

# Vote 10

## Public Service and Administration

	2004/05	2005/06	2006/07
	<b>To be appropriated</b>		
<b>MTEF allocations</b>	<b>R 126 626 000</b>	<b>R 148 726 000</b>	<b>R 162 348 000</b>
<b>Statutory amounts</b>	-	-	-
Responsible Minister	Minister for the Public Service and Administration		
Administering department	Department of Public Service and Administration		
Accounting officer	Director-General of Public Service and Administration		

### Aim

*The aim of the Department of Public Service and Administration is to lead the modernisation of the public service, by assisting government departments to implement their management policies, systems and structural solutions, within a generally applicable framework of norms and standards, in order to improve service delivery.*

### Programme purpose and measurable objectives

#### Programme 1: Administration

**Purpose:** Provide policy and strategic leadership to the public service to enhance the public service's ability to deliver on government's priorities and objectives.

#### Programme 2: Integrated Human Resources

**Purpose:** Develop and establish human resource management, and facilitate capacity-building in the public service through negotiations and related interventions.

**Measurable objective:** Ensure effective and appropriate use of human resources through targeted interventions that improve management and overall capacity.

#### Programme 3: Information and Technology Management

**Purpose:** Ensure the effective use of information and IT in government, and facilitate the use of IT for the modernisation of government and the establishment of e-government practices within an acceptable information security environment.

**Measurable objective:** Improve access to government services by providing a single, 24-hour IT window in a steady and efficient manner.

#### Programme 4: Service Delivery Improvement

**Purpose:** Engage in supportive interventions and partnerships, which enhance, in the public service, both efficiency and effectiveness and innovative learning and knowledge-based modes and practices of service delivery.

**Measurable objective:** Improve service delivery through targeted interventions to selected departments and the provision of supportive frameworks and learning products.

### **Programme 5: Anti-Corruption**

**Purpose:** Establish partnerships and devise strategies to fight corruption, and enhance ethical conduct and practices in the public service.

**Measurable objective:** Prevent and combat corruption in the public service by establishing and implementing strategies and partnerships that improve ethical conduct and practices.

### **Programme 6: International and African Affairs**

**Purpose:** Establish and maintain bilateral and multilateral relations on governance and public administration through implementing global and continental programmes and projects for improving governance and public administration.

**Measurable objective:** Improve governance and public administration through leadership and projects that foster change globally and within Africa.

### **Programme 7: Auxiliary and Associated Services**

**Purpose:** Facilitate transfers to the State Information Technology Agency (Sita), a public entity charged with establishing, maintaining, and enhancing government's IT infrastructure.

**Measurable objective:** Strengthen the security and reliability of information and communications technology (ICT) within the public service by facilitating the transfer of funds to Sita to deliver a virtual private network.

## **Strategic overview and policy developments: 2000/01-2006/07**

### *Restructuring*

The vision of the Department of Public Service and Administration (DPSA) is to establish a responsive public service that delivers on government's commitments. The department aims to improve service delivery through the transformation and improvement of human resources and service delivery practices. From early 2000, the focus shifted from formulating new policies to supporting their effective implementation. In line with this, the department went through an internal restructuring process and established four branches under the former *Functional Assistance to the Minister* programme. From 2003/04, these branches became main programmes. In line with the department's growing international and African engagements, a new *International and African Affairs* programme is to be established from 2004/05.

### *Reform of human resource practices*

The implementation during 1999 and 2000 of the new public service management framework, paved the way for introducing further human resource practices aimed at enhancing the delivery of public services. Reforms that began in 2000/01 are still in progress. Many will be subject to negotiations with labour partners and will be implemented in the medium term.

In line with the need to create stability and predictability in the annual negotiations on the remuneration of public servants, a three-year wage agreement was concluded during 2001/02.

The Public Service Job Summit Framework Agreement was concluded in June 2001, and subsequently an agreement on the transformation and restructuring of the public service was reached. The implementation of this agreement (Public Service Co-ordinating Bargaining Council (PSCBC) Resolution 7 of 2002) was a main focus during 2003/04, and paved the way for departments to restructure their organisations to provide better service.

As part of the effort to enhance management capacity, the department established the Senior Management System (SMS), a distinct echelon of senior managers, in January 2001. A flexible

remuneration package, a competency framework and a performance management system was designed and implemented for the SMS, and a flexible remuneration framework and competency framework for middle managers is currently being developed.

#### *Human resource development*

In May 2002, the Public Service Human Resource Development Strategy (including a scarce skills strategy and an internship framework) was launched. This strategy targets public servants to improve their competency levels, and will be rolled out over the medium term. In 2001, the department assumed responsibility for administering the Public Service Education and Training Authority (PSETA), which is responsible for facilitating and accrediting training for generic public service functions that are not dealt with in line-function Setas. PSETA focuses on: co-ordinating the implementation of transversal learnerships; skills programmes and internships; skills planning; and grant disbursement to support various skills development interventions.

#### *HIV and Aids*

The department has developed a comprehensive strategy for the management of HIV and Aids, in response to growing concerns about its likely impact in the public service. Implementing the strategy will remain one of the department's main focuses for the next three years. The main thrust is prevention, with significant attention being paid to other health and wellness issues for public servants and their families. An intensive communication strategy has been central to the implementation process.

#### *Support to departments*

Helping to build capacity where a skills gap and lack of capacity have been identified – through focused projects in national departments and through the Integrated Provincial Support Programme (IPSP) to provincial departments – has been and will remain a focus area for the DPSA. The IPSP is aimed at providing support to provinces that are confronting service delivery and transformation problems and that need further assistance from the DPSA.

Following an intervention by the President and at the request of the premier of the Eastern Cape, the DPSA formed part of a multidisciplinary intervention in the Eastern Cape from December 2002. It focused primarily on the departments of Education, Health, Roads and Public Works, and Social Development, and aimed at addressing issues of service delivery, back office support and governance. During 2003/04 this work became an unanticipated priority for the department.

#### *Batho Pele*

In line with its mandate, the department continues to pursue the objectives of Batho Pele. From 2002/03, the department has been developing a communication campaign and has focused on back-office transformation activities. The Batho Pele effort has been linked to the department's work on using IT to enhance service delivery. Over the medium term, the department will be focusing on ensuring that Batho Pele principles are embodied in the ethos and the practice of service delivery.

#### *Learning and knowledge sharing*

The central DPSA strategy for improved service delivery focuses on the sharing of knowledge and the promotion of learning. In giving effect to this, the department develops and publishes handbooks and best practice guidelines. In addition, the department has established and facilitated platforms for dialogue across the public service. A core element has been the regular publication of the journal, 'Service Delivery Review'. This important work is likely to intensify through the

establishment of strategic frameworks to support the culture of learning and to facilitate learning networks.

#### *IT and communication*

The DPSA is responsible for establishing approaches to IT to enhance e-government and service delivery. To address the major concern of integrated service delivery, the department, in conjunction with Sita, has been working on the Gateway project, directed at enhancing access for citizens to government services through IT. Gateway aims to provide one 24-hour IT window for accessing government services. All e-government projects have been revised and brought in line with Gateway's objectives. Phase I will be launched at the end of 2003/04, and phase II (the development of transaction capacity) will be rolled out in the medium term. Central to the success of this project are improvements in the management and use of IT in government as a whole.

#### *Anti-corruption*

Following a Cabinet decision, a unit for anti-corruption and high profile cases in the public service was established in April 2001. Initially, the department focused on building internal capacity to manage high profile cases. This has allowed the department to implement the Public Service Anti-Corruption Strategy, and support government's efforts through appropriate research, and conferences and workshops on international and regional protocols on corruption. In April 2003, the DPSA, in partnership with the United Nations, published a country assessment report and was instrumental in negotiating the Global Anti-Corruption Protocol.

#### *Governance and public administration in Africa*

The department is involved in ongoing international engagements, and is actively involved in implementing NEPAD in the area of public administration.

The Minister for the Public Service and Administration is the chair of the Fourth Pan-African Conference of Ministers of the Public Service. The conference itself was hosted in South Africa, and a Pan-African Programme on Governance and Administration was agreed and established. The programme aims to strengthen governance and public administration in Africa through enhancing learning and knowledge-sharing on the continent, and is to be implemented within the ambit of NEPAD.

## Expenditure estimates

**Table 10.1: Public Service and Administration**

Programme	Expenditure outcome					Medium-term expenditure estimate		
	Audited	Audited	Preliminary	Adjusted	Revised			
R thousand	2000/01	2001/02	2002/03	appropriation	estimate	2004/05	2005/06	2006/07
1 Administration	24 995	30 193	31 071	31 509	32 504	32 045	37 061	38 179
2 Integrated Human Resources	17 552	23 752	24 399	44 948	40 529	40 380	44 075	47 466
3 Information and Technology Management	1 736	9 020	18 070	19 930	19 842	21 767	22 672	24 032
4 Service Delivery Improvement	9 424	9 555	16 703	23 374	22 339	27 519	39 412	46 775
5 Anti-Corruption	–	–	1 321	1 856	1 708	1 907	2 078	2 172
6 International and African Affairs	–	–	1 200	3 048	3 048	3 006	3 426	3 722
7 Auxiliary and Associated Services	31 040	26 593	45 002	50 002	50 002	2	2	2
<b>Total</b>	<b>84 747</b>	<b>99 113</b>	<b>137 766</b>	<b>174 667</b>	<b>169 972</b>	<b>126 626</b>	<b>148 726</b>	<b>162 348</b>
Change to 2003 Budget Estimate				17 002	12 307	256	5 270	

R thousand	Expenditure outcome			Adjusted Revised		Medium-term expenditure estimate		
	Audited	Audited	Preliminary	appropriation	estimate			
	2000/01	2001/02	2002/03	2003/04		2004/05	2005/06	2006/07
<b>Economic classification</b>								
<b>Current payments</b>	<b>51 383</b>	<b>63 348</b>	<b>87 769</b>	<b>118 387</b>	<b>113 692</b>	<b>125 008</b>	<b>144 957</b>	<b>158 188</b>
Compensation of employees	37 022	42 016	45 991	57 013	53 013	61 645	65 038	68 943
Goods and services	14 361	21 332	41 778	61 374	60 679	63 363	79 919	89 245
Interest and rent on land	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-
Unauthorised expenditure	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>31 258</b>	<b>26 848</b>	<b>45 329</b>	<b>50 294</b>	<b>50 294</b>	<b>312</b>	<b>330</b>	<b>346</b>
Provinces and municipalities	112	124	144	159	159	170	184	194
Departmental agencies and accounts	31 094	26 593	45 002	50 002	50 002	2	2	2
Universities and technikons	-	-	-	-	-	-	-	-
Foreign governments & international organisations	-	-	-	-	-	-	-	-
Public corporations & private enterprises	-	-	-	-	-	-	-	-
Non-profit institutions	52	131	183	133	133	140	144	150
Households	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>2 106</b>	<b>8 917</b>	<b>4 668</b>	<b>5 986</b>	<b>5 986</b>	<b>1 306</b>	<b>3 439</b>	<b>3 814</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	1 972	8 538	4 153	5 823	5 823	1 195	3 309	3 676
Cultivated assets	-	-	-	-	-	-	-	-
Software and other intangible assets	134	379	515	163	163	111	130	138
Land and subsoil assets	-	-	-	-	-	-	-	-
<b>Total</b>	<b>84 747</b>	<b>99 113</b>	<b>137 766</b>	<b>174 667</b>	<b>169 972</b>	<b>126 626</b>	<b>148 726</b>	<b>162 348</b>

## Expenditure trends

Excluding the transfer payments to Sita, the department's expenditure increased by an average annual rate of 32,4 per cent between 2000/01 and 2003/04. The main contributing projects include: Gateway (*Information and Technology Management*), HIV and Aids (*Integrated Human Resources*), and provincial interventions (*Service Delivery Improvement*).

The year 2003/04 includes self-financing expenditure of R12,0 million, received from the PSCBC towards the restructuring of the public service, and also funds transferred from the PSETA operating account, to be used exclusively for the Employment Skills Development Agencies.

The department's budget decreases by 27,5 per cent in 2004/05 from the previous year, mainly due to the termination of transfers to Sita, which is now considered to be self-sufficient.

The annual average growth over the medium term, excluding transfers to Sita, is 9,2 per cent, which includes the additional funding for provincial interventions.

## Departmental receipts

Total departmental receipts for 2004/05 are projected to be R150 000, which is comparable with previous levels of collection, except for once-off ad hoc donations received in 2003/04. This income flows from parking fees, bursary debts, interest on bursary debts, stale cheques and commissions.

**Table 10.2: Departmental receipts**

R thousand	Revenue outcome			Adjusted appropriation	Medium-term revenue estimate			
	Audited	Audited	Preliminary outcome		2003/04	2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03					
Tax receipts	-	-	-	-	-	-	-	
Sales of goods and services produced by department (excl capital assets)	18	17	19	19	20	21	21	
Sales of scrap, waste, arms and other used current goods (excl capital assets)	-	-	-	-	-	-	-	
Transfers received	-	12	89	8 602	-	-	-	
Fines, penalties and forfeits	-	-	-	-	-	-	-	
Interest, dividends and rent on land	-	-	-	-	-	-	-	
Sales of capital assets	-	-	-	-	-	-	-	
Financial transactions in assets and liabilities	184	95	127	48	130	134	138	
<b>Total departmental receipts</b>	<b>202</b>	<b>124</b>	<b>235</b>	<b>8 669</b>	<b>150</b>	<b>155</b>	<b>159</b>	

## Programme 1: Administration

*Administration* is responsible for providing policy and strategy leadership, management, and administrative guidance. It includes the Ministry, the office of the Director-General, communications, internal audit, legal services and corporate management.

### Expenditure estimates

**Table 10.3: Administration**

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate			
	Audited	Audited	Preliminary outcome		2003/04	2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03					
R thousand								
Minister <sup>1</sup>	544	652	692	876	791	831	872	
Management	4 460	7 010	6 079	6 169	6 527	7 626	7 851	
Corporate Services	19 991	22 531	24 300	24 464	24 727	28 604	29 456	
<b>Total</b>	<b>24 995</b>	<b>30 193</b>	<b>31 071</b>	<b>31 509</b>	<b>32 045</b>	<b>37 061</b>	<b>38 179</b>	
Change to 2003 Budget Estimate				2 719	256	270		

<sup>1</sup> Payable as from 1 April 2003. Salary: R597 228. Car allowance: R149 307.

### Economic classification

<b>Current payments</b>	<b>23 655</b>	<b>26 005</b>	<b>28 969</b>	<b>29 870</b>	<b>31 295</b>	<b>34 429</b>	<b>35 514</b>
Compensation of employees	13 036	15 134	15 530	18 376	18 454	19 555	20 718
Goods and services	10 619	10 871	13 439	11 494	12 841	14 874	14 796
Interest and rent on land	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-
Unauthorised expenditure	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>94</b>	<b>173</b>	<b>236</b>	<b>185</b>	<b>193</b>	<b>200</b>	<b>209</b>
Provinces and municipalities	42	42	53	52	53	56	59
Departmental agencies and accounts	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-
Foreign governments & international organisations	-	-	-	-	-	-	-
Public corporations & private enterprises	-	-	-	-	-	-	-
Non-profit institutions	52	131	183	133	140	144	150
Households	-	-	-	-	-	-	-

	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome		2004/05	2005/06	2006/07
R thousand	2000/01	2001/02	2002/03	2003/04			
<b>Payments for capital assets</b>	<b>1 246</b>	<b>4 015</b>	<b>1 866</b>	<b>1 454</b>	<b>557</b>	<b>2 432</b>	<b>2 456</b>
Buildings and other fixed structures	–	–	–	–	–	–	–
Machinery and equipment	1 172	3 852	1 372	1 454	528	2 401	2 425
Cultivated assets	–	–	–	–	–	–	–
Software and other intangible assets	74	163	494	–	29	31	31
Land and subsoil assets	–	–	–	–	–	–	–
<i>Of which: Capitalised compensation</i>	–	–	–	–	–	–	–
<b>Total</b>	<b>24 995</b>	<b>30 193</b>	<b>31 071</b>	<b>31 509</b>	<b>32 045</b>	<b>37 061</b>	<b>38 179</b>

**Details of transfer payments and subsidies:**

Provinces and municipalities							
Municipalities							
Current	42	42	53	52	53	56	59
Regional Services Council levies	42	42	53	52	53	56	59
Non-profit institutions							
Current	52	131	183	133	140	144	150
International Institute of Administrative Services ( IAA)	38	16	25	13	18	19	20
International Personnel Management Association ( IPMA)	2	–	–	3	3	4	4
Common Association Public Administration and Management (CAPAM)	12	32	39	21	22	23	24
African Association for Public Administration and Management	–	83	11	12	13	14	14
Centre for Training and Research in Administration for Development	–	–	108	84	84	84	88
<b>Total</b>	<b>94</b>	<b>173</b>	<b>236</b>	<b>185</b>	<b>193</b>	<b>200</b>	<b>209</b>

**Expenditure trends**

*Administration* hosts a few expensive centralised items such as external audits, Sita services, communications and advertising. Other cost-drivers include support services to the Ministry and the office of the Director-General. The average annual growth over the seven years under review is 7,3 per cent.

**Programme 2: Integrated Human Resources**

The aim of *Integrated Human Resources* is to establish and enhance, through negotiations and related interventions, human resource management and development practices in the public service, thereby ensuring the effective and appropriate use of human capacity for service delivery. Other activities include preventing and managing HIV and Aids in the public service, and developing a co-ordinated framework for ensuring that appropriate and adequate public service education and training takes place.

## Expenditure estimates

Table 10.4: Integrated Human Resources

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome		2003/04	2004/05	2005/06
R thousand	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Management	1 006	1 145	1 329	1 994	1 929	2 083	2 212
Remuneration and Conditions of Service	6 951	7 569	5 904	6 925	9 791	7 580	8 026
Negotiations and Labour Relations	1 674	3 377	3 410	13 976	4 010	4 139	4 387
Employment Practice and Career Management	4 024	4 749	5 289	6 774	9 539	9 122	10 107
HIV/AIDS	-	-	2 160	5 218	4 958	10 384	11 380
Human Resource Development Strategy	3 843	1 872	1 290	1 849	2 741	3 302	3 439
Public Service Education and Training Authority	54	5 040	5 017	8 212	7 412	7 465	7 915
<b>Total</b>	<b>17 552</b>	<b>23 752</b>	<b>24 399</b>	<b>44 948</b>	<b>40 380</b>	<b>44 075</b>	<b>47 466</b>
Change to 2003 Budget Estimate				14 322	-	-	
<b>Economic classification</b>							
<b>Current payments</b>	<b>17 079</b>	<b>22 681</b>	<b>24 249</b>	<b>44 536</b>	<b>39 971</b>	<b>43 669</b>	<b>47 032</b>
Compensation of employees	14 557	15 682	16 466	20 105	22 968	24 182	25 669
Goods and services	2 522	6 999	7 783	24 431	17 003	19 487	21 363
Interest and rent on land	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-
Unauthorised expenditure	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>97</b>	<b>47</b>	<b>50</b>	<b>58</b>	<b>65</b>	<b>72</b>	<b>76</b>
Provinces and municipalities	43	47	50	58	65	72	76
Departmental agencies and accounts	54	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-
Foreign governments & international organisations	-	-	-	-	-	-	-
Public corporations & private enterprises	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>376</b>	<b>1 024</b>	<b>100</b>	<b>354</b>	<b>344</b>	<b>334</b>	<b>358</b>
Buildings and other fixed structures	-	-	-	-	-	-	-
Machinery and equipment	373	892	79	233	285	269	289
Cultivated assets	-	-	-	-	-	-	-
Software and other intangible assets	3	132	21	121	59	65	69
Land and subsoil assets	-	-	-	-	-	-	-
<i>Of which: Capitalised compensation</i>	-	-	-	-	-	-	-
<b>Total</b>	<b>17 552</b>	<b>23 752</b>	<b>24 399</b>	<b>44 948</b>	<b>40 380</b>	<b>44 075</b>	<b>47 466</b>
<b>Details of transfer payments and subsidies:</b>							
<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Current</b>	<b>43</b>	<b>47</b>	<b>50</b>	<b>58</b>	<b>65</b>	<b>72</b>	<b>76</b>
Regional Services Council levies	43	47	50	58	65	72	76
<b>Departmental agencies and accounts (Entities)</b>							
<b>Current</b>	<b>54</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Public Sector Education and Training Authority	54	-	-	-	-	-	-
<b>Total</b>	<b>97</b>	<b>47</b>	<b>50</b>	<b>58</b>	<b>65</b>	<b>72</b>	<b>76</b>



## **Expenditure trends**

Compensation of employees remains the largest expenditure item in the *Integrated Human Resources* programme. In 2004/05, compensation of employees has 56,9 per cent of the total programme budget.

The main contributor to the growth in this programme's expenditure is additional funding towards combating and preventing HIV and Aids in the public service.

The average annual growth is 36,8 per cent between 2000/01 and 2003/04, and 1,8 per cent over the medium term.

The significant increase in 2003/04 compared to the previous year is explained by the R12,0 million received for self-financing projects. These earmarked funds were mainly received from the PSCBC as a contribution towards funding the restructuring of the public service.

The once-off increase in spending in the Negotiations and Labour Relations subprogramme in 2003/04 was to do with establishing a database on human resources and organisational development, in terms of implementing PSCBC Resolution 7 of 2002.

## **Service delivery objectives and indicators**

### **Recent outputs**

The main focus for much of 2002/03 and 2003/04 was the implementation of PSCBC Resolution 7 of 2002 on the restructuring of the public service.

#### *Restructuring macro-benefits*

Work on restructuring macro-benefits is still in progress. This includes: developing a closed medical scheme, which is progressing slowly due to ongoing negotiations and consultations with the public service unions; and reforming pension. New rules have been gazetted and communicated for this, and documentation is being developed to obtain the necessary mandates for negotiating the revised Non-Statutory Forces (NSF) pension recognition dispensation and housing benefits. The review of the remuneration dispensation for public servants on salary levels 11 and 12 was completed during 2002/03. A new dispensation was developed, which is currently being negotiated.

#### *Pay incentive system*

A new pay incentive system linked to performance management was developed and approved for implementation from 1 July 2003. The DPSA is continuously assisting departments with the implementation. The Minister for the Public Service and Administration also approved the application of an interim performance assessment system to facilitate the implementation.

#### *Labour relations*

A draft labour relations policy has been developed and circulated for comment. The disestablishment of provincial and departmental bargaining councils and the establishment of co-ordinating chambers, which forms part of the new policy, is currently under negotiation.

#### *The Senior Management System*

Once again, the restructuring of the public service placed capacity constraints on the review of the Senior Management System (SMS). Workshops to establish the required data have been conducted, and questionnaires to managers in all departments will follow shortly. This data will be analysed to conclude the terms of reference for a further study.

*HIV and Aids*

Much progress has been made: the communication strategy that was developed in 2002/03 is currently being implemented; workshops to equip departments with the knowledge and skills required to implement the workplace policies and programmes were hosted; and negotiations to implement the Greater Involvement of People with HIV and Aids (GIPA) model is in progress.

*The Human Resource Development Strategy*

The implementation of the department's Human Resource Development Strategy for the public service is ongoing. Guidelines on internships and mentorships have been developed in support of this, and training workshops will be conducted shortly.

*Skills development levy guidelines*

The guidelines have been written but have not been finalised.

**Medium-term output targets**

**Integrated Human Resources**

**Measurable objective:** Ensure effective and appropriate use of human resources through targeted interventions that improve management and overall capacity.

Subprogramme	Output	Measure/Indicator	Target
Remuneration and Conditions of Service	Policies for the management of conditions of service Performance and productivity based remuneration strategies	Successful development and implementation of policies Remuneration policies and practices developed	During 2004/05  All departments implementing the department's performance management system by 2004/05
	Job evaluation practices	Compliance across the public service All jobs at level 11 and level 12 evaluated and graded	During 2004/05  By 2007/08
Negotiations and Labour Relations	Enhanced labour relations and appropriate negotiations frameworks	Stable and appropriate sector-based labour relations and negotiations	Conclude multi-term agreement by August 2004  Establish provincial structures by December 2004
Employment Practice and Career Management	A professional management cadre	Competency management and performance management systems for managers established and implemented	Improved representivity, recruitment and retention by March 2005
HIV/AIDS	Effective management of HIV and Aids in the public service	Programmes aimed at preventing HIV and Aids and at promoting the health and well-being of public servants and their families developed and implemented	March 2006
	Improved awareness of HIV and Aids in the public service	Communication strategy aimed at developing a high degree of responsiveness to the prevention and management of HIV and Aids in the public service implemented	March 2005
Human Resource Development Strategy	Enhanced skills in the public service	Human Resource Development Strategy implemented	March 2006

Subprogramme	Output	Measure/Indicator	Target
		Focused capacity development interventions and improved capacity availability in focused skills areas	March 2005
	Communication about internship programmes in the public service	Implementation of communication strategy	March 2005
Public Service Education and Training Authority	Increased number of transversal learnerships in the public service	Transversal learnerships co-ordinated and implemented	10 000 learnerships in line with the growth and development strategy target by March 2005
	Skills planning	Departments submitting Workplace Skills Plans (WSP)	70% of departments submit their WSPs by March 2005

### Programme 3: Information and Technology Management

The aim of *Information and Technology Management* is to ensure that information and IT are appropriately and effectively used in government, and to facilitate the use of IT for modernising government and establishing e-government practices.

#### Expenditure estimates

Table 10.5: Information and Technology Management

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome		2003/04	2004/05	2005/06
R thousand	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Management	425	122	–	792	1 130	1 439	1 891
Information and Technology Management	1 311	8 898	18 070	19 138	20 637	21 233	22 141
<b>Total</b>	<b>1 736</b>	<b>9 020</b>	<b>18 070</b>	<b>19 930</b>	<b>21 767</b>	<b>22 672</b>	<b>24 032</b>
Change to 2003 Budget Estimate				(2 184)	–	–	

#### Economic classification

	1 726	5 651	15 545	15 959	21 641	22 327	23 300
<b>Current payments</b>							
Compensation of employees	1 408	3 602	3 041	3 527	4 939	4 829	5 119
Goods and services	318	2 049	12 504	12 432	16 702	17 498	18 181
Interest and rent on land	–	–	–	–	–	–	–
Financial transactions in assets and liabilities	–	–	–	–	–	–	–
Unauthorised expenditure	–	–	–	–	–	–	–
<b>Transfers and subsidies to:</b>	<b>4</b>	<b>12</b>	<b>8</b>	<b>14</b>	<b>13</b>	<b>14</b>	<b>15</b>
Provinces and municipalities	4	12	8	14	13	14	15
Departmental agencies and accounts	–	–	–	–	–	–	–
Universities and technikons	–	–	–	–	–	–	–
Foreign governments & international organisations	–	–	–	–	–	–	–
Public corporations & private enterprises	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–
Households	–	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>6</b>	<b>3 357</b>	<b>2 517</b>	<b>3 957</b>	<b>113</b>	<b>331</b>	<b>717</b>
Buildings and other fixed structures	–	–	–	–	–	–	–
Machinery and equipment	6	3 308	2 517	3 936	113	322	706
Cultivated assets	–	–	–	–	–	–	–
Software and other intangible assets	–	49	–	21	–	9	11
Land and subsoil assets	–	–	–	–	–	–	–
<i>Of which: Capitalised compensation</i>	–	–	–	–	–	–	–
<b>Total</b>	<b>1 736</b>	<b>9 020</b>	<b>18 070</b>	<b>19 930</b>	<b>21 767</b>	<b>22 672</b>	<b>24 032</b>

	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome				
R thousand	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
<b>Details of transfer payments and subsidies:</b>							
<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Current</b>	<b>4</b>	<b>12</b>	<b>8</b>	<b>14</b>	<b>13</b>	<b>14</b>	<b>15</b>
Regional Services Council levies	4	12	8	14	13	14	15
<b>Total</b>	<b>4</b>	<b>12</b>	<b>8</b>	<b>14</b>	<b>13</b>	<b>14</b>	<b>15</b>

## Expenditure trends

The main expenditure in *Information and Technology Management* is related to the process of implementing e-government initiatives like Gateway.

The sharp increase in expenditure between 2000/01 and 2001/02 provided for an increase in human capacity for the programme. This is reflected in goods and services, because consultants were used.

The average annual growth of 125,6 per cent from 2000/01 to 2003/04 is due to additional funding to develop and implement Gateway. This funding will continue in the medium term.

The average annual growth over the medium term is 6,4 per cent.

## Service delivery objectives and indicators

### Recent outputs

#### *Improvements to the performance of the Information and Technology Acquisition Centre*

In order to achieve economies of scale and avoid duplication in IT procurement, the Information Technology Acquisition Centre (ITAC) was established on 1 April 2002. An audit of ITAC's performance was done and the significant dissatisfaction of the client base investigated. The department, in conjunction with the National Treasury, is currently in the process of finalising comprehensive regulations on procurement. It is envisaged that these will ensure that all acquisitions are based on real needs and are done fairly and cost-effectively, and that this will improve ITAC's performance. The new regulations will be effective during the first quarter of 2004.

#### *Gateway*

The greater part of 2002/03 and 2003/04 was spent on developing Gateway. The delivery of phase 1 is well under way, and the content has been verified with national departments. The process of verification with provinces is reaching finalisation, and Gateway is likely to be officially launched by early 2004. The call centre associated with Gateway has already been launched and is operational.

**Medium-term output targets****Information and Technology Management**

<b>Measurable objective:</b> Improve access to government services by providing a single, 24-hour, IT window in a steady and efficient manner.			
<b>Subprogramme</b>	<b>Output</b>	<b>Measure/Indicator</b>	<b>Target</b>
Information and Technology Management	Regulatory frameworks for the management and use of IT in the public service	Promulgation of regulations emanating from the Sita Amendment Act (38 of 2002) and the Public Service Act (103 of 1994)	Regulations approved and communicated by 1 September 2004
	Integration and interoperability of IT in the public service	IT plans implemented across government and used as a basis for ensuring integration and interoperability	Support established and IT plans available for all government departments by 31 March 2005
	Provision of IT access to government services	Broad public use of IT to access a range of government services	By 1 September 2005

**Programme 4: Service Delivery Improvement**

*Service Delivery Improvement* engages in supportive interventions and partnerships, which enhance both efficiency and effectiveness and innovative learning and knowledge-based modes and practices of service delivery.

**Expenditure estimates****Table 10.6: Service Delivery Improvement**

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome		2003/04	2004/05	2005/06
R thousand	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Management	94	279	1 427	2 588	2 927	3 379	3 264
Service Delivery Improvement	9 330	9 276	15 276	20 786	24 592	36 033	43 511
<b>Total</b>	<b>9 424</b>	<b>9 555</b>	<b>16 703</b>	<b>23 374</b>	<b>27 519</b>	<b>39 412</b>	<b>46 775</b>
Change to 2003 Budget Estimate				300	-	5 000	

**Economic classification**

<b>Current payments</b>	<b>8 923</b>	<b>9 011</b>	<b>16 489</b>	<b>23 124</b>	<b>27 251</b>	<b>39 127</b>	<b>46 473</b>
Compensation of employees	8 021	7 598	9 549	12 719	12 747	13 754	14 578
Goods and services	902	1 413	6 940	10 405	14 504	25 373	31 895
Interest and rent on land	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-
Unauthorised expenditure	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>23</b>	<b>23</b>	<b>29</b>	<b>29</b>	<b>31</b>	<b>33</b>	<b>34</b>
Provinces and municipalities	23	23	29	29	31	33	34
Departmental agencies and accounts	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-
Foreign governments & international organisations	-	-	-	-	-	-	-
Public corporations & private enterprises	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-

R thousand	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome				
	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
<b>Payments for capital assets</b>	<b>478</b>	<b>521</b>	<b>185</b>	<b>221</b>	<b>237</b>	<b>252</b>	<b>268</b>
Buildings and other fixed structures	–	–	–	–	–	–	–
Machinery and equipment	421	486	185	200	214	227	241
Cultivated assets	–	–	–	–	–	–	–
Software and other intangible assets	57	35	–	21	23	25	27
Land and subsoil assets	–	–	–	–	–	–	–
<i>Of which: Capitalised compensation</i>	–	–	–	–	–	–	–
<b>Total</b>	<b>9 424</b>	<b>9 555</b>	<b>16 703</b>	<b>23 374</b>	<b>27 519</b>	<b>39 412</b>	<b>46 775</b>

**Details of transfer payments and subsidies:**

Provinces and municipalities							
Municipalities							
Current	23	23	29	29	31	33	34
Regional Services Council levies	23	23	29	29	31	33	34
<b>Total</b>	<b>23</b>	<b>23</b>	<b>29</b>	<b>29</b>	<b>31</b>	<b>33</b>	<b>34</b>

**Expenditure trends**

In the past, *Service Delivery Improvement* was mainly funded by international donors. The increase in expenditure from 2002/03 reflects the department's expanded and strengthened support to other departments, especially in provinces, because donor funding declined.

The programme shows an average annual growth of 35,4 per cent between 2000/01 and 2003/04, and 26,0 per cent over the medium term.

Management expenditure increased by 81,4 per cent between 2002/03 and 2003/04 due to two new executive personnel in the DPISA and three new senior managers for the Centre for Public Service Innovation.

**Service delivery objectives and indicators****Recent outputs***Communication on Batho Pele and Gateway*

The extensive communication campaign on Batho Pele and Gateway, which was developed during 2002/03, is currently being rolled out. Batho Pele television and radio advertisements were aired, and will be flighted again with the Gateway launch. The campaign also included the organisation and celebration of Public Service Day on 14 June 2003.

*Sharing knowledge and promoting learning*

Volume 2 of the 'Service Delivery Review' was published in September 2003 and proved to be a great success. Several learning networks and learning academies were launched, and a manual on learning networks was published in July 2003. The 'Machinery of Government' manual was also published and distributed.

*Early warning system for departments and provinces in difficulty*

Work on an early warning system to identify in advance if departments and provinces are running into serious problems is progressing well. Draft sets of indicators have been workshopped with

departments and refined. The system is currently being piloted in the national Department of Social Development and the Gauteng and Eastern Cape provincial departments.

### *Black economic empowerment*

The research on black economic empowerment (BEE) has been completed, and the report with recommendations to fast-track BEE through procurement is finalised. Support to provinces and targeted national departments continues, with the Eastern Cape having been the main focus in 2003/04.

## Medium-term output targets

### Service Delivery Improvement

**Measurable objective:** Improve service delivery through targeted interventions to selected departments and the provision of supportive frameworks and learning products.

Subprogramme	Output	Measure/Indicator	Target
Service Delivery Improvement	Supportive interventions to selected departments for improved service delivery	Service delivery projects, partnerships, communication campaigns	Design and implement at least 30 projects over the 3 years from 2004 Conduct at least 2 key Batho Pele campaigns per year
	Frameworks and strategies aimed at improving service delivery improvement efforts	Research reports, early warning systems and project management systems successfully implemented	Functioning project management systems in place by 2005 Complete at least 2 transversal research projects per year
	A robust learning and knowledge management programme for the public service	Learning sessions held and knowledge products published	Publish 3 editions of the 'Service Delivery Review' per year Host 4 major learning events per year

## Programme 5: Anti-Corruption

The aim of *Anti-Corruption* is to establish and implement strategies to fight corruption and enhance ethical conduct in the public service.

### Expenditure estimates

Table 10.7: Anti-Corruption

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited 2000/01	Audited 2001/02	Preliminary outcome 2002/03		2004/05	2005/06	2006/07
R thousand							
Anti-Corruption	–	–	1 321	1 856	1 907	2 078	2 172
<b>Total</b>	–	–	<b>1 321</b>	<b>1 856</b>	<b>1 907</b>	<b>2 078</b>	<b>2 172</b>
Change to 2003 Budget Estimate				(320)	–	–	

### Economic classification

<b>Current payments</b>	–	–	<b>1 318</b>	<b>1 852</b>	<b>1 903</b>	<b>2 074</b>	<b>2 168</b>
Compensation of employees	–	–	991	1 170	1 383	1 465	1 522
Goods and services	–	–	327	682	520	609	646
Interest and rent on land	–	–	–	–	–	–	–
Financial transactions in assets and liabilities	–	–	–	–	–	–	–
Unauthorised expenditure	–	–	–	–	–	–	–

R thousand	Expenditure outcome				Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome	2003/04		2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03					
<b>Transfers and subsidies to:</b>	-	-	3	4	4	4	4	
Provinces and municipalities	-	-	3	4	4	4	4	
Departmental agencies and accounts	-	-	-	-	-	-	-	
Universities and technikons	-	-	-	-	-	-	-	
Foreign governments & international organisations	-	-	-	-	-	-	-	
Public corporations & private enterprises	-	-	-	-	-	-	-	
Non-profit institutions	-	-	-	-	-	-	-	
Households	-	-	-	-	-	-	-	
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	
Buildings and other fixed structures	-	-	-	-	-	-	-	
Machinery and equipment	-	-	-	-	-	-	-	
Cultivated assets	-	-	-	-	-	-	-	
Software and other intangible assets	-	-	-	-	-	-	-	
Land and subsoil assets	-	-	-	-	-	-	-	
<i>Of which: Capitalised compensation</i>	-	-	-	-	-	-	-	
<b>Total</b>	-	-	1 321	1 856	1 907	2 078	2 172	

**Details of transfer payments and subsidies:**

Provinces and municipalities							
Municipalities							
<b>Current</b>	-	-	3	4	4	4	4
Regional Services Council levies	-	-	3	4	4	4	4
<b>Total</b>	-	-	3	4	4	4	4

**Expenditure trends**

*Anti-Corruption* shows a low average annual growth of 5,4 per cent over the medium term, mainly because it is a very small programme with very limited staff compared with the department's other programmes. Expenditure is not expected to increase significantly over the medium or longer term, as the costs of implementation are the responsibility of individual departments, which implement the strategies and practices generated by the department.

**Service delivery objectives and indicators****Recent outputs***Country corruption assessment*

Following the publication of the report on the country corruption assessment, done earlier in 2003 by the department with assistance from the United Nations Office on Drugs and Crime, proposals were developed for a hotline system and other measures to make reporting corruption easier. These were tabled and approved by Cabinet.

The National Anti-Corruption Forum has accepted the country corruption assessment and is implementing its broader recommendations, including promoting a code of ethics, and building partnerships with business and civil society.

*Establishing regional and international anti-corruption co-operation*

The DPSA successfully assisted the South Korean government to arrange the Third Global Forum on Fighting Corruption and Safeguarding Integrity.



Negotiations on the United Nations Convention Against Corruption were also successfully concluded, and the signing took place in Mexico during December 2003.

### Medium-term output targets

#### Anti-Corruption

**Measurable objective:** Prevent and combat corruption in the public service by establishing and implementing strategies and partnerships that improve ethical conduct and practices.

Subprogramme	Output	Measure/Indicator	Target
Anti-Corruption	Facilitate the implementation of the Public Service Anti-Corruption Strategy	Increased institutional capacity to prevent and address corruption	Support the building of capacity in courts to prosecute/preside over corruption cases by the end of 2005 By 2005, implement a preventative programme focusing on public mobilisation, training and awareness
	Regional and international anti-corruption co-operation	Active participation in and compliance with regional and international agreements	By end of 2007, facilitate compliance with requirements of United Nations, African Union and Southern African Development Community legal instruments on corruption
	Corruption Management Information System	Reliable information on corruption and the efficacy of anti-corruption measures	System completely developed by end of 2004 From 2005, generate annual reports on corruption and the efficacy of anticorruption measures

### Programme 6: International and African Affairs

The initial activities of this new programme originated from one of the priorities in the Governance and Administration Cluster. The aim of *International and African Affairs* is to establish and maintain bilateral and multilateral relations on governance and public administration by implementing global and continental programmes and projects for improving governance and public administration.

#### Expenditure estimates

Table 10.8: International and African Affairs

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome		2004/05	2005/06	2006/07
R thousand	2000/01	2001/02	2002/03	2003/04			
International and African Affairs	–	–	1 200	3 048	3 006	3 426	3 722
<b>Total</b>	–	–	<b>1 200</b>	<b>3 048</b>	<b>3 006</b>	<b>3 426</b>	<b>3 722</b>
Change to 2003 Budget Estimate				2 165	–	–	

#### Economic classification

<b>Current payments</b>	–	–	<b>1 199</b>	<b>3 046</b>	<b>2 947</b>	<b>3 331</b>	<b>3 701</b>
Compensation of employees	–	–	414	1 116	1 154	1 253	1 337
Goods and services	–	–	785	1 930	1 793	2 078	2 364
Interest and rent on land	–	–	–	–	–	–	–
Financial transactions in assets and liabilities	–	–	–	–	–	–	–
Unauthorised expenditure	–	–	–	–	–	–	–

	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome		2004/05	2005/06	2006/07
R thousand	2000/01	2001/02	2002/03	2003/04			
<b>Transfers and subsidies to:</b>	-	-	1	2	4	5	6
Provinces and municipalities	-	-	1	2	4	5	6
Departmental agencies and accounts	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-
Foreign governments & international organisations	-	-	-	-	-	-	-
Public corporations & private enterprises	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	55	90	15
Buildings and other fixed structures	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	55	90	15
Cultivated assets	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-
<i>Of which: Capitalised compensation</i>	-	-	-	-	-	-	-
<b>Total</b>	-	-	1 200	3 048	3 006	3 426	3 722

**Details of transfer payments and subsidies:**

<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Current</b>	-	-	1	2	4	5	6
Regional Services Council levies	-	-	1	2	4	5	6
<b>Total</b>	-	-	1	2	4	5	6

**Expenditure trends**

Initial activities and expenditure were incurred in the *Administration* programme during 2002/03 and 2003/04. The programme shows an average annual growth of 6,9 per cent over the medium term.

**Service delivery objectives and indicators****Recent outputs**

During 2003/04 the Department of Public Service and Administration arranged and hosted the Fourth Pan-African Conference of Ministers of the Public Service with great success. Activities in the *International and African Affairs* programme were mainly focused on the Pan-African Programme on Governance and Administration which came out of the conference, and aimed to demonstrate Africa's intellectual and collective leadership on shaping the programme's agenda. This included building broad participation in and ownership of the programme, and generating substantive research, which form the basis for a credible Africa-driven knowledge platform on governance and public administration issues.

**Medium-term output targets****International and African Affairs**

**Measurable objective:** Improve governance and public administration through leadership and projects that foster change globally and within Africa.

Subprogramme	Output	Measure/Indicator	Target
International and African Affairs	Support and implement bilateral and multilateral engagements on governance and public administration	Bilateral agreements negotiated and implemented	All bilaterals in process agreed and implemented by September 2005

Subprogramme	Output	Measure/Indicator	Target
	Manage the implementation of the Pan-African Programme on Governance and Administration	Effective African ownership of the programme, and programme accountable to NEPAD and the African Union (AU)	Programme fully integrated into the AU by end of 2005
	Implement the African Governance and Public Administration Programme	Resources mobilised, networks established, and partnerships forged in all projects directed at the delivery of the programme	All projects implemented by the end of September 2005

## Programme 7: Auxiliary and Associated Services

The aim of *Auxiliary and Associated Services* is to facilitate transfers to Sita, a public entity charged with establishing, maintaining and enhancing government's IT infrastructure.

### Expenditure estimates

Table 10.9: Auxiliary and Associated Services

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome		2003/04	2004/05	2005/06
R thousand	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
State Information Technology Agency	31 040	26 593	45 002	50 002	2	2	2
<b>Total</b>	<b>31 040</b>	<b>26 593</b>	<b>45 002</b>	<b>50 002</b>	<b>2</b>	<b>2</b>	<b>2</b>
Change to 2003 Budget Estimate				-	-	-	
<b>Economic classification</b>							
<b>Current payments</b>	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-
Unauthorised expenditure	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>31 040</b>	<b>26 593</b>	<b>45 002</b>	<b>50 002</b>	<b>2</b>	<b>2</b>	<b>2</b>
Provinces and municipalities	-	-	-	-	-	-	-
Departmental agencies and accounts	31 040	26 593	45 002	50 002	2	2	2
Universities and technikons	-	-	-	-	-	-	-
Foreign governments & international organisations	-	-	-	-	-	-	-
Public corporations & private enterprises	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-
Cultivated assets	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-
Of which: Capitalised compensation	-	-	-	-	-	-	-
<b>Total</b>	<b>31 040</b>	<b>26 593</b>	<b>45 002</b>	<b>50 002</b>	<b>2</b>	<b>2</b>	<b>2</b>

R thousand	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome				
	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
<b>Details of transfer payments and subsidies:</b>							
<b>Departmental agencies and accounts (Entities)</b>							
<b>Current</b>	1	1	1	1	1	1	1
State Information Technology Agency	1	1	1	1	1	1	1
<b>Capital</b>	31 039	26 592	45 001	50 001	1	1	1
State Information Technology Agency	31 039	26 592	45 001	50 001	1	1	1
<b>Total</b>	<b>31 040</b>	<b>26 593</b>	<b>45 002</b>	<b>50 002</b>	<b>2</b>	<b>2</b>	<b>2</b>

## Expenditure trends

The transfer payments for 2000/01 and 2001/02 were considered a form of bridging finance of a capital nature from the former Central Computer Services, the former Infoplan (Department of Defence) and the South African Police Service (SAPS). The transfers for 2002/03 and 2003/04 were appropriated to allow Sita to create a Virtual Private Network (VPN) for government. Implementation of the VPN infrastructure started in early 2003, but the size of the project and virus problems have obliged Sita to stabilise the infrastructure before it can be piloted in 2004. No further transfers to Sita are foreseen over the medium term.

## Public entities reporting to the Minister

### State Information Technology Agency

Since the establishment of the State Information and Technology Agency (Sita) on 1 April 1999, Sita has made good progress reflecting continued growth and accomplishments. For the first time since Sita's inception, the organisation reported a net profit during 2002/03 and received an unqualified audit report.

Other accomplishments include the completion of the implementation of the Virtual Private Network-enabled Government Common Core Network (GCCN), establishment of standards for Minimum Interoperability (MIOS) and Minimum Information Security (MISS), and completion of a Master System Plan for the Ekurhuleni and Tshwane metros. Furthermore, Sita has established a Youth Internship Programme which is training over 300 youths in specialised areas of IT, for deployment across government and within Sita.

Sita's integration with national departments and provinces is continuing, with 13 new departments integrated during 2002/03. Sita also focused on formally contracting with departments and reported that 84 per cent of service level contracts were signed by March 2003.

The procurement processes related to the IT Acquisition Centre (ITAC) present enormous challenges that are being addressed to alleviate disruption of procurement services.

Over the medium term, Sita plans to improve service delivery to its clients. This will be accomplished by benchmarking and achieving a commercial standard in operations, developing a service culture, building specific skills and developing and implementing standardised methodologies.

## **Annexure**

### **Vote 10: Public Service and Administration**

Table 10.10: Summary of expenditure trends and estimates per programme

Table 10.11: Summary of expenditure trends and estimates per economic classification

Table 10.12: Summary of personnel numbers and compensation of employees

Table 10.13: Summary of expenditure on training

Table 10.14: Summary of information and communications technology expenditure

Table 10.15: Summary of official development assistance expenditure

Table 10.10: Summary of expenditure trends and estimates per programme

	Expenditure outcome					Medium-term expenditure estimate				
	Audited		Preliminary outcome		Revised estimate	Adjusted appropriation			2006/07	
	2000/01	2001/02	2002/03	2003/04		2004/05	2005/06	2006/07		
R thousand										
1 Administration	24 995	30 193	31 071	28 790	31 509	32 504	32 045	37 061	38 179	
2 Integrated Human Resources	17 552	23 752	24 399	30 626	14 322	40 529	40 380	44 075	47 466	
3 Information and Technology Management	1 736	9 020	18 070	22 114	(2 184)	19 842	21 767	22 672	24 032	
4 Service Delivery Improvement	9 424	9 555	16 703	23 074	300	22 339	27 519	39 412	46 775	
5 Anti-Corruption	-	-	1 321	2 176	(320)	1 708	1 907	2 078	2 172	
6 International and African Affairs	-	-	1 200	883	2 165	3 048	3 006	3 426	3 722	
7 Auxiliary and Associated Services	31 040	26 593	45 002	50 002	-	50 002	2	2	2	
<b>Total</b>	<b>84 747</b>	<b>99 113</b>	<b>137 766</b>	<b>157 665</b>	<b>17 002</b>	<b>169 972</b>	<b>126 626</b>	<b>148 726</b>	<b>162 348</b>	
Change to 2003 Budget Estimate					17 002	12 307	256	5 270		

Table 10.11: Summary of expenditure trends and estimates per economic classification

	Expenditure outcome			Medium-term expenditure estimate					
	Audited		Preliminary outcome	Revised estimate	Adjusted appropriation			2006/07	
	2000/01	2001/02	2002/03		2003/04	2004/05	2005/06		2006/07
R thousand									
<b>Current Payments</b>									
<b>Compensation of employees</b>	<b>37 022</b>	<b>42 016</b>	<b>45 991</b>	<b>59 212</b>	<b>(2 199)</b>	<b>57 013</b>	<b>61 645</b>	<b>65 038</b>	<b>68 943</b>
- Salaries and wages	31 677	36 339	39 917	52 141	(2 390)	49 751	55 206	58 122	61 528
- Social contributions	5 345	5 677	6 074	7 071	191	7 262	6 439	6 916	7 415
<b>Goods and services</b>	<b>14 361</b>	<b>21 332</b>	<b>41 778</b>	<b>40 453</b>	<b>20 921</b>	<b>61 374</b>	<b>63 363</b>	<b>79 919</b>	<b>89 245</b>
Interest and rent on land	-	-	-	-	-	-	-	-	-
- Interest	-	-	-	-	-	-	-	-	-
- Rent on land	-	-	-	-	-	-	-	-	-
<b>Financial transactions in assets and liabilities</b>									
<b>Unauthorised expenditure</b>									
<b>Total current payments</b>	<b>51 383</b>	<b>63 348</b>	<b>87 769</b>	<b>99 665</b>	<b>18 722</b>	<b>118 387</b>	<b>125 008</b>	<b>144 957</b>	<b>158 188</b>

**Table 10.11: Summary of expenditure trends and estimates per economic classification (continued)**

	Expenditure outcome				Revised estimate	Medium-term expenditure estimate				
	Audited	Audited	Preliminary outcome	Main Appropriation		Additional appropriation	Adjusted appropriation	2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03					2003/04		
R thousand										
<b>Transfers and Subsidies to:</b>										
<b>Provinces and municipalities</b>										
- Provinces										
- Provincial Revenue Funds										
- Provincial agencies and funds										
- Municipalities	112	124	144	139	159	20	170	184	194	
- Municipalities										
- Municipal agencies and funds										
<b>Departmental agencies and accounts</b>	31 094	26 593	45 002	50 002	50 002	-	2	2	2	2
- Social security funds										
- Departmental agencies (non-business entities)	31 094	26 593	45 002	50 002	50 002	-	2	2	2	2
<b>Universities and technikons</b>										
<b>Foreign governments &amp; international organisations</b>										
<b>Public corporations and private enterprises</b>										
- Public corporations										
- Subsidies on production										
- Other transfers										
- Private enterprises										
- Subsidies on production										
- Other transfers										
<b>Non-profit institutions</b>	52	131	183	137	133	(4)	140	144	150	
<b>Households</b>										
- Social benefits										
- Other transfers to households										
<b>Total transfers and subsidies</b>	<b>31 258</b>	<b>26 848</b>	<b>45 329</b>	<b>50 278</b>	<b>50 294</b>	<b>16</b>	<b>312</b>	<b>330</b>	<b>346</b>	

Table 10.11: Summary of expenditure trends and estimates per economic classification (continued)

	Expenditure outcome			Revised estimate	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome		2004/05	2005/06	2006/07
R thousand	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
<b>Payments on Capital Assets</b>							
<b>Buildings and other fixed structures</b>							
-Buildings	-	-	-	-	-	-	-
-Other fixed structures	-	-	-	-	-	-	-
<b>Machinery and equipment</b>	1 972	8 538	4 153	1 272	1 195	3 309	3 676
-Transport equipment	268	339	-	-	-	-	-
-Other machinery and equipment	1 704	8 199	4 153	1 272	1 195	3 309	3 676
<b>Cultivated assets</b>							
<b>Software and other intangible assets</b>	134	379	515	163	111	130	138
<b>Land and subsoil assets</b>	-	-	-	-	-	-	-
<i>Of which: Capitalised compensation</i>	-	-	-	-	-	-	-
<b>Total payments on capital assets</b>	2 106	8 917	4 668	7 722	5 986	3 439	3 814
<b>Total</b>	84 747	99 113	137 766	157 665	174 667	148 726	162 348

Table 10.12: Summary of personnel numbers and compensation of employees<sup>1</sup>

Personnel numbers	2000/01	2001/02	2002/03	2003/04	2004/05
	2000/01	2001/02	2002/03	2003/04	2004/05
1 Administration	120	109	108	108	108
2 Integrated Human Resources	93	85	66	67	68
3 Information and Technology Management	9	20	8	12	15
4 Service Delivery Improvement	50	41	40	43	46
5 Anti-Corruption	-	-	3	4	6
6 International and African Affairs	-	-	1	3	3
<b>Total</b>	<b>272</b>	<b>255</b>	<b>226</b>	<b>237</b>	<b>246</b>
Total compensation of employees (R thousand)	37 022	42 016	45 991	57 013	61 645
Unit cost (R thousand)	136.1	164.8	203.5	240.6	250.6

<sup>1</sup> Full-time equivalent



**Table 10.13: Summary of expenditure on training**

	Expenditure outcome				Adjusted Appropriation 2003/04	Medium-term expenditure estimate		
	Audited		Preliminary outcome			2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03	2003/04				
R thousand								
1 Administration	506	1 013	476	583	672	707	749	
2 Integrated Human Resources	300	426	362	370	385	418	443	
3 Information and Technology Management	4	39	28	5	17	17	18	
4 Service Delivery Improvement	99	11	-	88	459	556	712	
5 Anti-Corruption	-	-	-	14	14	15	16	
<b>Total</b>	<b>909</b>	<b>1 489</b>	<b>866</b>	<b>1 060</b>	<b>1 547</b>	<b>1 713</b>	<b>1 938</b>	

Table 10.14: Summary of information and communications technology expenditure

	Expenditure outcome				Adjusted appropriation 2003/04	Medium-term expenditure estimate		
	Audited	Audited	Preliminary outcome	2004/05		2005/06	2006/07	
	2000/01	2001/02	2002/03					
R thousand								
<b>1 Administration</b>	<b>480</b>	<b>1 175</b>	<b>1 347</b>	<b>508</b>	<b>211</b>	<b>2 064</b>	<b>2 066</b>	
Technology	480	1 175	1 347	508	211	2 064	2 066	
IT services	-	-	-	-	-	-	-	
<b>2 Integrated Human Resources</b>	<b>278</b>	<b>827</b>	<b>21</b>	<b>280</b>	<b>398</b>	<b>398</b>	<b>425</b>	
Technology	278	827	21	280	283	278	298	
IT services	-	-	-	-	115	120	127	
<b>3 Information and Technology Management</b>	<b>-</b>	<b>422</b>	<b>3</b>	<b>218</b>	<b>157</b>	<b>189</b>	<b>474</b>	
Technology	-	422	3	218	89	118	399	
IT services	-	-	-	-	68	71	75	
<b>4 Service Delivery Improvement</b>	<b>417</b>	<b>439</b>	<b>-</b>	<b>206</b>	<b>237</b>	<b>252</b>	<b>268</b>	
Technology	417	439	-	206	237	252	268	
IT services	-	-	-	-	-	-	-	
<b>5 Anti-Corruption</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Technology	-	-	-	-	-	-	-	
IT services	-	-	-	-	-	-	-	
<b>6 International and African Affairs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>135</b>	<b>215</b>	<b>180</b>	
Technology	-	-	-	-	15	65	-	
IT services	-	-	-	-	120	150	180	
<b>Total</b>	<b>1 175</b>	<b>2 863</b>	<b>1 371</b>	<b>1 212</b>	<b>1 138</b>	<b>3 118</b>	<b>3 413</b>	

**Table 10.15: Summary of official development assistance expenditure**

Donor	Programme / Project name	Cash or Kind	Expenditure Outcome					Medium-term expenditure estimate					
			2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07				
R thousand													
Deloitte and Touche	Funding of one post		-	-	332	-	-	-	-	-	-	-	-
PSCBC	Funding flight, accommodation and allowances		-	-	266	-	-	-	-	-	-	-	-
Siemens			439	439	-	-	-	-	-	-	-	-	-
DFID	Funding of 3 posts		-	-	740	-	-	-	-	-	-	-	-
GTZ	RDP Fund		-	-	401	-	-	-	-	-	-	-	-
DFID	Public Service Transformation Support Programme		-	10	-	10	-	-	-	-	-	-	-
European Union			343	905	-	280	-	-	-	-	-	-	-
DFID, USAID, PQ			160	-	-	-	-	-	-	-	-	-	-
Africa			92	713	-	-	-	-	-	-	-	-	-
CIDA			-	413	-	47	-	-	-	-	-	-	-
DFID			1 757	2 396	-	-	-	-	-	-	-	-	-
DFID, NBC, PSCBA, CIDA	Integrated Human Resources		-	-	-	-	-	-	-	-	-	-	-
DFID	Service Delivery Improvement		-	6 976	-	2 626	-	200	-	-	-	-	-
GTA	Public Sector Reform Programme		5 000	5 000	-	10 000	-	-	-	-	-	-	-
DFID	Integrated Provincial Support Programme		10 000	10 000	-	50 000	50 000	50 000	50 000	70 000	-	-	-
DFID	Anti-corruption Unit		-	400	-	-	-	-	-	-	-	-	-
United Nations	Centre for Crime Prevention		-	770	-	-	-	-	-	-	-	-	-
	Information and Technology Management		-	8	-	-	-	-	-	-	-	-	-
Netherlands, DFID	Information and Technology Management		171	6 354	-	-	-	-	-	-	-	-	-
<b>Total</b>			<b>17 962</b>	<b>34 384</b>	<b>1 739</b>	<b>62 963</b>	<b>50 200</b>	<b>50 000</b>	<b>50 000</b>	<b>70 000</b>	<b>70 000</b>	<b>70 000</b>	<b>70 000</b>