

*Wednesday, 24 February 2021]*

No 24—2021] THIRD SESSION, SIXTH PARLIAMENT

**PARLIAMENT**

**OF THE**

**REPUBLIC OF SOUTH AFRICA**

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**ANNOUNCEMENTS,  
TABLINGS AND  
COMMITTEE REPORTS**

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WEDNESDAY, 24 FEBRUARY 2021

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# ANNOUNCEMENTS

## National Assembly

### The Speaker

#### 1. Introduction of Bills

##### (1) The Minister of Finance

- (a) **Division of Revenue Bill** [B 3 – 2021] (National Assembly – proposed sec 76) [Explanatory summary of Bill and prior notice of its introduction published in *Government Gazette* No 44173 of 5 February 2021.]

Introduction and referral to the Joint Tagging Mechanism (JTM) for classification in terms of Joint Rule 160.

In terms of Joint Rule 154 written views on the classification of the Bill may be submitted to the JTM. The Bill may only be classified after the expiry of at least three parliamentary working days since introduction.

- (b) **Appropriation Bill** [B 4 – 2021] (National Assembly – proposed sec 77).

Introduction and referral to the Joint Tagging Mechanism (JTM) for classification in terms of Joint Rule 160.

In terms of Joint Rule 154 written views on the classification of the Bill may be submitted to the JTM. The Bill may only be classified after the expiry of at least three parliamentary working days since introduction.

- (c) **Special Appropriation Bill** [B 5 – 2021] (National Assembly – proposed sec 77).

Introduction and referral to the **Standing Committee on Appropriations** of the National Assembly, as well as referral to the Joint Tagging Mechanism (JTM) for classification in terms of Joint Rule 160.

In terms of Joint Rule 154 written views on the classification of the Bill may be submitted to the JTM. The Bill may only be classified after the expiry of at least three parliamentary working days since introduction.

## 2. Membership of Committees

(1) The following changes have been made to the membership of Committees, viz:

### 1. African National Congress

#### Portfolio Committee on Trade and Industry

Discharged: Nontsele, Mr M

Appointed: Burns – Ncamashe, Mr Z

Appointed: Nontshele, Mr M [Alternate]

### 2. Economic Freedom Fighters

#### Portfolio Committee on Women, Youth and Persons with Disabilities

Discharged: Hlonyana, Ms N

Appointed: Ntlangwini, Ms N

#### Standing Committee on Appropriations

Discharged: Komane, Ms RN [Alternate]

Appointed: Hlonyana, Ms N [Alternate]

## 3. Referral to Committees of papers tabled

(1) The following papers are referred to the **Standing Committee on Finance** for consideration and report:

- (a) Budget Speech 2021
- (b) Budget Review 2021
- (c) Fiscal framework and revenue proposals
- (d) Estimates of National Expenditure

(2) The following paper is referred to the **Portfolio Committee on Public Service and Administration** for consideration, and to the **Standing Committee on Public Accounts**:

- (a) Report of the Public Service Commission on an Overview of Financial Misconduct for the 2019-20 Financial Year – December 2020.

## **National Council of Provinces**

### **The Chairperson**

#### **1. Referral to Committees of papers tabled**

(1) The following paper is referred to the **Select Committee on Finance** for consideration and report in accordance with its mandate as set out in the Money Bills Amendment Procedure and Related Matters Amendment Act, 2019 (No 13 of 2018):

- (a) The Fiscal Framework and Revenue Proposals, 2021.
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## **TABLINGS**

### **National Assembly and National Council of Provinces**

#### **1. The Minister of Finance**

- (a) Appropriation Bill [B 4 – 2021].
  - (b) Division of Revenue Bill [B 3 – 2021], tabled in terms of section 10(1) of the Intergovernmental Fiscal Relations Act, 1997 (Act No 97 of 1997).
  - (c) Special Appropriation Bill [B 5 – 2021].
  - (d) Budget Review 2021 [RP 06-2021], including the –
    - fiscal framework;
    - revenue proposals, including customs and excise duties.
  - (e) Estimates of National Expenditure 2021 [RP 10-2021].
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## **COMMITTEE REPORTS**

### **National Assembly**

# **1. Report of the Portfolio Committee on Public Service and Administration on consideration of the first and second quarter performance 2020/21 financial year for the budget vote 12 of the Public Service Commission, dated 24 February 2021**

## **1. BACKGROUND**

The Portfolio Committee on Public Service and Administration (hereinafter referred to as the Committee) having considered first and second quarter performance of 2020/21 financial year of the Public Service Commission, reports as follows:

## **2. INTRODUCTION**

Parliament through its Committees has a constitutional responsibility to oversee quarterly programme performance information of the departments and their entities in a specific financial year. The Money Bills Amendment and Related Matters Act (2009) describe the process of exercising this responsibility. The Act states that portfolio committees of parliament must conduct reviews of the finances of their respective departments and entities and if required, issue recommendations on the forward use of resources.

Programme performance information focuses on information that is collected by government departments in the course of fulfilling their mandates and implementing policies. Quarterly performance reports serve as a vital tool used by parliamentary committees to ensure accountability, transparency and oversight on how government resources are spent. Committees are expected to monitor both financial and non-financial performance of the departments. The Public Finance Management Regulations compel departments and their entities to prepare quarterly report within 30 days after the end of each quarter. Committees conduct oversight over performance reports to fulfil Parliament's oversight and accountability mandates as enshrined in the Constitution and under the rules established by the National Assembly.

On February 03, 2021, the Committee considered the first and second quarter performance of 2020/21 of the Public Service Commission. Performance information was in accordance with the Strategic Plan, Annual Performance Plan and Medium Term Strategic Framework 2019-2024. The report further provides an overview of the presentation made before the Committee

mainly focusing on the achievements, output in respect of the performance indicators and targets set for the above mentioned financial year. The report outlines the findings/observations of the Committee relating to the Public Service Commission performance.

### **3. THE MANDATE OF THE PUBLIC SERVICE COMMISSION**

The PSC is an independent institution established in terms of Chapter 10 of the Constitution. It derives its mandate from Section 195 and 196 of the Constitution, 1996, 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 to Provincial Legislatures and must annually report on its activities and performance to these two institutions.

The PSC is a constitutional oversight body, established in 1996, primarily to promote "a high standard of professional ethics in the public service". The PSC operates in terms of the PSC Act 1997. 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).

#### 4. PUBLIC SERVICE COMMISSION PROGRAMME PERFORMANCE

##### 4.1 PUBLIC SERVICE COMMISSION

The Public Service Commission had in the first and second quarter spent R200.522 million from the allocated budget of R297.6 million for 2020/21 financial year. Public Service Commission has paid all service providers within 30 days in all quarters. There were no cases of unauthorised expenditure, fruitless and wasteful expenditure in both quarters. In the first and second quarter 2020/2021, the PSC had twenty-seven (27) APP targets. 9 targets were due in Quarter 1 and all 9 of the planned targets were achieved. 12 targets were due in quarter two (2), ten (10) of the planned targets were achieved and two (2) were not achieved with one (1) additional target achieved early. There was R11.3 million (4.9%) underspending on compensation of employment, due to vacant posts including those of commissioners in national and three provinces.

##### Allocated Budget and Expenditure

Programmes	Original budget R'000	Expenditure as at 31 Dec 2019 R'000	Budget spending %	Spending norm %	Spending variance %
Administration	128,572	89,705	68.39%	75.00%	6.61%
Leadership & Management Practices	47,484	36,442	79.19%	75.00%	(4.19%)
Monitoring and Evaluation	43,364	32,019	73.27%	75.00%	1.73%
Integrity and Anti- Corruption	58,809	42,356	73.85%	75.00%	1.15%
<b>Total</b>	<b>278,229</b>	<b>200,522</b>	<b>72.07%</b>	<b>75.00%</b>	<b>2.93%</b>

## **4.2 Programme Performance**

The report presents both the first and second quarter performance of the PSC, which is as follows:

### **(a) Programme 1: Administration**

The purpose of the Administration Programme (Programme 1) is to provide overall management of the Commission and centralised support services. The PSC had four predetermined targets in the first quarter 2020/21 financial year and all targets were achieved. In the second quarter 2020/21 financial year PSC had five predetermined targets. Of total targets, three were achieved and two targets were not achieved.

### **(b) Programme 2: Leadership and Management Practices**

The Leadership and Management Practices Programme (Programme 2) is responsible for promoting sound public service leadership, human resource management, labour relations and labour practices. The PSC had two predetermined targets and all of these targets have been achieved (100%) during first quarter of 2020/2021 financial year. During the second quarter, PSC had four targets and all were achieved

### **(c) Programme 3: Monitoring and Evaluation**

Monitoring and Evaluation establishes a high standard of service delivery, monitoring and good governance in the public service. The PSC had one predetermined target in the first quarter 2020/2021 financial year and over achieved by three additional targets. During the second quarter, PSC had no target determined but achieved one additional target.

### **(d) Programme 4: Integrity and Anti-Corruption**

The Integrity and Anti-Corruption Programme undertakes public administration investigations, promotes high standard of professional ethical conduct among public servants and contributes towards prevention and combating of corruption. The PSC had two predetermined targets in



the first quarter and three targets in the second quarter of 2020/21 financial year. The targets were 100% achieved.

## **5. FINDINGS AND OBSERVATIONS**

The Portfolio Committee made the following observations and findings:

- 5.1 The Committee notes and welcomed the first and second quarter performance of 2020/21 financial year for the Public Service Commission. The Committee commend the PSC for achieving most of the targets in both quarters especially working under Covid-19 pandemic.
- 5.2 The Committee encouraged the Public Service Commission to fill up the vacancies at the national office with clear timelines. Furthermore, the Committee encouraged the Deputy Minister to follow up on her counterparts in the provinces to prioritise filling vacancies of the Commissioners in Mpumalanga, KwaZulu Natal and Limpopo Provinces. The Committee will check with the Speakers Office in the National Assembly about an outstanding position which was before the House.
- 5.3 The Committee notes the monitoring by the Commission on the Government Employees Pension Fund with regard to ensuring pension pay out are processed timeously for pensioners. The PSC was applauded in assisting retired public servants to get their pensions.
- 5.4 The Committee notes the expenditure on the Covid-19 PPEs and was in discontent with the spending since most of the PSC officials were working remotely during first and second quarter. The Committee encouraged the PSC to spend wisely.
- 5.5 The Committee advised the PSC to provide a detailed report on the complaints received particularly during the Covid-19 and which departments had more complaints. The Commission was requested to provide detailed information in the next meeting.
- 5.6 The Committee notes that some government departments continue to pay invoices after 30 days and are in contravention with Public Finance Management Act. The Committee was concerned about lack of consequence management in the entire public service.

- 5.7 The PSC was commended for being proactive in its work when conducting inspection in schools across all provinces to assess the state of readiness by the Department of Basic Education to open schools.
- 5.8 The PSC was encouraged to be visible in the public and create platforms to engage effectively with the members of the communities on number of service delivery issues impacting on their lives. The Committee urged the PSC to be a reliable institution assisting members of the public in unblocking service delivery and rooting out unethical conduct in the public service.

**6. The Portfolio Committee recommends as follows:**

- 6.1 The House adopts and approve first and second quarter performance report for 2020/21 financial year of the Budget Vote 12 of the Public Service Commission.

Report to be considered

## **2. Report of the Portfolio Committee on Public Service And Administration on consideration of the first and second quarter performance 2020/21 for the Budget Vote 10 of the Department of Public Service and Administration, Dated 24 February 2021**

### **1. BACKGROUND**

The Portfolio Committee on Public Service and Administration (hereinafter referred to as the Committee) having considered first and second quarter performance of 2020/21 financial year of the Department of Public Service and Administration, reports as follows:

### **2. INTRODUCTION**

Parliament through its Committees has a constitutional responsibility to oversee quarterly programme performance information of the departments and their entities in a specific financial year. The Money Bills Amendment and Related Matters Act (2009) describe the process of exercising this responsibility. The Act states that portfolio committees of parliament must conduct reviews of the finances of their respective departments and entities and if required, issue recommendations on the forward use of resources.

Programme performance information focuses on information that is collected by government departments in the course of fulfilling their mandates and implementing policies. Quarterly performance reports serve as a vital tool used by parliamentary committees to ensure accountability, transparency and oversight on how government resources are spent. Committees are expected to monitor both financial and non-financial performance of the departments. The Public Finance Management Regulations compel departments and their entities to prepare quarterly report within 30 days after the end of each quarter. Committees conduct oversight over performance reports to fulfil Parliament's oversight and accountability mandates as enshrined in the Constitution and under the rules established by the National Assembly.

On February 03, 2021, the Committee considered the first and second quarter performance of 2020/21 of the Department of Public Service and Administration and Centre for Public Service Innovation (an entity). Performance information was in accordance with the Strategic Plans, Annual Performance Plan and Medium Term Strategic Framework 2019-2024. The report

further provides an overview of the presentations made before the Committee mainly focusing on the achievements, output in respect of the performance indicators and targets set for the above-mentioned financial year. The report outlines the findings/observations of the Committee relating to the Department's performance.

### 3. DEPARTMENT PROGRAMME PERFORMANCE

#### 3.1 BUDGET ALLOCATION AND EXPENDITURE

The Department had spent R96 859 million in the first quarter and R206 931 million in the second quarter from the allocated budget of R565 706 million for 2020/21 financial year. The Department has paid all service providers within 30 days in both two quarters. There were no cases of unauthorised expenditure and irregular expenditure in the first and second quarter. A case of wasteful expenditure paid during September 2020 was identified in the second quarter, with a total value of R 2 500.00 and the matter was being investigated.

In the first quarter 2020/2021 financial year, the Department achieved 27 targets of 30 planned targets. Only 3 targets were not achieved and department provided its reason for the deviation. In the second quarter 2020/2021 financial year, the Department achieved 24 targets of its planned targets and only 4 were not achieved.

#### Allocated Budget and Expenditure: First Quarter

Description	Adjusted Budget	Actual - 30 June 2020	Unspent	% Spent
	R'000	R'000	R'000	%
Administration	233,089	46,275	186,814	19.9%
Policy Development, Research and Analysis	33,818	6,701	27,117	19.8%
Public Service Employment and Conditions of Service	62,566	11,697	50,869	18.7%
Government Chief Information Officer	17,927	4,181	13,746	23.3%
Service Delivery Support	47,821	11,400	36,421	23.8%
Governance of Public Service Administration	49,651	8,811	40,840	17.7%
<b>Total</b>	<b>444,872</b>	<b>89,065</b>	<b>355,807</b>	<b>20.0%</b>
Center for Public Service Innovation	34,834	7,794	27,040	22.4%
<b>Total</b>	<b>479,706</b>	<b>96,859</b>	<b>382,847</b>	<b>20.2%</b>

#### Allocated Budget and Expenditure: Second Quarter

Description	Adjusted Budget	Actual -	Unspent	% Spent

		30 September 2020		
	R'000	R'000	R'000	%
<b>Administration</b>	<b>231,703</b>	<b>101,970</b>	<b>129,733</b>	<b>44.0%</b>
Policy Development, Research and Analysis	33,782	13,668	20,114	40.5%
Public Service Employment and Conditions of Service	56,363	24,059	32,304	42.7%
Government Chief Information Officer	17,895	8,105	9,790	45.3%
Service Delivery Support	49,183	22,755	26,428	46.3%
Governance of Public Service Administration	45,135	19,213	25,922	42.6%
<b>Total</b>	<b>434,061</b>	<b>189,770</b>	<b>244,291</b>	<b>43.7%</b>
Center for Public Service Innovation	34,834	17,161	17,673	49.3%
<b>Total</b>	<b>468,895</b>	<b>206,931</b>	<b>261,964</b>	<b>44.1%</b>

### 3.2 Programme Performance

The Department have six programme, which are as follows:

#### (a) Programme 1: Administration

The main purpose of the programme is to provide strategic leadership, management and support services to the Department, and coordinate the Department's international relations. The purpose of the programme is to provide policy, coordinated strategic and overall administrative support services to enable the Ministry and the Department to deliver on the mandates.

Programme 1 had five predetermined targets in the first quarter 2020/21 financial year. All targets were achieved. In the second quarter 2020/21 financial year, the Department achieved all six targets.

**(b) Programme 2: Policy Development, Research and Analysis**

The main purpose of this programme is to manage and oversee the formulation, development and review of policies, policy reform and transformation programmes. It also manages research on and analysis of public service capacity, performance and reform by conducting productivity, accessibility and continuity studies tracking trends in best practice in public administration discourse in order to enhance access to public services through feasibility and continuity studies.

Programme 2 had two predetermined targets in the first quarter of 2020/21 financial year. Of total targets, 1 was achieved and 1 target was not achieved. In the second quarter 2020/21 financial year, the Department had achieved all 2 planned targets.

**(c) Programme 3: Public Service Employment and Conditions of Service**

The purpose of this programme is to develop, implement and monitor human resources policies and functions by managing labour relations negotiations, employee relations, discipline and work environment management. The programme is aimed at designing remuneration and job grading policy frameworks as well as support the implementation of human resource development and planning strategies, systems and practices.

Programme 3 has seven predetermined targets in the first quarter of 2020/21 financial year. Of total targets, 5 was achieved and 2 target was not achieved. In the second quarter 2020/21 financial year, the Department had 6 targets, 4 were achieved and 2 targets were not achieved.

**(d) Programme 4: Government's Chief Information Officer**

The purpose of the programme is to promote and manage the use of Information Communication Technology (ICT) as a strategic tool in the design and delivery of citizen-centred services within government by coordinating and consolidating Public Service Information Communication Technology policies, strategies, costs, risk assessments, as well as ICT Governance matters. The programme was introduced in order to develop, implement and monitor information communication technology (ICT) policies and norms and standards.

Programme 4 had five predetermined targets in the first quarter 2020/21 financial year. All targets were achieved. In the second quarter 2020/21 financial year, the Department had 5 targets, 4 were achieved and 1 target was not achieved.

**(e) Programme 5: Service Delivery Support**

The purpose of the programme is to manage and facilitate the improvement of service delivery in government by supporting and monitoring Operations Management and Service Delivery Planning. The programme has five sub-programme which are Operations Management, Service Delivery Support Programmes and Service Centres (Thusong), Complaints and Change Management (Batho Pele), Public Participation and Social Dialogue; and Community Development and Citizen Relations.

Programme 5 had four predetermined targets in the first quarter 2020/21 financial year. All targets were achieved. In the second quarter 2020/21 financial year, the Department had 4 targets, 3 were achieved and 1 target was not achieved.

**(f) Programme 6: Governance and Public Administration**

The purpose of this programme is to manage and oversee the development of policies, strategies and programmes on Public Service ethics, integrity and leadership. Furthermore, the programme envisages to ensure intergovernmental relations and macro organization of the State which include organizational design, strategic planning framework as well as monitor government intervention programmes and Human Resource Information System. The programme has five sub-programmes, which are: Human Resource Management Information Systems, Public Service Leadership Management, Organisational Design and Macro Organisation, Ethics and Integrity Management and International Relations and Government Intervention.

Programme 6 had seven predetermined targets in the first quarter 2020/21 financial year. All targets were achieved. In the second quarter 2020/21 financial year, the Department achieved all five targets.

### **3.3 CENTRE FOR PUBLIC SECTOR INNOVATION**

#### **3.3.1 Policy Priorities**

The responsibility for the public sector innovation is vested in the Minister of Public Service and Administration, in terms of section 3(1)(i) of the Public Service Act (1994). The Act mandate the Centre for Public Service Innovation (CPSI) to unlock, entrench and nurture the culture of innovation within the public sector for improved performance and productivity.

During the 1<sup>st</sup> quarter period, the Organisation had one (1) target on the APP, and the target was achieved by the end of June 2020. In the 2<sup>nd</sup> quarter period, the Organisation had two (2) targets on the APP, and one (1) target was not achieved by the end of September 2020.

The report presents the first and second quarter performance of the CPSI, which is as follows:

#### **3.3.2 Programmes**

##### **(a) Programme 1: Administration**

The programme provides strategic leadership, overall management of and support to the organisation. There are three sub-programmes under programme 1 which are Strategic Management, Corporate Resource Management and Office of the Chief Financial Officer.

##### **(b) Programme 2: Public Sector Innovation**

The programme drives service delivery innovation in public sector in line with government priorities. There are three sub-programmes under programme 2, which are Research and Development, Solution Support and Incubation, and Enabling Environment.

## **4. FINDINGS AND OBSERVATIONS**

The Portfolio Committee made the following observations and findings:

- 4.1 The Committee notes and welcomed first and second quarter performance of 2020/21 financial year for the Department of Public Service and Administration and Centre for Public Service Innovation.
- 4.2 The Committee encouraged the Department to closely monitor the vacancy rate as it was increasing at an alarming rate. However, the Committee was cognizant of the



impact of the departmental budget cuts to fund Covid-19 priorities. The Department was encouraged to fill critical positions where there are funded vacant post needed.

- 4.3 The Committee applauds the Department of being proactive in managing irregular, fruitless and wasteful expenditure over the past years and current. The Department has to continue reporting zero cases on the above-mentioned expenditure.
- 4.4 The Committee was concerned about the inability of government departments to submit reports due to the impact of Covid-19 pandemic. The Department was encouraged to ensure government departments submit quarterly reports as mandatory.
- 4.5 The Committee was updated about the salary adjustment for the public servants on the last leg on the implementation of agreement of 2018/19 to 2020/21 financial year. The National Treasury had informed organised labour unions that there's no money for salary adjustments in 2020/21 financial year. Furthermore, the Department indicated that in December 2020, Labour Union lost a case from the Labour Court to the employer (government). However, Organised Labour Unions filed an application to the Constitutional Court to appeal the verdict of the Labour Court. Therefore, government is still waiting for the Concourt to set up a date and hear arguments on the matter.
- 4.6 The Committee was pleased with the drafting of guidelines on conducting lifestyle audits in the public service. The Committee encouraged the Department to expedite this crucial process with the aim of rooting corruption in the public administration.
- 4.7 The Committee stressed the need for consequence management on the fruitless and wasteful expenditure on the implicated officials in the disciplinary processes.
- 4.8 The Committee was concerned with the failure of government departments in finalising disciplinary cases within the stipulated period of 90 days. The Committee advised the Department to name and shame departments unable to finalise disciplinary cases timeously in order to account.
- 4.9 The Committee was concerned about timelines of the Public Administration Management Act and Public Service Act amendments. The Department was urged to prioritise amendments of this legislation without delays.

- 4.10 The Centre for Public Service Innovation was advised to assist the Departments during the period of Covid 19 and come up with innovations which would assist the Department in providing better service delivery during this period.
- 4.11 The Committee was concerned with the high rate of vacancies at the CPSI and advised that these vacancies be filled.
- 4.12 The Committee was pleased about the E-leave Management System from Eastern Cape Province replicated at the CPSI as part assessing possible national-wide roll-out. The Committee views this as an effort towards digitizing government services and encourage the Centre to collaborate with the Department of Public Service and Administration to ensure manual leave application in the public service become a practice of the past.

**5. The Portfolio Committee recommends as follows:**

- 5.1 The House adopts and approve first and second quarter performance report for 2020/21 financial of the Budget Vote 10 of the Department of Public Service and Administration.

Report to be considered

### **3. Report of the Portfolio Committee on Public Service and Administration on consideration of the first and second quarter performance 2020/21 financial year for the budget vote 07 of the National School of Government, Dated 24 February 2021**

#### **1. BACKGROUND**

The Portfolio Committee on Public Service and Administration (hereinafter referred to as the Committee) having considered first and second quarter performance of 2020/21 financial year of National School of Government, reports as follows:

#### **2. INTRODUCTION**

Parliament through its Committees has a constitutional responsibility to oversee quarterly programme performance information of the departments and their entities in a specific financial year. The Money Bills Amendment and Related Matters Act (2009) describe the process of exercising this responsibility. The Act states that portfolio committees of parliament must conduct reviews of the finances of their respective departments and entities and if required, issue recommendations on the forward use of resources.

Programme performance information focuses on information that is collected by government departments in the course of fulfilling their mandates and implementing policies. Quarterly performance reports serve as a vital tool used by parliamentary committees to ensure accountability, transparency and oversight on how government resources are spent. Committees are expected to monitor both financial and non-financial performance of the departments. The Public Finance Management Regulations compel departments and their entities to prepare quarterly report within 30 days after the end of each quarter. Committees conduct oversight over performance reports to fulfil Parliament's oversight and accountability mandates as enshrined in the Constitution and under the rules established by the National Assembly.

On February 03, 2021, the Committee considered the first and second quarter performance of 2020/21 of the National School of Government. Performance information was in accordance with the Strategic Plan, Annual Performance Plan and Medium Term Strategic Framework 2019-2024. The report further provides an overview of the presentations made before the

Committee mainly focusing on the achievements, output in respect of the performance indicators and targets set for the above mentioned financial year. The report outlines the findings/observations of the Committee relating to the National School of Government performance.

### **3. LEGISLATIVE MANDATE**

Section 197 of the Constitution provides for a public service within public administration, which must function, and be structured, in terms of *national legislation*, and which must loyally execute the lawful policies of the government of the day. The NSG, as a national public service department, thus draws its mandate from national legislation – the Public Service Act, 1994 (Proclamation 103 of 1994), as amended. This is the core mandate which establishes the NSG for it to fulfil a function of providing training or causing the provision of training to occur within the public service. Accordingly, section 4 of the Act provides the following mandate:

- (1) There shall be a training institution listed as a national department (in Schedule 1 of the Act).
- (2) The management and administration of such institution shall be under the control of the Minister (Public Service and Administration).
- (3) Such institution, shall provide such training or cause such training to be provided or conduct such examinations or tests or cause such examinations or tests to be conducted as the Head of the institute may with the approval of the Minister decide or as may be prescribed as a qualification for the appointment or transfer of persons in or to the public service. The School may issue diplomas or certificates or cause diplomas or certificates to be issued to persons who have passed such examinations.

Whilst this piece of legislation empowers the NSG to fulfil its mandate, the limitation of the Public Service Act is that it is applicable to the national and provincial spheres of government. Another piece of enabling legislation - Public Administration Management Act, 2014 (Act No. 11 of 2014) - gives effect, *inter alia*, to the progressive realisation of the values and principles governing public administration across the three spheres of government.

### **4. STRATEGIC GOALS OF THE NSG**

The NSG strategy is aligned to the MTSF as well as the performance agreement of the MPSA and is able to contribute to all of the aforementioned outcomes through ETD interventions, for example the reduction of wasteful, fruitless and irregular expenditure in public sector institutions; the reduction in incidents of corruption in the public sector; socio-economic rights; and gender mainstreaming in public sector institutions. The NSG has, with a focus on social compact and engagement with citizens, developed and implemented ETD interventions in supporting the progressive realisation of socio-economic rights of communities. This programme aims to capacitate Community Development Workers (CDWs), facilitate participatory community engagement for Ward Councillors, and Traditional Leaders for socioeconomic development.

The NSG responds to outcome 3 (professional, meritocratic and ethical public administration), and its contribution will be measured by the following outputs:

- A compulsory in-service training framework that is approved by 2020 and 8 compulsory programmes rolled out by 2022.
- The recognition of professionals in the public sector by a professional body by 2023 (working in partnership with the Department of Public Service and Administration).

## **5. BUDGET AND PROGRAMME PERFORMANCE**

### **5.1 Budget Analysis**

The total budget allocated for the National School of Government was R227.4 million in 2020/21 financial year. The School has spent R99.9 million for both first and second quarter of 2020/21 financial year. Spending for six months is at 44% of the annual budget and 98% of the year-to-date budget. The underspending is mainly on compensation of employees (R1.2 million) and is due to vacancies and budgeted salary adjustments not yet implemented.

Training revenue has been affected by the lockdown resulting in face-to-face training being delayed and only self-learning taken up by our clients. During this time NSG started shifting courses to virtual and aggressively advertising online programmes. The cost recovery model continues to remain a challenge to the sustainability of the NSG. The School had previously reported that, through the assistance of the National Treasury an additional funding of R44.3 million from the Department of Public Works & Infrastructure was secured for the current financial year to assist the Trading Account. The allocation of R55.m for the period ensured that the NSG is able to meet its obligations for compensation of employees and running costs.

The National School of Government had in the first and second quarter paid all service providers within 30 days in all quarters. There were no cases of unauthorised expenditure, fruitless and wasteful expenditure and irregular expenditure in both quarters. The full reconfigured organisational structure of the NSG has been consulted extensively with the DPSA and is being submitted to the Minister for approval. Once approved, the NSG will consult with organised labour and follow a match and place process. In terms of employment equity, the NSG has fair representation of gender; females (57.5%), female SMS (55.8%), youth (24.1%) and PWD (2,8%)

### Budget allocation and expenditure

	Annual Budget 2020/21	Adjusted Annual Budget 2020/21	April to Sept Pro-rata budget 2020/21	April to Sept Actual Expenditure 2020/21	April to Sept Variance budget compared to actual (over)/under	April to Sept Expenditure as % of pro-rata budget
	R'000	R'000	R'000	R'000	R'000	%
Administration	112,925	90,944	47,321	44,964	2,357	95%
Public Sector Organisational and	93,703	136,498	55,010	55,010	-	100%
<b>Total Vote Expenditure</b>	<b>206,628</b>	<b>227,442</b>	<b>102,331</b>	<b>99,974</b>	<b>2,357</b>	<b>98%</b>
	Annual Budget 2020/21	Adjusted Annual Budget 2020/21	April to Sept Pro-rata budget 2020/21	April to Sept Actual Expenditure 2020/21	April to Sept Variance budget compared to actual (over)/under	April to Sept Expenditure as % of pro-rata budget
	R'000	R'000	R'000	R'000	R'000	%
Compensation of Employees	62,420	58,644	29,302	28,041	1,261	96%
Goods and services	47,073	28,868	16,337	15,864	473	97%
Payments for capital assets	3,432	3,432	1,682	1,059	623	63%
Transfer to Trading Entity	93,703	136,498	55,010	55,010	-	100%
<b>Total Vote Expenditure</b>	<b>206,628</b>	<b>227,442</b>	<b>102,331</b>	<b>99,974</b>	<b>2,357</b>	<b>98%</b>
Donor Funding (EU Project)	11,391	11,391	1,331	1,331	0	100%
<b>Total Expenditure</b>	<b>218,019</b>	<b>238,833</b>	<b>103,662</b>	<b>101,305</b>	<b>2,357</b>	<b>98%</b>

#### (a) Programme 1: Administration

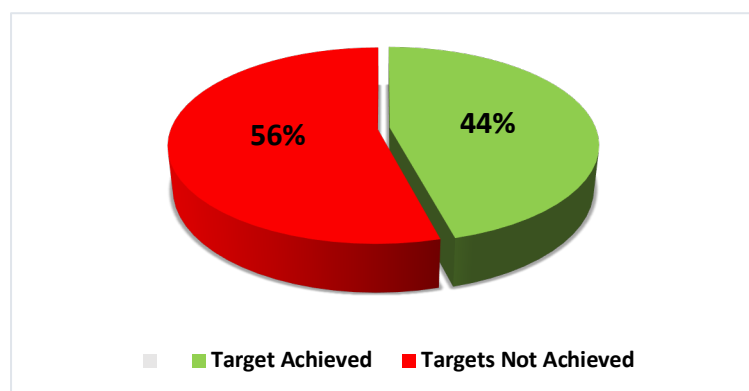
The purpose of the Administration Programme (Programme 1) is to facilitate overall management of the School and provides for responsibilities of the Principal, Branch Heads and other members of management. These responsibilities include providing centralised administrative, legal and office support service, human resource and financial management, communication, special projects, international relations, and internal controls and oversight.

The School had 10 planned targets under programme 1 in 2020/21 financial year. Of total targets, the School achieved six target and three not achieved.

#### (b) Programme 2: Public Sector Organisational and Staff Development

The Public Sector Organisational and Staff Development Programme (Programme 2) is responsible for facilitating transfer payments to the Training Trading Account for management development and training of public sector employees.

The School had in two quarters trained 3 755 against an annual target of 31 305 representing 12% annual achievement. By the end of the second quarter, of the 23 Annual Performance Plan targets set for the quarter, 10 targets were achieved as planned. The targets under this programme were impacted by the advent of Covid-19 pandemic.



## 6. FINDINGS AND OBSERVATIONS

The Portfolio Committee made the following observations and findings:

- 6.1 The Committee notes and welcomed the first and second quarter performance of 2020/21 financial year for the National School of Government. The Committee welcomed the report that the School had not incurred any irregular, unauthorised, fruitless and wasteful expenditure in both quarters.
- 6.2 The Committee welcomed progress made thus far regarding the online Pre-Entry Programme for Senior Management Service, which went live on 15 July 2019, continues to be rolled out. Since the start of the financial year, a total of 5819 learners enrolled for the Programme, with 1883 learners successfully completing. The School was encouraged to market this training programmes to all South African aspiring to join the public service in future years.
- 6.3 The Committee encouraged NSG to invest its infrastructure on the virtual and online training programmes in order to empower public servants with necessary training and

development. The NSG online training programmes should be inclusivity to all public servants irrespective whether officials has laptop and data.

- 6.4 The Committee notes the reduction in Compensation of Employees budget, which place significant strain on the NSG, particularly in light of our expanded mandate to provide education, training and development. Furthermore, key posts in the Vote (Chief Director: Corporate Services and Director: Legal Services) cannot be filled.
- 6.5 The Committee was pleased that the Department of Public Service and Administration and National Treasury as well as the School had secured additional funding of R44.3 million from the Department of Public Works & Infrastructure for the current financial year to assist the Trading Account since the programme is funded through collection of funds of training offered and charged.
- 6.6 The Committee was concerned to establish that the School had experienced cybersecurity issues where their system was hacked. The School was advised to collaborate with other departments which have an exceptional cybersecurity system such as Defence Intelligence Services to assist and beef up its security.
- 6.7 The Committee applauds the School for the mandatory courses for all public servants in the public service. The School was encouraged to consider rolling-out mandatory courses to the local government municipalities.
- 6.8 The Committee encouraged NSG to fill the vacancies at the School, implement salary adjustments and finalize the organisational structure of the school.

**6. The Portfolio Committee recommends as follows:**

- 6.1 The House adopts and approve first and second quarter performance report of the Budget Vote 07 of the National School of Government.

Report to be considered



#### **4. Report of the Portfolio Committee Public Service and Administration on consideration of the first and second quarter performance of 2020/21 financial year for the Budget Vote 9 of the Department of Planning, Monitoring and Evaluation and Brand South Africa, Dated 24 February 2021**

##### **1. BACKGROUND**

The Portfolio Committee on Public Service and Administration (hereinafter referred to as the Committee) having considered first and second quarter performance of 2020/21 financial year of the Department of Planning, Monitoring and Evaluation and Brand South Africa, reports as follows:

##### **2. INTRODUCTION**

Parliament through its Committees has a constitutional responsibility to oversee quarterly programme performance information of the departments and entities. The Money Bills Amendment and Related Matters Act (2009) describe the process of exercising this responsibility. The Act states that portfolio committees of parliament must conduct reviews of the finances of their respective departments and entities and if required, issue recommendations on the forward use of resources.

Programme performance information focuses on information that is collected by government departments in the course of fulfilling their mandates and implementing policies. Quarterly performance reports serve as a vital tool to ensure accountability, transparency and oversight on how government resources are spent. Committees are expected to monitor both financial and non-financial performance of the departments. The Public Finance Management Regulations compel departments and their entities to prepare quarterly reports within 30 days after the end of each quarter. Committees conduct oversight over performance reports to fulfil Parliament's oversight and accountability mandates as enshrined in the Constitution and under the rules established by the National Assembly.

On February 10, 2021, the Committee considered first and second quarter performance of 2020/21 of the Department of Planning Monitoring and Evaluation and Brand South Africa. Performance information was in accordance with the Strategic Plans, Annual Performance

Plans and Medium Term Strategic Framework. The report provides an overview of the presentations made before the Committee mainly focusing on the achievements, output in respect of the performance indicators and targets set for above-mentioned financial year. The report outlines the findings/observations of the Committee relating to the Department and BSA's performance.

### 3. PROGRAMME PERFORMANCE

#### Department of Planning, Monitoring and Evaluation

##### 3.1 Budget Allocation and Expenditure

<b>Per Programme</b>	<b>ENE Budget R'000</b>	<b>Q1-Q2 Expenditure R'000</b>	<b>Variance Expenditure R'000</b>	<b>Budget Spent %</b>
Administration	158,245	66,607	91,638	42%
National Planning Coordination	65,114	31,285	33,829	48%
Sector Monitoring	59,447	28,283	31,164	48%
Public Sector Mon.& Capacity Dev.	81,486	29,725	51,761	36%
Evidence and Knowledge Systems	35,486	14,064	21,618	39%
<b>Total</b>	<b>399,974</b>	<b>169,964</b>	<b>230,010</b>	<b>42%</b>
<b>Per Economic Classification</b>	<b>ENE Budget R'000</b>	<b>Q1-Q2 Expenditure R'000</b>	<b>Variance Expenditure R'000</b>	<b>Budget Spent %</b>
Compensation	297,397	143,238	154,159	48%
Goods & Services	99,024	23,583	75,441	24%
Transfers & Subsidies	312	312	-	100%
Capital	3,237	2,827	410	87%
Payments for Fin assets	4	4	-	100%
<b>Total</b>	<b>399,974</b>	<b>169,964</b>	<b>230,010</b>	<b>42%</b>

**(a) Programme 1: Administration**

The main objective of the programme is to provide strategic leadership, management, administrative, financial and human resource services to enable the Department to achieve its strategic and operational goals. The programme's objective is to co-ordinate planning, monitoring and reporting on the implementation of the Departmental plans, to promote internal and external communication on the work of the department, to achieve an unqualified audit opinion on financial statements, to hire, develop and retain the right people in the right positions for the department throughout the planning period, to successfully implement and realise benefits from ICT solutions in doing the work of the department and to promote good corporate governance practices and management.

Programme 1 had 12 predetermined targets in the first quarter 2020/21 financial year. Of total targets, 9 were achieved and 3 targets were not achieved.

In the second quarter 2020/21 financial year, the Department had 10 predetermined targets, 7 targets were achieved and 3 targets were not achieved.

**(b) Programme 2: National Planning Coordination**

The main purpose of this programme is to advance the strategic priorities of the department by developing and implementing the outcomes system, monitoring and reporting on its progress, and evaluating its impact. The main objectives are to ensure effective outcomes planning, monitoring and evaluation through facilitating the development of plans of the Delivery Agreements for priority outcomes with government departments, monitor and evaluate the implementation of the Delivery Agreements and making recommendations for corrective action on an ongoing basis. In addition, the Department aims to provide advice and technical support to the Presidency, establish and support an effective national evaluation system to inform the government's work on a continuous basis.

Programme 2 (A) responsible for the National Planning Commission had four predetermined targets in the first and second quarter 2020/21 financial year and all targets were achieved.

Programme 2 (B) responsible for the National Planning Coordination had 7 predetermined targets during first quarter 2020/21 financial year, 4 were achieved and 3 targets were not

achieved. In the second quarter 2020/21 financial year, the Department had 4 targets planned and 2 were achieved and 2 targets were not achieved.

**(c) Programme 3: Sector monitoring**

The programme is responsible for promoting good M&E practices in government, conducting management performance assessment and support, frontline service delivery monitoring and support and government-wide planning and M&E capacity development and learning. The branch will also be responsible for the proposed Regional Offices. Whereas the OME Branch's focus is on the management of the outcomes system and the achievement of government's priorities, the focus of the IPM&E branch is on what can be done to make the organisation function better.

Programme 3 had 3 predetermined targets in the first quarter 2020/21 financial year, 2 targets were achieved and 1 target was not achieved. In the second quarter 2020/21 financial year, the Department had 3 planned targets and all the targets were achieved.

**(d) Programme 4: Public Sector Monitoring and Capacity Development**

The purpose of this programme is to develop the country's long-term vision and national strategic plans and contribute towards better outcomes in government through better planning, better long term plans, greater policy coherence and a clear articulation of long term aspiration. The main responsibilities of the programme is to institutionalise and strengthen planning in government by facilitating the development of sectoral plans, ensuring coherence between plans, policies and service delivery across government, ensuring high-level priorities are fed through into plans across all spheres of government and engaging stakeholders on the output of the planning process to ensure buy-in.

Programme 4 had 5 predetermined targets in the first quarter 2020/21 financial year, 2 targets were achieved and 3 targets were not achieved. In the second quarter 2020/21 financial year, the Department had 5 targets planned and 4 were achieved and 1 target was not achieved.

**(e) Programme 6: Evaluate, Evidence and Knowledge Systems**

The purpose of the programme is to coordinate and support the generation, collation, accessibility and timely use of quality evidence to support performance monitoring and

evaluation across government coordinate and support the generation, collation, access and timely use of quality evidence to support PM&E across government.

Programme 5 had 1 predetermined target in the first quarter 2020/21 financial year and it was achieved. In the second quarter 2020/21 financial year, the Department achieved all 2 predetermined targets.

#### 4. BRAND SOUTH AFRICA

Brand SAs purpose is to develop and implement a proactive and coordinated international marketing and communications strategy for South Africa; to contribute to job creation and poverty reduction; and to attract inward investment, trade and tourism.

BSA aims to make an indirect contribution to economic growth, job creation, poverty alleviation and social cohesion by encouraging local and foreign investment, tourism and trade through the promotion of Brand South Africa. BSA develops and implements a proactive and coordinated international marketing and communications strategy for South Africa to contribute to job creation and poverty reduction, and to attract inward investment, trade and tourism.

##### 4.1 PROGRAMME PERFORMANCE

##### 4.2 Budget allocation and expenditure

##### First Quarter 2020/2021

PROGRAMME	YTD Q1 BUDGET	YTD Q1 ACTUAL	YTD Q1 VARIANCE	YTD Q1 VARIANCE %	VARIANCE EXPLANATION
Brand Marketing	30,718,205	16,429,803	14,288,402	47%	Postponement of events
Stakeholder Relations	2,365,000	1,206,809	1,158,191	49%	Postponement of events
Administration	31,735,995	26,027,727	5,708,268	18%	Delay in COLA 2020/2021 payments and filling of vacancies
<b>TOTAL</b>	<b>64,819,200</b>	<b>43,664,339</b>	<b>21,154,861</b>	<b>33%</b>	

## Second Quarter 2020/2021

PROGRAMME	YTD Q2 BUDGET	YTD Q2 ACTUAL	YTD Q2 VARIANCE	YTD Q2 VARIANCE %	VARIANCE EXPLANATION
BRAND MARKETING	49,937,412	41,681,907	8,255,505	17%	Due to the timing difference of the marketing activations to the next quarters
STAKEHOLDER RELATIONS	62,194,588	41,772,012	20,422,577	33%	Due to the postponement Brics Summit, WEF, Civil Society Projects and Constitutional Awareness
ADMINISTRATION	6,703,000	2,691,035	4,011,965	60%	Delay in COLA of employees, filling of vacancies, postponement of the audit, consulting and professional fees
TOTAL	118,835,000	86,144,954	32,690,046	28%	

### (a) Programme 1: Administration

The programme seeks to provide management and leadership to develop standardised format of guidelines and templates to strengthen the means of verification and collecting and reporting on performance information.

Programme 1 had 15 predetermined targets in the first quarter of 2020/21 financial year, 12 targets were achieved and 3 targets were not achieved. In the second quarter of 2020/21 financial year, program 1 had 12 predetermined targets, 9 targets were achieved and 3 were targets were not achieved.

### (b) Programme 2: Brand, Marketing & Reputation Management

The programme seeks to develop and articulate a Nation Brand identity that will advance South Africa's long-term reputation and global competitiveness. This includes a focus to research and monitor sentiment and performance of the National Brand to analyse trends and provide insights to inform decision making and communication and then to both proactively and reactively communicate the country's value proposition, values and highlight progress being made.

Programme 2 had 18 predetermined targets in the first quarter 2020/21 financial year, 17 targets were achieved and 1 target was not achieved. In the second quarter 2020/21 financial year,

Department had 17 predetermined targets, 14 targets were achieved and 3 target were not achieved.

### **(c) Programme 3: Stakeholder Relations**

The programme seeks to build and leverage collaborative partnership, to participate, to integrate and coordinate efforts and approaches to market the Nation Brand identity and promote the Nation's value proposition and to interface meaningfully with stakeholders who drive or influence the Nation Brand and its reputation.

Programme 3 had 9 predetermined targets in the first quarter 2020/21 financial year, 7 targets were achieved and 2 targets were not achieved. In the third quarter 2020/21 financial year, Department had 7 predetermined targets, 5 targets were achieved and 2 target were not achieved.

## **5. FINDINGS AND OBSERVATIONS**

The Portfolio Committee made the following observations and findings:

- 5.1 The Committee notes and welcomed the Department of Planning, Monitoring and Evaluation and Brand South Africa first and second quarter performance of 2020/21 financial year.
- 5.2 The Committee encouraged the Department to find better ways in achieving their targets despite challenges experienced as a result of Covid-19 and adapt to the new normal in conducting its business.
- 5.3 The Department was commended on the reduction of the vacancy rate and appointment of three females as Deputy-Directors General. The Committee encouraged the Department to continue filling up the vacancies and create opportunities for persons living with disabilities in senior management levels.

- 5.4 The Committee welcomed the announcement that the President has signed performance contracts with the Ministers and uploaded them on the government website for all South African to have access to.
- 5.5 The Committee commends the Department for paying invoices within 10 days and encouraged to share their strategy of paying invoices in time with other struggling government departments.
- 5.6 The Committee was concerned with the removal of certain targets in the annual performance plans due to budget adjustment and the impact this could cause in relations to service delivery.
- 5.7 The Committee notes the disruption of Covid-19 on the work of the Department in resolving cases received on the Presidential Hotline. Furthermore, Members encouraged the Department to develop an infrastructure that would assist employees working from home on the Presidential Hotline to continue to speedily resolve cases received.
- 5.8 The Committee encouraged the Department to continue to monitor and evaluate the implementation of the NDP by the government departments, as it is one of its important mandate. Furthermore, the Department was urged to provide the Committee with the report on the monitoring of the implementation of the NDP.
- 5.9 The Committee urged the Department and Brand South Africa to monitor their finances to prevent irregular, unauthorised and fruitful wasteful expenditure particularly on the procurement of personal protective equipments.
- 5.10 The Committee encouraged Brand South Africa to fill vacancies and prioritise persons living with disabilities for employment since there is no single employee with disability in the organisation.
- 5.11 The Committee urged Brand South Africa to be easily accessible to ordinary people in communities for collaborations that would promote Brand South Africa locally.



- 5.12 The Committee commends Brand South Africa for having a strategic risk register that assists the entity to plan better for the improvement plans.
- 5.13 The Committee was concerned with South Africa as a brand and the impact of Covid-19 pandemic and corruption it has had to the country in the international community.
- 5.14 The Committee encouraged Brand South Africa to have a retention strategy to retain its skilled employees, manage the vacancy rate and attract quality personnel with the skills needed to execute its mandate.
- 5.15 The Committee commends Brand South Africa for swiftly concluding on the case of former CEO as the contract expired in June 2020. Furthermore, the Committee urged Board of Brand South Africa to swiftly fill the CEO position.
- 5.16 The Committee urged the Board of Brand South Africa and the Minister of the DPME to move with speed in deciding the outcome on whether to merge Brand South Africa with Government Communication Information System.
- 5.17 The Committee advised Brand South Africa to improve all matter of emphasis highlighted by the Auditor General South Africa concerns on audit outcomes.

**6. The Portfolio Committee recommends as follows:**

- 6.1 The House adopts and approve first and second performance report of 2020/21 financial year of the Budget Vote 9 of the Department of Planning, Monitoring and Evaluation.

Report to be considered

## **5. Report of the Portfolio Committee Public Service and Administration on consideration of the first and second quarter performance 2020/21 for the Budget Vote 12 of the Statistics South Africa, Dated 24 February 2021**

### **1. BACKGROUND**

The Portfolio Committee on Public Service and Administration (hereinafter referred to as the Committee) having considered first and second quarter performance of 2020/21 financial year of Statistics South Africa, reports as follows:

### **2. INTRODUCTION**

Parliament through its Committees has a constitutional responsibility to oversee quarterly programme performance information of the departments and its entities throughout financial year. The Money Bills Amendment and Related Matters Act (2009) describe the process of exercising this responsibility. The Act states that portfolio committees of parliament must conduct reviews of the finances of their respective departments and entities and if required, issue recommendations on the forward use of resources.

Programme performance information focuses on information that is collected by government departments in the course of fulfilling their mandates and implementing policies. Quarterly performance reports serve as a vital tool used by parliamentary committees to ensure accountability, transparency and oversight on how government resources are spent. Committees are expected to monitor both financial and non-financial performance of the departments. The Public Finance Management Regulations compel departments and their entities to prepare quarterly report within 30 days after the end of each quarter. Committees conduct oversight over performance reports to fulfil Parliament's oversight and accountability mandates as enshrined in the Constitution and under the rules established by the National Assembly.

On February 10, 2021, the Committee considered first and second quarter performance of 2020/21 financial year of Stats SA. Performance information was in accordance with their Strategic Plan, Annual Performance Plan and Medium Term Strategic Framework. The report provides an overview of the presentation made before the Committee primarily focusing on the achievements, output in respect of the performance indicators and targets set for above-

mentioned financial year. The report outlines the findings/observations of the Committee relating to the quarterly financial and non-financial performance of Statistics South Africa.

### **3. PROGRAMME PERFORMANCE**

#### **3.1 Budget allocation**

Stats SA's adjusted baseline allocation for the 2020/21 financial year is R3,252 billion. Of the baseline allocation, R1,611 billion is allocated for compensation of employees (CoE) representing 49,5%; R1,326 billion is for goods and services representing 40,8%; R314,238 million for payments of capital assets representing 9,7%; and R526 thousand which is less than 0,1% of the total adjusted budget is allocated for payments of transfers and subsidies. An amount of R200 million was surrendered during the 2020 Special Adjustment Estimates of National Expenditure process. The funds surrendered include R33 million from the operational budget, R150 million which was earmarked for the Income and Expenditure Survey (Poverty Survey) and R17 million which was reprioritized within the baseline for the ISIC 4 project. The Income and Expenditure Survey (Poverty Survey) and ISIC 4 project were suspended mainly as a result of the COVID-19 pandemic.

The department's actual spending as at 30 June 2020 amounted to R487,132 million, representing 15,0% of the baseline allocation. The available budget, excluding commitments, amounted to R2,765 billion. The spending as at 30 September 2020 amounted to R1,104 billion, representing 34,0% of the baseline allocation. The available budget, excluding commitments, amounts to R2,149 billion. The department received additional funds amounting to R45 million for CoE in the 2020/21 financial year to cater for the CoE shortfall on filled positions and for the filling of critical vacant positions.

Within the Statistical Operations and Provincial Coordination programme, there is earmarked funding for Census 2021 amounting to R854.9 million. As at the end of the second quarter, Census2021 spent R58.6 million representing 7 per cent of the earmarked allocation. Spending is expected to increase in the coming reporting periods as a multimodal approach of data collection had to be explored on account of the impact of COVID-19 pandemic.

#### **Table 1: Budget per programme**

<b>Programme R'000</b>	<b>Adjusted budget</b>	<b>Actual Expenditure</b>	<b>Available budget</b>	<b>% spent</b>
1. Administration	663 279	329 018	334 261	49.6%
2. Economic Statistics	282 145	127 414	154 731	45.2%
3. Population and Social Statistics	124 166	59 104	65 062	47.6%
4. Methodology, Standard and Research	143 773	62 932	80 841	43.8%
5. Statistical Support and Informatics	281 547	98 778	182 769	35.1%
6. Statistical Collection and Outreach	1 713.9	416 073	1 297.8	24.3%
7. Survey African National Statistics System	43 319	10 224	33 095	23.6%
<b>Total</b>	<b>2 252 173</b>	<b>1 103 543</b>	<b>2 148 630</b>	<b>33.9%</b>

#### **(a) Programme 1: Administration**

The purpose of the programme is to manage the department and provide centralised support services and capacity building. It coordinates statistical production among organs of state in line with the purpose of official statistics and statistical principles. The programme contributes to two strategic objectives: leading the development and coordination of statistical in the South African National Statistics System (SANSS) and improving productivity and service delivery.

Programme 1, there were no targets scheduled for quarter 1 and 100% of targets scheduled for quarter 2 were achieved in 2020/21 financial year.

#### **(b) Programme 2: Economic Statistics**

The Economics Statistics programme produces economic statistics to inform evidence-based economic development and transformation in line with internationally recognised practices. Programme Management for Economic Statistics provides strategic direction and leadership.

Programme 2 had during first quarter 2020/21 financial year, achieved 69, 6% of quarterly targets and 30,4% has been delayed. In the second quarter 2020/2021 financial year, programme 2 had 100% of targets scheduled for achieved.

### **(c) Programme 3: Population and Social Statistics**

The purpose of the programme is to produce population, demographic, labour market and social statistics to meet user requirements in line with internationally recognised practices. Population and social statistics inform evidence-based socio-economic development and transformation in line with internationally recognised practices. Programme 3 contributes to strategic objectives in an effort to expand the statistical information base by increasing its depth, breadth and geographic spread for evidence-based planning, monitoring and decision-making for the use by both the public and private sector.

Programme 3 had as scheduled during first quarter 2020/21 financial year; 44,4% of quarterly targets achieved and 55,6% had been delayed. In the second quarter 2020/21 financial year, programme 3 has achieved 62,5% of quarterly targets and 36,5% were delayed..

### **(d) Programme 4: Methodology, Standards and Research**

The purpose of the programme is to set standards, statistical frames, methodologies and conduct statistical research. The main objective of the programme is to improve the quality and methodological soundness of statistical information by researching, developing, reviewing and applying statistical methods, standards, classification and procedures in the statistical value chain annually. The programme further monitors and evaluates the methodological compliance of statistical operations by conducting independent evaluations on statistical practices annually. In addition, it ensures complete and accurate sampling frames to enhance the quality of economic and social statistics by maintaining and updating frames for business and geographic information annually.

Programme 4, there were no targets scheduled for first and second quarter 2020/21 financial year.

### **(e) Programme 5: Statistical Support and Informatics**

This programme aims to enable service delivery programmes by using technology in the production and use of official statistics. The main objective is to modernise business processes by building enterprise architecture and applying emerging technologies for data collection, processing and the dissemination of statistical information over the medium term. The programme further aims to enable the Department's production of official statistics by

providing a technology infrastructure that is reliable, sustainable and cost effective over the medium term.

Programme 5, there were no targets scheduled for first and second quarter 2020/21 financial year.

**(f) Programme 6: Statistical Operations and provincial Coordination**

The purpose of the programme is to collect and process data and interact with stakeholders and users at provincial and local levels to inform policy implementation and support decision-making through statistical information. Engaging stakeholders through platforms and provide effective communication services is also a function of the programme. The main objective is to provide integrated data collection services, and disseminate quality statistics to provincial and local stakeholders and the public by ensuring an average response rate of 85 per cent annually. Expanding the statistical information base for use by government, the private sector and the public by conducting a population census every 10 years, and large-scale population surveys every 5 years between censuses, remains the focus.

Programme 6, there were no targets scheduled for first and second quarter 2020/21 financial year.

**(g) Programme 7: South African National Statistics System**

The purpose of the programme is to develop and coordinate the national system in South Africa. The objective of the programme is to ensure that national statistics are produced based on common statistical standards and principles by providing statistical support and advice on an ongoing basis, and annually certifying statistics as official. It also manages the distribution of statistical information by establishing and providing mechanisms, platforms and criteria for sharing data annually. The programme drives statistical reporting by coordinating the compilation of statistical reports in line with the integrated indicator framework annually.

Programme 7, there were no targets scheduled for first and second quarter 2020/21 financial year.

#### **4. FINDINGS AND OBSERVATIONS**

The Portfolio Committee made the following observations and findings:

- 4.1 The Committee notes and welcomed first and second quarter performance of 2020/21 financial year of Statistics South Africa. The Committee notes the impact of COVID-19 on the performance of Stats SA as most of the work requires field work for data collection and capacity constraints.
- 4.2 The Committee continued to raise concerns of the high vacancy rate of Stats SA as a result of budget cuts and high turnover due to inability to retain staff as well as lack of prospects for promotion in the department. Stats SA continues to lose critical skills with plethora of experience particular in Programme 7 South African National Statistics System.
- 4.3 The Committee advised the Department to speedily fill all critical posts with additional budget of R45 million the National Treasury funds allocated for compensation of employees during the 2020/21 financial year.
- 4.4 The Committee stressed the long-standing issue of the budget shortfall of Statistics South Africa and its ability to execute its function well in producing statistics for the Country. The Statistician-General assured the Committee that Stats SA will continue to produce basic statistics for the country, even confronted by budget shortfalls and a worldwide pandemic. The Committee reiterated the importance of the National Treasury in briefing the Committee on the budget cuts of Statistics South Africa.
- 4.5 The Committee encouraged Statistics South Africa to formulate a plan and achieve the delayed quarterly targets before the end of the financial year.
- 4.6 The Committee urges Stats SA to provide detailed spending on the procurement of the Personal Protective Equipments bought for employees.

**The Portfolio Committee recommends as follows:**

- 5.1 That the House adopts and approve first and second quarter performance report for 2020/21 financial year of the Budget Vote 12 of Statistics South Africa

Report to be considered

## **1. Report of the Select Committee on Security and Justice on the Electoral Laws Amendment Bill [B 22B – 2020] (National Assembly – sec 75), dated 24 February 2021:**

The Select Committee on Security and Justice, having deliberated on and considered the subject of the **Electoral Laws Amendment Bill [B 22B – 2020] (National Assembly – sec 75)**, referred to it on 3 December 2020 and classified by the JTM as a section 75 Bill, reports that it has agreed to the Bill with proposed amendments (see Annexure A) and reports as follows:

### **1. Background**

#### **1.1 The Electoral Laws Amendment Bill, 2020 (the Bill), aims to amend:**

The Electoral Commission Act, 1996, so as to insert certain definitions; to streamline the provisions for the registration of political parties; to provide for the registration of parties in respect of particular provinces, district and metropolitan municipalities and to repeal provisions relating to registration of parties in respect of particular local municipalities; to repeal obsolete provisions.

The Electoral Act, 1998, so as to insert certain definitions; to delete the provisions regarding public access to the voters' roll; to update references to repealed legislation; to amend provisions allowing voters to vote in a voting district where they are not registered; to amend provisions relating to the submission of lists of candidates; to amend provisions relating to special votes in elections for the National Assembly; to amend provisions relating to the procedure concerning provisional results and voting materials; to provide for the limited applicability of the Code; to amend Schedule 3.

Local Government: Municipal Electoral Act, 2000, so as to insert and delete certain definitions; to amend the requirements for parties contesting elections by way of party lists and for a ward candidate to contest elections; to authorise the Commission to prescribe a different voting procedure for those voters whose names appear on the voters' roll, without addresses; to amend provisions relating to the effect of certain irregularities, and to provide for matters connected therewith



### **1.2 The main objectives of the Bill are to:**

- enhance the existing legislative mechanisms that ensure free and fair elections, in accordance with the Constitution of the Republic of South Africa, 1996;
- provide legislative authorization for innovations in electoral practices in keeping with best practice to improve the Commission’s efficiency in managing elections; and
- align the Electoral Act with the provisions of the Protection of Personal Information Act, 2013 (Act No. 4 of 2013) regarding the protection of the personal information of voters.

## **2. Public participation process and Committee deliberations on the Electoral Laws Amendment Bill [B 22B – 2020] (National Assembly – sec 75)**

The Electoral Laws Amendment Bill [B 22B – 2020] was referred by the National Council of Provinces to the Select Committee on Security and Justice on 03 December 2020 for consideration and report.

On 08 December 2020, the Independent Electoral Commission of South Africa briefed the Committee on the Bill.

The Bill was advertised in all 11 official languages in both National and Regional newspapers from 14 January to 29 January 2021. In response to the call for public comments, the Committee received 1 550 individual submissions via the Dear South Africa website and 5 submissions from other stakeholders. The main issues that were raised was concerning clauses 8, 9, 13, 14, and 20 of the Bill.

### **2.1 The list of the stakeholders that made the submissions were as follows:**

- Patriotic Movement SA;
- City of Cape Town Metropolitan Municipality;
- AmaBhungane Center for Investigative Journalism;
- 70s Group;
- Mr. Wolhuter; and
- 1550 individual submissions via the Dear South Africa website.

### **2.2 Committee Deliberations**

On 17 February 2021, the IEC responded to the summary of submissions, having received advice from the Information Regulator of South Africa to ensure that the Bill was in line with the provisions of the Protection of Personal Information Act, 2013 (Act No. 4 of 2013) regarding the protection of the personal information of voters. The IEC tabled proposed amendments on the Bill. The Committee agreed to the proposed amendments emanating from the written submissions.

On 24 February 2021, the Committee further deliberated and considered the proposed amendments on the Bill and after clause by clause deliberations were conducted, the Bill was finalised.

### **3. Consensus on the Bill**

The Select Committee considered the proposed amended clauses as presented by the Parliamentary Legal Advisor with the Department confirming its agreement with the proposed amendments.

The Chairperson put the Bill for consideration: The Bill was supported by the majority of members with the Democratic Alliance not in support. The Inkatha Freedom Party member abstained from voting.

The Democratic Alliance requested that it be noted in the report that they have a dissenting view on the Bill.

### **4. Recommendation**

The Select Committee on Security and Justice, having considered the **Electoral Laws Amendment Bill [B 22B – 2020] (National Assembly – sec 75)**, referred to it and classified by the JTM as a section 75 Bill, reports the Bill, namely the Electoral Laws Amendment Bill [B 22B – 2020] (National Assembly – sec 75) with the proposed amendments for the Council's consideration.

**Report to be considered.**

**Electoral Laws Amendment Bill [B 22B—2020]**

8. Section 16 of the Electoral Act, 1998 (Act No. 73 of 1998), is hereby amended—

(a) by the substitution for subsection (2) of the following subsection:

“(2) The chief electoral officer must provide a certified copy of, or extract from, a segment of the voters’ roll as it exists at that time, to any person who has paid the prescribed fee[.], if the chief electoral officer is satisfied that—

(a) the person requires that information—

(i) to monitor the voters’ roll for election purposes;

(ii) for statistical or research purposes; or

(iii) any other purpose that is prescribed; and

(b) providing that information would not involve the unlawful processing of personal information in terms of the Protection of Personal Information Act, 2013 (Act No. 4 of 2013).”;

(b) by the insertion after subsection (2) of the following subsection:

“(2A) Any person who uses the information obtained under subsection (2), for a purpose other than that specified in that subsection is guilty of an offence and liable on conviction to a fine or imprisonment for a period not exceeding one year or to both a fine and such imprisonment.”

(c) by the substitution for subsection (3) of the following subsection:

“(3) Notwithstanding subsection (2), the chief electoral officer must, on payment of the prescribed fee, provide copies of the voters’ roll, or a segment thereof, which includes the addresses of voters, where such addresses are available, to **[all] a registered [political parties] party and an independent candidate** contesting the elections.”

(d) by the substitution for subsection (4) of the following subsection:

“(4) **[The voters’ roll with addresses referred to in]** The information obtained in terms of subsection (3) may only be used by [political parties] a registered party and an independent candidate for election purposes and [anyone] any person using such information for other purposes is guilty of an offence and liable on conviction to a fine or imprisonment for a period not exceeding one year or to both a fine and such imprisonment.”

(e) by the insertion after subsection (4) of the following subsection:

“(5) For the purposes of subsection (2) and (3), the chief electoral officer may only provide the digits of the identity numbers of voters, which indicate the voters’ date of birth and citizenship, except where the person who requires the information satisfies the chief electoral officer that—

(a) exceptional circumstances require that additional digits of the voters' identity number be 44 disclosed; and

(b) providing that information would not involve the unlawful processing of personal information in terms of the Protection of Personal Information Act, 2013 (Act No. 4 of 2013)."

20. Section 47 of the Local Government: Municipal Electoral Act, 2000, is hereby amended by the insertion after subsection (6) of the following subsections:

“(7) The Commission may prescribe a different voting procedure, which must accord with the provisions of this section, for those voters whose names appear on the voters' roll, without addresses: Provided that if such voter's place of ordinary residence is located outside the relevant—

(a) ward on whose segment of the voters' roll that voter's name appears, the voter concerned may not vote in the ward election contemplated in section 22(1)(b) of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);

(b) local or metropolitan municipality on whose segment of the voters' roll that voter's name appears, the voter concerned may not vote in the election contemplated in section 22(1)(a) or the ward election contemplated in section 22(1)(b) of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);

(c) district municipality on whose segment of the voters' roll that voter's name appears, the voter concerned may not vote in the election for members of the district council contemplated in section 23(1)(a) of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998)."