

## **FOREWORD**

The strategic plan of the Public Service Commission (PSC) is prepared in terms of the requirement of the Treasury Regulations whereby an institution is required to have a strategic plan for the forthcoming Medium Term Expenditure Framework (2006/07-2008/09). The plan serves to guide the work of the PSC. It also serves as a framework that informs stakeholders on the PSC's objectives of meeting its mandate.

As the role of the PSC has evolved over the past nine years, the PSC has produced a number of milestone investigations that have served to reinforce its position as the custodian of good governance in the Public Service. Very recently the PSC emerged from a vigorous strategic review of its operations. It confirmed the relevance and the importance of its strategic areas, namely Monitoring and Evaluation, and Investigations and Human Resource Reviews. A number of interventions have been conducted by the PSC in respect of these key strategic areas.

Around Monitoring and Evaluation, the PSC has made a positive contribution towards the establishment of a high standard of Public Service leadership, good governance and improved service delivery in the Public Service. The PSC's transversal Public Service monitoring and evaluation system which investigates adherence to the constitutional values and principles governing public administration continues to mature as it gets applied in more departments. Attesting to this is the deepening quality of the products it produces in the areas of monitoring and evaluation, anti-corruption, investigations and human resource reviews. The Annual State of the Public Service Report (SOPS) which embodies the monitoring and evaluation oversight work of the PSC is becoming an authoritative document on public administration.

Underscoring the Public Service's accountability mechanisms is the capacity to perform at an acceptable level. This is reflected through the application of performance management systems. The PSC continues to facilitate the evaluation of the performance of Heads of Department (HoD) and through this process,

provides comprehensive feedback to the Executing Authorities on the HoDs' performance. A key improvement area that the PSC has been focusing on recently is providing feedback on the performance of departments to Executing Authorities. In 2006 it will pilot an organizational performance framework that will run concurrently with the HoDs' evaluations.

The area of Investigations and Human Resource Reviews has witnessed increased activity as the PSC continues to play a critical role in labour relations improvement, public administration audits and investigations, the promotion of anti-corruption practices, and reviews into human resource policies and practices in the Public Service.

The National Anti-Corruption Hotline for the Public Service has been up and running since September 2004. Individual cases of corruption and other related matters are reported to the PSC. An unintended consequence of the hotline is the large number of service delivery complaints that are reported. These complaints require appropriate follow up with the departments concerned, and thus place additional demands on the PSC's capacity, especially in relation to human resources. The initial resourcing of the hotline was for a three year period ending September 2007. With this period drawing to an end it will become necessary to have a more structured and permanent resourcing arrangement for the holistic operations of the hotline.

In terms of the Public Service Regulations, the PSC is responsible for managing the Financial Disclosure Framework. Given the current concerns around conflicts of interest, the PSC will have to elevate its work in this area. All efforts and resources thus far have been on ensuring that senior managers comply with the framework and disclose their financial interests. However, if the disclosures are to meaningfully promote transparency and accountability, resources would be needed to ensure that the forms are subjected to appropriate scrutiny.

Given the importance of cooperative governance between civil society and public and private sectors in fighting the multifaceted scourge of corruption, the PSC will continue to provide secretariat services to the National Anti-Corruption Forum.

The PSC completed an audit of Government's Poverty Reduction Programme and will, during the medium term, be moving into an evaluation phase. A database has been developed to consolidate key Government poverty reduction projects as a contribution to improved service delivery.

The PSC's growing credibility in the field of public administration has resulted in a consistent increase in demand for its intervention in all areas of its mandate. While this places considerable strain on all its resources, the PSC continues to contribute significantly to the Public Service.

**O R RAMSINGH**

**DIRECTOR-GENERAL: OFFICE OF THE PUBLIC SERVICE COMMISSION**

# Table of Contents

<b>1.</b>	<b>MEDIUM TERM CONTEXT AND STRATEGIC ORIENTATION .....</b>	<b>5</b>
1.1	BACKGROUND .....	5
1.2	CONTEXTUAL CHALLENGES.....	9
<b>2.</b>	<b>THE MEDIUM TERM STRATEGIC FRAMEWORK OF THE PSC .....</b>	<b>12</b>
2.1	STRATEGIC ROLE AND OBJECTIVES .....	12
2.2	STRATEGIC FOCUS AREAS.....	13
	Labour Relations Improvement.....	13
	Public Administration Investigations.....	13
	Professional Ethics and Human Resource Reviews .....	13
	Governance Monitoring .....	13
	Leadership and Performance Improvement .....	13
	Service Delivery and Quality Assurance .....	13
	Institution Building .....	13
2.3	SUMMARY OF STRATEGIC FOCUS AREAS AND FUNCTIONAL WORK AREAS INCLUDING OUTPUTS DURING THE MTSF PERIOD .....	14
<b>3.</b>	<b>INSTITUTION BUILDING AND SUPPORT .....</b>	<b>21</b>
3.1	HUMAN RESOURCES .....	21
3.2	INTERNAL AUDIT AND RISK ANALYSIS .....	22
3.3	INFORMATION TECHNOLOGY DEVELOPMENT .....	22
3.4	FINANCIAL REPORTING AND CORPORATE MANAGEMENT .....	24
3.5	COMMUNICATION AND INFORMATION SERVICES.....	27
<b>4.</b>	<b>MEDIUM TERM EXPENDITURE FRAMEWORK ESTIMATES .....</b>	<b>28</b>
4.1	EXPENDITURE ESTIMATES PER PROGRAMME .....	28
4.2	EXPENDITURE ESTIMATES PER ECONOMIC CLASSIFICATION OF EXPENDITURE .....	29
4.3	DEPARTMENTAL RECEIPTS.....	30

# **1. MEDIUM TERM CONTEXT AND STRATEGIC ORIENTATION**

## **1.1 BACKGROUND**

The Public Service Commission (PSC), as an independent and impartial institution, established by the Constitution, 1996, has been tasked and empowered to, amongst other functions and powers, investigate, monitor and evaluate the organization and administration of the Public Service. This mandate also entails the evaluation of achievements, or lack thereof of Government programmes. Linked to the aforementioned powers, the PSC must also promote measures to ensure effective and efficient performance within the Public Service and to promote values and principles of public administration as set out in the Constitution, throughout the Public Service.

Some of the key focus areas of the PSC over the medium term are as follows:

- Much of the PSC's work in the promotion of labour relations has been in the area of grievance resolution. Internal resolution of grievances bodes well for the management of good labour relations. The total number of grievances handled by the PSC has increased from 392 in the 2004/05 financial year to 486 in the 2005/06 financial year and internal capacity to accommodate this increase had to be adjusted accordingly. A total of 74% of grievances and complaints received were successfully assessed. It is now two and a half years since the introduction of the new Grievance Rules, and to this end a preliminary assessment on the implementation of grievance rules was conducted. The PSC also published a report on the role of labour relations officers. The report provides recommendations on how to reduce the blurring of the definition of roles between line managers and labour relations officers in the Public Service.
  
- The PSC has intensified investigations on public administration and anti-corruption. Reports, desktop audits and investigations covering amongst others, corruption, procurement, fraud and maladministration have been

submitted to the relevant executing authorities for implementation of recommendations. A pattern is also emerging of increased requests from departments and executive authorities to conduct investigations into the respective departments. The management of the National Anti-Corruption Hotline (NACH) also complements the PSC's investigations into public administration.

- Since the inception of the National Anti-Corruption Hotline in September 2004, a total of 2 737 reports were generated. Of these 1 681 relate to corruption whilst 1056 relate to service delivery. Reporting of complaints relating to service delivery was not anticipated. As a result, this trend has led to a substantial increase in the number of investigations that have to be dealt with by the PSC and has placed additional strain on the PSC's investigation capacity. In order to ensure the credibility and integrity of the hotline services consideration must be given to resourcing its operations, especially with regard to the investigative capacity needed to respond to the reports made.
- In terms of the provisions of the Public Finance Management Act read with the Treasury Regulations, departments are compelled to report finalized financial misconduct cases to the PSC. Based on information covering the 2004/2005 financial year the PSC has produced a report on finalized financial misconduct cases that were reported.
- The PSC continues to provide secretariat services to the National Anti-Corruption Forum (NACF). The secretariat service include amongst others, conducting strategic research and giving advice on preventing and combating corruption, liaising with various stakeholders in the forum, sourcing donor funding and the provision of strategic direction on the latest trends in preventing and combating corruption. The second National Anti-Corruption Summit took place in March 2005, where a number of action-based resolutions were adopted. Emanating from the summit, the forum launched a National Programme of Action (NAP), reflecting the resolve of all sectors to fight corruption. Going forward, more resources will be required by the PSC in providing secretarial and functional support to the NAP.

- The PSC has also continued to manage the Financial Disclosure Framework for senior managers but has realised the need for the establishment of a comprehensive framework to manage conflicts of interest. It has therefore conducted extensive research on the management of conflicts of interest and completed a report with recommendations on a management and policy framework. A consultative process will be followed with the implementation of the recommendations in the report. It is expected that the resulting implementation of the framework for managing conflicts of interest will have a significant impact on the PSC's resources as it will have the additional task of reviewing and advising on disclosures.
- Flowing from its transversal Monitoring and Evaluation System, the PSC has assessed ten provincial departments. In addition, guidelines on the verification of qualifications were completed and workshopped with HR officers from Provincial and National departments.
- The PSC has almost completed an audit of reporting requirements and monitoring and evaluation systems in the Public Service. Through the work of the audit the PSC will contribute towards the development of a guideline on principles and practices of M&E in the Public Service.
- The Public Service Commission continued to facilitate the assessment of the quality of performance of heads of department. New guidelines for the 2004/2005 evaluation of heads of departments were published. Twelve national and twenty eight provincial HoDs were evaluated for the 2003/2004 financial year. The PSC will submit an analytical report to Parliament focusing on the progress made with the implementation of the framework for the evaluation of HoDs. A template on organisational performance assessment has been finalised to complement the heads of department evaluation. This is a key improvement area where the PSC will be able to provide feedback on the performance of departments to the Executing Authorities. This framework will be piloted in 2006/2007 and will run concurrently with the HoD evaluations.

- Early in its review on the implementation of Government's Batho Pele Policy, the PSC realised that its research focus should not be only on departments' efforts to promote people-centred service delivery, but approaches must be developed to incorporate the views and perceptions of citizens. One such tool is the Citizen Satisfaction Survey. In this regard, the PSC completed a Citizen Satisfaction Survey focusing on the Criminal Justice Sector.
  
- Two compliance audits were conducted focusing on the Batho Pele Principles of Access and Redress. This is a continuation of the PSC's oversight work on the extent to which departments are implementing the Batho Pele Principles. A framework on how to conduct inspections of service delivery sites was completed and piloted. The framework will be used from 2006/2007 to do announced and unannounced visits to service delivery sites and collect monitoring data. Through the inspections, the PSC will have an opportunity to personally obtain first hand experience of the level of service delivery. These inspections will complement the PSC's broader oversight programmes as well as reinforce efforts of monitoring our system of public service delivery.
  
- Due to resource constraints the PSC had to cut down its involvement in the facilitation of Citizens' Forums. In order not to lose the significance of participatory governance, the PSC developed a Toolkit on Citizens Forums that can be used by departments, oversight bodies, communities and other relevant stakeholders. Given the fact that the promotion of public participation is a constitutional imperative, a review of the support to this area must be undertaken.
  
- During the 2005/06 financial year, the following structural changes took place within the PSC to ensure improved alignment of functions:
  - A new Directorate: Public Service Leadership was created in the Chief Directorate: Leadership and Performance Improvement within the Branch: Monitoring and Evaluation. The objective of this Directorate is to monitor and evaluate practices impacting on public service leadership and organisational performance.

- There were also structural changes made in the Branch: Investigations and Human Resource Reviews in order to improve the functional coherence and optimize Human Resource utilization within the Branch.

Such structural changes were undertaken within the existing budget and posts. No additional posts were created.

## **1.2 CONTEXTUAL CHALLENGES**

Whilst the PSC is not a policy formulating institution, it monitors and evaluates the policies of government departments. The cumulative outcome of this effort would be that the PSC should be able to make comments/judgments about the extent to which Government policy as a whole does indeed transform our society, and concretize the ideals in the Constitution. Key contextual challenges for the PSC include the following:

- There is an increasing focus on good governance and tighter accountability. As custodian of good governance greater demands are placed on the PSC to advise and introduce innovative approaches to public administration. Through the years the PSC has built a reputation on which the Public Service can rely with respect to high quality and analytical research, sound investigative audits and reviews as well as effective promotion of sound practices. With such recognition has come an increase in the requests for advice and support. Despite this increase in demand, there has not been a concomitant increase in the budget.
- The PSC's mandate and work in the area of professional ethics have allowed it to develop an appreciation for the debate on conflicts of interest. It has recognised the need to manage the conflicts of interest of public servants in a structured manner. Such an approach would help promote the perception of integrity and keep public servants honest. The work that the PSC has done on the framework to manage conflicts of interest is envisaged to raise profound challenges for the PSC and other bodies involved in the promotion

of professional ethics. It is expected that the role of the PSC will move beyond the administration of the Financial Disclosures Framework for senior managers to more in-depth evaluation and advice on disclosures made or not made. Currently there are 6387 designated officials who are required to disclose their financial interests. Such forms will have to be scrutinized to ensure that conflicts of interest are identified and managed. The human resources currently responsible for this area would need to be strengthened to cater for this new shift in focus.

- The National Anti-Corruption Hotline, whilst proving to be a popular and accessible facility to report allegations of corruption, is placing a strain on the resources of the PSC. The initial three-year resourcing that was made available towards the management of the hotline is drawing to an end. More permanent resourcing arrangements must be made for the management of the hotline. At this stage, the PSC envisages continuation of the services of an external service provider. An in-house call centre would require significant resources such as personnel (a 24-hour service in all official languages), computer hardware and software to handle calls (an average of 45 calls per day) and security facilities to ensure confidentiality of information (often classified as secret and top secret).
- The increasing number of service delivery complaints received through the hotline is having unintended consequences for the PSC's resources. Prior to the establishment of the hotline the PSC resources in the Public Administration Investigations component had the capacity to deal with 45 cases per annum. The same amount of resources are now expected to investigate and facilitate more than 600 cases per annum.
- The PSC is concerned about the lack of investigative capability on its part and that of departments to investigate allegations of corruption that are referred through the hotline. The building of such capability is thus an urgent priority.
- The PSC has successfully piloted the use of Citizens' Forums as a mechanism for promoting public participation. The pilots have indicated

positive results, confirming the value of the Forums in ensuring that citizens participate meaningfully in the process of governance. The PSC has however been forced to scale down on the nature of its support because of lack of funds. The role of the PSC at this stage is confined to support the roll-out of Citizens' Forums, thus relying largely on other parties to initiate and resource the Forums. Given the constitutional imperative to promote public participation the PSC's rolling back on this activity could have an adverse impact on participatory governance and a people-centred approach.

- The current framework against which the performance of HoDs is evaluated has been in use for about four years now. A key area of improvement that the PSC has been focusing on recently is on providing feedback on the performance of departments to executing authorities in addition to the advice generated on the performance of their HoDs as individuals. The PSC has developed a framework for collating and analyzing information on departmental performance, and over the medium term a key challenge would be to apply and refine the framework.
- The PSC's transversal Monitoring and Evaluation system has been running since 2001 and continues to mature as it gets applied to more departments. To date, the system has only worked with annual samples of about 15 departments. These samples are unfortunately not adequate to enable the PSC to optimally draw information on the Public Service through the transversal system. Resources will be needed to enable the PSC to work with increased samples of about 50 departments per annum.
- The PSC needs to engage more vigorously with its stakeholders to ensure sustained and systematic advocacy and oversight. This will improve stakeholder relations and help deepen the impact of the work of the PSC.
- The increasing demands for the PSC's advice and support in all areas of its mandate, is placing considerable strain on all its resources. It would particularly be important to increase the resource base of the PSC in such a manner that additional human resources can be acquired.

## **2. THE MEDIUM TERM STRATEGIC FRAMEWORK OF THE PSC**

The PSC's medium term strategic framework is aimed at ensuring that it meets the stated objectives in line with the new mandate. Therefore, the strategic framework is firmly based on the main functions and powers of the PSC in terms of section 196(4) of the Constitution, 1996.

### **2.1 STRATEGIC ROLE AND OBJECTIVES**

#### **MISSION STATEMENT**

The PSC's vision and mission are derived from the values and principles of public administration laid down in the Constitution, 1996 (Section 195 (1) (a) – (i)).

#### **VISION**

The PSC is an independent and impartial body created by the Constitution to enhance excellence in governance within the Public Service by promoting a professional and ethics environment and adding value to the public administration that is accountable, equitable, efficient, effective, corrupt-free and responsive to the needs of the people of South Africa.

#### **MISSION**

The PSC aims to promote the constitutionally enshrined democratic principles and values in the Public Service by investigating, monitoring, evaluating, communicating and reporting on public administration. Through research process, it will ensure the promotion of excellence in the governance and the delivery of affordable and sustainable quality services.

In line with the vision and mission, the PSC's objectives and strategic focus areas are shaped and dictated by government priorities. There are mainly seven specific objectives of the PSC for the medium term. These are:

- Labour Relations Improvement
- Public Administration Investigations
- Professional Ethics and Human Resource Reviews
- Governance Monitoring
- Leadership and Performance Improvement
- Service Delivery and Quality Assurance
- Institution Building

## **2.2 STRATEGIC FOCUS AREAS**

The organisational structure of the PSC is designed around its strategic objectives and consequently its functional areas.

### **Labour Relations Improvement**

To enhance public service labour relations and management practice.

### **Public Administration Investigations**

To undertake audits and investigations into public administration practices.

### **Professional Ethics and Human Resource Reviews**

To prevent corruption and review the implementation of human resource policies.

### **Governance Monitoring**

To promote good governance and enhance governance practices.

### **Leadership and Performance Improvement**

To promote a high standard of public service leadership and to encourage improvements in service delivery.

### **Service Delivery and Quality Assurance**

To promote service delivery through public participation.

### **Institution Building**

Provision of general and financial management, personnel and provisioning administration, the provision of legal and other support services to the PSC.

## 2.3 SUMMARY OF STRATEGIC FOCUS AREAS AND FUNCTIONAL WORK AREAS INCLUDING OUTPUTS DURING THE MTSF PERIOD

Key Performance Area	Objective	Indicators	2006/7	2007/08	2008/09
<b>BRANCH: MONITORING AND EVALUATION</b>					
<b>CHIEF DIRECTORATE: GOVERNANCE MONITORING</b>	Good governance promoted and governance practices enhanced	<ul style="list-style-type: none"> <li>Timely collection and presentation of quality relevant information and recommendations to stakeholders</li> <li>Executives and Legislatures are informed of the state of the Public Service and service delivery</li> </ul>	<ul style="list-style-type: none"> <li>2007 State of the Public Service (SOPS) Report produced</li> <li>Conduct round table discussion on SOPS report</li> <li>Reports evaluating departments' adherence to the Constitutional values and principles of public administration – 16 departments</li> <li>Consolidated M+E Report for the 2005/06 research cycle</li> <li>Report on Implementation of PSC Recommendations</li> <li>Promote M+E in the Public Service</li> <li>Evaluation of Government's Poverty Relief Programme</li> <li>Pamphlet on Basic M+E Concepts</li> <li>Promote culture of Programme Evaluation in the Public Service</li> </ul>	<ul style="list-style-type: none"> <li>2008 State of the Public Service Report produced</li> <li>Conduct round table discussion on SOPS report</li> <li>Reports evaluating departments' adherence to the Constitutional values and principles of public administration – 43 departments</li> <li>Consolidated M+E Report for the 2006/07 research cycle</li> <li>Report on Implementation of PSC Recommendations</li> <li>Promote M+E in the Public Service</li> <li>Evaluation of an identified priority programme of government</li> <li>Basic internal guide on Meta-evaluation</li> <li>Promote culture of Programme Evaluation in the Public Service</li> </ul>	<ul style="list-style-type: none"> <li>2009 State of the Public Service Report produced</li> <li>Conduct round table discussion on SOPS report</li> <li>Reports evaluating departments' adherence to the Constitutional values and principles of public administration – 43 departments (new sample)</li> <li>Reports assessing improvements made by departments previously evaluated by the PSC – a sample of 24 departments that were evaluated during the 2003/4 and 2004/5 cycles</li> <li>Consolidated M+E Report for the 2007/08 research cycle</li> <li>Report on Implementation of PSC Recommendations</li> <li>Promote M+E in the Public Service</li> <li>Evaluation of an identified priority programme of government</li> <li>Conduct Metal-evaluation of selected programme evaluations</li> <li>Promote culture of Programme Evaluation in the Public Service</li> </ul>

Key Performance Area	Objective	Indicators	2006/7	2007/08	2008/09
<b>CHIEF DIRECTORATE: LEADERSHIP AND PERFORMANCE IMPROVEMENT</b>	A high standard of public service leadership promoted and improved public service delivery encouraged through HoDs performance management	<ul style="list-style-type: none"> <li>Timely collection and presentation of quality relevant information to stakeholders complete with clear and useful recommendations</li> </ul>	<ul style="list-style-type: none"> <li>The HoD evaluation process managed: <ul style="list-style-type: none"> <li>Publish Guidelines for the next evaluation cycle</li> <li>All qualifying national and provincial HoDs evaluated</li> <li>Advice given to Executing Authorities on the performance of their HoDs</li> </ul> </li> <li>The HoD evaluation process reviewed and a report submitted to Cabinet</li> <li>Organisational performance measurement reviewed <ul style="list-style-type: none"> <li>Pilot phase monitored and evaluated</li> </ul> </li> <li>HoD's Performance Agreements (PAs) monitored and evaluated</li> <li>Advice given to departments on the PAs of HoDs</li> <li>PAs filed</li> <li>Report on analysis of PAs as a performance management tool</li> <li>Report on the state of compliance with PAs in the Eastern Cape</li> <li>Review of the implementation of the PMDS in the Departments of Education and Justice</li> <li>Participation in the G &amp; A Task Team on the Framework for Managing Joint Programmes</li> </ul>	<ul style="list-style-type: none"> <li>The HoD evaluation process managed: <ul style="list-style-type: none"> <li>Publish Guidelines for the next evaluation cycle</li> <li>All qualifying national and provincial HoDs evaluated</li> <li>Advice given to Executing Authorities on the performance of their HoDs</li> </ul> </li> <li>The HoD evaluation process reviewed and a report submitted to Cabinet</li> <li>Organisational performance measurement reviewed <ul style="list-style-type: none"> <li>Roll-out phase monitored and evaluated</li> </ul> </li> <li>HoD's Performance Agreements (PAs) monitored and evaluated</li> <li>Advice given to departments on the PAs of HoDs</li> <li>PAs filed</li> <li>Report on analysis of key Public Service Leadership issues drawn from discussions of HoD Evaluation Panels</li> </ul>	<ul style="list-style-type: none"> <li>The HoD evaluation process managed: <ul style="list-style-type: none"> <li>Publish Guidelines for the next evaluation cycle</li> <li>All qualifying national and provincial HoDs evaluated</li> <li>Advice given to Executing Authorities on the performance of their HoDs</li> </ul> </li> <li>The HoD evaluation process reviewed and a report submitted to Cabinet</li> <li>Organisational performance measurement reviewed <ul style="list-style-type: none"> <li>Roll-out phase monitored and evaluated</li> </ul> </li> <li>HoD's Performance Agreements (PAs) monitored and evaluated</li> <li>Advice given to departments on the Pas of HoDs</li> <li>PAs filed</li> <li>Report on analysis of key Public Service Leadership issues drawn from discussions of HoD Evaluation Panels</li> </ul>

Key Performance Area	Objective	Indicators	2006/7	2007/08	2008/09
<b>CHIEF DIRECTORATE: SERVICE DELIVERY AND QUALITY ASSURANCE</b>	Service delivery enhanced through improved public participation and quality audits	<ul style="list-style-type: none"> <li>Executives and legislatures are informed about the state of service delivery</li> <li>Timely collection and presentation of relevant information to stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Evaluate the Implementation of the Batho Pele principle of "Information" in the Public Service</li> <li>Evaluate the implementation of Batho Pele principle of "Consultation" in the Public Service</li> <li>Assessment of fraud prevention strategies in departments</li> <li>Assessment of the compliance infrastructure in the public service</li> <li>Monitoring report on the implementation of turnaround proposals in the Eastern Cape produced</li> <li>Support improvement of management and administration of selected departments in KwaZulu Natal</li> <li>Citizen Satisfaction Survey introduced to another government sector</li> <li>Service Delivery Inspections Conducted</li> <li>Support Implementation of the Citizens' Forums toolkit</li> </ul>	<ul style="list-style-type: none"> <li>Evaluate the implementation of the principle of Openness and Transparency in the Public Service</li> <li>Evaluation of the Implementation of the Promotion of Administrative Justice Act (PAJA) at selected Multi Purpose Community Centers</li> <li>Evaluation of departmental management of the Protected Disclosures Act (PDA) in national/provincial departments</li> <li>Compliance report of departmental progress in verifying qualifications</li> <li>Citizen Satisfaction Survey introduced to another government sector</li> <li>Service Delivery Inspections</li> <li>Support Implementation of the Citizens' Forums toolkit</li> </ul>	<ul style="list-style-type: none"> <li>Evaluate the implementation of the Batho Pele principle of "Courtesy"</li> <li>Evaluate MPCCs as an Approach to Integrated Service Delivery</li> <li>Assessment of Annual Reports as Accountability mechanisms</li> <li>Citizens Satisfaction Survey re-introduced to the Social Services Sector</li> <li>Service Delivery Inspections Conducted</li> <li>Support Implementation of the Citizens' Forums toolkit</li> <li>Case Study on Citizens Satisfaction Surveys as a mechanism for public participation and improving service delivery</li> </ul>

Key Performance Area	Objective	Indicators	2006/7	2007/08	2008/09
<b>BRANCH: INVESTIGATIONS AND HUMAN RESOURCE REVIEWS</b>					
<b>1. CHIEF DIRECTORATE: LABOUR RELATIONS IMPROVEMENTS</b>	To enhance public service labour relations and management practices	<ul style="list-style-type: none"> <li>• Reports with recommendations.</li> <li>• Recommendations on grievances submitted to EAs monitored.</li> <li>• Report on the management of database.</li> <li>• Proposal for policy amendment developed for PSCBC.</li> <li>• Implementation of policy amendments.</li> <li>• Reports with recommendations produced.</li> <li>• Timeous, accurate and quality six monthly reports on departmental grievance resolution produced.</li> <li>• Annual report on grievance resolution by departments in the public service produced.</li> <li>• Bi-annual conference on labour relations in public service successfully held; and</li> <li>• Conference report produced.</li> <li>• Accurate advice and legal support provided to the PSC and the Office.</li> </ul>	<ul style="list-style-type: none"> <li>• Investigation of grievances and complaints lodged.</li> <li>• PSC updated on implementation of recommendations.</li> <li>• Manage a database on grievances.</li> <li>• Review of Grievance Rules.</li> <li>• Investigation into the management of poor performance in the public service.</li> <li>• Provide the Commission with six monthly reports on departmental grievance resolution.</li> <li>• Provide a trend report on grievance resolutions in the Public Service.</li> <li>• Public Service Labour Relations Conference hosted.</li> <li>• Provide legal support to the PSC and the Office.</li> </ul>	<ul style="list-style-type: none"> <li>• Investigation of grievances and complaints lodged.</li> <li>• PSC updated on implementation of recommendations.</li> <li>• Manage a database on grievances.</li> <li>• Production and dissemination of amended Grievance Rules.</li> <li>• Evaluation of the nature of sanctions imposed on public servants emanating from misconduct proceedings.</li> <li>• Provide the Commission with six monthly reports on departmental grievance resolution.</li> <li>• Provide a trend report on grievance resolutions in the Public Service.</li> <li>• Monitor the resolutions emanating from the Public service Labour Relations Conference.</li> <li>• Provide legal support to the PSC and the Office</li> </ul>	<ul style="list-style-type: none"> <li>• Investigation of grievances and complaints lodged.</li> <li>• PSC updated on implementation of recommendations.</li> <li>• Manage a database on grievances.</li> <li>• Evaluation of the effectiveness of the revised Grievance Rules.</li> <li>• Produce a research report on labour relations.</li> <li>• Provide the Commission with six monthly reports on departmental grievance resolution.</li> <li>• Provide a trend report on grievance resolutions in the Public Service</li> <li>• Public Service Labour Relations Conference hosted.</li> <li>• Provide legal support to the PSC and the Office</li> </ul>

Key Performance Area	Objective	Indicators	2006/7	2007/08	2008/09
<b>2. CHIEF DIRECTORATE: PUBLIC ADMINISTRATION INVESTIGATIONS</b>	To undertake audits and investigations into public administration practices	<ul style="list-style-type: none"> <li>• Reports with recommendations produced</li> <li>• Recommendations implemented</li> <li>• Best practices are identified and promoted</li> <li>• Number, quality and timeliness of reports</li> </ul>	<ul style="list-style-type: none"> <li>• Investigation of complaints lodged and requests emanating from: <ul style="list-style-type: none"> <li>○ The Commission (proactively)</li> <li>○ Executing authorities</li> <li>○ Public servants</li> <li>○ Anonymous complaints/whistle-blowing; e.g. National Anti-corruption Hotline.</li> </ul> </li> <li>• Report on Financial Misconduct</li> <li>• Trend analysis on public administration investigations</li> <li>• Report on the handling of public servants in terms of prevailing provisions who are appointed as councilors in the Limpopo and Western Cape provinces</li> </ul>	<ul style="list-style-type: none"> <li>• Investigation of complaints lodged and requests emanating from: <ul style="list-style-type: none"> <li>○ The Commission (proactively)</li> <li>○ Executing authorities</li> <li>○ Public servants</li> <li>○ Anonymous complaints/whistle-blowing; e.g. National Anti-corruption Hotline.</li> </ul> </li> <li>• Report on Financial Misconduct</li> <li>• Trend analysis on public administration investigations</li> <li>• One investigation into public administration practices of own accord</li> </ul>	<ul style="list-style-type: none"> <li>• Investigation of complaints lodged and requests emanating from: <ul style="list-style-type: none"> <li>○ The Commission (proactively)</li> <li>○ Executing authorities</li> <li>○ Public servants</li> <li>○ Anonymous complaints/whistle-blowing; e.g. National Anti-corruption Hotline.</li> </ul> </li> <li>• Report on Financial Misconduct</li> <li>• Trend analysis on public administration investigations</li> <li>• One investigation into public administration practices of own accord</li> </ul>
<b>3. CHIEF DIRECTORATE: PROFESSIONAL ETHICS AND HUMAN RESOURCE REVIEWS</b>	To prevent corruption and review the implementation of human resource reviews	<ul style="list-style-type: none"> <li>• Reports with recommendations produced</li> <li>• Extent to which recommendations are implemented</li> <li>• Best practices are identified and promoted</li> <li>• Code of Conduct promoted.</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluate the extent to which the training needs of senior managers have been met</li> <li>• Assessment of the reasons for the inability of the Public Service to recruit and retain persons with disabilities</li> <li>• Investigations in to human resource practices emanating from requests</li> <li>• Promotion of Code of Conduct</li> </ul>	<ul style="list-style-type: none"> <li>• Review the role of human resource management components in the public service</li> <li>• Monitoring and evaluation of retention strategies in the public service</li> <li>• Evaluate the capacity of departments to do organizational design and maintenance</li> <li>• Review of Code of Conduct</li> </ul>	<ul style="list-style-type: none"> <li>• Review of the implementation of the salary progression system for employees on salary level 12 and below.</li> <li>• Review of skills development at levels 12 and below with emphasis on equal opportunity in the provision of training</li> <li>• Evaluate the quality of selection process applied by departments</li> <li>• Promotion of revised Code of Conduct</li> </ul>

Key Performance Area	Objective	Indicators	2006/7	2007/08	2008/09
		<ul style="list-style-type: none"> <li>• Extent of compliance by Senior Managers</li> <li>• Revised process for the evaluation of financial disclosures.</li> <li>• Disclosure Forms scrutinized for conflict of interest</li> <li>• Produce report on an analysis of Financial Disclosures</li> <li>• Research report produced</li> <li>• Participation by Stakeholders</li> <li>• Broad acceptance of Framework</li> <li>• Successfully arranged NACF and Implementation Committee meetings</li> <li>• Accurate minute taking at meetings</li> <li>• NAP for the NACF co-ordinated</li> <li>• Successful completion of projects of the National Anti-Corruption Programme (NAP) assigned to the Secretariat</li> <li>• Report published and tabled</li> </ul>	<ul style="list-style-type: none"> <li>• Manage Asset Register</li> <li>• Development of draft Rules to manage conflicts of interest in terms of the Financial Disclosure Framework for the SMS</li> <li>• Evaluate Financial disclosures and advise executing authorities</li> <li>• Report on an analysis of the Financial Disclosures of Senior Managers</li> <li>• Draft Framework on the management of conflict of Interest</li> <li>• Consultative workshops with stakeholders</li> <li>• Serve as Secretariat to the National Anti-Corruption Forum</li> <li>• Meetings of NACF, Implementation Committee and Executive Committee.</li> <li>• Implementation of NAP coordinated.</li> <li>• Identified Projects on NAP executed</li> <li>• Report on the annual activities of the NACF: June 2005 – May 2006</li> </ul>	<ul style="list-style-type: none"> <li>• Manage Asset Register</li> <li>• Monitor compliance to Financial Disclosure Rules</li> <li>• Evaluate Financial disclosures and advise executing authorities</li> <li>• Report on an analysis of the Financial Disclosures of Senior Managers</li> <li>• Provide advice on conflicts of interest management on request</li> <li>• Serve as Secretariat to the National Anti-Corruption Forum</li> <li>• Meetings of NACF, Implementation Committee and Executive Committee.</li> <li>• Implementation of NAP coordinated.</li> <li>• Identified Projects on NAP executed</li> <li>• Report on the annual activities of the NACF: June 2006 – May 2007</li> </ul>	<ul style="list-style-type: none"> <li>• Manage Asset Register</li> <li>• Monitor compliance to Financial Disclosure Rules</li> <li>• Evaluate Financial disclosures and advise executing authorities</li> <li>• Report on an analysis of the Financial Disclosures of Senior Managers</li> <li>• Provide advice on conflicts of interest management on request</li> <li>• Review the implementation of conflicts of interest measures by departments</li> <li>• Serve as Secretariat to the National Anti-Corruption Forum</li> <li>• Meetings of NACF, Implementation Committee and Executive Committee.</li> <li>• Implementation of NAP coordinated.</li> <li>• Identified Projects on NAP executed</li> <li>• Report on the annual activities of the NACF: June 2007 – May 2008</li> </ul>

Key Performance Area	Objective	Indicators	2006/7	2007/08	2008/09
		<ul style="list-style-type: none"> <li>• Successfully arranged bi-annual National Anti-Corruption Summit</li> <li>• Report containing findings and recommendations</li> <li>• Timeous and accurate referral of cases to agencies</li> <li>• Quality of feedback from departments monitored</li> <li>• Produce a Toolkit</li> <li>• Report with recommendations produced</li> <li>• Report with recommendations produced</li> </ul>	<ul style="list-style-type: none"> <li>• Hosting of the third National Anti-Corruption Summit</li> <li>• Report on the effectiveness with which the public service's anti-corruption initiatives are coordinated (subject to availability of donor funding).</li> <li>• Management of National Anti-Corruption Hotline <ul style="list-style-type: none"> <li>○ Referral of cases to departments</li> <li>○ Follow-up on the investigations</li> <li>○ Generating Anti-Corruption trend reports</li> </ul> </li> <li>• Develop a toolkit on the National Anti-Corruption Hotline</li> <li>• Produce bi-annual report on the effectiveness of the National Anti-Corruption Hotline</li> <li>• Assessment of professional ethics and anti-corruption measures in the Free State</li> </ul>	<ul style="list-style-type: none"> <li>• Coordinate the implementation of resolutions of the third National Anti-Corruption Summit</li> <li>• Research into corruption prevention and combating</li> <li>• Management of National Anti-Corruption Hotline <ul style="list-style-type: none"> <li>○ Referral of cases to departments</li> <li>○ Follow-up on the investigations</li> <li>○ Generating Anti-Corruption trend reports</li> </ul> </li> <li>• Advise departments on procedures as contained in toolkit</li> <li>• Evaluate the management of the National Anti-Corruption Hotline</li> <li>• Province specific anti-corruption research</li> </ul>	<ul style="list-style-type: none"> <li>• Hosting of the fourth National Anti-Corruption Summit</li> <li>• Research into corruption prevention and combating</li> <li>• Management of National Anti-Corruption Hotline <ul style="list-style-type: none"> <li>○ Referral of cases to departments</li> <li>○ Follow-up on the investigations</li> <li>○ Generating Anti-Corruption trend reports</li> </ul> </li> <li>• Review contents of toolkit to accommodate revised protocols and procedures</li> <li>• Produce bi-annual report on the effectiveness of the National Anti-Corruption Hotline</li> <li>• Province specific anti-corruption research</li> </ul>

### 3. INSTITUTION BUILDING AND SUPPORT

The institution building and support structure includes provision of centralized administration, office support services, management of departmental personnel and financial administration, determination of working methods and procedures as well as exercising of control over assets and infrastructure.

#### 3.1 HUMAN RESOURCES

The appointment of staff into vacant posts which emanated from the restructuring process which took place two years ago is gradually yielding results in the form of improving employment equity targets of the PSC as well as employing people with appropriate skills.

The break down of the structure per level within the organisation, as at 01 February 2006, is reflected below:

LEVEL	AFRICANS			COLOUREDS			INDIANS			WHITES			SUB TOTAL		TOTAL
	F#	M*	T+	F#	M*	T+	F#	M*	T+	F#	M*	T+	F#	M*	
01 to 08	49	28	77	1	0	1	0	0	0	8	2	10	58	30	88
09 to 12	19	27	46	1	5	6	1	0	1	7	6	13	28	38	66
13 to 16	8	17	25	1	1	2	0	3	3	2	4	6	11	25	36
<b>TOTAL</b>	<b>76</b>	<b>72</b>	<b>148</b>	<b>3</b>	<b>6</b>	<b>9</b>	<b>1</b>	<b>3</b>	<b>4</b>	<b>17</b>	<b>12</b>	<b>29</b>	<b>97</b>	<b>93</b>	<b>190</b>

# = Female                      \* = Male                      + = Total

The approved staff establishment is 225 resulting in the number of vacant positions being 35. The high vacancy rate can be attributed to high staff turnover within the PSC, especially with respect to secretaries and officials on salary levels 8, 9 and 11. The staff turnover rate, specifically at the level of middle management as well as secretaries, is a critical concern for the PSC. It is the intention of the PSC to review posts of Deputy Director both from a grading and retention strategy perspective as employees at this level are frequently poached by other departments. The posts of Secretary have been re-evaluated in order to upgrade the salary level in line with the

proposed levels by the Department of Public Service and Administration. The process of filling some of the critical positions is continuing.

Although the PSC has identified two recruitment agencies who are serving as databases for supplying prospective employees with disabilities, the PSC is still experiencing challenges in employing people with disabilities. The PSC will, despite this, endeavour to pursue this matter vigorously over the period under review by, among others placing disabled learners and interns under its learnership and internship programmes.

The PSC is in the process of rolling out its Human Resource Development Strategy for its Office with specific focus on induction courses for new employees and re-orienting old employees in line with Government Policy.

The PSC will also be monitoring and evaluating the effectiveness of its Employee Assistance Programme which was implemented with effect from 1 July 2005.

### **3.2 INTERNAL AUDIT AND RISK ANALYSIS**

GOBODO Corporate Governance Services has been appointed to perform internal audit function with effect from 01 October 2004 for a period of 36 months. In order to ensure independence of the internal audit function, the PSC would like to establish an in-house internal audit component as indicated by the National Treasury. However, financial constraints may make such a move challenging.

The internal auditors have adopted a discipline approach to evaluate and improve the effectiveness of risk management, internal control and governance processes.

### **3.3 INFORMATION TECHNOLOGY DEVELOPMENT**

#### ***Licensing Issues***

The administration of Microsoft software licenses has over the past two years improved following the signing of Microsoft Enterprise Agreement between the Public Service Commission and Microsoft in October 2004. Microsoft is due to release new

operating system software towards the end of 2006. The signed agreement has software assurance built into it, which will enable the PSC to automatically upgrade to the new software without any additional cost to the PSC. The IT strategy therefore ensures that the PSC remains up-to-date with technology trends cost effectively.

### ***Networks Operations***

The Wide Area Network (WAN) remains a big challenge for the PSC. In terms of the law the State Information and Technology Agency (SITA) has a mandatory obligation to render WAN services to all government departments. Unfortunately this slows down the WAN. This has in many ways affected the communication channels between the PSC and its stakeholders outside the SITA network. As a means to leverage the existing WAN infrastructure, the PSC will install WAN accelerators. The ultimate objective is to implement the virtual private network (VPN) solution to improve network connectivity and to provide a more secure network environment.

### ***Information and Knowledge Management (IKM)***

As the Knowledge Management process evolves and business requirements change, the need arose to further enhance and upgrade the IKM system in line with changing user and business requirements. The refinement of the IKM system therefore called for development of an upgrade solution that will cater for the evolving business environment through automation of most organizational processes resulting in productivity and improved performance.

Phase two of the IKM system, which is sponsored by the German Agency for Technical Cooperation (GTZ), is expected to be fully operational by mid-year 2006.

These further developments and enhancements of IKM seek to improve business processes within the following operational processes of the PSC:

- Case Management System
- Performance Management and HoD evaluations; and
- Interfacing of IKM and BAS

- Invoicing System
- General IKM system enhancements

The Case Management System and the Invoicing System are specifically developed to cater for the PSC's needs for a paperless environment through provision of document management functionality. Electronic paper trails, audit trails including document history, delivery history and version control give complete visibility into the lifecycle of the business files. Owing to the highly confidential nature of data and document that the system manages, the system is highly secure and private.

The system for Performance Management and HoDs' evaluations captures, manages and reports on Performance Management and HoD evaluations.

### ***Information Systems***

Training and development of Information Technology (IT) officials for attainment of further skills in system development is in progress. The aim of the training is to create a competent and capable system development team that can deliver quality in-house systems and thereby cut consultancy fees. In support of the above, the PSC has acquired licenses for MSDN Development Platform to be used for development of in-house systems. A license for Microsoft FrontPage (web development tool) has also been acquired for development of web-based applications such as the PSC's Intranet site.

The Intranet for the PSC is currently hosted and maintained by the SITA. However, in the near future the Intranet will be maintained and managed internally, and all systems developed in-house will be accessible from the Intranet. This will address the problem of response time when accessing the Intranet via the SITA network.

## **3.4 FINANCIAL REPORTING AND CORPORATE MANAGEMENT**

### **CORPORATE GOVERNANCE AND MANAGEMENT**

The PSC continues to have appropriate governance structures which are set up to deal with ongoing management issues. These are:

### ***Public Service Commission Plenary***

This is a quarterly meeting of all the Commissioners together with the Executive Management of the Office of the Public Service Commission where policy issues are discussed and decisions in this regard taken. Furthermore, the strategic plan as well as the annual work plan of the PSC are also considered and approved at such meetings.

### ***Executive Committee***

The Executive Committee (EXCO) comprises Pretoria based Commissioners, one Provincially based Commissioner attending on a six-monthly rotational basis and the Executive Management of the Office of the Public Service Commission. It meets fortnightly to consider and make operational decisions within the parameters of the policy framework including ad-hoc projects. These are subsequently ratified at full plenary where all the Commissioners are present.

### ***Specialist Teams***

The Specialists Teams comprise selected Senior Officials from the Office of the Public Service Commission as well as selected Commissioners. These meet on a quarterly basis to consider progress on projects and related issues. There are three (3) Specialists Teams, namely:

- Governance Monitoring, Leadership and Performance Management
- Labour Relations Improvement, Public Administration Investigations, and Professional Ethics and Human Resource Reviews
- Service Delivery and Quality Assurance

### ***Executive Management Committee***

This Committee consists of Executive Management from the Office of the Public Service Commission. It meets on a monthly basis to consider policy and management issues affecting the Office of the Public Service Commission.

### ***Management Committee***

This is a Forum comprising Executive and Senior Managers from the Office of the Public Service Commission. The purpose of this Forum is to discuss project related issues and to engage on the strategic planning exercise as well as to give feedback

to Senior Managers on policy and management decisions taken at the various aforementioned governance structures. This Forum meets on a quarterly basis.

## **FINANCIAL MANAGEMENT**

The report on 'State of Expenditure' as required by the National Treasury is generated on a monthly basis. The report is discussed in management meetings at EXCO, EXMA and quarterly at the Plenary Session of PSC.

A Budget Committee has been established with effect from 01 April 2006. The objective of the Committee is to bring programme managers together on a monthly basis to discuss the budget, expenditure to date and projections. The expenditure trends will also be analysed and monitored against the budget. Programme managers will be required to provide reasons for the deviation from the budget.

The project costing model where projects will be costed separately will be introduced in April 2006. The model will assist with the provision of accurate information and reports relating to projects, budget and expenditure.

## **SUPPLY CHAIN MANAGEMENT**

The process of updating of the PSC supplier database has been completed. The database enables the rotation of the service providers as well as facilitating the achievement of Small Medium and Micro Enterprises (SMME's), and Black Economic Empowerment (BEE) targets.

The PSC reports to the National Treasury on SMME and BEE procurement. Quarterly reports are also provided to the Department of Environmental Affairs and Tourism (DEAT) on Graded Accommodation Establishments.

The Procurement Policy is being reviewed to improve the management of risk and supplier performance.

### **3.5 COMMUNICATION AND INFORMATION SERVICES**

The PSC has developed a communication strategy to address its communication challenges and in line with the requirements of government's annual strategic communication framework.

The objectives of the communication strategy are:

- To clearly position the PSC to all target audiences through a sustained communication programme that builds and instills public confidence in the PSC.
- To ensure that the mandate of the Commission and its contribution to public administration are communicated effectively to its stakeholders and the public.
- To popularise the PSC's programmes and policies among employees through consistent internal communication.

The PSC has engaged successfully with members of the media around its work. During the medium term, the PSC plans to intensify its engagement with journalists to better popularize its mandate. Other communication initiatives are contained in the Communication Strategy Document.

The PSC also plans to reposition its brand to be identifiable to all stakeholders, including the citizenry.

#### 4. MEDIUM TERM EXPENDITURE FRAMEWORK ESTIMATES

The PSC's programme structure is divided into three programmes, namely:

##### ***Programme 1: Administration***

Purpose: To manage, organise and provide administrative support to the Public Service Commission (PSC) and the Office.

##### ***Programme 2: Investigations and Human Resources Reviews***

Purpose: To enable the PSC to improve labour relations and management, carry out audits and investigations into public administration practices, promote anti-corruption practices, and review the implementation of human resources policies in the public service.

##### ***Programme 3: Monitoring and Evaluation***

Purpose: To establish a high standard of public service leadership, good governance and improved service delivery through public participation.

The following tables give an indication of the distribution of funds amongst the three programmes as well as the distribution according to the economic classification of expenditure over the medium term.

#### 4.1 EXPENDITURE ESTIMATES PER PROGRAMME

<b>PROGRAMME</b>	<b>2006/07</b>	<b>2007/08</b>	<b>2008/09</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
1. Administration	48 418	50 709	53 392
2. Investigations and Human Resources Reviews	24 883	26 366	27 617
3. Monitoring and Evaluation	23 027	24 456	25 564
<b>TOTAL</b>	<b>96 328</b>	<b>101 531</b>	<b>106 573</b>

## 4.2 EXPENDITURE ESTIMATES PER ECONOMIC CLASSIFICATION OF EXPENDITURE

ITEM	2006/2007	2007/2008	2008/09
	R'000	R'000	R'000
Compensation of employees	64 533	68 663	72 162
Goods and services	30 121	31 650	33 134
Transfers to municipalities	92	27	29
Payment for capital assets	1 582	1 191	1 248
<b>TOTAL</b>	<b>96 328</b>	<b>101 531</b>	<b>106 573</b>

The change in the 2005 budget estimates is as a result of a rollover of funds amounting to R1,063 million for projects that were not completed at the end of the 2005/06 financial year, and an additional amount of R2,995 million received from National Treasury to fund the PSC's work in the KwaZulu Natal Support Programme. This led to an increase of R4 million in the voted main appropriation, from R82,050 million to R86,106 million.

Additional amounts of R6,8 million, R7,4 million and R7,9 million were allocated for 2006/07, 2007/08 and 2008/09 respectively, due to the devolution of accommodation-related funds from the Department of Public Works. An additional amount of R1 million is also allocated for Programme Evaluation of Poverty Relief Programme under Programme 3 over the 2006 to 2009 MTEF period.

Compensation of employees, which on average accounts for 67 per cent of the programme's expenditure, will continue to grow at an average annual rate of 6 per cent over the 2006 MTEF, contributing to the growth of total expenditure.

Special funds earmarked for the upgrading of IT infrastructure are classified under Payments for Capital Assets: R1 million, R1,5 million and R1,5 million over the 2005 to 2007 MTEF period. A portion of capital expenditure is classified under current expenditure if valued at less than R5 000.

### 4.3 DEPARTMENTAL RECEIPTS

The following table sets out the PSC's estimated receipts over the medium term:

<b>Items</b>	<b>2006/07</b>	<b>2007/08</b>	<b>2008/09</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Interest	25	25	26
Sale of goods and services	37	35	37
Financial transactions in assets and liabilities	162	168	170
<b>Total</b>	<b>224</b>	<b>228</b>	<b>233</b>

The PSC receives very small amounts of money from other income. The sale of goods and services comprises commission received from financial institutions as a result of deductions from employees' salaries on their behalf.

Financial transactions include the capital repayment of loans on bursaries, fees charged for parking facilities, private use of telephone and stale cheques.

A more detailed breakdown of expenditure and anticipated outputs for the PSC is reflected in the PSC's Budget Chapter (Vote 11) included in the 2006 Estimates of National Expenditure.