



**FIRST ADDENDUM TO THE PERFORMANCE AGREEMENT**

**BETWEEN**


**THE PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA**

**AND**

**THE MINISTER FOR PUBLIC SERVICE AND ADMINISTRATION**

**PERIOD OF AGREEMENT**

**JUNE 2019 TO APRIL 2024**

*Efm.* 

***Recognising that-***

- (a) the Minister for the Public Service and Administration does not have any public entities that report to him;
- (b) the Minister for the Public Service and Administration is the executive authority in respect of the following departments-
  - (i) the Department of Public Service and Administration (DPSA), which supports the Minister's mandate derived from Chapter 10 of the Constitution;
  - (ii) the National School of Government (NSG), which derives its legislative mandate from section 4 of the Public Service Act, 1994 and the provisions of the Public Administration Management Act, 2014; and
  - (iii) The Centre for Public Sector Innovation (CPSI), established as a Government Component established to drive innovation in the public service.
- (c) The Minister supports the Public Service Commission (PSC) in tabling its legislation to Parliament, when necessary. The PSC derives its mandate from sections 195 and 196 of the Constitution. The PSC is tasked and empowered to, amongst others, investigate, monitor, and evaluate the organisation and administration of the Public Service. The PSC is accountable to the National Assembly and must report annually to the Assembly. It must also report on its activities in each province to the Legislature of the province concerned. The Office of the Public Service Commissioner (OPSC) is a national department, headed by a Director-General, which supports the PSC. The Chairperson of the PSC is the executive authority in respect of the OPSC.
- (d) The Government Employees Medical Scheme is a restricted member scheme registered under the Medical Schemes Act and is administered by an independent Board of Trustees. It is, however, not classified as an organ of state. The Minister for the Public Service and Administration represents the "Employer" who is currently defined as the Government of the Republic of South Africa.

A handwritten signature in black ink, appearing to be 'E. M.', is written over a horizontal line.

**Whereas-**

- (a) the President and the Minister for the Public Service and Administration entered into a performance agreement on 16 October 2020 for the period June 2019 to April 2024; and
- (b) the President and the Minister for the Public Service and Administration are desirous of amending the performance agreement in the manner set out in this addendum.

**Therefore** the Parties hereby record, in writing, the terms and conditions under which they agree to amend the performance agreement.

**DEFINITIONS**

The following definitions shall apply for purposes of this addendum-

- (a) **"Intervention No."** shall mean the chronological sequence of the interventions as contained in the Performance Agreement and shall be referred to in a sequential manner despite the various parts of the Performance Agreement;
- (b) **"Parties"** means the President and the Minister for the Public Service and Administration collectively; and
- (c) **"Performance Agreement"** means the performance agreement entered into between the Parties on 16 October 2020 for the period June 2019 to April 2024.

  
2pm

1. The Parties agree to amend PART A of the Key Responsibility Area 1 of the Performance Agreement as follows-

**KEY RESPONSIBILITY AREA 1: POLITICAL LEADERSHIP CONTRIBUTING TO THE COUNTRY'S TRIPLE CHALLENGES, NDP PRIORITIES AND MEDIUM TERM STRATEGIC FRAMEWORK (MTSF) 2019 – 2024**

**PART A: INDIVIDUAL TARGETS THAT THE MINISTER IS LEADING**

**Priority 6: A capable, ethical and developmental state**

- 1.1 Intervention No. 1 shall be substituted as follows:

Outcome: Functional, efficient and integrated government				
Interventions	Indicators	Targets	Baseline	Minister's Responsibility
Enhance productivity and functionality of public sector institutions in a single public administration supporting people-centred service delivery	Draft Public Service Amendment Bill produced	Public Service Amendment Bill submitted to Parliament by 2023 to include devolution of administrative powers from executive authorities to heads of department	Public Service Act, 1994	Ensure the review of the Public Service Act by the Department of Public Service and Administration (DPSA)
	Public Administration Management Act (PAMA) implemented	Regulations for the Public Administration Management Act, 2014 submitted to relevant stakeholders for concurrence by 2024 Public Administration Management Amendment Bill submitted to Parliament by 2023	Public Administration Management Act, 2014	Ensure the full implementation of Public Administration Management Act, 2014 (DPSA) and the realisation of a single public administration



**Outcome: Functional, efficient and integrated government**

Interventions	Indicators	Targets	Baseline	Minister's Responsibility
	Organisational Functionality Assessment Tool implemented	Organisational Functionality Assessment Tool implemented as a mechanism to measure the levels of functionality (efficiency and effectiveness) of departments in supporting service delivery objectives by 2022	Framework piloted in selected departments	Institutionalise the Organisational Functionality Assessment Tool in the Public Service through directives (DPSA)
	Batho Pele Revitalisation Strategy implemented	Implementation of the Batho Pele Revitalisation Strategy across the public service	Batho Pele Policy, 1997; Batho Pele Handbook, 2004; a Complaints and Compliments Management Framework, 2013; Change Management Framework, 2014 and Batho Pele Standards, 2015.	Social cohesion in terms of public servants contributing to happier citizens, as customers of government



1.2 The following new interventions shall be inserted:

Outcome: Functional, efficient and integrated government				
Interventions	Indicators	Targets	Baseline	Minister's Responsibility
Public service business continuity during the state of disaster as a result of the COVID-19 pandemic	Directions, determinations, directives or circulars on business continuity, service delivery and the management of employment practices issued to departments	Directions, determinations, directives or circulars to departments issued as required	Directions, determinations, directives or circulars issued as at 16 July 2020	Support public service business continuity during the state of disaster as a result of the COVID-19 pandemic by issuing legislative frameworks and guidance to departments to ensure ongoing delivery of service to citizens and a safe and healthy work environment for public servants.
Manage collective bargaining in the Public Service Coordinating Bargaining Council and the General Public Service Sectoral Bargaining Council	Conclusion of collective agreements for conditions of service	Ongoing	Existing collective agreements	Manage collective bargaining processes for the State in the Public Service Coordinating Bargaining Council and the General Public Service Sectoral Bargaining Council




1.3 Intervention No. 3 shall be substituted as follows:

Outcome: Professional, meritocratic and ethical public administration				
Interventions	Indicators	Targets	Baseline	Minister's Responsibility
Programme for building a professional public administration	Job Competency Framework for public service	Job Competency Framework for public service implemented by 2023	Competency Framework for the Senior Management Service for the Public Service	Issue legislative framework to institutionalise the Job Competency Framework (DPSA)
	Develop and implement mandatory in-service training for the public service	Mandatory in-service training framework approved by 2020 and 8 mandatory programmes rolled out by 2022	Compulsory induction programme for the public service	Issue legislative framework to institutionalise mandatory in-service training framework
	A National Implementation Framework towards the Professionalisation of the Public Service	A National Implementation Framework towards the Professionalisation of the Public Service finalised by 2022	New	Approve a National Implementation Framework towards the Professionalisation of the Public Service

1.4 Intervention No 5, as reflected hereunder, will be deleted:

Outcome: Equal opportunities, inclusion and redress				
Interventions	Indicators	Targets	Baseline	Minister's Responsibility
Improve representation of the designated groups across occupational levels	Development of income differential data collection tool (EEA4 form) for designated employers	Income differential data collection tool (EEA4 form) for designated employers developed by 2022	New	To oversee the development of the tool (DPSA)





1.5 Intervention No. 6 shall be substituted as follows:

Outcome: Equal opportunities, inclusion and redress				
Interventions	Indicators	Targets	Baseline	Minister's Responsibility
Introduce compulsory module for public servants on diversity (gender, race and disability)	Percentage of senior managers trained on how to deal with all forms of discrimination	95% of senior managers trained how to deal with all forms of discrimination by 2024	Not applicable	To oversee the development and provision of the training programme (NSG)

2. The Parties agree to amend PART B of the Key Responsibility Area 1 of the Performance Agreement as follows-

### PART B: COLLECTIVE TARGETS MINISTER IS PROVIDING SUPPORT OR CONTRIBUTIONS

2.1 Intervention No. 8 shall be substituted as follows:

Outcome: Functional, efficient and integrated government				
Interventions	Indicators	Targets	Baseline	Minister's Responsibility
Support the Minister of Finance on the improvement of financial management capability in the public service	Support provided to the Minister of Finance on the implementation of the Integrated Financial Management System in the Public Service	Support the Minister of Finance on the implementation of the Integrated Financial Management System in the Public Sector by 2024	Phase 1 of the Integrated Financial Management System piloted	Support the Minister of Finance with the implementation of the Integrated Financial Management System in the Public Sector (DPSA) Noting that the IFMS project is under investigation by the Special Investigating Unit and involvement shall be subject to such investigation outcomes.





2.2 The following new intervention shall be inserted:

Outcome: Functional, efficient and integrated government				
Interventions	Indicators	Targets	Baseline	Minister's Responsibility
Together with the Minister of Finance, implement measures to reduce the cost of running public administration in the areas falling within the purview of the Minister for the Public Service and Administration	Reduction in the cost of running public administration in the areas falling within the purview of the Minister for the Public Service and Administration	Reduction in the cost of running public administration in the areas falling within the purview of the Minister for the Public Service and Administration by 2024	The compensation of public service employees is R639bn	Initiate and manage the implementation of measures, together with the Minister of Finance, to ensure the reduction of government expenditure related to administrative matters.




3. The Parties agree to amend the Key Responsibility Area 4 of the Performance Agreement as follows to insert the following Management Area:

**KEY RESPONSIBILITY AREA 4: POLITICAL LEADERSHIP AND OVERSIGHT**

Management Area	Key activities	Performance indicators	Targets				
			2019/20	2020/21	2021/22	2022/23	2023/24
Inter-Government structures							
African Peer Review Mechanism	<ul style="list-style-type: none"><li>A society sensitisation programme implemented.</li><li>Country review conducted and draft Country Review Report prepared and presented.</li><li>Validation of the Country Review Report and the National Plan of Action by the African Peer Review Panel.</li><li>Present Country Peer Review to the APR Forum of Heads of State and Government</li></ul>	Report on the implementation of the APRM 2 <sup>nd</sup> Generation Review Process	APRM 2 <sup>nd</sup> Generation Country Review sensitisation programme implemented	APRM 2 <sup>nd</sup> generation country review conducted	Validated Country Review Report and National Plan of Action	APRM National Plan of Action implemented	APRM National Plan of Action implemented




## SIGNATURES

I, Mr Senzo Mchunu, hereby declare that the information provided in this Addendum has been agreed upon by myself and the President of South Africa. This is a legal and binding agreement that will be used for assessment purposes.



**Mr Senzo Mchunu, MP**

**Minister for the Public Service and Administration**

26/05/2021



**His Excellency Mr Cyril Ramaphosa**

**President of the Republic of South Africa**

27-05-2021

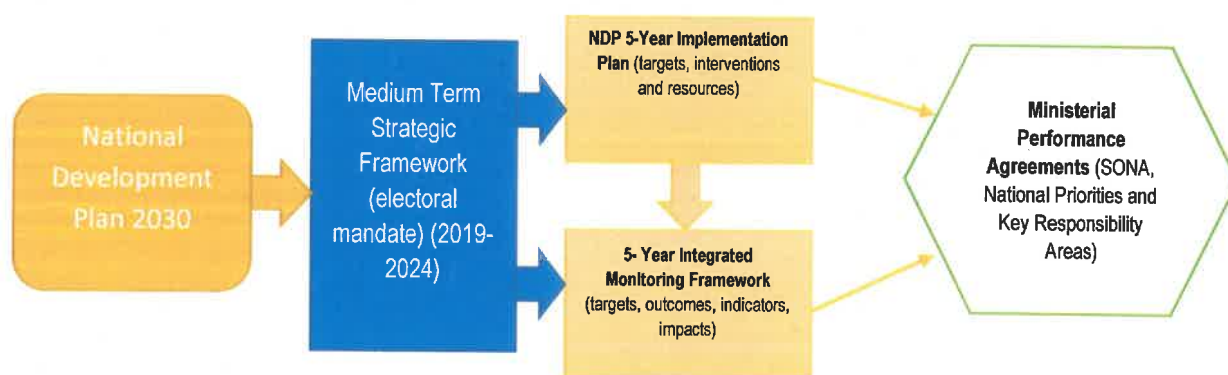
## ANNEXURE 1: EXPLANATORY GUIDELINE

### 1. CONSTITUTION AND LEGISLATION

This aspect highlights constitutional imperatives, obligations, powers and functions of the President relating to the implementation of Ministerial Performance Agreements. It also points out key legislation in this regard.

### 2. BACKGROUND AND CONTEXT

In October 2019, Cabinet considered and approved the 2019 – 2024 Medium-Term Strategic Framework (MTSF). The MTSF translates the electoral mandate and the National Development Plan into a 5-year programme of government and comprises the 5-Year Implementation Plan and the Integrated Monitoring Framework, containing clear targets, interventions, resource implications and impacts.



In his State of the Nation Address (SONA) on 20 June 2019, the President confirmed the 7 national priorities, based on the electoral mandate, as follows:

- Priority 1:** A capable, ethical and developmental state
- Priority 2:** Economic transformation and job creation
- Priority 3:** Education, skills and health
- Priority 4:** Consolidating the social wage through reliable and quality basic services
- Priority 5:** Spatial integration, human settlements and local government
- Priority 6:** Social cohesion and safe communities
- Priority 7:** A better Africa and World

In his reply during the SONA debate, the President further elaborated on why the above 7 priorities are important and demonstrated that government has a clear plan for the road ahead. The key task is speedy and effective implementation. The new Cabinet has a central role in ensuring that the commitments made in the SONA are implemented with the necessary urgency and vigour.

To this end the Ministerial Performance Agreements (MPAs) will be based on the commitments in the State of the Nation Address and selected priority actions from the 2019 - 24 MTSF. Each annual MPA contains a set of specific targets backed by measurable performance indicators to be achieved over the 5- year electoral period, the purpose of which is to put the country on a positive path towards our national development goals and objectives.

As you are aware, upon the announcement of the new Cabinet, the President made the following undertaking to the people of South Africa:

*The people who I am appointing today must realise that the expectations of the South African people have never been greater and that they will shoulder a great responsibility. Their performance – individually and collectively – will be closely monitored against specific outcomes. Where implementation is unsatisfactory, action will be taken*

It is the aim of this Performance Agreement to give effect to this undertaking.

## 2. KEY RESPONSIBILITY AREA 1: POLITICAL LEADERSHIP CONTRIBUTING TO THE COUNTRY'S TRIPLE CHALLENGES, NDP PRIORITIES AND MEDIUM TERM STRATEGIC FRAMEWORK (MTSF) 2019 – 2024

This aspect draws directly from the content of the MTSF and SONA and highlights specific responsibilities of the Minister in relation to a particular priority, indicator and target. This will help focus the work of the Minister concerned to the strategic agenda of government. As Minister in the Cabinet you will contribute **individually and collectively** to addressing the triple challenges of poverty, inequality and unemployment and the MTSF 2019 - 2024.

- **Priority:** indicates which of the 7 priorities are directly applicable to the Minister concerned. The Minister is still expected to contribute to the rest of the MTSF as part of the National Executive collective.
- **Target:** provides context to the medium to long-term impact we are seeking to achieve e.g. economic growth.
- **Outcome:** highlights the broad result area we want to make a difference within a year up to 5 years.
- **Indicators, baselines and targets:** are measures that are directly taken from the MTSF.
- **Minister's responsibility:** this column emphasizes the specific contribution that the Minister must make towards delivery of the intervention in the short to medium term. Where a Minister is mentioned as a lead, he or she must take responsibility to convene other relevant stakeholders towards the implementation of a particular intervention. Where a Minister is mentioned as contributing department, it indicates a need for the Minister to take initiatives towards working with Cabinet colleagues and stakeholders to deliver on the specific intervention. The Cluster system will help with further clarification of these roles and responsibilities.

## 3. KEY RESPONSIBILITY AREA 2: PRIORITY 6: CAPABLE, ETHICAL AND DEVELOPMENTAL STATE

This MTSF priority has a few transversal interventions that apply to all Ministers, hence it must be included in all Ministerial Performance Agreements. Its content also ties in closely with the next key responsibility areas.

#### 4. KEY RESPONSIBILITY AREA 3: INSTITUTIONAL OVERSIGHT OF THE HOD AND DEPARTMENT

*Shows how you will **provide strategic leadership, direction and oversight** to own departments through the DG in the following areas:*

- Show how you will manage the performance of Heads of Department and Department*
- Describe how in executing your role and responsibility you will provide oversight in performing the functions below.*

#### 5. KEY RESPONSIBILITY AREA 4: POLITICAL LEADERSHIP AND OVERSIGHT

- Describe how in executing your role and responsibility you will provide oversight in performing the functions below.*
- Show how you will actively participate and contribute to the different governance structures, for example, the Cluster/Committee/s system; to Inter-Ministerial Committees and MinMecs.*
- Show how you will provide leadership and oversight to State Owned Entities/Agencies that you are responsible for*
- The oversight and achievement of departmental strategic goals and annual performance plans and budget*
- National Department facilitates public involvement, participation and Service Delivery Improvement Initiatives*
- National Department involvement, participation in the District Planning Model*



## 6. IMPLEMENTATION

To improve the likelihood of achieving the targets above, you are advised to ensure that senior managers in your department translate the priority actions and targets in this agreement into a delivery plan with the following elements:

- Formulating the aspiration: A clear statement of goals, outcomes and targets to be achieved for each priority arising out of a rigorous problem analysis, needs assessment and diagnosis;
- A coherent theory of change – articulating the best way to achieve the aspiration based on relevant theoretical literature and research on local and international cases as well an assessment of current policies and whether they are enablers or constraints. If the latter, then they should be revised and amended accordingly. To note is that in many instances policy development is not a problem, implementation is. However, in some cases revisions to policies may be required and in rare situations new policies may be required to enable the achievement of the priority;
- Setting specific milestones to be reached with leading indicators.
- Interventions (addressing inhibitors/constraints and identifying drivers of performance). Agreeing on who is involved and how those involved will go about contributing to the priority and
- A delivery trajectory mapping out the points from current performance (base line) and showing how implementation of initiatives will shift performance towards the set outcome and target. Points along the delivery trajectory will be used to conduct rapid impact assessments to establish whether real improvement is happening on the ground.

The delivery plan therefore essentially specifies what will be achieved (impact, outcome, target), where it will be achieved, who is involved and how those involved will go about achieving the priority.

Where cooperation from and or coordination with other parties (provincial MECs, National Ministers, Executive Mayors) is required to achieve the priority actions and targets, it is your responsibility to seek out this cooperation and bind the other party/parties to the commitments necessary to achieve the targets. In the event that cooperation was not forthcoming, details to this effect as well as how the non-cooperation and coordination failure affected the achievement of the target should be reported on at the bi-annual meeting with President.

Senior officials in your department/s are required to reflect the priority actions and targets in the Strategic Plans and Annual Performance Plans of the Department to ensure they are planned for and properly resourced. Moreover, I also expect that you will enter into a performance agreement with your Director-General that will reflect the priority actions and targets contained in this agreement, in addition to the other key performance areas of the Department.

I expect that you will formally delegate specific areas of responsibility to your Deputy Minister(s) to provide some support to you regarding the priority actions and targets in this agreement, in addition to the other key performance areas of the Department.

## 7. PERFORMANCE MONITORING AND REVIEW

The process of performance monitoring, evaluation and reporting against the targets will be as follows:

- i. The DPME will prepare a report card on progress with the targets in the respective agreements for the benefit of the President
- ii. In preparation of the scorecard, DPME will obtain initial progress reports with supporting evidence from your department.
- iii. The progress report should provide a succinct summary of progress, current and emerging issues, key actions required or key actions taken, early warning of risks as well as decisions or recommendations to be taken forward and any other comment on progress.
- iv. The report and data will be analysed and validated and a draft scorecard will be produced by DPME. This will be discussed with your department to resolve queries before finalisation. Validation will also include random onsite visits by DPME to verify if delivery took place and within the specifications as set out in the agreement.

The DPME will prepare the scorecard which includes key issues affecting delivery, early warning risks and emerging policy issues for the President a copy of which will be sent to you prior.

In the instance where performance is sub-optimal, a meeting between the President and Minister will be convened. The outcome of the dialogue will be an agreement between the President and Minister on areas of improvement (the remedial actions). These will be incorporated in the performance score-card of the next performance review. It is only in the case of persistent under-performance that the President may take any action he deems necessary.

Over and above this Cabinet will closely monitor the overall implementation of the 2019 - 24 MTSF. In this regard you are expected to table bi-annual progress reports to Cabinet on progress with regards to your commitments in the MTSF. It will not be sufficient to state in these reports that a particular action has been implemented. What must also be reported on is what the implementation of the action led to in terms of a result or the likely value it would create for society.

Your officials will need to collect administrative data that will allow oversight on progress and make these available to DPME when requested. DPME will triangulate this data with budget expenditure data and output level indicators, where available, and provide its own progress reports to Cabinet. The bi-annual progress reports will also form the basis of the meetings between the President and Ministers to identify and tackle obstacles to implementation.

## **8. POLITICAL OVERSIGHT OF THE DEPARTMENT**

Beyond the priority actions and targets that you will be responsible for (which is the subject of this agreement), your Ministerial responsibilities also extend to:

1. Ensuring an optimal political – administrative interface;
2. Political leadership and oversight: providing strategic leadership to the department for the implementation of the relevant aspects of the electoral mandate/ oversee implementation of MTSF priorities relevant to the sector;
3. Support international and regional integration programmes and commitments (where applicable); and
4. Support good governance in the department by providing institutional oversight of the HOD and Department

## **9. SPIRIT AND INTENT**

There is no question that given the prevailing social, political and economic dynamics and environment, our actions require greater urgency and focus. While (and as I have stated before) there are no short-cuts and quick fixes, it is within our grasp to do the important things, to do them well and to do them without delay.

We have a duty to follow-through on our policy promises to the nation and make greater advances in terms of closing the gap between our development vision and the realities on the ground. The spirit and intent of the MPAs is to keep us focused on achieving our important targets.

## 10. PROFESSIONAL DEVELOPMENT

While the MPAs seek to promote results-oriented performance and accountability, the aim of the performance agreements is also to facilitate the professional development of all Ministers as leaders in government tasked with driving the development agenda of the country. In this regard you are encouraged to pursue programmes and initiatives that will provide you with the necessary competencies and tools to carry out your tasks and responsibilities. The Presidency and DPME will endeavour to provide Ministers with support and technical advice should the need exist.