <td>48</td> <td>0 (0%)</td> <td>0 (0%)</td> </tr> <tr> <td>Free State</td> <td>20</td> <td>0 (0%)</td> <td>0%</td> </tr> <tr> <td>Gauteng</td> <td>126</td> <td>20 (16%)</td> <td>20 (16%)</td> </tr> <tr> <td>KZN</td> <td>81</td> <td>4 (5%)</td> <td>2 (2%)</td> </tr> <tr> <td>Limpopo</td> <td>50</td> <td>0 (0%)</td> <td>0 (0%)</td> </tr> <tr> <td>Mpumalanga</td> <td>47</td> <td>10 (21%)</td> <td>10 (21%)</td> </tr> <tr> <td>North West</td> <td>7</td> <td>0 (0%)</td> <td>0 (0%)</td> </tr> <tr> <td>Northern Cape</td> <td>11</td> <td>0 (0%)</td> <td>0 (0%)</td> </tr> <tr> <td>Western Cape</td> <td>74</td> <td>59 (80%)</td> <td>40 (54%)</td> </tr> <tr> <td>Public Entities</td> <td>956</td> <td>956 (100%)</td> <td>956 (100%)</td> </tr> <tr> <td>TOTAL</td> <td>1856</td> <td>1167 (63%)</td> <td>1069 (58%)</td> </tr> </tbody> </table> <p>Research report on the nature and extent of the protection of whistle-blowers and investigators in the Public Service by June 2015</p>	National/Province	Cases Referred	Feedback Received	% Cases Closed	National	436	436 (28%)	10%	Eastern Cape	48	0 (0%)	0 (0%)	Free State	20	0 (0%)	0%	Gauteng	126	20 (16%)	20 (16%)	KZN	81	4 (5%)	2 (2%)	Limpopo	50	0 (0%)	0 (0%)	Mpumalanga	47	10 (21%)	10 (21%)	North West	7	0 (0%)	0 (0%)	Northern Cape	11	0 (0%)	0 (0%)	Western Cape	74	59 (80%)	40 (54%)	Public Entities	956	956 (100%)	956 (100%)	TOTAL	1856	1167 (63%)	1069 (58%)	Management of the NACH by March 2017: Feedback on cases monitored and assessed	NACH cases as at 31 March 2018:	Target achieved	None
National/Province	Cases Referred	Feedback Received	% Cases Closed																																																						
National	436	436 (28%)	10%																																																						
Eastern Cape	48	0 (0%)	0 (0%)																																																						
Free State	20	0 (0%)	0%																																																						
Gauteng	126	20 (16%)	20 (16%)																																																						
KZN	81	4 (5%)	2 (2%)																																																						
Limpopo	50	0 (0%)	0 (0%)																																																						
Mpumalanga	47	10 (21%)	10 (21%)																																																						
North West	7	0 (0%)	0 (0%)																																																						
Northern Cape	11	0 (0%)	0 (0%)																																																						
Western Cape	74	59 (80%)	40 (54%)																																																						
Public Entities	956	956 (100%)	956 (100%)																																																						
TOTAL	1856	1167 (63%)	1069 (58%)																																																						
			<table border="1"> <thead> <tr> <th>National/Province</th> <th>Cases Referred</th> <th>Feedback Received</th> <th>% Cases Closed</th> </tr> </thead> <tbody> <tr> <td>National</td> <td>28</td> <td>25</td> <td>25</td> </tr> <tr> <td>Eastern Cape</td> <td>10</td> <td>14</td> <td>14</td> </tr> <tr> <td>Free State</td> <td>22</td> <td>17</td> <td>17</td> </tr> <tr> <td>Gauteng</td> <td>10</td> <td>26</td> <td>26</td> </tr> <tr> <td>KZN</td> <td>18</td> <td>13</td> <td>13</td> </tr> <tr> <td>Limpopo</td> <td>11</td> <td>5</td> <td>5</td> </tr> <tr> <td>Mpumalanga</td> <td>8</td> <td>0</td> <td>0</td> </tr> <tr> <td>North West</td> <td>3</td> <td>6</td> <td>6</td> </tr> <tr> <td>Northern Cape</td> <td>16</td> <td>22</td> <td>22</td> </tr> <tr> <td>Western Cape</td> <td>594</td> <td>594</td> <td>594</td> </tr> <tr> <td>Public Entities</td> <td>162</td> <td>63</td> <td>63</td> </tr> <tr> <td>TOTAL</td> <td>882</td> <td>785 (89%)</td> <td>785 (89%)</td> </tr> </tbody> </table>	National/Province	Cases Referred	Feedback Received	% Cases Closed	National	28	25	25	Eastern Cape	10	14	14	Free State	22	17	17	Gauteng	10	26	26	KZN	18	13	13	Limpopo	11	5	5	Mpumalanga	8	0	0	North West	3	6	6	Northern Cape	16	22	22	Western Cape	594	594	594	Public Entities	162	63	63	TOTAL	882	785 (89%)	785 (89%)		
National/Province	Cases Referred	Feedback Received	% Cases Closed																																																						
National	28	25	25																																																						
Eastern Cape	10	14	14																																																						
Free State	22	17	17																																																						
Gauteng	10	26	26																																																						
KZN	18	13	13																																																						
Limpopo	11	5	5																																																						
Mpumalanga	8	0	0																																																						
North West	3	6	6																																																						
Northern Cape	16	22	22																																																						
Western Cape	594	594	594																																																						
Public Entities	162	63	63																																																						
TOTAL	882	785 (89%)	785 (89%)																																																						
Number of targeted visits	6 targeted visits in July and Aug 2016 and March 2017 2 workshops conducted in March 2017	2	5	Target exceeded	increase in the demand for targeted visits																																																				
Commemoration of International Anti-Corruption Day	International Anti-Corruption day commemorated in December 2016	Commemoration of International Anti-Corruption Day	International Anti-Corruption day commemorated in December 2017	Target achieved	None																																																				

Summary of performance for sub-programme: Public Administration Investigations

The PSC is a key role player in enhancing public administration practices in the Public Service. This role is accomplished through conducting public administration investigations and producing reports that comprise, *inter alia*, findings, advice, recommendations and directions. The advice, recommendations and/ or directions are made to EAs for consideration.

Accounting Officers of departments are required in terms of the PFMA read in conjunction with the Treasury Regulations, 2002, to report on the outcome of completed disciplinary proceedings on financial misconduct, to amongst others, the PSC. In view of this and in line with its Constitutional mandate, the PSC has since the 2001/2002 financial year, published Reports/Factsheets on financial misconduct.

The Factsheet contains information on completed disciplinary proceedings on financial misconduct reported by national/provincial departments, a trend analysis of completed disciplinary proceedings on financial misconduct and disciplinary proceedings on financial misconduct that were not completed by national departments as at 31 March of the respective financial year. Further, the PSC finalised the investigation and evaluation of the awarding of higher salaries in the national Departments of Basic Education and Home Affairs.

In relation to complaints lodged with the PSC, as at 31 March 2018, a total of 306 complaints/requests for investigations were on the database of the PSC. Of the 306 complaints, 211 (69%) were finalised and 95 (31%) were in progress. Figure 2 below provides an overview of the status of complaints lodged with the PSC during the reporting period:

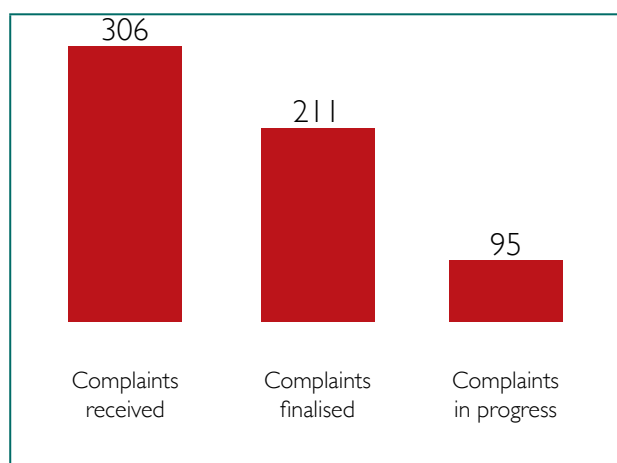


Figure 2: Status of complaints on the database of the PSC

In accordance with section 196(4) of the Constitution the powers and functions of the PSC are, amongst others, to investigate, monitor and evaluate the organisation and administration, and the personnel practices of the Public Service. The PSC can also, on its own accord or on receipt of any complaint, investigate and evaluate the application of personnel and public administration practices, and report to the relevant executive authority and legislature.

The *Public Service Commission Rules on Conducting Investigations*, Gazetted on 20 January 2017, provide for, inter-alia, the following definitions:

- **“applicable procedures”** means all procedures issued in terms of legislation and all sub-ordinate legislation that regulates public administration and personnel practices in the Public Service.
- **“personnel practices”** means all those functions and activities executed to provide a service to employees such as recruitment, appointment, transfer and other career management objectives aimed at enhancing the well-being and effectiveness of the employees.
- **“public administration practices”** means all those functions and activities executed by departments to provide effective and efficient services to any person, e.g. financial management, personnel provisioning and administration, supply chain management processes, service delivery, application of policies and procedures to attain proficiency.

In accordance with the above definitions, “applicable procedures” forms an integral part of personnel and public administration practices and to some extent there is an overlap. For purposes of this exercise the nature of complaints handled by the PSC has been broken down into two categories, that is, personnel and public administration practices. The breakdown of complaints handled by the PSC during the period up to 31 March 2018 indicates that 134 complaints (44%) relate to personnel practices (for example, irregular appointments, transfers, qualifications and compensation related allegations), and the remaining 172 complaints (56%) relate to public administration practices (for example, procurement irregularities and poor service delivery).

Emanating from the investigations conducted by the PSC and in instances where the allegations are substantiated, recommendations and/or directions were issued by the PSC to EAs, aimed at improving personnel and public administration practices in the Public Service.

Summary of performance for sub-programme: Professional Ethics

The PSC has a constitutional mandate to promote professional ethics in the Public Service. In order to execute this mandate the PSC promotes ethical conduct amongst public servants by providing advice on professional and ethical conduct in the Public Service. This is done through the management of the NACH and monitoring the implementation of the Financial Disclosure Framework for senior managers. The PSC has developed a three year strategy in promoting professional ethics in the Public Service. Following on this, the PSC conducted various workshops in national and provincial departments, focusing specifically on the management of conflict of interests, the Code of Conduct and the promotion of whistleblowing through the NACH.

The NACH is an important mechanism to combat corruption in the Public Service. The uptake of the NACH has been successful since its inception in 2004. During the 2017/18 financial year, the PSC received 66 986 calls on the NACH. Out of 66 986 calls, a total of 882 case reports were generated. This indicates that the NACH is regarded as a reliable mechanism to report cases of alleged corruption in the Public Service.

Through a desktop analysis, the PSC closed 65 cases on the NACH database. These complaints were not investigated beyond the initial assessment stage, for the following reasons:

- (a) The complaints did not reasonably raise a suspicion of misconduct.
- (b) The complainants were informed that another law enforcement agency or court was more appropriate to deal with the matter.
- (c) The matter fell outside the mandate of the Public Service.

The PSC subsequently referred 878 out of 882 cases to national and provincial departments as well as public entities within 21 days and the remaining 4 cases were referred within 22 days due to technical problems embedded in the system.

The PSC monitors the implementation of the FDF in the Public Service as part of promoting a high standard of professional ethics. The FDF is contained in Chapter 2 of the Public Service Regulations, 2016 (PSR). In terms of PSR 18(1) all members of the SMS in the Public Service are required to disclose all their registrable interests annually to their respective HoDs, by no later than 30 April each year. Within the same period, HoDs must submit their financial disclosure forms in terms of PSR 18(2) to their respective EAs. The EAs and HoDs, as the case may be, are required to submit copies of such disclosures to the PSC within 30 days of receipt thereof.

Summary of submission rates of financial disclosure forms:

	As at the due date of 31 May 2017	As at the end of the financial year 31 March 2018
National Departments	5980 (99%)	6006 (99%)
Provincial Departments	4125 (97.8%)	4 217 (99.6%)
Overall	10105 (98 %)	10279 (99%)

Upon receipt of the financial disclosure forms, the PSC validated with the respective departments the total number of SMS members against the records held by the PSC.

The PSC scrutinised the financial disclosure forms in terms of PSR 21(1), which provides that the PSC must assess compliance with the requirement to disclose all financial interests and also to establish whether the involvement of SMS members in any activities of the companies could lead to conflicts of interest. The PSC scrutinised 100% (10 267) of the financial disclosure forms for the third consecutive year.

The scrutiny revealed that there are SMS members whose financial interests could be construed as posing potential conflicts of interest. This is by virtue of them being linked to public or private companies. There is also a likelihood that these SMS members could use state resources to further their private business interests. The PSC advised the EAs to ensure that the involvement of these SMS members in companies is closely and tightly monitored in order to avoid such involvement leading to actual conflicts of interest.

There were SMS members in departments who are engaged in Remunerative Work Outside the Public Service (RWOPS). The PSC advised EAs and HoDs to consult with SMS members who did not provide proof of approval to engage in RWOPS, to determine if such approval was granted; and if not, consider taking appropriate steps in terms of section 31 of the PSA as amended. The PSC further advised EAs to sensitise the SMS members of the provisions of PSR 13(c) which prohibits officials to conduct business with any organ of state and/or being a director of a public or private company conducting business with an organ of state. The PSC also assessed the extent to which SMS members received gifts and/or sponsorships during the period under review. The EAs were advised to consult with SMS members who received gifts and/or sponsorships other than diplomatic gifts to verify if these were not gratification or gifts received, solicited or accepted in contravention of PSR 13(a) and/or (h). Where contravention of the PSR could be established, EAs were advised to consider taking disciplinary action against the affected officials in terms of Section 16A of the PSA.

There are SMS members within departments whom the PSC consulted in previous financial years, and it was satisfied with the explanations given regarding their involvement in companies. The PSC advised EAs to ensure that the involvement of these SMS members in the companies is closely and tightly monitored so that it does not lead to conflicts of interest. EAs were also advised that should it transpire that such involvement poses potential conflicts of interest, appropriate actions should be taken in terms of the PSR.

4.4.3 Strategy to overcome Areas of under Performance

Close monitoring of projects will be instituted and engagements and workshops will be held in order to promote responsiveness of departments to PSC findings and recommendations.

4.4.4 Changes to Planned Targets

The following indicators were refined in line with SMART principles:

Original Indicator/Target	Refined Indicator	Adjusted Target
Percentage of public administration investigation successfully concluded*: Provisional reports of 55% of investigations received finalized within 3 months upon receipt of all relevant information	Percentage of public administration investigations finalised within 3 months upon receipt of all relevant information	Target adjusted from 55% to 60%
Dropped off: 65% of early resolution reports on complaints approved within 45 days from date of receipt of all relevant documentation	Not included in the adjusted APP	Not included in the adjusted APP as the figure is included in reported information for the indicator and target above.
<i>New Indicator</i>	<i>New Indicator:</i> Number of research reports in relation to public administration practices	<i>New target: 2</i>
Factsheet on financial misconduct produced	Number of factsheets on financial misconduct produced	Target remains the same: 1
<i>New Indicator</i>	<i>New Indicator:</i> Number of research reports in professional ethics	<i>New Target: 1</i>

4.4.5 Linking Performance with Budgets

2016/2017				2015/16 (To be updated by Finance)		
Sub-Programme Name	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Public Administration Investigation	12,576	12,574	2	13,045	13,021	24
Professional Ethics	17,722	17,722	0	19,793	19,793	-
Programme Manager: IAC	18,667	18,665	2	18,363	18,363	-
TOTAL	48,965	48,961	4	51,201	51,177	24

5. TRANSFER PAYMENTS

5.1 Transfer Payments to Public Entities

The PSC has not made any transfer payments to public entities during the reporting period.

5.2 Transfer Payments to all Organisations other than Public Entities

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

6. CONDITIONAL GRANTS

6.1 Conditional Grants and Earmarked Funds Paid

No conditional grants and earmarked funds were paid during the period 1 April 2017 to 31 March 2018.

6.2 Conditional Grants and Earmarked Funds Received

No conditional grants and earmarked funds were received during the period 1 April 2017 to 31 March 2018.

7. DONOR FUNDS

7.1 Donor Funds Received

No donor funds were received during the reporting period.

8. CAPITAL INVESTMENT

8.1 Capital Investment, Maintenance and Asset Management Plan

During the reporting period, no infrastructure projects were done, and there were no plans to close down or downgrade any of the current facilities. There were no day-to-day and major maintenance projects undertaken or maintenance backlog experienced.

All official assets in the PSC were captured in the asset register in accordance to the minimum requirements as set by National Treasury. Furthermore, bi-annual asset verification was conducted twice to ensure that the asset register reflected credible information.



PART C

GOVERNANCE

1. INTRODUCTION

As required in terms of the provisions of the PFMA, the PSC developed and implemented effective, efficient and transparent systems of financial and risk management and internal control and maintains a system of internal audit under the control and direction of an audit committee complying with and operating in accordance with relevant regulations and instructions.

The structures that are central to the functionality of the PSC are the following: Plenary, Executive Committee, Specialist Teams, Audit Committee, Executive Management Committee, Fraud Prevention and Risk Management Committee, Information Technology Steering Committee, Budget Committee and supply chain structures such as the Bid Evaluation Committee and Bid Adjudication Committee. In addition to these, supplementary structures, such as the Management Committee and the Provincial Directors' Forum have been established to facilitate operational performance reporting, information sharing and coordination between management and staff.

2. RISK MANAGEMENT

The PSC has a Risk Management Framework that includes a Risk Management Policy and Strategy, Risk Appetite Statement and Risk Management Implementation Plan. These were reviewed during the financial year.

The risk management process is aligned to the strategic planning process of the PSC. During the PSC's Strategic Planning Session held in May 2017, the PSC identified the strategic risks that would impede the achievement of the PSC's strategic objectives. The Strategic Risk Register was maintained and presented to the PSC Plenary meetings and the Audit Committee on a quarterly basis. The PSC achieved mixed results in terms of its ability to mitigate the strategic risks, mainly as they were linked to the lack of availability of financial resources to fund key performance areas and its impact on the PSC's reputation.

Branches within the OPSC compiled risk registers that are aligned to its operational plans and these risks are monitored by the Ethics and Risk Management Committee on a quarterly basis. The Committee is chaired by the Chief Financial Officer. Each of the Branches in the Office has a Risk Coordinator (at senior management level) to reflect joint ownership of risk management responsibilities. The Risk Coordinators are responsible for ensuring that the Risk Registers are discussed at Branch meetings, risk-mitigating strategies/ plans to manage and keep risks at an acceptable level are developed, new and emerging risks are identified and reflected in the risk registers.

3. FRAUD AND CORRUPTION

The PSC focuses strongly on ethics and fraud awareness. An Ethics Officer and an Ethics and Risk Management Committee is in place, which meets on a quarterly basis to discuss, amongst others, ethics issues.

The PSC is committed to a zero-tolerance approach to fraud and corruption. The PSC has an approved Anti-Corruption and Fraud Prevention Plan that is managed by the Ethics and Risk Management Committee. The Plan includes Whistle-Blowing Guidelines to provide employees with a mechanism to raise concerns about fraud and corruption. The Guidelines are intended to encourage and enable employees to raise serious concerns about fraud and corruption within the PSC rather than overlooking such a problem or "blowing the whistle" outside. The Guidelines provide steps for reporting within the PSC (e.g. Director-General and EA) and to the NACH. In addition, a Whistle-Blowing Log is maintained to keep a record of cases of fraud and corruption reported through the various access mechanisms.

The Ethics and Risk Management Committee provided oversight over the implementation of the Risk Management Implementation Plan and the Anti-Corruption and Fraud Prevention Plan.

4. MINIMISING CONFLICT OF INTEREST

All members of the SMS were required to submit financial disclosure forms to the EA by the due date of 30 April 2017. These forms, as well as the Gift Register, were scrutinised for actual or potential conflicts of interest. Furthermore, all employees in the PSC are required to request permission from the EA or Director-General (as delegated authority) before they perform remunerative work outside the Public Service.

Members of different committees responsible for SCM had to declare and sign declaration of interests during their committee meetings. They also undertook to adhere to the requirements of the code of conduct for bid adjudication committees. SCM Practitioners were issued with a Code of Conduct for SCM Practitioners and are required to sign the code of conduct form for SCM Practitioners.

5. CODE OF CONDUCT

The Code of Conduct for the Public Service is a guiding document for the good conduct of employees in the OPSC. During the period under review, workshops on the Code of Conduct were facilitated at branch level, as well as in all provincial offices, the Code of Conduct for the Public Service was circulated to all employees; and employees signed receipt and confirmed that they have appraised themselves of the content of the Code.

The OPSC complies with the Code in that it enforces the Code of Conduct. The Disciplinary Code and Procedures for the Public Service applies to instances of non-compliance or a breach of the Code of Conduct.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The PSC has a Committee that is responsible for Occupational, Health and Safety (OHS) issues and there is an approved OHS Policy in place. The PSC believes that a safe and hazard free working environment is one of the most important factors in promoting the commitment and unquestionable performance of employees.

7. PORTFOLIO COMMITTEES

There were no issues on the PSC's performance or functioning that were raised by any Portfolio Committee during the reporting period.

8. SCOPA RESOLUTIONS

There were no issues raised by the Standing Committee on Public Accounts (SCOPA).

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

There were no prior modifications to audit report for the period under review.

10. INTERNAL CONTROL UNIT

The PSC has effective and efficient systems of financial, risk management and internal control as required in section 38 of the PFMA. However due to budgetary constraints, the PSC does not have an internal control unit as the internal audit function is outsourced.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

Table 9: Audit Committee members

Name	Qualifications	Internal or External	Date of Appointment	Date Resigned (End of contract)	No of Meetings Attended
Mr AS Simelane	B Com (Hons), MBA	External	1 April 2017	31 March 2020	5
Prof DP van der Nest	B Com (Hons), M Com D Tech	External	1 August 2017	31 July 2019	5
Mr ME Zakwe	B Com (Hons) MBA CA (SA)	External	1 May 2015	30 April 2018	5
Ms DM Mathabela	B. Proc, Diploma: Corporate Law, LLM	External	24 November 2016	23 November 2019	6

12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2018.

Audit Committee Members and Attendance

The Audit Committee is required to meet at least four (4) times per annum as per its approved terms of reference. During the year under review, four (4) meetings were held.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has appropriate terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein. The Audit Committee reports that, during the year, it was presented with regular quarterly management reports to enable them to:

- Monitor the integrity, accuracy and reliability of the department's financial information; and
- Review all material information presented to the committee.

For the financial year ended 31 March 2018, the Audit Committee was presented with the following information for review:

- The Annual Financial Statements;
- All quarterly Financial Reports;
- Unaudited Annual Financial Statements before submission to the Auditor General South Africa (AGSA) on 31 May 2018;
- The management letter of the AGSA related to the audit of the final 2017/18 Annual Financial Statements;
- The appropriateness of accounting policies, practices and potential changes;
- Compliance with relevant laws and regulations;
- The Annual Report and predetermined objectives prior to submission to the AGSA and final publication; and
- The plans, work and reports of Internal Audit and the AGSA. The Audit Committee also conducted several independent meetings with the assurance providers.

The quarterly reporting on Performance Information, Information Technology Governance and the capacity of the ICT unit, and the effectiveness of the system of Risk Management, including emerging risks will continuously be improved.

The Effectiveness of Internal Control

The system of internal control is designed to provide reasonable cost-effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed. Internal Audit provides the Audit Committee and management with assurance that the controls are appropriate and effective. This is achieved by means of an appropriate quarterly reporting process, as well as the identification of corrective action and suggested enhancements to the controls and processes.

The results of the internal and external audits indicated that controls have been operating as intended in certain areas, while in others attention should be given to strengthen, improve and monitor the controls. Where control weaknesses and other matters were reported, the Audit Committee has considered management's responses to address the matters and to facilitate corrective actions, improvements and monitoring the controls and procedures. Implementation of such corrective actions is monitored and reported on.

The Audit Committee also monitors and oversees the control of risk identification throughout the department.

Internal Audit

The Internal Audit function conducts its affairs in terms of an approved Internal Audit Charter. The charter is reviewed on an annual basis. The Internal Audit Function follows a risk-based audit approach, whereby the Strategic Risk Assessment, Repeat Audit Findings and the Internal Audit Function's assessment of the risks drivers are taken into account. The Internal Audit Plan was formally adopted and approved by the Audit Committee. Progress on the execution of the plan was monitored and reported on at each Audit Committee meeting. The Audit Committee is therefore satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the Office of the Public Service Commission and its Audit Plan. Furthermore, the Committee oversaw cooperation between the Internal and External Auditors.

In Year Management and Monthly/Quarterly Report

During the period under review the internal auditors completed the following activities and reviews:

Evaluation of Financial Statements

The Audit Committee has evaluated the department's financial statements for the year ended 31 March 2018 and concluded that there were no material misstatements and concurs with and accepts the conclusion of the AGSA on the Annual Financial Statements.

The Audit Committee is of the opinion that the audited Annual Financial Statements be accepted and read together with the report of the Auditor-General.



MR SAKHISENI SIMELANE
CHAIRPERSON OF THE AUDIT COMMITTEE
PUBLIC SERVICE COMMISSION
31 AUGUST 2018



PART D
HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

The information contained in this part of the Annual Report has been prescribed by the Minister for Public Service and Administration for all government departments within the Public Service.

2. OVERVIEW OF HUMAN RESOURCES

For the year under review, critical Senior Management Service (SMS) posts were filled, however, the target of 50% women in the SMS in the Office was not achieved. The vacancy rate was maintained below 10%.

Organisational Structure

The Institutional Practice Review is still in process and staff in the Office has been kept abreast of developments in this regard. As part of adhering to the National Treasury directive to curb the compensation of employees' budget, the OPSC abolished 6 posts that reduced the number of posts in the establishment from 277 to 271.

Recruitment

Management took a decision to abolish non-critical posts due to budgetary constraints and critical SMS posts have been advertised and will be filled through the recruitment of competent potential employees. The reviewed Recruitment and Selection Policy also incorporates the OPSC Delegations as prescribed by the Public Service Regulations (PSR) 2016. Staff in the Office were workshopped on the approved Recruitment and Selection Policy.

Performance Management

The PMDS and EMPIS policies were reviewed to align them with the Public Service Regulations, 2016 and the Directives issued by the Department of Public Service and Administration.

Employee Wellness

The PSC is committed to promoting quality of work-life balance and the creation of a conducive work environment for its employees. Employee wellness issues significantly affect the productivity of the workforce, it is imperative that this is addressed in HR planning interventions. In the year under review, the OPSC provided a variety of interventions to assist employees manage their health risks, including the following:

- Health screenings including testing to check the wellbeing of employees.

- Sports initiatives (soccer, netball, running and aerobics).
- Access to health and wellness information.
- An employee assistance programme course (Counselling and Advisory Services).

Human Resources Challenges

The following are challenges experienced in the year under review:

- The current systems for managing HR planning information are inadequate and PERSAL is generally seen as a system that is not ideal for HR information management. There is a need for a uniform integrated HR information management system to address this challenge.
- The environment in which the Office operates is not static and is changing necessitating key strategic changes that have an impact on human resources decision making. Data collection and analysis on HR is critical and more must be done to identify risks, challenges and best practice methods for implementation.
- Lack of funding for training and development interventions aligned to the strategic objectives of the PSC.
- Constraints in recruiting persons with disabilities especially in SMS.

Human Resources Priorities for 2017/2018

- To strengthen the organisational structure and assessment of employee utilisation in the PSC through the IPR- doing things differently.
- To strengthen the capacity of employees in the PSC through Human Resource Development Interventions by emphasising customised training.
- To enhance employee health and wellness in the workplace.
- To strengthen the Employee Wellness Programme (EWP) and promote awareness of the programme.
- Maintain a vacancy rate of below 10%.
- To ensure that women consist of at least 50% of staff employed at SMS level.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 Personnel Related Expenditure

The following tables summarise final audited personnel related expenditure by programme and salary band. In particular, it provides an indication of the following:

- amount spent on personnel
- amount spent on salaries, overtime, home owner's allowances and medical aid.

Table 3.1.1 - Personnel expenditure by programme for the period 1 April 2017 to 31 March 2018

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Programme 1	125 565	65 206	397	2 460	52	732
Programme 2	38 984	37 576	0	8	96	708
Programme 3	33 851	31 689	44	204	94	720
Programme 4	48 961	45 417	0	158	93	667
Theft and losses	20	0	0	0	0	0
TOTAL	247 381	179 888	441	2 830	73	708

Table 3.1.2 - Personnel costs by salary band for the period 1 April 2017 to 31 March 2018

Salary band	Personnel expenditure (R'000)	% of total personnel expenditure	Number of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	1 249	1	8	156
Skilled (Levels 3-5)	9 074	5	36	252
Highly skilled production (Levels 6-8)	19 540	11	59	331
Highly skilled supervision (Levels 9-12)	80 227	45	104	771
Senior and top management (Levels 13-16)	69 798	39	47	1 485
Contract (Levels 1-2)	0	0	0	0
Contract (Levels 3-5)	0	0	0	0
Contract (Levels 6-8)	0	0	0	0
Contract (Levels 9-12)	0	0	0	0
Contract (Levels 13-16)	0	0	0	0
Periodical remuneration	0	0	0	0
Abnormal appointment	0	0	0	0
TOTAL	179 888	100	254	708

Table 3.1.3 - Salaries, overtime, home owners allowance and medical aid by programme for the period 1 April 2017 to 31 March 2018

Programme	Salaries		Overtime		Home Owners Allowance (HOA)		Medical aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Programme 1	44 321	68	737	1	1 350	2	1 576	2
Programme 2	26 567	71	11	0.02	334	1	815	2
Programme 3	21 778	69	0	0	428	1	865	3
Programme 4	31 567	70	7	0.01	767	2	981	2
TOTAL	124 233	69	755	0.4	2 879	2	4 237	2

Table 3.1.4 - Salaries, overtime, home owners allowance and medical aid by salary band for the period 1 April 2017 to 31 March 2018

Salary band	Salaries		Overtime		Home Owners Allowance (HOA)		Medical aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Lower skilled (Levels 1-2)	826	0.5	0	0	58	0.03	122	0.1
Skilled (Levels 3-5)	5 640	3	679	0.4	523	0.3	632	0.4
Highly skilled production (Levels 6-8)	13 846	8	55	0.03	758	0.4	1 111	0.6
Highly skilled supervision (Levels 9-12)	58 556	33	21	0.01	839	0.5	1 736	1
Senior management (Levels 13-16)	45 365	25	0	0	701	0.4	636	0.4
Contract (Levels 1-2)	0	0	0	0	0	0	0	0
Contract (Levels 3-5)	0	0	0	0	0	0	0	0
Contract (Levels 6-8)	0	0	0	0	0	0	0	0
Contract (Levels 9-12)	0	0	0	0	0	0	0	0
Contract (Levels 13-16)	0	0	0	0	0	0	0	0
Periodical remuneration	0	0	0	0	0	0	0	0
Abnormal appointment	0	0	0	0	0	0	0	0
TOTAL	124 233	69	755	0.4	2 879	2	4 237	2

3.2 Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment. The information is presented in terms of three key variables:

- programme
- salary band
- critical occupations.

Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. The vacancy rate therefore reflects the percentage of posts that are not filled.

Table 3.2.1 - Employment and vacancies by programme as at 31 March 2018

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
Programme 1	97	89	8	3
Programme 2	55	53	4	0
Programme 3	47	44	6	0
Programme 4	72	68	6	0
TOTAL	271	254	6	2

Table 3.2.2 - Employment and vacancies by salary band as at 31 March 2018

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
Lower skilled (Levels 1-2)	8	8	0	2
Skilled (Levels 3-5)	37	36	3	0
Highly skilled production (Levels 6-8)	66	59	11	0
Highly skilled supervision (Levels 9-12)	112	104	7	0
Senior management (Levels 13-16)	48	47	2	1
TOTAL	271	254	6	3

Table 3.2.3 - Employment and vacancies by critical occupation as at 31 March 2018

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
Administrative related	4	4	0	0
Cleaner	10	10	0	1
Switchboard operator	1	1	0	0
Communication and information related	3	3	0	0
Finance and economics related	1	1	0	0
Financial and related professionals	6	5	17	0
Financial clerks	4	4	0	1
Head of Department	1	1	0	0
Human resources & organisation development related	76	73	4	0
Human resources clerks	10	10	0	0
Human resources related	24	18	25	0
Information technology	1	1	0	0
Other communication related	0	0	0	0
Library related personnel	1	1	0	0
Driver	1	1	0	0
Logistical support personnel	2	2	0	0
Material recording and transport clerks	13	13	0	0
Messengers	1	1	0	0
Other administrative and related clerks	2	2	0	0
Other administrative policy and related officers	7	7	0	0
Other information technology personnel	4	3	25	0
Others occupations	0	0	0	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
Secretaries	41	37	10	0
Security officers	11	10	9	0
Senior managers	47	46	2	1
TOTAL	271	254	6	3

3.3 Filling of SMS Posts

The tables in this section provide information on employment and vacancies as it related to members of the SMS by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken.

Table 3.3.1 - SMS posts information as at 31 March 2018

SMS level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/Head of Department	1	1	100	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	4	4	100	0	0
Salary Level 14	7	7	100	0	0
Salary Level 13	36	35	97	1	3
TOTAL	48	47	98	1	2

Table 3.3.2 - SMS posts information as at 30 September 2017

SMS level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/Head of Department	1	1	100	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	4	2	50	2	50
Salary Level 14	7	5	71	2	29
Salary Level 13	36	36	100	0	0
TOTAL	48	44	92	4	8

Table 3.3.3 - Advertising and filling of SMS posts for the period 1 April 2017 to 31 March 2018

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 of 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	0	0	0
Salary Level 14	1	0	1
Salary Level 13	1	0	0
TOTAL	2	0	1

Table 3.3.4 - 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 for the period 1 April 2017 to 31 March 2018

Reasons for vacancies not advertised within six months
PSC took a decision to delay the filling of certain posts due to its funding constraints
Reasons for vacancies not filled within twelve months
PSC took a decision to delay the filling of certain posts due to its funding constraints

Table 3.3.5 - Disciplinary steps taken for not complying with the prescribed timeframes for filling of SMS posts within 12 months for the period 1 April 2017 to 31 March 2018

Disciplinary steps taken
None

3.4 Job Evaluation

Within a nationally determined framework, EAs may evaluate or re-evaluate any job in their organisation. In terms of the Regulations, all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.4.1 - Job evaluation by salary band for the period 1 April 2017 to 31 March 2018

Salary band	Number of posts on approved establishment	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)	8	0	0	0	0	0	0
Skilled (Levels 3-5)	37	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	66	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	112	0	0	0	0	0	0
Senior Management Service Band A	36	0	0	0	0	0	0
Senior Management Service Band B	7	0	0	0	0	0	0
Senior Management Service Band C	4	0	0	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
TOTAL	271	0	0	0	0	0	0

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 3.4.2 - Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2017 to 31 March 2018

Gender	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 disabilities					0

The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 3.4.3 - Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2017 to 31 March 2018

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None	0	0	0	0
Total number of employees whose salaries exceeded the level determined by job evaluation				0
Percentage of total employed				0

The following table summarises the beneficiaries of the above in terms of race, gender and disability.

Table 3.4.4 - Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2017 to 31 March 2018

Gender	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 disabilities	0	0	0	0	0
Total number of employees whose remuneration exceeded the grade determined by job evaluation					None

3.5 Employment Changes

This section provides information on changes in employment during the financial period. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and critical occupation.

Table 3.5.1 - Annual turnover rates by salary band for the period 1 April 2017 to 31 March 2018

Salary band	Number of employees at beginning of period - April 2017	Appointments and transfers into the PSC	Terminations and transfers out of the PSC	Turnover rate %
Lower skilled (Levels 1-2)	8	0	0	0
Skilled (Levels 3-5)	39	0	0	0
Highly skilled production (Levels 6-8)	58	4	6	10
Highly skilled supervision (Levels 9-12)	108	3	8	7
Senior Management Service Band A	35	1	2	6
Senior Management Service Band B	5	2	0	0
Senior Management Service Band C	2	2	0	0
Senior Management Service Band D	1	0	0	0
Contracts	2	6	6	300
TOTAL	258	18	22	9

Table 3.5.2 - Annual turnover rates by critical occupation for the period 1 April 2017 to 31 March 2018

Critical occupation	Number of employees at beginning of period – April 2017	Appointments and transfers into the PSC	Terminations and transfers out of the PSC	Turnover rate %
Lower skilled	8	0	0	0
Skilled	39	0	0	0
Highly skilled production	58	4	6	10
Highly skilled supervision	108	3	8	7
Senior Management Service	43	5	2	6
Contracts	2	6	6	300
TOTAL	258	18	22	9

The table below identifies the major reasons why staff left the organisation.

Table 3.5.3 - Reasons why staff left the PSC for the period 1 April 2017 to 31 March 2018

Termination type	Number	% of total resignations
Death	2	9
Resignation	8	36
Expiry of contract	6	27
Dismissal – operational changes	0	0
Dismissal – misconduct	0	0
Dismissal – inefficiency	0	0
Discharged due to ill-health	0	0
Retirement	4	18
Transfer to other Public Service Departments	2	9
Other	0	0
TOTAL	22	
Total number of employees who left as a % of total employment		9

Table 3.5.4 - Promotions by critical occupation for the period 1 April 2017 to 31 March 2018

Occupation	Employees as at 1 April 2017	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Lower skilled	8	0	0	8	100
Skilled	39	0	0	39	100
Highly skilled production	58	10	17	57	98
Highly skilled supervision	108	2	2	108	100
Senior management	43	0	0	39	91
TOTAL	256	12	5	251	98

Table 3.5.5 - Promotions by salary band for the period 1 April 2017 to 31 March 2018

Salary band	Employees as at 1 April 2017	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	8	0	0	8	100
Skilled (Levels 3-5)	39	0	0	39	100
Highly skilled production (Levels 6-8)	58	10	17	57	98
Highly skilled supervision (Levels 9-12)	108	2	2	108	100
Senior management (Levels 13-16)	43	0	0	39	91
TOTAL	256	12	5	251	98

3.6 Employment Equity

Table 3.6.1 - Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers (Levels 13 – 16)	18	3	1	2	17	1	2	3	47
Professionals (Levels 9 – 12)	47	2	1	7	37	2	2	6	104
Technicians and associate professionals (Levels 6 – 8)	12	1	1	0	45	0	0	0	59
Clerks (Levels 3 – 5)	14	0	0	0	19	2	1	0	36
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations (Levels 1 – 2)	1	0	0	0	7	0	0	0	8
TOTAL	92	6	3	9	125	5	5	9	254
Employees with disabilities	1	0	0	1	1	0	0	2	5

Table 3.6.2 - Total number of employees (including employees with disabilities) in each of the following occupational bands as at 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management (Levels 15 – 16)	2	0	0	0	3	0	0	0	5
Senior management (Levels 13 – 14)	16	3	1	2	14	1	2	3	42
Professionally qualified and experienced specialists and mid-management (Levels 9 – 12)	47	2	1	7	37	2	2	6	104
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents (Levels 6 – 8)	12	1	1	0	45	0	0	0	59
Semi-skilled and discretionary decision making (Levels 3 – 5)	14	0	0	0	19	2	1	0	36
Unskilled and defined decision making (Levels 1 – 2)	1	0	0	0	7	0	0	0	8
TOTAL	92	6	3	9	125	5	5	9	254
Employees with disabilities	1	0	0	1	1	0	0	2	5

Table 3.6.3 - Recruitment for the period 1 April 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	1	0	0	0	1	0	0	0	2
Senior management	2	0	0	0	0	0	1	0	3
Professionally qualified and experienced specialists and mid-management	2	0	0	0	1	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	4	0	0	0	4
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	5	0	0	0	1	0	0	0	6
TOTAL	10	0	0	0	7	0	1	0	18
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.4 - Promotions for the period 1 April 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	1	0	0	0	0	0	0	1	2
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	3	0	0	0	7	0	0	0	10
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
TOTAL	4	0	0	0	7	0	0	1	12
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.5 - Terminations for the period 1 April 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	0	0	0	0	0	0	0	0	0
Senior management	0	1	0	1	1	0	0	0	3
Professionally qualified and experienced specialists and mid-management	4	0	0	1	3	0	0	0	8
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2	0	0	0	3	1	0	0	6
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	5	0	0	0	0	0	0	0	0
TOTAL	11	1	0	2	7	1	0	0	22
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.6 - Disciplinary action for the period 1 April 2017 to 31 March 2018

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
	0	0	0	0	2	0	0	0	2

Table 3.6.7 - Skills development for the period 1 April 2017 to 31 March 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior officials and managers (Level 13-16)	1	1	0	0	3	0	0	0	5
Professionally qualified and experienced specialists and middle management (Level 9-12)	5	0	0	2	5	0	1	3	16
Skilled technical, junior management and supervisors (Level 6-8)	4	0	0	0	13	1	1	0	19
Semi-skilled workers (Level 3-5)	0	0	0	0	0	0	0	0	0
Elementary occupations (Level 1-2)	0	0	0	0	0	0	0	0	0
TOTAL	10	1	0	2	21	1	2	3	40
Employees with disabilities	0	0	0	0	0	0	0	0	0

3.7 Signing of Performance Agreements by SMS Members

All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken is presented here.

Table 3.7.1 - Signing of performance agreements by SMS members as at 31 May 2017

SMS level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	1	100
Salary Level 16, but not HoD	0	0	0	0
Salary Level 15	4	2	2	100
Salary Level 14	7	5	5	100
Salary Level 13	36	35	33	94
TOTAL	48	43	41	95

Table 3.7.2 - Reasons for not having concluded performance agreements for all SMS members as at 31 May 2017

Reasons
<ul style="list-style-type: none"> 1 SMS member on salary level 13 was on precautionary suspension during the period under review; and 1 SMS member on salary level 13 was on sabbatical leave during the period under review.

Table 3.7.3 - Disciplinary steps taken against SMS members for not having concluded performance agreements at 31 May 2017

Reasons
None

3.8 Performance Rewards

To encourage good performance, the organisation has granted the following performance rewards during the year under review. The information is presented in terms of (race, gender and disability), salary band and critical occupation.

Table 3.8.1 – Performance rewards by race, gender and disability for the period 1 April 2017 to 31 March 2018

Race and gender	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee (R'000)
African					
Male	61	91	68	519	8
Female	85	124	69	853	10
Asian					
Male	0	2	0	0	0
Female	4	6	67	58	15
Coloured					
Male	4	6	67	34	9
Female	3	5	60	34	11
White					
Male	6	8	88	105	15
Female	4	7	57	74	19
Employees with a disability	4	5	80	50	13
TOTAL	171	254	67	1 727	10

Table 3.8.2 - Performance rewards by salary band for personnel below SMS for the period 1 April 2017 to 31 March 2018

Salary band	Beneficiary profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee (R'000)	
Lower skilled (Level 1-2)	8	8	100	45	6	0.02
Skilled (Level 3-5)	36	36	100	306	9	0.2
Highly skilled production (Level 6-8)	48	59	81	547	11	0.3
Highly skilled supervision (Level 9-12)	67	104	64	761	11	0.4
TOTAL	159	207	77	1 659	10	1

Table 3.8.3 – Performance rewards by critical occupation for the period 1 April 2017 to 31 March 2018

Critical occupation	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee (R'000)
Senior management (Levels 13-16)	12	47	26	68	6
Professionally qualified and experienced specialists and middle management (Levels 9-12)	67	104	64	761	11
Skilled technical and academically qualified workers, junior management, supervisors, (Levels 6-8)	48	59	81	547	11
Semi-skilled and discretionary decision making (Levels 3-5)	36	36	100	306	9
Unskilled and defined decision making (Levels 1-2)	8	8	100	45	6
TOTAL	171	254	67	1 727	10

Table 3.8.4 – Performance related rewards (cash bonus), by salary band for SMS for the period 1 April 2017 to 31 March 2018

Salary band	Beneficiary profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee	
Band A (Level 13)	11	35	31	62	6	0.03
Band B (Level 14)	1	7	14	6	6	0.003
Band C (Level 15)	0	4	0	0	0	0
Band D (Level 16)	0	1	0	0	0	0
TOTAL	12	47	26	68	6	0.03

3.9 Foreign Workers

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

Table 3.9.1 – Foreign workers by salary band for the period 1 April 2017 to 31 March 2018

Salary band	1 April 2016		31 March 2017		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
Contract (Level 9-12)	0	0	0	0	0	0
Contract (Level 13-16)	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

Table 3.9.2 - Foreign workers by major occupation for the period 1 April 2017 to 31 March 2018

Major occupation	1 April 2016		31 March 2017		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

3.10 Leave Utilisation

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 and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 3.10.1 – Sick leave for the period 1 January 2017 to 31 December 2017

Salary band	Total days	% days with medical certification	Number of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Lower skilled (Levels 1-2)	46	52	6	2	8	22
Skilled (Levels 3-5)	236	77	32	13	7	190
Highly skilled production (Levels 6-8)	471	70	58	23	8	590
Highly skilled supervision (Levels 9-12)	901	79	110	43	8	2 494
Senior management (Levels 13-16)	328	77	43	17	8	1 328
Contract (Levels 1-2)	2	100	1	0.40	2	1
Contract (Levels 3-5)	0	0	0	0	0	0
Contract (Levels 6-8)	0	0	0	0	0	0
Contract (Levels 9-12)	0	0	0	0	0	0
Contract (Levels 13-16)	15	93	5	2	3	88
TOTAL	1 999	76	255	100	8	4 713

Table 3.10.2 – Disability leave (temporary and permanent) for the period 1 January 2017 to 31 December 2017

Salary band	Total days	% days with medical certification	Number of employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated cost (R'000)
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	21	100	3	33	7	17
Highly skilled production (Levels 6-8)	17	100	1	11	17	20
Highly skilled supervision (Levels 9-12)	57	100	4	44	14	148
Senior management (Levels 13-16)	6	100	1	11	6	22
TOTAL	101	100	9	100	11	207

The table below 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 3.10.3 – Annual leave for the period 1 January 2017 to 31 December 2017

Salary band	Total days taken	Number of employees using annual leave	Average per employee
Lower skilled (Level 1-2)	183	23	8
Skilled (Level 3-5)	923	21	45
Highly skilled production (Level 6-8)	1 351	21	64
Highly skilled supervision (Level 9-12)	2 715	22	122
Senior management (Level 13-16)	1 164.92	22	54
Contract (Levels 1-2)	0	0	0
Contract (Levels 3-5)	0	0	0
Contract (Levels 6-8)	0	0	0
Contract (Levels 9-12)	5	5	1
Contract (Levels 13-16)	108	12	9
TOTAL	6 449.92	21	303

Table 3.10.4 – Capped leave for the period 1 January 2017 to 31 December 2017

Salary band	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Average capped leave per employee as at 31 December 2017
Lower skilled (Level 1-2)	0	0	0	0
Skilled (Levels 3-5)	0	0	0	22
Highly skilled production (Level 6-8)	0	0	0	41
Highly skilled supervision (Level 9-12)	6	1	6	38
Senior management (Level 13-16)	0	0	0	53
TOTAL	6	1	6	42

The following table summarises payments made to employees as a result of leave that was not taken.

Table 3.10.5 – Leave payouts for the period 1 April 2017 to 31 March 2018

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payouts for 2017/18 due to non-utilisation of leave for the previous cycle	397	18	22
Capped leave payouts on termination of service for 2017/18	191	3	64
Current leave payouts on termination of service for 2017/18	56	1	56
TOTAL	644	22	29

3.11 HIV/AIDS and Health Promotion Programmes

Table 3.11.1 – 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
None	None

Table 3.11.2 – 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 3 Regulation 55 (2) (c) of Chapter 4 of the Public Service Regulations, 2016? If so, provide her/his name and position	√		Mr DC Ndlondlozi, Director: Human Resource Management and Development
3. 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		√	<ul style="list-style-type: none"> No the OPSC does not currently have designated specific staff members to promote the health and well-being of OPSC employees Budget of R250 000 allocated for the 2017/2018 financial year
4. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme	√		<p>The programme aims to:</p> <ul style="list-style-type: none"> Encourage and assist employee 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 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
5. 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		√	Currently the OPSC does not have an Employment Equity Consultative Forum, due to the fact that the Department of Labour must provide training and guidance on how the Forum should be composed and appointed. Training is expected to be conducted before the end of July 2018
6. 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	√		<ul style="list-style-type: none"> Employee Wellness Management Policy is en route to the Office of the DG for approval The review of the HIV/AIDS, TB and STI Policy is still on hold pending the review of the Framework of the same aspects by the DPSA Safety, Health, Environmental, Risk and Quality Policy was approved on 27 March 2018 Health and Productivity Policy was approved on 24 February 2018
7. 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	√		<ul style="list-style-type: none"> HIV/AIDS and Employee Wellness Programme Policies Contracted NBC Holdings for a two year period with effect from 11 July 2017 to 12 July 2019
8. Does the department encourage its employees to undergo Voluntary Counselling and Testing (VCT)? If so, list the results that you have achieved	√		<ul style="list-style-type: none"> Employees are encouraged to use facilities offered by NBC Holdings Positive results have been achieved since employees are utilising the service effectively

Question	Yes	No	Details, if yes
9. Has the department developed measures/ indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures/indicators	√		<ul style="list-style-type: none"> Quarterly and annual reports received from NBC Holdings Outcome of Health Risk Assessment, VCT and TB sessions conducting during the Wellness Day event and World Aids Day celebrations Condom dispensers are monitored on a quarterly basis to determine the utilisation thereof by employees

3.12 Labour Relations

Table 3.12.1 – Collective agreements for the period 1 April 2017 to 31 March 2018

Total number of collective agreements	None
--	------

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

Table 3.12.2 - Misconduct and disciplinary hearings finalised for the period 1 April 2017 to 31 March 2018

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	2	67
Final written warning	0	0
Suspended without pay	0	0
Fine	0	0
Demotion	0	0
Dismissal	0	0
Not guilty	0	0
Case withdrawn	1	33
TOTAL	3	100

Table 3.12.3 - Types of misconduct addressed at disciplinary hearings for the period 1 April 2017 to 31 March 2018

Type of misconduct	Number	% of total
Threats against other officials	1	50
Performing remunerative work outside the Public Service without permission	1	50
TOTAL	2	100

Table 3.12.4 - Grievances lodged for the period 1 April 2017 to 31 March 2018

Grievances	Number	% of total
Number of grievances resolved	0	0
Number of grievances not resolved	5	100
Total number of grievances lodged	5	100

Table 3.12.5 - Disputes lodged with Councils for the period 1 April 2017 to 31 March 2018

Disputes	Number	% of total
Number of disputes upheld	0	0
Number of disputes dismissed	0	0
Total number of disputes lodged	0	0

Table 3.12.6 - Strike actions for the period 1 April 2017 to 31 March 2018

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

Table 3.12.7 - Precautionary suspensions for the period 1 April 2017 to 31 March 2018

Number of people suspended	1
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	261
Cost (R'000) of suspensions	700 070.10

3.13 Skills Development

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

Table 3.13.1 - Training needs identified for the period 1 April 2017 to 31 March 2018

Occupational category	Gender	Number of employees as at 1 April 2017	Training needs identified at start of reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
Senior management (Levels 13-16)	Female	22	0	2	0	2
	Male	21	0	1	0	1
Professionally qualified and experienced specialists and middle management (Levels 9-12)	Female	49	0	1	0	1
	Male	59	1	3	0	4
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendent (Levels 6-8)	Female	43	1	1	0	2
	Male	15	0	1	0	1
Semi-skilled and discretionary decision making (Levels 3-5)	Female	25	0	0	0	0
	Male	14	0	0	0	0
Unskilled and defined decision making (Levels 1-2)	Female	7	0	1	0	1
	Male	1	0	1	0	1
Sub Total	Female	146	1	5	0	6
	Male	110	1	6	0	7
TOTAL		256	2	11	0	13

Table 3.13.2 - Training provided for the period 1 April 2017 to 31 March 2018

Occupational category	Gender	Number of employees as at 1 April 2017	Training provided within the reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
Senior management (Levels 13-16)	Female	22	0	2	0	2
	Male	21	0	1	0	1
Professionally qualified and experienced specialists and middle management (Levels 9-12)	Female	49	0	1	0	1
	Male	59	0	2	0	2
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendent (Levels 6-8)	Female	43	0	1	0	1
	Male	15	0	1	0	1
Semi-skilled and discretionary decision making (Levels 3-5)	Female	25	0	0	0	0
	Male	14	0	0	0	0
Unskilled and defined decision making (Levels 1-2)	Female	7	0	0	0	0
	Male	1	0	0	0	0
Sub Total	Female	146	0	4	0	4
	Male	110	0	4	0	4
TOTAL		256	0	8	0	8

3.14 Injury on Duty

The following table provide basic information on injury on duty.

Table 3.14.1 - Injury on duty for the period 1 April 2017 to 31 March 2018

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

3.15 Utilisation of Consultants

The following tables relate to information on the utilisation of consultants in the organisation. In terms of the Public Service Regulations "consultant" means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an *ad hoc* basis any of the following professional services to a department against remuneration received from any source:

- The rendering of expert advice,
- The drafting of proposals for the execution of specific tasks, and
- The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1 - Report on consultant appointments using appropriated funds for the period 1 April 2017 to 31 March 2018

Project title	Total number of consultants that worked on the project	Duration (work days)	Contract value in Rand
Support and maintenance services for the Integrated Complaints and Grievance Management System for a period of 24 months	2	95	R474 240 (R237 120 paid in the 2017/2018 financial year)
Implementation and Integration of a case management centre solution of the NACH and support for a period of 24 months	5	50 days for project and 12 months for support and maintenance	R1 490 000 (R870 899.99 paid in the 2016/2017 financial year and R619 099.99 paid in the 2017/2018 financial year)
Support and maintenance of the data warehouse and integration for a period of 12 months	3	340 days inclusive of 12 months support (34 days for the project plus 4 months support)	R883 063.40 (R174 135 paid in the 2017/2018 financial year)
Planning, budgeting and Financial Management support	4	45	R614 376 (R300 00 paid in the 2017/2018 financial year)
Total number of projects	Total individual consultants	Total duration (work days)	Total contract value in Rand
4	14	460	R3 461 679.40

Table 3.15.2 - Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2017 to 31 March 2018

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that worked on the project
Support and maintenance services for the Integrated Complaints and Grievance Management System for a period of 24 months	71	71	2
Implementation and Integration of a case management centre solution of the NACH and support for a period of 24 months	71	71	3
Support and maintenance of the data warehouse and integration for a period of 12 months	100	100	3
Planning, budgeting and Financial Management support	Government component of the National Treasury	---	1

Table 3.15.3 - Report on consultant appointments using donor funds for the period 1 April 2017 to 31 March 2018

Project title	Total number of consultants that worked on the project	Duration (work days)	Donor and contract value in Rand
Support and maintenance services for the Integrated Complaints and Grievance Management System for a period of 24 months	4	75	R444 000 (R399 600 paid in the 2016/2017 financial year and R44 400 paid in October 2017)
Total number of projects	Total individual consultants	Total duration (work days)	Total contract value in Rand
1	4	75	R444 000

Table 3.15.4 – Analysis of consultant appointments using donor funds, in terms of HDIs for the period 1 April 2017 to 31 March 2018

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that worked on the project
None	0	0	0

3.16 Severance Packages

Table 3.16.1 – Granting of employee initiated severance packages for the period 1 April 2017 to 31 March 2018

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by the PSC
Lower skilled (Levels 1-2)	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
TOTAL	0	0	0	0

PART E

FINANCIAL INFORMATION

1. REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON VOTE NO 10: PUBLIC SERVICE COMMISSION

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Public Service Commission (PSC) set out on pages 107 to 172, which comprise the appropriation statement, the statement of financial position as at 31 March 2018, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the PSC as at 31 March 2018, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

Basis of opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the entity in accordance with the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

6. I draw attention to the matter below. My opinion is not modified in respect of this matter:

Restatement of corresponding figures

7. As disclosed in note 28 to the financial statements, the corresponding figures for 31 March 2017 have been restated as a result of an error in the financial statements of the department for the year ended, 31 March 2018

Responsibilities of the accounting officer for the financial statements

8. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with MCS and the requirements of the PFMA, 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.
9. In preparing the financial statements, the accounting officer is responsible for assessing the PSC's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the accounting officer either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

12. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected objectives presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.

- 13. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators/ measures included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
- 14. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected objectives presented in the annual performance report of the department for the year ended 31 March 2018:

Programmes	Pages in the annual performance report
Programme 2 – Leadership and Management practices	52 - 53
Programme 3 – Monitoring and Evaluation	60
Programme 4 – Integrity and Anti-Corruption	67 - 69

- 15. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
- 16. The material findings in respect of the usefulness and reliability of the selected programmes are as follows:

Programme 2: Leadership and management practices

- 17. I did not raise any material findings on the usefulness and reliability of the reported performance information for the programme.

Programme 3 – Monitoring and Evaluation

- 18. I did not raise any material findings on the usefulness and reliability of the reported performance information for the programme.

Programme 4 – Integrity and Anti-Corruption

- 19. I did not raise any material findings on the usefulness and reliability of the reported performance information for the programme.

Other matter

- 20. I draw attention to the matter below.

Achievement of planned targets

- 21. Refer to the annual performance report on pages 52 to 53, 60 and 67 to 69 for information on the achievement of planned targets for the year and explanations provided for the under/ over achievement of a number of targets. This information should be considered in the context of the material findings on the reliability of the reported performance information in paragraph 16 of this report.

Adjustment of material misstatements

- 22. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of Programme 2: Leadership and management Practices, Programme 3: Monitoring and Evaluation and Programme 4: Integrity and Anti-Corruption. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

Report on the audit of compliance with legislation

Introduction and scope

- 23. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
- 24. The material findings on compliance with specific matters in key legislations are as follows:

Procurement and contract management

- 25. Some of the goods and services of a transaction value above R500 000 were procured without inviting competitive bids and deviations were approved by the accounting officer but it was practical to invite competitive bids, as required by treasury regulations 16A6.1.
- 26. Some of the IT related goods and services, classified as mandatory, were not procured through SITA as required by treasury regulation 16A6.3 (e) and section 7(3) of the SITA Act.

27. Some of the bid documentation for procurement of commodities designated for local content and production, did not specify the stipulated minimum threshold for local production and content as required by the 2017 preferential procurement regulation 8 (2). Similar non-compliance was also reported in the prior year.
28. Some of the contracts were awarded to suppliers whose tax matters had been declared by the South African Revenue Services not to be in order as required by treasury regulations 16A9.1 (d).

Expenditure management

29. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R610 000, as disclosed in note 22 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure was caused by non-compliance with supply chain management regulations.

Other information

30. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
31. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
32. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
33. If, based on the work I have performed, I conclude that there is a material misstatement in this other information; I am required to report that fact. I have nothing to report in this regard

Internal control deficiencies

34. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

Financial and performance management

Compliance monitoring

35. Certain applicable laws and regulations pertaining to selected supply chain management practices were not complied with, owing to the processes implemented over these not being appropriately discharged which then resulted in the non-compliance with laws and regulations as reported above.

Auditor - General

Pretoria

31 August 2018



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE – AUDITOR-GENERAL’S RESPONSIBILITY FOR THE AUDIT

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected programmes and on the department’s compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor’s report, I also:

- identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error; as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit 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 department’s internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
- conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the PSC’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a department to cease continuing as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

2. ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

Appropriation Statement

Notes to the Appropriation Statement

Statement of Financial Performance

Statement of Financial Position

Statement of Changes in Net Assets

Cash Flow Statement

Notes to the Annual Financial Statements (including Accounting policies)

Annexures

APPROPRIATION STATEMENT

for the year ended 31 March 2018

Appropriation per programme									
2017/18								2016/17	
Programme	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	127,347	-	(1,442)	125,905	125,655	250	99.8%	106,179	106,179
2. Leadership and Management Practices	38,020	-	1,292	39,312	38,984	328	99.2%	37,504	37,428
3. Monitoring and Evaluation	33,939	-	(62)	33,877	33,785	92	99.7%	34,349	34,321
4. Integrity and Anti-Corruption	48,753	-	212	48,965	48,961	4	100.0%	51,201	51,177
TOTAL	248,059	-	-	248,059	247,385	674	99.7%	229,233	229,105
Reconciliation With Statement of Financial Performance									
ADD									
Departmental receipts				469				371	-
Aid assistance				-				1,648	-
Actual Amounts Per Statement of Financial Performance (Total Revenue)				248,528				231,252	-
ADD									
Aid assistance				-					1,689
Actual Amounts Per Statement of Financial Performance (Total Expenditure)					247,385				230,794

APPROPRIATION STATEMENT

for the year ended 31 March 2018

Appropriation per economic classification									
2017/18								2016/17	
Economic classification	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	246,404	(932)	(193)	245,279	244,510	469	99.7%	225,811	225,714
Compensation of employees	180,764	(901)	354	180,217	179,887	330	99.8%	172,795	172,696
Salaries and wages	159,879	(277)	27	159,629	159,624	5	100.0%	153,005	153,005
Social contributions	20,885	(624)	327	20,588	20,263	325	98.4%	19,790	19,691
Goods and services	65,640	(31)	(547)	65,062	64,713	349	99.5%	53,016	53,018
Administrative fees	79	35	-	114	118	(4)	103.5%	117	117
Advertising	176	55	-	231	229	2	99.0%	249	238
Minor Assets	109	(52)	-	57	58	(1)	102.5%	102	103
Audit costs: External	2,200	1,209	-	3,409	3,409	-	99.3%	2,711	2,667
Bursaries: Employees	376	(271)	-	105	105	-	100.0%	300	292
Catering	299	167	-	466	465	1	99.7%	677	669
Communication	2,358	1,677	75	4,110	4,120	(10)	100.2%	3,746	3,825
Computer services	8,074	(1,663)	-	6,411	6,410	1	100.0%	4,699	4,698
Consultants: Business advisory services	3,936	(1,104)	-	2,832	2,764	68	97.6%	5,787	5,816
Legal services	-	145	-	145	145	-	100.0%	111	-
Contractors	182	64	-	246	242	4	98.4%	84	190
Agency and support / outsourced services	18	(18)	-	-	-	-	-	133	130
Fleet services	1,355	(523)	-	832	827	5	99.4%	1,402	1,170
Inventory: Clothing and accessories	11	(11)	-	-	-	-	-	10	6
Inventory: Medical supplies	-	-	-	-	-	-	-	-	16
Consumables supplies	35	370	(2)	403	402	1	99.8%	182	172
Consumable: Stationery, printing and office supplies	565	899	32	1,496	1,490	6	99.6%	1,284	1,355

APPROPRIATION STATEMENT

for the year ended 31 March 2018

Appropriation per economic classification									
2017/18								2016/17	
	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
Operating leases	34,275	(2,745)	(977)	30,553	30,553	-	100.0%	20,642	20,642
Property payments	5,890	2,530	278	8,698	8,614	84	99.0%	5,152	4,846
Travel and subsistence	2,902	428	29	3,359	3,313	46	98.6%	4,224	4,572
Training and development	1,500	(1,057)	-	443	441	2	99.6%	403	403
Operating payments	976	(150)	18	844	915	(71)	108.4%	977	1,068
Venues and facilities	323	(15)	-	308	93	215	30.2%	23	22
Rental and hiring	1	(1)	-	-	-	-	-	1	1
Transfers and subsidies	863	372	193	1 428	1 416	12	99.1%	791	758
Foreign governments and international organisations	31	-	-	31	24	7	78.7%	56	56
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	832	372	193	1,397	1,391	6	99.6%	735	702
Social benefits	-	-	-	-	245	(245)	-	185	160
Other transfers to households	832	372	193	1,397	1,147	250	82.1%	550	542
Payments for capital assets	792	560	-	1,352	1,350	2	99.8%	2,585	2,586
Machinery and equipment	747	193	-	940	938	2	99.8%	1,457	1,458
Other machinery and equipment	747	193	-	940	938	2	99.8%	1,457	1,458
Software & other intangible assets	45	367	-	412	412	-	99.9%	1,128	1,128
Payments for financial assets	-	-	-	-	20	(20)	-	46	47
TOTAL	248,059	-	-	248,059	247,385	674	99.7%	229,233	229,105

APPROPRIATION STATEMENT

for the year ended 31 March 2018

PROGRAMME I: ADMINISTRATION									
2017/18								2016/17	
	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
Sub programme									
1. Public Service Commission	22,088	745	(805)	22,028	21,809	219	99.0%	19,106	19,106
2. Management	14,045	(569)	-	13,476	13,459	17	99.9%	11,816	11,816
3. Corporate Services	52,108	69	29	52,206	52,192	18	100.0%	50,489	50,490
4. Property Management	39,106	(245)	(666)	38,195	38,195	-	100.0%	24,768	24,767
TOTAL:	127,347	-	(1,442)	125,905	125,655	250	99.8%	106,179	106,179
Current payments	126,287	(756)	(1,442)	124,389	124,129	260	99.8%	103,317	103,348
Compensation of employees	66,920	(907)	(805)	65,208	65,205	3	100.0%	60,555	60,555
Salaries and wages	60,594	(1,771)	(805)	58,018	58,017	1	100.0%	53,699	53,700
Social contributions	6,326	864	-	7,190	7,188	2	100.0%	6,856	6,855
Goods and services	59,367	151	(637)	58,881	58,834	47	99.9%	42,762	42,793
Administrative fees	33	50	-	83	87	(4)	104.8%	117	117
Advertising	160	(62)	-	98	98	-	100.0%	174	164
Minor assets	109	(53)	-	56	57	(1)	102.5%	102	102
Audit costs: External	2,200	1,209	-	3,409	3,409	-	100.0%	2,711	2,667
Bursaries: Employees	376	(271)	-	105	105	-	100.0%	300	292
Catering:									
Departmental activities	271	46	-	317	316	1	99.7%	454	452
Communication (G&S)	1,081	1,514	-	2,595	2,604	(9)	100.3%	2,019	2,014
Computer services	8,074	(1,663)	-	6,411	6,410	1	100.0%	4,695	4,695
Consultants: Business and advisory services	3,256	(796)	-	2,460	2,460	-	100.0%	2,750	2,873
Legal services	-	145	-	145	145	-	100.0%	111	-
Contractors	169	23	-	192	189	3	98.4%	20	130
Fleet services (including government motor transport)	321	(75)	-	246	241	5	98.0%	372	359
Inventory: Clothing material and accessories	11	(11)	-	-	-	-	-	10	6
Inventory: Medical suppliers	-	-	-	-	-	-	-	-	16

APPROPRIATION STATEMENT

for the year ended 31 March 2018

PROGRAMME I: ADMINISTRATION									
2017/18								2016/17	
	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
Consumable supplies	5	363	-	368	366	2	99.5%	109	109
Consumable:									
Stationery, printing and office supplies	252	596	-	848	847	1	99.9%	581	596
Operating leases	34,275	(2,745)	(977)	30,553	30,553	-	100.0%	20,642	20,642
Property payments	4,861	2,559	311	7,731	7,730	1	100.0%	4,230	4,194
Travel and subsistence	1,718	381	29	2,128	2,086	42	98.0%	2,309	2,317
Training and development	1,500	(1 102)	-	398	397	1	99.7%	403	403
Operating payments	671	59	-	730	730	-	100.0%	629	622
Venues and facilities	323	(15)	-	308	93	215	30.2%	23	22
Rental and hiring	1	(1)	-	-	-	-	-	1	1
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	138	196	-	334	325	9	97.3%	406	373
Foreign governments and international organisations	31	-	-	31	24	7	78.7%	56	56
Households	107	196	-	303	301	2	99.2%	350	317
Social benefits	-	-	-	-	-	-	-	120	104
Other transfers to households	107	196	-	303	301	2	99.2%	230	213
Payments for capital assets	622	560	-	1 182	1 181	1	99.9%	2 410	2 411
Machinery and equipment	577	193	-	770	769	1	99.9%	1 282	1 283
Other machinery and equipment	577	193	-	770	769	1	99.9%	1 282	1 283
Software and other intangible assets	45	367	-	412	412	-	99.9%	1 128	1 128
Payments for financial assets	-	-	-	-	20	(20)	-	46	47
TOTAL	127,347	-	(1,442)	125,905	125,655	250	99.8%	106,179	106 179

APPROPRIATION STATEMENT

for the year ended 31 March 2018

SUB PROGRAMME 1.1 PUBLIC SERVICE COMMISSION									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	22,088	544	(805)	21,827	21,608	219	99.0%	18,893	18,894
Compensation of employees	20,353	1	(805)	19,549	19,547	2	100.0%	16,950	16,950
Salaries and wages	19,675	(971)	(805)	17,899	17,898	1	100.0%	15,561	15,561
Social contributions	678	972	-	1,650	1,649	1	99.9%	1,389	1,389
Goods and services	1,735	543	-	2,278	2,061	217	90.5%	1,943	1,944
Administrative fees	5	(5)	-	-	-	-	-	10	10
Advertising	-	-	-	-	-	-	-	-	-
Audit costs: External	-	25	-	25	25	-	100.0%	-	-
Catering:	86	85	-	171	170	1	99.4%	155	154
Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	195	117	-	312	312	-	100.0%	237	234
Consultants: Business and advisory services	-	-	-	-	-	-	-	79	79
Contractors	-	2	-	2	1	1	50.0%	20	20
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Consumable supplies	2	(1)	-	1	-	1	-	2	1
Consumable: Stationery, printing and office supplies	25	56	-	81	81	-	100.0%	74	74
Property payments	-	1	-	1	1	-	100.0%	-	-
Travel and subsistence	1,042	287	-	1,329	1,329	-	100.0%	1,347	1,354
Operating payments	60	(4)	-	56	56	-	100.0%	-	-
Venues and facilities	320	(20)	-	300	85	215	28.3%	19	18
Transfers and subsidies	-	201	-	201	201	-	100.0%	213	212
Households	-	201	-	201	201	-	100.0%	213	212
Other transfers to households	-	201	-	201	201	-	100.0%	213	212
TOTAL	22,088	745	(805)	22,028	21,089	219	99.0%	19,106	19,106

APPROPRIATION STATEMENT

for the year ended 31 March 2018

SUB PROGRAMME 1.2 MANAGEMENT									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	13,995	(571)	-	13,424	13,416	8	99.9%	11,740	11,740
Compensation of employees	12,552	(490)	-	12,062	12,062	-	100.0%	10,669	10,669
Salaries and wages	11,936	(1,197)	-	10,739	10,739	-	100.0%	9,544	9,545
Social contributions	616	707	-	1,323	1,323	-	100.0%	1,125	1,124
Goods and services	1,443	(81)	-	1,362	1,354	8	99.4%	1,071	1,071
Administrative fees	-	6	-	6	6	-	100.0%	-	-
Advertising	-	7	-	7	7	-	100.0%	23	22
Minor assets	-	-	-	-	-	-	-	-	-
Catering:									
Departmental activities	61	(30)	-	31	31	-	100.0%	69	68
Communication (G&S)	233	109	-	342	351	(9)	102.6%	361	361
Consultants: Business and advisory services	400	(100)	-	300	300	-	100.0%	16	15
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	4	-	-	4	-	4	-	4	3
Consumable supplies	-	1	-	1	-	1	-	1	2
Consumable:									
Stationery, printing and office supplies	32	17	-	49	49	-	100.0%	64	64
Property payments	-	1	-	1	1	-	100.0%	-	-
Travel and subsistence	403	-	-	403	391	12	97.0%	345	348
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	310	(92)	-	218	218	-	100.0%	188	188
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT

for the year ended 31 March 2018

SUB PROGRAMME 1.2 MANAGEMENT									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	31	2	-	33	25	8	75.8%	57	57
Foreign governments and international organisations	31	-	-	31	24	7	78.7%	56	56
Households	-	2	-	2	1	1	30.0%	1	1
Other transfers to households	-	2	-	2	1	1	30.0%	1	1
Payments for capital assets	19	-	-	19	18	1	94.7%	19	19
Machinery and equipment	19	-	-	19	18	1	94.7%	19	19
Other machinery and equipment	19	-	-	19	18	1	94.7%	19	19
Software and other Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	14,045	(569)	-	13,476	13,459	17	99.9%	11,816	11,816

APPROPRIATION STATEMENT

for the year ended 31 March 2018

SUB PROGRAMME 1.3: CORPORATE SERVICES									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	51,398	(484)	29	50,943	50,906	37	99.9%	47,916	47,947
Compensation of employees	34,015	(418)	-	33,597	33,596	1	100.0%	32,936	32,936
Salaries and wages	28,983	397	-	29,380	29,380	-	100.0%	28,594	28,594
Social contributions	5,032	(815)	-	4,217	4,216	1	100.0%	4,342	4,342
Goods and services	17,383	(66)	29	17,346	17,314	32	99.8%	14,980	15,011
Administrative fees	28	49	-	77	81	(4)	105.2%	107	107
Advertising	160	(69)	-	91	91	-	100.0%	151	142
Minor assets	109	(53)	-	56	57	(1)	102.5%	102	102
Audit costs: External	2,200	1,184	-	3,384	3,384	-	100.0%	2,711	2,667
Bursaries: Employees	376	(271)	-	105	105	-	100.0%	300	292
Catering:									
Departmental activities	124	(9)	-	115	115	-	100.0%	230	230
Communication (G&S)	653	1,288	-	1,941	1,941	-	100.0%	1,421	1,419
Computer services	8,074	(1,663)	-	6,411	6,410	1	100.0%	4,695	4,695
Consultants: Business and advisory services	2,856	(696)	-	2,160	2,160	-	100.0%	2,655	2,779
Legal services	-	145	-	145	145	-	100.0%	111	
Contractors	169	21	-	190	188	2	98.9%		110
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	317	(75)	-	242	241	1	99.6%	368	356
Inventory: Clothing material and accessories	11	(11)	-	-	-	-	-	10	6
Inventory: Medical suppliers	-	-	-	-	-	-	-	-	16
Consumable supplies	3	363	-	366	366	-	100.0%	106	106
Consumable: Stationery printing and office supplies	195	523	-	718	717	1	99.9%	443	458
Property payments	30	57	-	87	86	1	98.9%	104	69

APPROPRIATION STATEMENT

for the year ended 31 March 2018

SUB PROGRAMME 1.3: CORPORATE SERVICES									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Travel and subsistence	273	94	29	396	366	30	92.3%	617	615
Training and development	1,500	(1,102)	-	398	397	1	99.7%	403	403
Operating payments	301	155	-	456	456	-	100.0%	441	434
Venues and facilities	3	5	-	8	8	-	100.0%	4	4
Rental and hiring	1	(1)	-	-	-	-	-	1	1
Transfers and subsidies	107	(7)	-	100	99	1	99.0%	136	104
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	107	(7)	-	100	99	1	99.0%	136	104
Social benefits	-	-	-	-	-	-	-	120	104
Other transfers to households	107	(7)	-	100	99	1	99.0%	16	-
Payments for capital assets	603	560	-	1,163	1,163	-	100.0%	2,391	2,392
Machinery and equipment	558	193	-	751	751	-	100.1%	1,263	1,264
Other machinery and equipment	558	193	-	751	751	-	100.1%	1,263	1,264
Software and other Intangible assets	45	367	-	412	412	-	99.9%	1,128	1,128
Payments for financial assets	-	-	-	-	20	(20)	-	46	47
TOTAL	52,108	69	29	52,206	52,192	14	100.0%	50,489	50,490

APPROPRIATION STATEMENT

for the year ended 31 March 2018

SUB PROGRAMME 1.4: PROPERTY MANAGEMENT									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	39,106	(245)	(666)	38,195	38,195	-	100.0%	24,768	24,767
Goods and services	39,106	(245)	(666)	38,195	38,195	-	100.0%	24,768	24,767
Operating leases	34,275	(2,745)	(977)	30,553	30,553	-	100.0%	20,642	20,642
Property payments	4,831	2,500	311	7,642	7,642	-	100.0%	4,126	4,125
TOTAL	39,106	(245)	(666)	38,195	38,195	-	100.0%	24,768	24,767

APPROPRIATION STATEMENT

for the year ended 31 March 2018

PROGRAMME 2: LEADERSHIP AND MANAGEMENT PRACTICES									
2017/18								2016/17	
	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
Sub programme									
1. Labour Relations Improvement	11,376	537	741	12,654	12,349	305	97.6%	11,863	11,862
2. Leadership and Human Resource Reviews	7,446	(536)	-	6,910	6,887	23	99.7%	6,161	6,086
3. Programme Management: Leadership and Management Practices	19,198	(1)	551	19,748	19,748	-	100.0%	19,480	19,480
TOTAL:	38,020	-	1,292	39,312	38,984	328	99.2%	37,504	37,428
Economic classification									
Current payments	37,816	150	1,122	39,088	38,761	327	99.2%	37,271	37,195
Compensation of employees	36,703	224	972	37,899	37,575	324	99.1%	35,489	35,414
Salaries and wages	31,917	743	647	33,307	33,307	-	100.0%	31,349	31,349
Social contributions	4,786	(519)	325	4,592	4,268	324	93.0%	4,140	4,065
Goods and services	1,113	(74)	150	1,189	1,185	4	99.7%	1,782	1,781
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	32	-	32	31	1	95.6%	-	-
Minor Assets	-	-	-	-	-	-	-	-	1
Catering:									
Departmental activities	11	37	-	48	48	-	100.0%	51	40
Communication	225	113	75	413	413	-	100.0%	526	580
Consultants: Business and advisory services	-	8	-	8	8	-	100.0%	85	85
Legal services	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT

for the year ended 31 March 2018

PROGRAMME 2: LEADERSHIP AND MANAGEMENT PRACTICES									
2017/18								2016/17	
	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
Contractors	2	29	-	31	31	-	100.0%	8	6
Agency and support / outsourced services	3	(3)	-	-	-	-	-	3	-
Fleet services	358	(210)	-	148	148	-	100.0%	382	263
Consumable supplies	6	13	-	19	18	1	94.7%	41	34
Consumable:									
Stationery printing and office supplies	64	26	32	122	120	2	98.0%	156	185
Property payments	183	(77)	-	106	106	-	100.0%	227	59
Travel and subsistence	257	(54)	25	228	229	(1)	100.4%	206	399
Training and development	4	12	18	34	34	-	100.0%	97	129
Operating payments									
Venues and facilities	-	-	-	-	-	-	-	-	-
Transfers and subsidies	150	(150)	170	170	169	1	99.4%	176	176
Foreign governments and international organisations									
Households	150	(150)	170	170	169	1	99.4%	176	176
Social benefits	-	-	-	-	-	-	-	9	-
Other transfers to household	150	(150)	170	170	169	1	99.4%	167	176
Payments for capital assets	54	-	-	54	54	-	100.0%	57	57
Machinery and equipment	54	-	-	54	54	-	100.0%	57	57
Other machinery and equipment	54	-	-	54	54	-	100.0%	57	57
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	38,020	-	1,292	39,312	38,984	328	99.2%	37,504	37,428

APPROPRIATION STATEMENT

for the year ended 31 March 2018

SUB PROGRAMME 2.1: LABOUR RELATIONS IMPROVEMENT									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	11,267	646	741	12,564	12,349	305	97.3%	11,760	11,759
Compensation of employees	11,129	643	741	12,513	12,210	303	97.6%	11,442	11,441
Salaries and wages	8,342	2,127	416	10,885	10,885	-	100.0%	10,186	10,186
Social contributions	2,787	(1,484)	325	1,628	1,325	303	81.4%	1,256	1,255
Goods and services	138	3	-	141	139	2	98.3%	318	318
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering:									
Departmental activities	4	(2)		2	2	-	100.0%	8	
Communication (G&S)	97	8		105	105	-	100.0%	140	144
Consultants: Business and advisory services	-	-	-	-	-	-	-	85	85
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	7	-

APPROPRIATION STATEMENT

for the year ended 31 March 2018

SUB PROGRAMME 2.1: LABOUR RELATIONS IMPROVEMENT									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable:									
Stationery printing and office supplies	33	(10)	-	23	22	1	93.9%	(14)	18
Property payments	-	-	-	-	-	-	-	(4)	-
Travel and subsistence	4	2	-	6	5	1	83.3%	37	12
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	5	-	5	5	-	100.0%	59	59
Venues and facilities	-	-	-	-	-	-	-	-	-
Transfers and subsidies	109	(109)	-	-	-	-	-	103	103
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Households	109	(109)	-	-	-	-	-	103	103
Other transfers to household	109	(109)	-	-	-	-	-	103	103
Payments for capital assets	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	11,376	537	741	12,564	12,349	305	97.6%	11,863	11,862

APPROPRIATION STATEMENT

for the year ended 31 March 2018

SUB PROGRAMME 2.2: LEADERSHIP AND HUMAN RESOURCE REVIEWS									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	7,405	(495)	-	6,910	6,887	23	99.7%	6,114	6,039
Compensation of employees	7,214	(419)	-	6,795	6,773	22	99.7%	6,004	5,930
Salaries and wages	6,070	(5)	-	6,065	6,065	-	100.0%	5,320	5,320
Social contributions	1,144	(414)	-	730	708	22	97.0%	684	610
Goods and services	191	(76)	-	115	114	1	98.8%	110	109
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	32	-	32	31	1	95.6%	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering:									
Departmental activities	3	(3)	-	-	-	-	-	3	-
Communication (G&S)	11	41	-	52	52	-	100.0%	10	60
Consultants: Business and advisory services	-	8	-	8	8	-	100.0%	-	-
Contractors	2	(2)	-	-	-	-	-	2	-
Agency and support / outsourced services	3	(3)	-	-	-	-	-	3	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	19	17

APPROPRIATION STATEMENT

for the year ended 31 March 2018

SUB PROGRAMME 2.2: LEADERSHIP AND HUMAN RESOURCE REVIEWS									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable:									
Stationery printing and office supplies	20	(16)	-	4	4	-	100.0%	-	-
Property payments			-						
Travel and subsistence	148	(129)	-	19	19	-	100.0%	69	32
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	4	(4)	-	-	-	-	-	4	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Transfers and subsidies	41	(41)	-	-	-	-	-	47	47
Households	41	(41)	-	-	-	-	-	47	47
Social benefits	-	-	-	-	-	-	-	9	-
Other transfers to household	41	(41)	-	-	-	-	-	38	47
Payments for capital assets	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	7,446	(536)	-	6,910	6,887	23	99.7%	6,161	6,086

APPROPRIATION STATEMENT

for the year ended 31 March 2018

SUB PROGRAMME 2.3 PROGRAMME MANAGEMENT: LEADERSHIP AND MANAGEMENT PRACTICES									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	19,144	(1)	381	19,524	19,525	(1)	100.0%	19,397	19,397
Compensation of employees	18,360	-	231	18,591	18,592	(1)	100.0%	18,043	18,043
Salaries and wages	17,505	(1,379)	231	16,357	16,357	-	100.0%	15,843	15,843
Social contributions	855	1,379		2,234	2,235	(1)	100.0%	2,200	2,200
Goods and services	784	(1)	150	933	933	-	100.0%	1,354	1,354
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising									
Minor Assets	-	-	-	-	-	-	-	-	1
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering:									
Departmental activities	4	42		46	46	-	100.0%	40	40
Communication (G&S)	117	64	75	256	256	-	100.0%	376	376
Consultants: Business and advisory services	-	-	-	-	-	-	-	-	-
Contractors		31		31	31	-	100.0%	6	6
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	358	(210)	-	148	148	-	100.0%	382	263
Consumable supplies	6	13		19	18	1	94.7%	15	17

APPROPRIATION STATEMENT

for the year ended 31 March 2018

SUB PROGRAMME 2.3 PROGRAMME MANAGEMENT: LEADERSHIP AND MANAGEMENT PRACTICES									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable:									
Stationery printing and office supplies	11	52	32	95	94	1	98.9%	170	167
Property payments	183	(77)		106	106	-	100.0%	231	59
Travel and subsistence	105	73	25	203	205	(2)	101.0%	100	355
Training and development	-	-	-	-	-	-	-	-	-
Operating payments		11	18	29	29	-	100.0%	34	70
Venues and facilities	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	170	170	169	1	99.4%	26	26
Households	-	-	170	170	169	1	99.4%	26	26
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households			170	170	169	1	99.4%	26	26
Payments for capital assets	54	-	-	54	54	-	100.0%	57	57
Machinery and equipment	54	-	-	54	54	-	100.0%	57	57
Other machinery and equipment	54	-	-	54	54	-	100.0%	57	57
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	19,198	(1)	551	19,748	19,748	-	100.0%	19,480	19,480

APPROPRIATION STATEMENT

for the year ended 31 March 2018

PROGRAMME 3: MONITORING AND EVALUATION									
2017/18								2016/17	
	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
Sub programme									
1. Governance Monitoring	6,349	836	-	7,185	7,116	69	99.0%	7,429	7,401
2. Service Delivery and Compliance Evaluations	6,593	135	-	6,728	6,696	32	99.5%	7,466	7,466
3. Programme Management: Monitoring and Evaluation	20,997	(971)	(62)	19,964	19,973	(9)	100.0%	19,454	19,454
TOTAL:	33,939	-	(62)	33,877	33,785	92	99.7%	34,349	34,321
Economic classification									
Current payments	33,882	(266)	(62)	33,554	33,464	90	99.7%	34,259	34,231
Compensation of employees	32,151	(460)	-	31,691	31,688	3	100.0%	31,665	31,665
Salaries and wages	27,924	55	-	27,979	27,975	4	100.0%	27,982	27,982
Social contributions	4,227	(515)	-	3,712	3,713	(1)	100.0%	3,683	3,683
Goods and services	1,731	194	(62)	1,863	1,775	88	95.3%	2,594	2,500
Administrative fees	35	(4)	-	31	31	-	100.0%	-	-
Advertising	16	-	-	16	16	-	100.0%	42	42
Minor assets	-	-	-	-	-	-	-	-	-
Catering:									
Departmental activities	8	18	-	26	26	-	100.0%	110	119
Communication (G&S)	269	135	-	404	403	1	99.8%	503	508
Consultants: Business and advisory services	80	125	-	205	138	67	67.3%	159	66
Contractors	-	2	-	2	2	-	100.0%	-	5

APPROPRIATION STATEMENT

for the year ended 31 March 2018

PROGRAMME 3: MONITORING AND EVALUATION									
2017/18								2016/17	
	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
Agency and support / outsourced services	-	-	-	-	-	-	-	2	2
Fleet services (including government motor transport)	348	(115)	-	233	233	-	100.0%	328	233
Consumable supplies	12	(2)	(2)	8	10	(2)	125.0%	13	17
Consumable: Stationery, printing and office supplies	72	100	-	172	170	2	98.8%	173	198
Property payments	245	-	(33)	212	171	41	80.7%	168	134
Travel and subsistence	596	(118)	(27)	451	444	7	98.4%	937	1,078
Training and development	-	45	-	45	44	1	98.7%	-	-
Operating payments	50	8	-	58	87	(29)	150.0%	159	164
Venues and facilities	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	266	-	266	265	1	99.5%	37	37
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Households	-	266	-	266	265	1	99.5%	37	37
Social benefits	-	-	-	-	245	(245)	-	31	31
Other transfers to households	-	266	-	266	20	246	7.5%	6	6
Payments for capital assets	57	-	-	57	57	-	100.0%	53	53
Machinery and equipment	57	-	-	57	57	-	100.0%	53	53
Other machinery and equipment	57	-	-	57	57	-	100.0%	53	53
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	33,939	-	(62)	33,877	33,785	92	99.7%	34,349	34,321

APPROPRIATION STATEMENT

for the year ended 31 March 2018

SUB PROGRAMME 3.1: GOVERNANCE MONITORING									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	6,349	816	-	7,165	7,096	69	99.0%	7,423	7,395
Compensation of employees	6,165	626	-	6,791	6,791	-	100.0%	7,045	7,045
Salaries and wages	5,573	467	-	6,040	6,040	-	100.0%	6,286	6,286
Social contributions	592	159	-	751	751	-	100.0%	759	759
Goods and services	184	190	-	374	305	69	81.7%	378	350
Administrative fees	35	(4)	-	31	31	-	100.0%	-	-
Advertising	-	-	-	-	-	-	-	21	21
Catering:									
Departmental activities	5	-	-	5	5	-	100.0%	-	11
Communication (G&S)	43	11	-	54	53	1	98.1%	58	66
Consultants: Business and advisory services	70	127	-	197	130	67	66.0%	159	66
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	18	(13)	-	5	5	-	100.0%	43	53

APPROPRIATION STATEMENT

for the year ended 31 March 2018

SUB PROGRAMME 3.1: GOVERNANCE MONITORING									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Property payments	-	-	-	-	-	-	-	-	-
Travel and subsistence	13	16	-	29	29	-	100.0%	5	41
Training and development	-	45	-	45	44	1	98.7%	-	-
Operating payments	-	8	-	8	8	-	100.0%	92	92
Venues and facilities	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	20	-	20	20	-	100.0%	6	6
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Households	-	20	-	20	20	-	100.0%	6	6
Other transfers to households	-	20	-	20	20	-	100.0%	6	6
Payments for capital assets	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	6,349	836	-	7,185	7,116	69	100.0%	7,429	7,401

APPROPRIATION STATEMENT

for the year ended 31 March 2018

SUB PROGRAMME 3.2: SERVICE DELIVERY AND COMPLIANCE EVALUATIONS									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	6,593	135	-	6,728	6,696	32	99.5%	7,466	7,466
Compensation of employees	6,437	94	-	6,531	6,530	1	100.0%	7,009	7,009
Salaries and wages	5,663	161	-	5,824	5,823	1	100.0%	6,238	6,238
Social contributions	774	(67)	-	707	707	-	100.0%	771	771
Goods and services	156	41	-	197	166	31	84.3%	457	457
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Catering:									
Departmental activities	-	-	-	-	-	-	-	29	29
Communication (G&S)	17	45	-	62	62	-	100.0%	83	82
Consultants: Business and advisory services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT

for the year ended 31 March 2018

SUB PROGRAMME 3.2: SERVICE DELIVERY AND COMPLIANCE EVALUATIONS									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable:									
Stationery, printing and office supplies	11	36	-	47	45	2	95.7%	43	41
Property payments	53	-	-	53	-	53	-	-	-
Travel and subsistence	75	(40)	-	35	27	8	77.1%	235	237
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	32	(32)	-	67	68
Venues and facilities	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	6,593	135	-	6,728	6,696	32	99.5%	7,466	7,466

APPROPRIATION STATEMENT

for the year ended 31 March 2018

SUB PROGRAMME 3.3 PROGRAMME MANAGEMENT: MONITORING AND EVALUATION									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	20,940	(1,217)	(62)	19,661	19,671	(10)	100.1%	19,370	19,370
Compensation of employees	19,549	(1,180)	-	18,369	18,367	2	100.0%	17,611	17,611
Salaries and wages	16,688	(573)	-	16,115	16,112	3	100.0%	15,458	15,458
Social contributions	2,861	(607)	-	2,254	2,255	(1)	100.1%	2,153	2,153
Goods and services	1,391	(37)	(62)	1,292	1,304	(12)	100.9%	1,759	1,759
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	16	-	-	16	16	-	100.0%	21	21
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering:									
Departmental activities	3	18	-	21	21	-	100.0%	81	79
Communication (G&S)	209	79	-	288	288	-	100.0%	362	360
Consultants: Business and advisory services	10	(2)	-	8	8	-	100.0%	-	-
Contractors	-	2	-	2	2	-	100.0%	-	5
Agency and support / outsourced services	-	-	-	-	-	-	-	2	2
Fleet services (including government motor transport)	348	(115)	-	233	233	-	100.0%	328	233
Consumable supplies	12	(2)	(2)	8	10	(2)	125.0%	13	17

APPROPRIATION STATEMENT

for the year ended 31 March 2018

SUB PROGRAMME 3.3 PROGRAMME MANAGEMENT: MONITORING AND EVALUATION									
2017/18							2016/17		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable:									
Stationery, printing and office supplies	43	77	-	120	120	-	100.0%	87	104
Property payments	192	-	(33)	159	171	(12)	107.5%	168	134
Travel and subsistence	508	(94)	(27)	387	388	(1)	100.3%	697	800
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	50	-	-	50	47	3	94.0%	-	4
Venues and facilities	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	246	-	246	245	1	99.4%	31	31
Households	-	246	-	246	245	1	99.4%	31	31
Social benefits	-	-	-	-	245	(245)	-	31	31
Other transfers to households	-	246	-	246	-	246	-	-	-
Payments for capital assets	57	-	-	57	57	-	100.0%	53	53
Machinery and equipment	57	-	-	57	57	-	100.0%	53	53
Other machinery and equipment	57	-	-	57	57	-	100.0%	53	53
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	20,997	(971)	(62)	19,964	19,973	(9)	100.0%	19,454	19,454

APPROPRIATION STATEMENT

for the year ended 31 March 2018

PROGRAMME 4: INTEGRITY AND ANTI-CORRUPTION									
2017/18								2016/17	
	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
Sub programme									
1. Public Administration Investigations	12,258	110	208	12,576	12,574	2	100.0%	13,045	13,021
2. Professional Ethics	18,220	(500)	2	17,722	17,722	-	100.0%	19,793	19,793
3. Programme Management: Integrity and Anti-Corruption	18,275	390	2	18,667	18,665	2	100.0%	18,363	18,363
TOTAL:	48,753	-	212	48,965	48,961	4	100.0%	51,201	51,177
Economic classification									
Current payments	48,119	(60)	189	48,248	48,246	2	100.0%	50,964	50,940
Compensation of employees	44,990	242	187	45,419	45,417	2	100.0%	45,086	45,062
Salaries and wages	39,444	696	185	40,325	40,325	-	100.0%	39,975	39,974
Social contributions	5,546	(454)	2	5,094	5,092	2	100.0%	5,111	5,088
Goods and services	3,129	(302)	2	2,829	2,829	-	100.0%	5,878	5,878
Administrative fees	11	(11)	-	-	-	-	-	-	-
Advertising	-	85	-	85	84	1	98.8%	33	32
Minor assets	-	1	-	1	1	-	100.0%	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	9	66	-	75	75	-	99.5%	62	58
Communication	783	(85)	-	698	700	(2)	100.3%	698	723
Computer services	-	-	-	-	-	-	-	4	3

APPROPRIATION STATEMENT

for the year ended 31 March 2018

PROGRAMME 4: INTEGRITY AND ANTI-CORRUPTION									
2017/18								2016/17	
	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
Consultants: Business and advisory services	600	(441)	-	159	158	1	99.4%	2,793	2,792
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Contractors	11	10	-	21	20	1	95.2%	56	49
Agency and support / outsourced services	15	(15)	-	-	-	-	-	128	128
Fleet services	328	(123)	-	205	205	-	100.0%	320	315
Consumable supplies	12	(4)	-	8	8	-	100.0%	19	12
Consumable: Stationery, printing and office supplies	177	177	-	354	353	1	99.7%	374	376
Property payments	601	48	-	649	607	42	93.5%	527	459
Travel and subsistence	331	219	2	552	554	(2)	100.4%	772	778
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	251	(229)	-	22	64	(42)	290.9%	92	153
Venues and facilities	-	-	-	-	-	-	-	-	-
Transfers and subsidies	575	60	23	658	657	1	99.8%	172	172
Households	575	60	23	658	657	1	99.8%	172	172
Social benefits	-	-	-	-	-	-	-	25	25
Other transfers to households	575	60	23	658	657	1	99.8%	147	147
Payments for capital assets	59	-	-	59	58	1	97.6%	65	65
Machinery and equipment	59	-	-	59	58	1	97.6%	65	65
Other machinery and equipment	59	-	-	59	58	1	97.6%	65	65
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	48,753	-	212	48,965	48,961	4	100.0%	51,201	51,177

APPROPRIATION STATEMENT

for the year ended 31 March 2018

SUB PROGRAMME 4.1: PUBLIC ADMINISTRATION INVESTIGATIONS									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	12,243	95	185	12,523	12,522	1	100.0%	13,020	12,996
Compensation of employees	12,047	110	185	12,342	12,341	1	100.0%	12,804	12,780
Salaries and wages	10,252	634	185	11,071	11,071	-	100.0%	11,405	11,404
Social contributions	1,795	(524)	-	1,271	1,270	1	100.0%	1,399	1,376
Goods and services	196	(15)	-	181	181	-	99.8%	216	216
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering:									
Departmental activities	5	(5)	-	-	1	(1)	-	5	1
Communication	88	13	-	101	100	1	99.0%	113	153
Consultants: Business and advisory services	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Fleet services	-	-	-	-	-	-	-	-	-
Consumable supplies	8	(8)	-	-	-	-	-	8	-

APPROPRIATION STATEMENT

for the year ended 31 March 2018

SUB PROGRAMME 4.1: PUBLIC ADMINISTRATION INVESTIGATIONS									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable:									
Stationery, printing and office supplies	67	(26)		41	41	-	100.0%	63	57
Property payments	16	(16)		-	-	-	-	15	-
Travel and subsistence	6	33		39	39	-	100.0%	6	5
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	6	(6)		-	-	-	-	6	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Transfers and subsidies	15	15	23	53	52	1	98.1%	25	25
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Households	15	15	23	53	52	1	98.1%	25	25
Social benefits	-	-	-	-	-	-	-	25	25
Other transfers to households	15	15	23	53	52	1	98.1%	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	12,258	110	208	12,576	12,574	2	100.0%	13,045	13,021

APPROPRIATION STATEMENT

for the year ended 31 March 2018

SUB PROGRAMME 4.2: PROFESSIONAL ETHICS									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	18,110	(545)	2	17,567	17,567	-	100.0%	19,793	19,793
Compensation of employees	16,990	27	-	17,017	17,017	-	100.0%	16,589	16,589
Salaries and wages	14,880	246	-	15,126	15,126	-	100.0%	14,771	14,771
Social contributions	2,110	(219)	-	1,891	1,891	-	100.0%	1,818	1,818
Goods and services	1,120	(572)	2	550	550	-	100.0%	3,204	3,204
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	53	-	53	52	1	98.1%	-	-
Minor assets	-	1	-	1	1	-	100.0%	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering:									
Departmental activities	2	59	-	61	60	1	98.4%	4	4
Communication	391	(221)	-	170	173	(3)	101.8%	180	179
Consultants: Business and advisory services	600	(450)	-	150	150	-	100.0%	2,793	2,792
Contractors	5	(5)	-	-	-	-	-	5	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Fleet services	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT

for the year ended 31 March 2018

SUB PROGRAMME 4.2: PROFESSIONAL ETHICS									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable:									
Stationery, printing and office supplies	32	39	-	71	71	-	100.0%	119	126
Property payments	42	-	-	42	-	42	-	-	-
Travel and subsistence	48	(6)	2	44	43	1	97.7%	59	59
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	(42)	-	(42)	-	(42)	-	44	44
Venues and facilities	-	-	-	-	-	-	-	-	-
Transfers and subsidies	110	45	-	155	155	-	100.0%	-	-
Households	110	45	-	155	155	-	100.0%	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	110	45	-	155	155	-	100.0%	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	18,220	(500)	2	17,722	17,722	-	100.0%	19,793	19,793

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2018

SUB PROGRAMME 4.3: PROGRAMME MANAGEMENT: INTEGRITY AND ANTI-CORRUPTION									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	17,766	390	2	18,158	18,157	1	100.0%	18,151	18,151
Compensation of employees	15,953	105	2	16,060	16,059	1	100.0%	15,693	15,693
Salaries and wages	14,312	(184)	-	14,128	14,128	-	100.0%	13,799	13,799
Social contributions	1,641	289	2	1,932	1,931	1	99.9%	1,894	1,894
Goods and services	1,813	285	-	2,098	2,098	-	100.0%	2,458	2,458
Administrative fees	11	(11)	-	-	-	-	-	-	-
Advertising	-	32	-	32	32	-	100.0%	33	32
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering:									
Departmental activities	2	12	-	14	14	-	100.0%	53	53
Communication (G&S)	304	123	-	427	427	-	100.0%	405	391
Computer services	-	-	-	-	-	-	-	4	3
Consultants: Business and advisory services	-	9	-	9	8	1	88.9%	-	-
Contractors	6	15	-	21	20	1	95.2%	51	49
Agency and support / outsourced services	15	(15)	-	-	-	-	-	128	128
Fleet services (including government motor transport)	328	(123)	-	205	205	-	100.0%	320	315
Consumable supplies	4	4	-	8	8	-	100.0%	11	12

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2018

SUB PROGRAMME 4.3: PROGRAMME MANAGEMENT: INTEGRITY AND ANTI-CORRUPTION									
2017/18								2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable:									
Stationery, printing and office supplies	78	164	-	242	241	1	99.6%	192	193
Property payments	543	64	-	607	607	-	100.0%	512	459
Travel and subsistence	277	192	-	469	472	(3)	100.6%	707	714
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	245	(181)	-	64	64	-	100.0%	42	109
Venues and facilities	-	-	-	-	-	-	-	-	-
Transfers and subsidies	450	-	-	450	450	-	100.0%	147	147
Households	450	-	-	450	450	-	100.0%	147	147
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	450	-	-	450	450	-	100.0%	147	147
Payments for capital assets	59	-	-	59	58	1	97.6%	65	65
Machinery and equipment	59	-	-	59	58	1	97.6%	65	65
Other machinery and equipment	59	-	-	59	58	1	97.6%	65	65
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
TOTAL	18,275	390	2	18,667	18,665	2	100.0%	18,363	18,363

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2018

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

Detail of these transactions can be viewed in the note on Transfers and subsidies and Annexures to the AFS.

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

Detail of these transactions can be viewed in note I (Annual Appropriation) to the AFS.

2. Detail on payments for financial assets

Detail of these transactions per programme can be viewed in the note to Payments for financial assets to the AFS.

3. 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	%
Programme 1	125,905	125,655	250	0.2%
Programme 2	39,312	38,984	328	0.8%
Programme 3	33,877	33,785	92	0.3%
Programme 4	48,965	48,961	4	0.0%

4.2 Per economic classification:

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Current payment:				
Compensation of employees	180,217	179,887	330	0.2%
Goods and services	65,062	64,713	349	0.5%
Transfers and subsidies:	1,428	1,416	12	0.87%
Foreign payments	31	24	7	21.3%
Households	1,397	1,391	6	0.4%
Payments for capital assets:	1,352	1,350	2	0.2%
Machinery and equipment	940	938	2	0.2%
Intangible assets	412	412	-	-
Payments for financial assets	-	20	(20)	-

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
REVENUE			
Annual appropriation	1	248,059	229,233
Departmental revenue	2	469	371
Aid assistance	3	-	1,648
TOTAL REVENUE		248,528	231,252
EXPENDITURE			
Current expenditure			
Compensation of employees	4	179,887	172,696
Goods and services	5	64,713	53,018
Aid assistance	3	-	1,562
Total current expenditure		244,600	227,276
Transfers and subsidies	7	1,416	758
Expenditure for capital assets			
Tangible capital assets	8	937	1,585
Software and other intangible assets	8	412	1,128
Total expenditure for capital assets		1,349	2,713
Payment for financial assets	6	20	47
TOTAL EXPENDITURE		247,385	230,794
SURPLUS FOR THE YEAR		1,143	458
Reconciliation of Net Surplus for the year			
Voted Funds	12	674	128
Departmental Revenue	13	469	371
Aid Assistance	3	-	(41)
SURPLUS FOR THE YEAR		1,143	458

STATEMENT OF FINANCIAL POSITION

for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
ASSETS			
Current assets			
Cash and cash equivalents	9	832	475
Prepayments and advances	10	3	17
Receivables	11	107	94
		942	586
Non-Current Assets			
Receivables	11	1,105	523
		1,105	523
TOTAL ASSETS		2,047	1,109
LIABILITIES			
Current liabilities			
Voted funds to be surrendered to the Revenue Fund	12	674	128
Departmental revenue to be surrendered to the Revenue Fund	13	42	73
Payables	14	15	201
		731	402
Non-Current Liabilities			
Payables	15	341	336
		341	336
TOTAL LIABILITIES		1,072	738
NET ASSETS		975	371
Represented by:			
Recoverable revenue		975	371
TOTAL		975	371

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2018

	Note	2017/18	2016/17
		R'000	R'000
Recoverable revenue			
Opening balance		371	310
Transfers		604	61
Irrecoverable amounts written off	6.2	1	-
Debts recovered (included in departmental receipts)		(18)	(62)
Debts raised		621	123
Closing balance		975	371
TOTAL		975	371

CASH FLOW STATEMENT

for the year ended 31 March 2018

	Note	2017/18	2016/17
		R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		248,528	231,252
Annual appropriated funds received	1	248,059	229,233
Departmental revenue received	2	461	356
Interest received	2	8	15
Aid assistance	3	-	1,648
Decrease in working capital		(767)	391
Surrendered to Revenue Fund		(628)	(777)
Surrender to RDP Fund/ Donor		-	-
Current payments		(244,600)	(227,210)
Payment for financial assets	6	(20)	(47)
Transfers and subsidies paid	7	(1,416)	(758)
Net cash flow available from operating activities	16	1,097	2,851
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(1,349)	(2,713)
Net cash flows from investing activities		(1,349)	(2,713)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in net assets		604	61
Decrease in non-current payables		5	(4)
Net cash flows from financing activities		609	57
Decrease in cash and cash equivalents		357	195
Cash and cash equivalents at the beginning of the period		475	280
Cash and cash equivalents at end of period	17	832	475

ACCOUNTING POLICIES

for the year ended 31 March 2018

Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

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 (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1. Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standard (MCS).

2. Going concern

The financial statements have been prepared on a going concern basis.

3. Presentation currency and Foreign currency translation

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

4. Rounding

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

5. Comparative information

5.1 Prior period comparative information

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.

1.2 Current year comparison with budget

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

6. Revenue

6.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.

6.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the National Revenue Fund, unless stated otherwise. Any amount owing to the National Revenue Fund at the reporting date is recognised as a payable in the statement of financial position.

ACCOUNTING POLICIES

for the year ended 31 March 2018

6.3 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and
- the amount of revenue can be measured reliably.

The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.

Write-offs are made according to the department's debt write-off policy

7. Expenditure

7.1 Compensation of employees

7.1.1 Salaries and Wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

7.1.2 Social Contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

7.2 Other expenditure

Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

7.3 Accruals and payables not recognised

Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.

7.4 Leases

7.4.1 Operating leases

Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. The operating lease commitments are recorded in the notes to the financial statements.

7.4.2 Finance leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- cost, being the fair value of the asset; or
- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

8. Aid Assistance

8.1 Aid assistance received

Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.

Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

ACCOUNTING POLICIES

for the year ended 31 March 2018

8.2 Aid assistance paid

Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.

9. Cash and cash equivalents

Cash and cash equivalents are stated at cost in the statement of financial position. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

10. Prepayments and advances

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.

Prepayments and advances are initially and subsequently measured at cost.

11. Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

Write-offs are made according to the department's write-off policy.

12. Financial assets

A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial.

At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

13. Payables

Payables recognised in the statement of financial position are recognised at cost.

14. Capital Assets

14.1 Movable capital assets

Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of movable capital assets cannot be determined accurately, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

14.2 Intangible assets

Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.

Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

ACCOUNTING POLICIES

for the year ended 31 March 2018

15. Provisions and Contingents**15.1 Provisions**

Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

15.2 Contingent liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

15.3 Contingent assets

Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

15.4 Commitments

Commitments are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.

16. Unauthorised expenditure

Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:

- approved by Parliament with funding and the related funds are received; or
- approved by Parliament without funding and is written off against the appropriation in the statement of financial performance; or
- transferred to receivables for recovery.

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

17. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.

Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.

Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

18. Irregular expenditure

Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the irregularity unless it is impracticable to determine, in which case reasons therefor are provided in the note.

Irregular expenditure is removed from the note when it is either condoned by the relevant authority or transferred to receivables for recovery or not condoned and is not recoverable.

Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

ACCOUNTING POLICIES

for the year ended 31 March 2018

19. Changes in accounting policies, accounting estimates and errors

Changes in accounting policies have been effected by management and are applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department must restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department must restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

20. Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.

21. Departures from the MCS requirements

Management has concluded that the financial statements present fairly the department's primary and secondary information and compliance to the Standards.

22. 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 and transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

23. Related party transactions

A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions are recorded in the notes to the financial statements when the transaction is not at arm's length.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.

24. Employee benefits

The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

1. Annual Appropriation**1.1 Annual Appropriation**

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

	2017/18			2016/17	
	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Final Appropriation	Appropriation received
	R'000	R'000	R'000	R'000	R'000
Administration Leadership and Management Practices	125,905	125,905	-	106,179	106,179
Monitoring and Evaluation	39,312	39,312	-	37,504	37,504
Integrity and Anti-Corruption	33,877	33,877	-	34,349	34,349
	48,965	48,965	-	51,201	51,201
TOTAL	248,059	248,059	-	229,233	229,233

Note	2017/18	2016/17
	R'000	R'000

2. Departmental Revenue

Sales of goods and services other than capital assets	2.1	108	100
Interest, dividends and rent on land	2.2	8	15
Transactions in financial assets and liabilities	2.3	353	256
Departmental revenue collected		469	371

2.1 Sales of goods and services other than capital assets

Sales of goods and services produced by the department	108	100
Sales by market establishment	51	45
Other sales	57	55
Sales of scrap, waste and other used current goods	-	-
TOTAL	108	100

2.2 Interest, dividends and rent on land and buildings

Interest	8	15
TOTAL	8	15

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	Note	2017/18	2016/17
	Annexure 1D	R'000	R'000
2.3 Transactions in financial assets and liabilities			
Receivables		156	205
Other Receipts including Recoverable Revenue		197	51
TOTAL		353	256
3. Aid assistance			
Opening balance		-	(25)
Prior period error		-	66
As restated		-	41
Transferred from statement of financial performance		-	(41)
Closing balance		-	-
4. Compensation of Employees			
4.1 Salaries and Wages			
Basic salary		124,233	118,222
Performance award		1,936	2,823
Service Based		125	183
Compensative/circumstantial		1,177	1,333
Other non-pensionable allowances		32,154	30,444
TOTAL		159,625	153,005
4.2 Social contributions			
Employer contributions			
Pension		16,004	15,493
Medical		4,237	4,178
Bargaining council		21	20
TOTAL		20,262	19,691
TOTAL COMPENSATION OF EMPLOYEES		179,887	172,696
Average number of employees		270	282

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
5. Goods and services			
Administrative fees		119	117
Advertising		229	239
Assets less than R5,000	5.1	58	103
Bursaries (employees)		105	292
Catering		464	669
Communication		4,120	3,825
Computer services	5.2	6,410	4,698
Consultants, contractors and agency/outsourced services		2,764	5,816
Legal services		145	-
Contractors		242	190
Agency and support/outsourced services		-	130
Audit cost – external	5.3	3,409	2,667
Fleet services		827	1,170
Inventory	5.4	-	16
Consumables	5.5	1,895	1,533
Operating leases		30,553	20,642
Property payments	5.6	8,613	4,846
Rental and hiring		-	1
Travel and subsistence	5.7	3,312	4,572
Venues and facilities		92	22
Training and staff development		441	403
Other operating expenditure	5.8	915	1,067
TOTAL		64,713	53,018
5.1 Minor assets			
Tangible assets			
Machinery and equipment		58	103
TOTAL		58	103
5.2 Computer services			
SITA computer services		5,158	4,070
External computer service providers		1,252	628
TOTAL		6,410	4,698
5.3 Audit cost - external			
Regulatory and computer audits		3,128	1,938
Computer audits		281	729
TOTAL		3,409	2,667

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
5.4 Inventory			
Medicine		-	16
TOTAL		-	16
5.5 Consumables			
Consumable supplies		399	161
Uniform and clothing		143	7
Household supplies		115	128
Communication accessories		4	-
IT consumables		44	21
Other consumables		93	5
Stationery, printing and office supplies		1,496	1,372
TOTAL		1,895	1,533
5.6 Property payments			
Municipal services		7,642	4,127
Property maintenance & repairs		41	-
Other		930	719
TOTAL		8,613	4,846
5.7 Travel and subsistence			
Local		3,181	4,570
Foreign		131	2
TOTAL		3,312	4,572
5.8 Other operating expenditure			
Professional bodies, membership and subscription fees		84	24
Resettlement costs		166	330
Other		665	713
TOTAL		915	1,067
6. Payment for financial assets			
Material losses through criminal conduct			
Theft	6.3	13	18
Other material losses written off	6.1	6	29
Debts written-off: Recoverable revenue written off	6.2	1	-
TOTAL		20	47

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000	
6.1 Other material losses written off				
Nature of losses				
No shows		-	8	
Damaged computers		-	21	
Fixed Assets		6	-	
TOTAL		6	29	
6.2 Debts written off				
Recoverable revenue written off				
Staff debts		1	-	
TOTAL		1	-	
6.3 Details of theft				
Nature of theft				
Computer equipment		13	18	
TOTAL		13	18	
7. Transfers and subsidies				
Foreign governments and international organisations	Annex 1A	24	56	
Households	Annex 1B	1,392	702	
TOTAL		1,416	758	
8. Expenditure for Capital Assets				
Tangible assets				
Machinery and equipment	27.1	937	1,585	
Intangible assets				
Software	28.1	412	1,128	
TOTAL		1,349	2,713	
8.1 Analysis of funds utilised to acquire capital assets – 2017/18				
		Voted Funds R'000	Aid assistance R'000	TOTAL R'000
Tangible assets				
Machinery and equipment		937	-	937
Intangible assets				
Software		412	-	412
TOTAL		1,349	-	1,349

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

8.2 Analysis of funds utilised to acquire capital assets – 2016/17

	Voted Funds R'000	Aid assistance R'000	TOTAL R'000
Tangible assets			
Machinery and equipment	1,458	127	1,585
Intangible assets			
Software	1,128	-	1,128
TOTAL	2,586	127	2,713

	Note	2017/18 R'000	2016/17 R'000
--	------	------------------	------------------

8.3 Finance lease expenditure included in Expenditure for capital assets

Tangible assets		
Machinery and equipment	387	369
TOTAL	387	369

9. Cash and cash equivalents

Consolidated Paymaster General Account	595	425
Cash on hand	50	50
Investments (Domestic)	187	-
TOTAL	832	475

10. Prepayments and Advances

Travel and subsistence	3	17
TOTAL	3	17

11. Receivables

	Note	2017/18			2016/17		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	11.1	5	3	8	-	11	11
Recoverable expenditure	11.2	4	39	43	87	-	87
Staff debt	11.3	98	1,063	1,161	7	512	519
TOTAL		107	1,105	1,212	94	523	617

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	Note	2017/18	2016/17
		R'000	R'000
11.1 Claims recoverable			
National departments		5	-
Provincial departments		3	11
TOTAL		8	11
11.2 Recoverable expenditure(disallowance accounts)			
SAL: Deduction Disall Acc		3	62
SAL: Tax Debt		-	17
SAL: GEHS Refund Control Acc		-	4
SAL: Income Tax		39	-
Telephone Control Account: CL		1	-
SAL: Medical Aid		-	4
TOTAL		43	87
11.3 Staff debts			
Salary		261	265
Bursary		770	240
Other		37	14
Tax debt		93	-
TOTAL		1,161	519
12. Voted funds to be surrendered to the Revenue Fund			
Opening balance		128	432
Transfer from Statement of Financial Performance		674	128
Paid during the year		(128)	(432)
CLOSING BALANCE		674	128
12.1 Prior period error			
Relating of 2016/17			
Aid Assistance expenditure allocated to Voted Funds		-	66

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
13. Departmental revenue to be surrendered to the Revenue Fund			
Opening balance		73	47
Transfer from Statement of Financial Performance		469	371
Paid during the year		(500)	(345)
CLOSING BALANCE		42	73

14. Payables – Current

Clearing accounts	14.1	-	201
Other payables	14.2	15	-
TOTAL		15	201

14.1 Clearing accounts

SAL: Deduction Disallowance Account	-	154
SAL: Income Tax: CL	-	47
TOTAL	-	201

14.2 Other Payables

SAL: Deduction Disallowance Account	10	-
SAL: Income Tax: CL	5	-
TOTAL	15	-

15. Payables – non-current

	Note	2017/18				2016/17
		One to two years	Two to three years	More than three years	Total	Total
		R'000	R'000	R'000	R'000	R'000
Advances received	15.1	-	-	297	297	298
Other payables	15.2	44	-	-	44	38
TOTAL		44	-	297	341	336

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
15.1 Advances received			
National departments	Annexure 3	297	298
15.2 Other Payables			
Department of International Relations and Cooperation		44	38

16. Net Cash Flow Available from operating activities

Net surplus as per Statement of Financial Performance		1,143	524
Add back non cash/cash movements not deemed operating activities		(46)	2,327
(Increase)/Decrease in receivables		(595)	218
Decrease in prepayments and advances		14	(13)
Decrease in payables – current		(186)	186
Expenditure on capital assets	8.1	1,349	2,713
Surrenders to Revenue Fund		(628)	(777)
Surrenders to RDP Fund		-	-
Net cash flow generated by operating activities		1,097	2,851

17. Reconciliation of Cash and Cash Equivalents for Cash flow Purposes

Consolidated Paymaster General account		595	425
Cash on hand		50	50
Investments (Domestic)		187	-
TOTAL		832	475

18. Commitments**Current expenditure**

Approved and contracted		6,830	6,000
Approved but not yet contracted		-	139
		6,830	6,139

Capital expenditure

Approved and contracted		211	-
Approved but not yet contracted		-	-
		211	-

TOTAL COMMITMENTS

		7,041	6,139
--	--	--------------	--------------

* 15 contracts at a value of R6 198 643.77 is for longer than a year

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

19. Accruals and Payables not recognised**19.1 Accruals****Listed by economic classification**

			2017/18	2016/17
	30 Days	30+ Days	Total	Total
	R'000	R'000	R'000	R'000
Goods and services	895	-	895	1,627
Transfers and Subsidies	54	-	54	-
TOTAL	949	-	949	1,627

Listed by programme level

Programme 1: Administration	650	1,356
Programme 2: Leadership and Management Practices	38	76
Programme 3: Monitoring and Evaluation	178	76
Programme 4: Integrity and Anti-Corruption	83	119
TOTAL	949	1,627

19.2 Payables

			2017/18	2016/17
	30 Days	30+ Days	Total	Total
	R'000	R'000	R'000	R'000
Goods and services	1,281	-	1,281	3,257
Transfers and Subsidies	-	-	-	407
TOTAL	1,281	-	1,281	3,664

Listed by programme level

Programme 1: Administration	1,281	3,185
Programme 2: Leadership and Management Practices		7
Programme 3: Monitoring and Evaluation		39
Programme 4: Integrity and Anti-Corruption		433
TOTAL	1,281	3,664

Note	2017/18	2016/17
	R'000	R'000

20. Employee Benefits

Leave entitlement	6,583	6,284
Service bonus (Thirteenth cheque)	4,722	4,578
Performance awards	3,041	2,862
Capped leave commitments	6,221	5,830
TOTAL	20,567	19,554

* Included in the leave entitlement is negative leave of 90.87 days, which amounts to R247,005.03.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

21. Lease commitments**21.1 Operating leases expenditure**

	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000
2017/18				
Not later than 1 year	-	12,580	691	13,271
Later than 1 year and not later than 5 years	-	66,445	495	66,940
Later than 5 years	-	-	-	-
Total lease commitments	-	79,025	1,186	80,211
2016/17				
Not later than 1 year	-	11,680	691	12,371
Later than 1 year and not later than 5 years	-	15,336	1,143	16,479
Later than 5 years	-	-	-	-
Total lease commitments	-	27,016	1,834	28,850

* Leases for buildings includes the National Office and the 9 Provincial Offices.

21.2 Finance lease expenditure

	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000
2017/18				
Not later than 1 year	-	-	401	401
Later than 1 year and not later than 5 years	-	-	456	456
Total lease commitments	-	-	857	857
2016/17				
Not later than 1 year	-	-	22	22
Later than 1 year and not later than 5 years	-	-	37	37
Total lease commitments	-	-	59	59

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
22. Irregular expenditure			
22.1 Reconciliation of irregular expenditure			
Opening balance		193	-
Prior period error			-
		-	
As restated		193	-
Add: Irregular expenditure – relating to current year		610	193
Less: Prior year amounts condoned		(193)	-
Closing balance		610	193
Analysis of awaiting condonation per age classification			
Current year		610	193
Total		610	193

22.2 Details of irregular expenditure - added current year

Incident	Disciplinary steps taken/criminal proceedings	2017/18 R'000
Fair procurement process to obtain catering services for the UNISA classes not followed	Written warning	91
Competitive bidding process not followed	Written warning	174
Not stipulating the minimum threshold for local production and content	Written warning	215
Invalid lease agreement for the 12 parking bays	Written warning	130
		-
Total		610

22.3 Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2017/18 R'000
No declaration of local content (SBD 6.2 form) during the purchase of Office furniture	Director-General	157
Declaration of interest forms (SBD 4) not completed by suppliers	Director-General	36
		-
Total		193

23. Related Party Transactions

PSC has related party relationship with the following Departments and Public sector entities that fall under the portfolio of the Minister for Public Service and Administration:

- Department of Public Service and Administration
- National School of Government
- Centre for Public Service Innovation
- Government Employees Medical Scheme

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

24. Key management personnel

	No. of Individuals	2017/18 R'000	2016/17 R'000
Political Office Bearers *	15	19,734	17,003
Officials:			
Level 15 to 16	5	6,355	4,703
Level 14	9	8,376	8,016
TOTAL		34,465	29,722

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

25. Provisions

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Long service awards		165	60
Pension Liability		3,311	2,998
TOTAL		3,476	3,058

25.1 Reconciliation of movement in provisions – 2017/18

	Provision 1 R'000	Provision 2 R'000	Total Provisions R'000
Opening balance	60	2,998	3,058
Increase in provision	165	313	478
Settlement in provision	(60)	-	(60)
Closing balance	165	3,311	3,476

25.2 Reconciliation of movement in provisions – 2016/17

	Provision 1 R'000	Provision 2 R'000	Total Provisions R'000
Opening balance	111	-	111
Increase in provision	60	2,998	3,058
Settlement in provision	(111)	-	(111)
Closing balance	60	2,998	3,058

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

26. Movable Tangible Capital Assets

	Opening balance	Value Adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	20,006	73	343	1,019	19,403
Computer equipment	13,461	80	296	777	13,060
Furniture and office equipment	6,125	-	47	227	5,945
Other machinery and equipment	420	(7)	-	15	398
TOTAL MOVABLE TANGIBLE ASSETS	20,006	73	343	1,019	19,403

Movable Tangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:	2	14

Machinery and equipment

* The assets are still under investigation as a result of theft. One asset is being recovered from the official and the other one was written off in terms of the Policy on the Management of Losses and claims in the 2018/19 financial year.

26.1 Additions

	Cash	(Capital Work in Progress current costs and Finance Leases)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	937	(387)	(207)	343
Computer equipment	464	-	(168)	296
Furniture and office equipment	86	-	(39)	47
Other machinery and equipment	387	(387)	-	-
TOTAL	937	(387)	(207)	343

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

26.2 Disposals**DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018**

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	-	1,019	1,019	-
Computer equipment	-	777	777	-
Furniture and office equipment	-	227	227	-
Other machinery and equipment	-	15	15	-
TOTAL	-	1,019	1,019	-

26.3 Movement for 2016/17

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	18,887	-	1,471	352	20,006
Computer equipment	12,420	-	1,321	280	13,461
Furniture and office equipment	6,047	-	150	72	6,125
Other machinery and equipment	420	-	-	-	420
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	18,887	-	1,471	352	20,006

26.4 Minor assets**MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2018**

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000
Opening balance	1,082	1	6,430	-	7,513
Value adjustment	-	-	(15)	-	(15)
Additions	-	-	59	-	59
Disposals	904	-	347	-	1,251
TOTAL MINOR ASSETS	178	1	6,127	-	6,306

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000
Number of RI minor assets	-	1	3	-	4
Number of minor assets at cost	100	-	4,930	-	5,030
TOTAL NUMBER OF MINOR ASSETS	100	1	4,933	-	5,034

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2017

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000
Opening balance	1,082	1	6,631	-	7,714
Prior period error	-	-	-	-	-
Additions	-	-	103	-	103
Disposals	-	-	304	-	304
TOTAL	1,082	1	6,430	-	7,513

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000
Number of RI minor assets	-	1	4	-	5
Number of minor assets at cost	927	-	5,081	-	6,008
TOTAL	927	1	5,085	-	6,013

26.5 Movable assets written off**MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2018**

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	19	-	19
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	19	-	19

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2017

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	39	-	39
TOTAL MOVABLE ASSETS WRITTEN OFF	-	-	39	-	39

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

27. Intangible Capital Assets**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018**

	Opening balance	Value adjustment	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
Software	7,141	-	412	1,262	6,291
TOTAL INTANGIBLE CAPITAL ASSETS	7,141	-	412	1,262	6,291

27.1 Additions**ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018**

	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
Software	412	-	-	-	412
TOTAL	412	-	-	-	412

27.2 Disposals**DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018**

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
Software	-	1,262	1,262	-
TOTAL DISPOSAL OF INTANGIBLE CAPITAL ASSETS	-	1,262	1,262	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

27.3 Movement for 2016/17

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Software	6,013	-	1,128	-	7,141
TOTAL	6,013	-	1,128	-	7,141

28. Prior period errors

Correction of prior period errors

	Amount before error correction 2017/18	Prior period error 2017/18	Restated Amount 2017/18
<i>Note</i>	R'000	R'000	R'000
Provisions	26	-	2,998
NET EFFECT	-	2,998	2,998

* Additional pension liability by Government Pensions Administration Agency

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

ANNEXURE 1A**STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS**

FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION	TRANSFER ALLOCATION				EXPENDITURE		2016/17
	Adjusted Appropriation 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							
Association of African Public Services Commissions (AAPSComs)	24	-	-	24	24	100%	56
TOTAL	24	-	-	24	24		56

ANNEXURE 1B**STATEMENT OF TRANSFERS TO HOUSEHOLDS**

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2016/17
	Adjusted Appropriation 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							
Retirement and Resignations benefits	1,392	-	-	1,392	1,392	100%	702
TOTAL	1,392	-	-	1,392	1,392		702

ANNEXURE 1C**STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED**

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2017/18	2016/17
		R'000	R'000
Received in kind			
Internationale Zusammenarbeit (GIZ)	Sponsorship for International Anti-Corruption day 2017	84	-
TOTAL		84	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

ANNEXURE 2

CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Gauteng Provincial Government	-	-	3	3	3	3
Provincial Administration						
Western Cape Department of Planning Monitoring and Evaluation				8	8	8
	-	-	5	-	5	-
TOTAL	-	-	8	11	8	11

ANNEXURE 3

INTER-ENTITY ADVANCES RECEIVED (Note 15)

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	R'000	R'000	R'000	R'000	R'000	R'000
Non-current						
Department of Public Service and Administration	-	-	297	298	297	298
TOTAL	-	-	297	298	297	298

PUBLIC SERVICE COMMISSION PROVINCIAL OFFICES

Eastern Cape

91 Alexandra Road
PO Box 2167
King William's Town 5601

Tel: (043) 643-4704

Fax: (043) 642-1371

Gauteng

Schreiner Chambers, 6th Floor
94 Prichard Street
Johannesburg 2000

Tel: (011) 833-5721/2/3/4/5/6

Fax: (011) 834-1200

Mpumalanga

5th floor, Allied Building
34 Brown Street
Nelspruit (Mbombela)

Tel: (013) 755-4070

Fax: (013) 752-5814

Limpopo

Kirk Patrick Building
40 Schoeman Street
Polokwane
0699

Tel (015) 291-4783

Fax (015) 291-4683

Western Cape

Sanlam Golden Acre Building
21st Floor, Adderley Street
PO Box 2078
Cape Town
8001

Tel (021) 421 3980

Fax (021) 421 4060

Free State

62 Fedsure Building
3rd Floor, St Andrews Street
Bloemfontein, 9301

Tel: (051) 448-8696

Fax: (051) 448-4135

KwaZulu-Natal

221 Pietermaritz Street
1st Floor Prestasi House
Pietermaritzburg, 3200

Tel: (033) 345 1621

Fax (033) 345 8505

Northern Cape

1st Floor, Woolworths Building
Cnr Lennox and Chapel Streets
Kimberley 8301

Tel (053) 832-6222

Fax (053) 832-6225

North West

Shop 111, Ground Floor
Unit 1, Megacity Shopping Centre
Cnr Sekame Street and Dr James Moroka Drive
Mmabatho

Tel: (018) 384-1000

Fax: (018) 384-1012

Parliamentary Office

Sanlam Golden Acre Building
21st Floor, Adderley Street
PO Box 2078
Cape Town
8001

Tel: (021) 418 4940

Fax: (021) 418 1362





Republic of South Africa

Public Service Commission

Private Bax X121, Pretoria, 0001

Public Service Commission House

Office Park Block B
536 Francis Baard Street
Arcadia

Tel: +27 12 352 1000

Fax: +27 12 325 8382

Website: www.psc.gov.za

National Anti-Corruption Hotline
for the Public Service:
0800 701 701