OVERVIEW OF PRESENTATION

1. Key message

2. The Public Service Commission and its place in the governance landscape

3. Evidence from the State of the Public Service Barometer

4. Becoming a developmental state: initial thoughts on challenges to be overcome.
1. Key message
KEY MESSAGE

• The South African public service needs strengthening and its performance needs to improve for it to play the role envisaged in the National Development Plan.
• Implementation of managerial and supervisory systems (especially in the areas of Human Resource and Financial Management) is of serious concern. Institutional arrangements, capacity issues and political dynamics impact on the ability of government to achieve its objectives.
• Key challenges are to:
  1. Prioritise the public good
  2. Strive for excellence
  3. Learn by thinking and doing
  4. Use human resources effectively
• Innovation and compliance are both needed if things are to be done differently and better.
2. The Public Service Commission and its place in the governance landscape
The Public Service Commission (PSC)—
- is established in terms of the Constitution;
- promotes and maintains effective and efficient public administration with a high standard of professional ethics;

The PSC proposes measures to ensure effective and efficient performance within the public service.

It provides an evaluation of the extent to which the values and principles set out in section 195 are complied with.

It may also issue directions regarding compliance with personnel procedures relating to recruitment, transfers, promotions and dismissals.
THE PSC’S RELATIONSHIP WITH GOVERNMENT (1)

**PARLIAMENT**

- The PSC is accountable to the National Assembly and interacts with Parliament and Provincial Legislatures regularly, reporting on its activities and the performance of its functions.
- The PSC conducts evidence-based research, monitoring and evaluation involving the gathering and collation of qualitative and quantitative data on public administration for use by the Legislatures and the Executive.

**EXECUTIVE**

- The PSC has developed a complex and unique relationship with the Executive compared with other Institutions Supporting Democracy. The Executive has requested the PSC to participate in interventions, conduct investigations and provide advice on various aspects of public administration.
- The PSC is supported by an Office which has the status of a Public Service Department. The PSC’s budget is appropriated via the MPSA.
- Strictly speaking the PSC does not have an oversight mandate over the Executive, but rather over the administrative apparatuses that report to it.
THE PSC’S RELATIONSHIP WITH GOVERNMENT (2)

- The PSC is the body empowered and obliged by the Constitution to oversee and evaluate the functioning of the Public Service.
- There are areas where the PSC, Auditor-General (AG), DPSA, National Treasury and DPME appear to be performing similar functions.
- The DPSA provides policy-making support to the MPSA, who is responsible for establishing norms and standards.
- The DPME derives its M&E mandate from the Constitution which states that the President exercises executive authority, together with the other members of the Cabinet, by coordinating the functions of state departments and administrations.
- The functions of the PSC are different from those of the Public Protector and AG. Inherent in the functions of the Public Protector is the 'investigation of sensitive and potentially embarrassing affairs of government', whilst the AG has a crucial role in 'ensuring that there is openness, accountability and propriety in the use of public funds'. The PSC’s function is in the main supervisory, advisory and monitoring.
- The PSC has entered into Memoranda of Understanding with the AG and the Public Protector.
3. Evidence from the State of the Public Service Barometer
A HIGH STANDARD OF PROFESSIONAL ETHICS

- **Financial Disclosure Framework**
  - All members of the Senior Management Service are required to disclose the particulars of all their registrable interests (*e.g.* companies and properties) to their respective Executive Authorities by not later than 30 April each year.
  - The compliance rate by the due date has improved.
  - While there has been an improvement, only 100% compliance is acceptable!
A HIGH STANDARD OF PROFESSIONAL ETHICS

- The National Anti-Corruption Hotline (0800 701 701) was established in September 2004 for reporting corruption in the Public Service and is managed by the PSC.

Successes

A total of 1499 officials were charged with misconduct for corrupt activities. This led to 603 officials dismissed; 226 suspended; 134 receiving fines; 16 demoted; 330 given final written warnings; and 190 prosecuted. A total of R120 million has also been recovered as a result of work done through the NACH.

Challenges

A lack of investigative capacity by departments who do not have appropriate structures or specialized units to deal with NACH cases.

The success of the NACH is largely dependent on the extent to which feedback to callers is provided. The feedback rate is, however, low.
A HIGH STANDARD OF PROFESSIONAL ETHICS

- **National Anti-Corruption Hotline (NACH)**
  - Cases received by the NACH since its inception up to January 2013:

<table>
<thead>
<tr>
<th>DEPARTMENT</th>
<th>CASES REFERRED</th>
<th>% FEEDBACK</th>
<th>% OUTSTANDING CASES</th>
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<tr>
<td>Eastern Cape</td>
<td>554</td>
<td>85%</td>
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<td>Free State</td>
<td>263</td>
<td>35%</td>
<td>17%</td>
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<td>Gauteng</td>
<td>1499</td>
<td>54%</td>
<td>38%</td>
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<td>KwaZulu-Natal</td>
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<td>Public Entities</td>
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<td><strong>TOTAL</strong></td>
<td><strong>11613</strong></td>
<td><strong>55%</strong></td>
<td><strong>39%</strong></td>
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</table>
A HIGH STANDARD OF PROFESSIONAL ETHICS

Financial Misconduct

- The number of cases of financial misconduct reported to the PSC by national and provincial departments is low given the high rate of unauthorised, irregular and fruitless and wasteful expenditure.
- Increase in the cost of financial misconduct from 2006/07 to 2010/11.
- It is worrying that over the years there has been a steady increase in the number of SMS members charged with financial misconduct.
EFFICIENT, ECONOMIC AND EFFECTIVE USE OF RESOURCES

• Expenditure vs performance
  ✓ The % of national and provincial departments that managed to achieve more than 80% of their planned targets declined from 9% to 4% from the 2010/11 to the 2011/12 financial year.
PUBLIC ADMINISTRATION MUST BE ACCOUNTABLE

- **Audit Outcomes for national and provincial departments**

  ✓ Improvement in the percentage of financially unqualified audit opinions.

Audit not finalised at legislated date

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<td>56%</td>
<td>62%</td>
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</table>
PUBLIC ADMINISTRATION MUST BE ACCOUNTABLE

- **Evaluation of Heads of Department (HoDs)**
  - EAs and HoDs should visibly support performance management processes and ensure that this cascades down to other levels in the SMS, if the principle of accountability is to be achieved in the Public Service.
  - There has been a steady decline in the number of HoDs evaluated over the past five years. Measures were put in place to fast track the evaluations for the 2010/11 and 2011/12 evaluation cycles.
  - Compliance levels at national and provincial level as at April 2013:
**Filing of Performance Agreements of HoDs**

- HoDs in the Public Service are required to enter into Performance Agreements (PAs) with their EAs. The PAs of HoDs must be filed with the PSC by June of each year.

- The overall compliance rate for the submission of Performance Agreements (PAs) of HoDs by the due date of 30 June 2012 was 65%.

- Overall there has been improvement in the compliance rate.
**GOOD HR PRACTICES**

- **Vacancy Rate - Professionals and Senior Managers**
  - As at 30 June 2012, almost 80% of all national and provincial departments had a vacancy rate of above 10% in respect of professionals and senior managers.
  - Although the vacancy rate is high, organograms are not always fully funded.
  - The average length of time to fill posts in more than 70% of national and provincial departments is more than 9 months.
  - The NDP recommendations that the Public Service Act be amended to locate the responsibility for HR management with HoDs. This should assist in filling posts quicker.
4. Becoming a developmental state: initial thoughts on challenges
Prioritise the public good

• Personal benefits and sectional interests are often prioritised in public service decision making.
• Experience in other states shows that an overarching ethos of prioritising the public good needs to take hold.
• This requires the formulation of clear national goals that can serve as a guiding framework for action.
Strive for excellence

• Many drivers in the public service managerial system inadvertently discourage excellence and promote mediocrity.

• The public service needs to develop a commitment to excellence and this needs to accompany the creation of an elite bureaucracy: African mandarins.

• It needs to be influential and it should be prestigious to be a part of it.
Learning by thinking and doing

- Government has developed a practice of outsourcing its cognitive work: its thinking is being done by consultants.
- A practice needs to emerge in which initiatives are improved by trial and error; we need to get better at learning by doing.
- This is the role of M&E: it should support, not lead.
Use HR effectively

• Current practices see the wrong people being appointed into positions: appointment processes are not sufficiently meritocratic and rely too heavily on interviews and not enough on practical assessments.
• Better regulation of recruitment is needed.
• A national strategy for training public servants needs to be implemented and entrance examinations are needed.
• Turnover rates are too high: Career progression needs better management.
• Employees need to feel supported (and not disposable) for the public service to become an authentic employer of choice.
CONCLUSION: INNOVATION AND COMPLIANCE

• The South African public service needs to balance two complementary drivers.
• It needs to BOTH comply with procedural requirements that guide processes and actions AND it needs to be creative and innovative.
• These are often understood to be contradictory: they are not.
• Compliance is like a scaffold or bannister: it supports and enables... while innovation should allow creativity to be harnessed and problems to be solved.
• The aim is to achieve both.
ENKOSI KAKHULU!
THANK YOU!

PSC Website: www.psc.gov.za
National Anti-Corruption Hotline for the Public Service: 0800 701 701