TECHNICAL & FINANCIAL FILE

PUBLIC SERVICE IMPROVEMENT FACILITY (TIRELO BOSHA)

SOUTH AFRICA

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ABBREVIATIONS

APRM	African Peer Review Mechanism
BTC	Belgian Technical Cooperation
CGE	Commission for Gender Equality
COGTA	Department for Cooperative Governance and Traditional Affairs
CPSI	Centre for Public Service Innovation
CSI	Corporate Social Investment
CSO	Civil Society Organisation
DGD	Directorate - General for Development & Humanitarian Aid (Belgium)
IEC	Independent Electoral Commission
DCIS	Development Co-operation Information System.
DCOG	Department of Corporate Governance
DHET	Department of Higher Education and Training
DoL	Department of Labour
DPLG	Department of Provincial and Local Government
DPSA	Department of Public Service and Administration
DST	Department of Science and Technology
EHW	Employee Health & Wellness
EU	European Union
GCF	Government Communicators Forum
GCIS	Government Communication and Information System
GDP	Gross Domestic Product
GWM&E	Government Wide Monitoring and Evaluation
HoC	Heads of Communications
HRD	Human Resources Development
HRM	Human Resources Management
ICT	Information Communication Technology
IDC	International Development Cooperation (National Treasury)
IDP	Integrated Development Plan
IFMS	Integrated Financial Management System
IT	Information Technology

LED	Local Economic Development
LGTAS	Local Government Turnaround Strategy
MDG	Millennium Development Goals
MIS	Management Information System
MPSA	Ministry of Public Service and Administration
MTR	Medium Term Review
MTSF	Medium Term Strategic Framework
NDP	National Development Plan
NPC	National Planning Commission
NT	National Treasury
ODA	Official Development Assistance
OAG	Office of the Accountant General
PALAMA	Public Administration Leadership and Management Academy
PCAS	Policy Coordination and Advisory Services
PFMA	Public Finance Management Act
PMG	Pay Master General
PMU	Programme Management Unit
PSA	Public Service Act
PSC	Programme Steering Committee
PSETA	Public Sector Education and Training Authority
RDP	Reconstruction and Development Programme
RSS	Rich Site Summary
SAHRC	South African Human Rights Commission
SALGA	South African Local Government Association
SAMDI	South African Management Development Institute
SMS	Senior Management Services
SOPS	State of Public Services
SWOT	Strengths, Weaknesses, Opportunities, and Threats
TFF	Technical and Financial File
ToR	Terms of Reference

EXECUTIVE SUMMARY

Since the end of apartheid and the first democratic elections in 1994, South Africa has made a successful transition to a stable, multiparty democracy. However, despite its successes, South Africa still faces major socio-economic challenges. Poverty indicators and unemployment are high and major social-economic inequalities remain. The delivery of basic municipal services should be improved, in particular at local level. Therefore challenges in the system of governance, such as capacity gaps in local government and the poor quality of some public services, require special attention.

The current intervention intends to contribute towards enhanced capacity development for improved public service delivery. More specifically, it aims to support and pilot new ways of delivering public service. The intervention strategy is to develop and implement a grant Facility that will support a range of targeted initiatives, aimed at building the capacity of the South African Public Service for improved frontline service delivery, i.e. services directly delivered to the public. These initiatives should act as a catalyst for replication by the South African government.

The Facility will become a national programme of South Africa, called "*Tirelo Bosha*"[1], open to all spheres of government (national, provincial and local government) that will continue after the Belgian contribution. Other donors could join the Facility at any time.

The Belgian contribution is estimated at € 11 million for a period of 6 years and aims to obtain the following results:

- A grant Facility to support initiatives to improve public service delivery is established and implemented;

- New and Innovative ways of Public Service Delivery are piloted;

- Sound practices and lessons learned for improved public service delivery are enhanced and sustained.

The South African contribution during the period of Belgian support will encompass at least the financing of project Facility staff, the in-kind allocation of counterpart staff to collaborate with the Facility staff and the provision of office space and furniture to house the Programme Management Unit (PMU) staff.

During the start-up phase the Facility mechanism and the operational modalities will be fine-tuned. A Programme Management Unit will undertake the coordination and facilitate effective and efficient implementation of contracts under the Facility. A Programme Steering Committee, supported by a Evaluation Committee, will guide the implementation of the Facility. Potential beneficiary institutions will be asked to submit proposals to improve public service delivery to be financed by the Facility. The decision to finance the proposals will be based on predefined selection criteria.

The financial management of the Facility is based on fund flow procedures and regulations used by the Government of South Africa.

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[1] Tirelo Bosha means "A new way of doing things"

ANALYTICAL RECORD OF THE INTERVENTION

DGD intervention number	NN: 3009760
Navision code BTC	SAF10 019 11
Partner institution	Department of Public Service and Administration (DPSA)
Duration of Specific Agreement	6 years
Duration of implementation	5 years
Estimated starting date of intervention	January 2013
Belgian contribution	€ 11,000,000
Partner's contribution	Will eventually entirely finance the Facility and encompass at least the staff and provision of office for the Facility during the period of Belgian Support
Intervention sectors	Public Service General – CAD 11430
Overall Objective	Front-line public service delivery is improved
Specific Objective	New ways of delivering public services by funding improvement initiatives are piloted
Results	**Result Area 1**: A grant Facility to support initiatives to improve public service delivery is established and implemented **Result Area 2**: New and Innovative ways of public service delivery are piloted **Result Area 3**: Sound practices and lessons learned for improved public service delivery are enhanced and sustained
Beneficiaries	*Direct:* • Department of Corporate Governance and Traditional Affairs (COGTA) • All South African Government Departments (national, provincial and local) • Institutions referred to in *Chapter 9* of the 1996 Constitution of South Africa • Non state actors involved in public service delivery *In-direct:* • Department of Public Service and Administration (DPSA)

1 SITUATIONAL ANALYSIS

1.1 Socio-economic context

South Africa is a middle-income, emerging market with an abundant supply of natural resources; well-developed financial, legal, communications, energy, and transport sectors; a stock exchange that is the 18th largest in the world; and modern infrastructure supporting a relatively efficient distribution of goods to major urban centers throughout the region. Growth was robust from 2004 to 2007 as South Africa reaped the benefits of macroeconomic stability and a global commodities boom but began to slow in the second half of 2007 due to an electricity crisis and the subsequent global financial crisis' impact on commodity prices and demand. GDP fell nearly 2% in 2009 but recovered in 2010-11. Unemployment remains high and outdated infrastructure has constrained growth. State power supplier Eskom encountered problems with aging plants and meeting electricity demand necessitating "load-shedding" cuts in 2007 and 2008 to residents and businesses in the major cities. Daunting economic problems remain from the apartheid era - especially poverty, lack of economic empowerment among the disadvantaged groups, and a shortage of public transportation. South Africa's economic policy is fiscally conservative focusing on controlling inflation and attaining a budget surplus. The current government largely follows these prudent policies but must contend with the impact of the global crisis and is facing growing pressure from special interest groups to use state-owned enterprises to deliver basic services to low-income areas and to increase job growth.

Although the Gini coefficient is slightly decreasing (from 0.682 in 2000 to 0.644 in 2009) it remains high by international standards.

Outlook:
- No major economic policy shifts are envisaged. Boosting economic growth, jobs and investment will remain the government's focus in 2012-16.
- Real GDP will remain sluggish, at 2.5% in 2012 and 3.1% in 2013, owing largely to weaker global and domestic conditions.
- Growth will edge up in 2014-16 in line with the modest global recovery and improving domestic conditions, rising to 4% in 2015 and 4.3% in 2016, but will continue to be negatively affected by structural constraints.
- Inflation will quicken a little in 2012, to 5.2%, spurred by rising electricity prices and wage growth, but will subside to the 4-5% range in 2013-16, helped by more stable global commodity prices.
- Gradual rand depreciation is forecast during most of the outlook period because of South Africa's persistent current-account deficit, relatively high inflation and political uncertainty surrounding the 2014 election.
- The current-account deficit is forecast to rise to 5.8% of GDP in 2012, before narrowing in 2013-15 as earnings growth quickens. The gap will widen slightly in 2016, to 3.7% of GDP, as higher economic activity bolsters imports.
- The final version of the National Development Plan, a long-term strategy, prioritises the fight against unemployment and inequality.
- Real GDP growth picked up slightly in the second quarter to 3% year on year (from 2.1% in the first three months of the year), but remains sluggish.

- The current-account deficit soared to 6.6% of GDP in the second quarter, a near four-year high, because of wider visible and invisible trade shortfalls.
- A draft treaty with the Democratic Republic of the Congo aims to revive the Inga hydroelectric project, potentially giving a major boost to power supplies.

1.2 Public service context

South Africa's public sector serves a diverse citizenry with ever-changing needs. The country's social, economic and political environment mirrors that of a developing world characterized by an accelerated pace of technological developments, increasing economic development and political stability. The public sector has to keep pace with changes in order to serve its citizens efficiently by being responsive to changing and more complex expectations and demands. In its attempts to provide efficient services, government's resources become stretched. Limited resources compel the state to constantly seek and find more efficient and effective ways to deliver services in an impartial, fair and equitable manner. With an ever-growing mandate for service delivery, public sector organisations need to be innovative in their use of resources in an environment where demand exceeds supply. Strategically, innovation is thus critical as the South African government is committed to fulfilling its mandate of providing appropriate services to all citizens.

When the new South Africa came into being in 1994, the government inherited the national public service, consisting of a variety of former provinces and homelands, which had to be amalgamated, to form a national unified public service. This task was accomplished rapidly, but the resulting public service was very large and exhibited many features of traditional bureaucracy, including hierarchical structures, limited automation and Information Technology (IT) applications, low levels of training, a poor work culture, language and cultural barriers and an overall orientation towards inputs and processes rather than service delivery and results.

The former Policy Co-ordination and Advisory Services (PCAS) of the South African Presidency, reviewed the process in 2008 and concluded that significant progress has been made and valuable lessons learned. The policy and legislative framework for national reconstruction and development has been formalised, a new system of decentralised provincial and local government has been established; and systems to integrate and co-ordinate government have been introduced. However PCAS also summarised shortcomings of the various governance service delivery processes, mainly with regard to deficiencies in managerial and technical skills to deploy and manage available resources efficiently and effectively. Capacity development for enhanced strategic and operational planning and programme coordination remain a major governance challenge.

The role, which the public sector plays in the achievement of the developmental state, cannot be ignored. The quality of services delivered by public sector employees is a significant factor in enabling South Africa to surmount the problems, which have hampered its growth in the past. The Government of South Africa wants to develop a new public service culture with public servants that uphold the interest of the people they are employed to serve, that have the requisite skills and a value system. These include the willingness to break new ground, the ability to inspire success, the capacity to raise the standard, an attitude which states that "nothing is impossible", the gift of being able to make a difference to people, the willingness to assume collective responsibility and work as a team, the capacity to be on board, own the processes of service delivery and assume responsibility for system

failures and, being prepared to be an activist in the international arena on behalf of the values of the country.[2]

These vision and values are in line with the White Paper on the Transformation of the Public Service (1995), which established a policy framework to guide the introduction and implementation of new policies and legislation aimed at transforming the public service. They are also in line with the constitutional ideals of promoting and maintaining high standards of professional ethics, providing services impartially, fairly, equitably and without bias, utilising resources efficiently and effectively, responding to people's needs, citizens are encouraged to participate in policy-making and, rendering an accountable, transparent, and development-oriented public administration.

These principles were further endorsed by the *Batho Pele* policy, i.e. "People First". *Batho Pele* is an initiative to get public servants to be service oriented, to strive for excellence in service delivery and to commit to continuous service delivery improvement, based on eight steps (Fig. 1).

The *Batho Pele* Campaign has an explicit slogan 'Together beating the drum for Service Delivery". It is a simple and transparent mechanism, which allows citizens to hold public servants accountable for the level of services they deliver. It is a major departure from a dispensation, which excluded the majority of South Africans from government machinery to the one that seeks to include all citizens for their achievement of a better live for all through services, products and programmes of a democratic dispensation – principles that are applied as the basis for service delivery.

Figure 1: Batho Pele: eight steps to Improved service delivery

Diagram: Eight Steps to Improved Service Delivery

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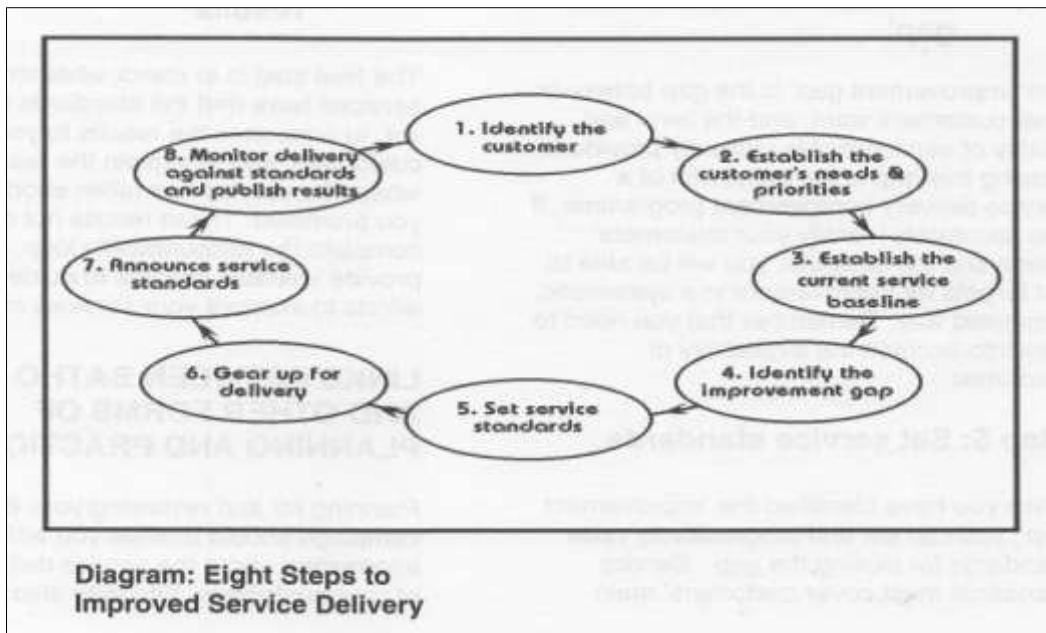
[2]Minister R M Baloyi, Speech at the Public Sector Trainers Forum, 23 September 2009

1.3 Public Service Frameworks

In the first decade after the transition to democracy, the government focused on restructuring, intensive policy development and comprehensive legislative reform, including wholesale revision and modernization of the legislation governing the public service. This included the introduction of key new legislation such as the Public Finance Management Act (PFMA) and the Public Service Act (PSA). Both the 10 Year Review (2004) and the 15 Year Review (2009) found that the legislative reform process had been largely successfully completed by 2004. The Reviews found that the key challenge facing government was to improve implementation, and that the focus of the second decade must be on improved implementation of the new policy and legislative frameworks.

To support and improve implementation in Human Resource Management (HRM), service delivery and good Governance, South Africa has developed a number of strategic frameworks. The purpose of these frameworks is to provide long-term vision and guidance on improving specific areas of public administration. Many of these frameworks have already been implemented but need further support as well as identification and capitalisation of good practices.

Medium-Term Strategic Framework (2009-2014) and National Vision 2025

In 2009, the National Planning Commission (NPC), a newly created Ministry in the Presidency, issued a Medium Term Strategic Framework (MTSF) 2009-2014, which determined a set of national priorities, ministries, public governance and management principles. Commitment to constructing a 'non-racial, non-sexist, prosperous democratic developmental state' is a recurring theme in South African government policy documents. As an example, in the MTSF 2009-2014, the South African government reiterated its commitment to ensure accountable governance and an enhanced state capacity for growth and development – including enhanced capacity to provide basic services to all citizens and to ensure effective long-term planning.

The MTSF 2009-2014 called for a shared agenda and National Vision 2025, which will define the kind of society South Africa wants to become within a fifteen-year time horizon. It underscored the need to create a nation united in diversity, working together to weave the threads that will result in the creation of a democratic, non-racial, non-sexist and prosperous society. It outlined the government's medium-term strategy to meet this mandate and served as the principal guide to planning and resource allocation across all spheres of government (i.e. national, provincial and local governments).

Ten priority areas have been identified in the MTSF, of which Strategic Priority 10 "Building a developmental state including improvement of public services and strengthening democratic institutions" is directly related with improving public services and strengthening democratic institutions. Strategic Priority 10 is to be achieved through the following four medium term results:

- Improve the capacity and efficacy of the State
- Improve the delivery and quality of public services
- Entrench a culture of an efficient, transparent, honest and compassionate public service
- Build partnerships with society and strengthen democratic institutions

Each of these objectives contain and outline a set of recommended targets and focus areas, which include: the strengthening of planning and monitoring and evaluation across all spheres of government; improving the recruitment, management and development of human resources in the Public Service; increasing the availability of programmes for leadership and development; improving

the capacity of municipalities to deliver basic services; improve the performance, management capacity and standards of the state in delivering front line services; improve the application of performance management systems; promoting a culture of open and transparent government; combating crime and corruption; give effect to the policy decision regarding a Single Public Service; involving citizens in governance and service provision; reviewing the government's systems of public participation; and improving the functionality and capacity of institutions.

12 Presidential Outcomes of 2010

Based on the MTSF, a set of 12 presidential performance outcomes were developed in 2010 through extensive consultation at both the ministerial and administrative levels. These key outcomes (Table1) reflect the desired development impact South Africa seeks to achieve. Each outcome is articulated in terms of measurable outputs and key activities to achieve the outputs.

Table 1: 12 presidential performance outcomes of 2010

Outcome 1	Improved quality of basic education
Outcome 2	A long and healthy life for all South Africans
Outcome 3	All people in South Africa are and feel safe
Outcome 4	Decent employment through inclusive economic growth
Outcome 5	A skilled and capable workforce to support an inclusive growth path
Outcome 6	An efficient, competitive and responsive economic infrastructure network
Outcome 7	Vibrant, equitable and sustainable rural communities with food security for all.
Outcome 8	Sustainable human settlements and improved quality of household life
Outcome 9	A responsive, accountable, effective and efficient local government system
Outcome 10	Environmental assets and natural resources that are well protected and continually enhanced
Outcome 11	Create a better South Africa and contribute to a better and safer Africa and World
Outcome 12	An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship

In terms of Government's Performance Management System, Strategic Priority 10 has been translated into the above Outcome 12. An efficient, effective public sector capacity is therefore essential for

government, and this needs to be achieved while reducing the costs associated with the delivery of services, and increasing or maintaining the quality of services rendered.

These twelve Presidential Performance Outcomes form the foundation for the on-going development of South Africa's socio-economic and public service improvement strategy, led and co-ordinated by the National Planning Commission within the Presidency. They provide strategic focus and do not cover the whole of government work and activities. This however, does not mean that the other work of government that is not directly related to these outcomes will be neglected.

Local Government Turnaround Strategy (LGTAS)

In January 2007, the then Department of Provincial & Local Government (DPLG) was mandated to initiate a process of reviewing the roles, functions and effective governance in the Provincial and Local Government spheres. Consequently the roles and name of that national department was updated in 2009 and became known as the Department of Co-operative Governance and Traditional Affairs (COGTA).

COGTA has developed a "Local Government Turnaround Strategy" (LGTAS), i.e. a 5-year plan to strengthen local governance capacity and service improvement needs. LGTAS focuses on participative local government ("Local Government is Everybody's Business. Be part of it") and one of the key thematic areas is Service Delivery.

Framework for Managing Programme Performance (2007)

The National Treasury has developed a framework that sets guidelines for developmental performance measurement, with national definitions of indicators and defined roles of key government institutions in performance information management. The framework is aimed at educating public service management in the concepts and vocabulary of planning and monitoring programme economy, efficiency and effectiveness, and, has become closely aligned with the Presidency's Government-Wide Monitoring & Evaluation system (GWM&E).

Policy Framework for the Government-Wide Monitoring and Evaluation (GWM&E) System (The Presidency 2007)

This policy framework includes key developmental Monitoring and Evaluation (M&E) concepts and principles with guidelines for roles, responsibilities and institutional arrangements for effective implementation of the national GWM&E system to enhance governance, accountability and results-based management.

The National Development Plan 2030 "Our Future – Make it work

The Commission's *Diagnostic Report*, released in June 2011, set out South Africa's achievements and shortcomings since 1994. It identified a failure to implement policies and an absence of broad partnerships as the main reasons for slow progress, and set out nine primary challenges:

1. Too few people work
2. The quality of school education for black people is poor
3. Infrastructure is poorly located, inadequate and under-maintained
4. Spatial divides hobble inclusive development
5. The economy is unsustainably resource intensive
6. The public health system cannot meet demand or sustain quality
7. Public services are uneven and often of poor quality
8. Corruption levels are high
9. South Africa remains a divided society.

The National Development Plan 2013 aims to eliminate poverty and reduce inequality by 2030. South Africa can realise these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society.

Progress over the next two decades means doing things differently. Given the complexity of national development, the plan sets out six interlinked priorities:

- Uniting all South Africans around a common programme to achieve prosperity and equity.
- Promoting active citizenry to strengthen development, democracy and accountability.
- Bringing about faster economic growth, higher investment and greater labour absorption.
- Focusing on key capabilities of people and the state.
- Building a capable and developmental state.
- Encouraging strong leadership throughout society to work together to solve problems

The major thematic areas are addressed in detail, providing evidence, recommendations and clear implementation frameworks.

1.4 The Ministry of Public Service and Administration

The Ministry for Public Service and Administration (MPSA) is in charge of the improvement of public services. Through the Public Service Act (PSA) of 1994, it has the responsibility for establishing norms and standards relating to:

- The functions of the public service;
- The organisational structures and establishments of departments and other organisational and governance arrangements in the public service;
- The conditions of service and other employment practices for employees;
- Labour relations in the public service;
- Health and wellness of employees (EHW);

- Information management in the public service;

- Electronic government (i.e. the use of information and communication technologies in the public service to improve its internal functioning and to render services to the public);

- Integrity, ethics, conduct and anti-corruption in the public service;

- Transformation, reform, innovation and any other matter to improve the effectiveness and efficiency of the public service and its service delivery to the public;

MPSA is responsible for providing the institutional arrangements and governance framework to ensure an efficient and effective public service delivery by among other things, ensuring that its people, processes and technologies are aligned to support the fundamental requirement of government for good public administration; ensure the continual improvement in the cost, quality, access, responsiveness and speed of service delivery to citizens; and address the transformation challenges faced by a developmental state.

The various institutions that fall within the MPSA carry out this mandate, i.e.:

a) the Department of Public Service and Administration (DPSA)
b) the Public Administration Leadership and Management Academy (PALAMA)
c) the Public Service Commission
d) the Centre for Public Service Innovation (CPSI)
e) the Public Sector Education and Training Authority (PSETA).

a) Department of Public Service and Administration (DPSA)

The Department of Public Service and Administration (DPSA) is mandated to foster good governance and sound administration in the public service. The mandate has evolved over the years from transforming and modernizing the public service through the development and implementation of policies and frameworks to providing implementation support to ensure compliance, improve service delivery and strengthen monitoring and evaluation.

Thus far, the effort to build an effective public service system has focused on promoting managerial and technological modernization, developing effective policy frameworks and systems, and the enhancement of the culture and administrative practice. In translating Outcome 12 into the department's outputs and activities, the DPSA has identified 10 strategic priorities, which will guide its focus over the medium term (2010-2014).

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1) Service delivery quality and access

DPSA will work towards improved and more effective public sector accountability by strengthening the infusion of *Batho Pele* principles, across the three spheres of government (national, provincial and local government). In this regard, a *Batho Pele* Impact assessment concept document will be developed and institutionalized in all sectors of government, starting with the health, education, criminal justice and governance and administration sectors.

Another important initiative to improve service delivery and access is the *Khaedu* project, which aims to equip all Senior Management Services with basic management skills for problem identification, analysis and resolution; and to expose them to service delivery at the coalface.

2) Effective systems, structures and processes

DPSA will continue to lead the Human Resources (HR) domain of the Integrated Financial Management System (IFMS). The IFMS aims to consolidate and replace aging financial and human resource management systems with

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modern integrated systems to enhance integrity and effectiveness in the public service.

3) Leveraging Information and Communication Technologies (ICT) as a strategic resource (enabler)

E-government is a critical ICT strategy that aims to automate and modernize platforms through which governments conduct business and render services. A conceptual framework has been developed to implement the e-government platform development of a catalytic prototype that will e-enable six pro-poor services, i.e. registration of birth, identification document; death notification; foster care grants, pension grants, and maintenance order. DPSA will continue improving frontline services by providing ICT connectivity to all Thusong Service Centers.

4) Effective employment entry into public service and Human Resource Development (HRD)/cadre Development

DPSA will support the development of training programmes to improve development of HR managers in the public service. The department will also continue to develop and implement policies for more effective learnerships and internships.

5) Efficient human resource management (HRM), practices, norms and standards

DPSA manages the Senior Management Services (SMS) centrally, and will assess organisational and SMS skills gaps, from which policies and guidelines for compulsory development programmes will be developed. DPSA will also develop policy interventions to improve the recruitment process in the public service.

6) Healthy, safe working environments for all public servants

The department has developed an Employee Health and Wellness (EH&W) framework in 2008, from which a numbers of policies were developed. In the next three years, the department will implement, monitor and evaluate implementation plans of EH&W with necessary tools and technologies. The department will also provide support to ensure that prioritized departments are implementing EH&W fully.

7) Appropriate governance structures and decision-making

As part of ensuring appropriate governance structures and decision-making, DPSA will develop policies and guidelines for governance and management structures. Initially this will focus on institutionalizing these policies and guidelines, and later on supporting implementation.

8) Citizen engagement and public participation

This entails conducting engagements with stakeholders to reflect citizens' needs, conducting a survey on awareness of citizen rights, and developing Norms and Standards on how Community Development Workers can engage with the community.

9) Corruption tackled effectively

In order to contribute towards the reduction of corruption in the public service, the department will focus on improving Information Technology (IT) Security. The department plans to reduce transgression relation to financial systems and security risk to government systems and information by developing and implementing vulnerability Assessment Programmes.

10) Contribution towards improved public service and administration in Africa and international arena

The department will continue to contribute towards the African Peer Review Mechanism (APRM) by implementing the National Programme of Action. The development and popularization of the National APRM Framework will also form part of the department's key developments over the medium term.

b) Public Administration Leadership and Management Academy (PALAMA)

The Public Administration Leadership and Management Academy (PALAMA), is accountable to MPSA for providing, directly and through suitable partnerships, management development and skills training that is of high quality, accredited and monitored; relevant to government service delivery needs; practical, covering 'hard' and 'soft' generic and specific skills; aligned to DPSA competence frameworks; for all management levels across all spheres of government. PALAMA emerged in 2008, from the former South African Management Development Institute (SAMDI), with a new vision and strategy to develop results-based public

management competence, through a national network of providers of leadership and management education and training.

c) Public Service Commission

The Public Service Commission is an independent and impartial body created by the Constitution (1996) to enhance excellence in governance within the public service by promoting a professional and ethical environment and adding value to a public administration that is accountable, equitable, efficient, effective, corruption-free and responsive to the needs of the people of South Africa. It is directly accountable to the National Assembly in terms of Chapter 10 of the Constitution, It has the mandate of ensuring that the Public Service is governed by the democratic values and principles enshrined in the Constitution.

The Public Service Commission contributes to public service delivery improvement by investigating, monitoring, evaluating, communicating and reporting on public administration performance. Through research processes, promotes excellence in governance and the delivery of affordable and sustainable quality services. PSC proposes measures to ensure effective and efficient performance within the public service. With its annual State of the Public Service Reports and periodic focussed evaluation reports on a range of governance and service performance policies and systems, the Public Service Commission has become a respected monitoring and evaluation institution, as the 'Custodian of Good Governance' in the national and provincial spheres.

d) Centre for Public Service Innovation (CPSI)

The Centre for Public Service Innovation (CPSI) is a government component established in 2001 by the Minister for Public Service and Administration to unlock innovation in the public sector. The mandate of CPSI is to support the development of innovative, sustainable and responsive models for improved public service delivery; and its work is guided by an understanding of service delivery innovation as 'applied creativity that is contextually relevant.'

The role of the CPSI is to act as an enabler, facilitator and champion for innovative ideas. This requires creating an enabling environment for the generation and rewarding of new ideas, facilitating engagement between public, private and non-governmental entities, with a view to establishing long-term partnerships, and championing the value of and need for innovation within the public service

CPSI is dedicated to improve the capacity of the public sector to address challenges and to promote innovation in the delivery of governments' priority outcomes. The CPSI promotes innovation in government by unearthing existing innovations, rewarding innovative initiatives, providing opportunities for piloting innovation and facilitating the implementation of innovations. The CPSI also acts as knowledge repository for innovation good practices.

CPSI does not deliver services, but is a partner with line departments and service providers in leveraging available funding and sharing innovative success stories through its informative website, innovation conferences, awards and its biannual knowledge-sharing publication of ideas that work in *The Public Sector Innovation Journal.*

e) Public Sector Education and Training Authority (PSETA)

PSETA has been established in the framework of the Skills Development Act and reports to the Minister of Higher Education and Training. It is responsible for the development of public service qualifications, training programmes, implementation of learnership and quality assurance and accreditation of training. It develops a public service sector skills plan.

1.5 Public Sector Service Delivery

The President and the Minister for Cooperative Governance and Traditional Affairs (COGTA) signed the delivery agreement for Outcome 9, i.e. to obtain *a responsive, accountable, effective and efficient local government system,* on 29 April 2010. The basis for the Agreement was the State of Local Government Report, the subsequent Local Government Turn Around Strategy (LGTAS) of 2009, and the Local Government 10 Point Plan, which articulates the key desired outcomes for a functional local government system set against the context of current challenges.

The Department of Cooperative Governance and Traditional Affairs (COGTA) is mandated to:

- develop and monitor the implementation of national policy and legislation seeking to transform and strengthen key institutions and mechanisms of governance to fulfil their developmental role;
- develop, promote and monitor mechanisms, systems and structures to enable integrated service delivery and implementation within government;
- promote sustainable development by providing support to provincial and local government.

State of Local Government Report: Outcome 9

The aim is to create a responsive, accountable, effective and efficient local government system whereby the confidence of the people is restored in the local sphere of government as the primary expression of the developmental state by 2011 and beyond. The following are key ways to achieve this:

- ensuring that municipalities meet the *basic service needs* of communities
- building clean, effective, efficient, *responsive and accountable* local government
- improving performance and *professionalism* in municipalities
- improving national and provincial policy, oversight and support
- strengthening *partnerships* between local government, communities and civil society

Local Government 10 Point Plan

The following are the 10 points that encompass the Local Government Plan:

1) Improve the quantity and quality of municipal basic services to the people in the areas of access to water, sanitation, electricity, waste management, roads and disaster management
2) Enhance the municipal contribution to job creation and sustainable livelihoods through Local Economic Development
3) Ensure the development & adoption of reliable and credible Integrated Development Plans
4) Deepen democracy through a refined Ward Committee model

5) Build and strengthen the administrative, institutional and financial capabilities of municipalities

6) Create a single window of coordination for support, monitoring and intervention in municipalities

7) Uproot fraud, corruption, nepotism and all forms of maladministration affecting local government

8) Develop a coherent and cohesive system of governance and a more equitable intergovernmental fiscal transfer system

9) Develop and strengthen a politically and administratively stable system of municipalities

10) Restore the institutional integrity of municipalities

The South African Local Government Association (SALGA) is the sole employer body representing all municipalities in the country. SALGA is mandated by Constitution to assist in the wholesale transformation of local government from the pre-1994 regime to the new dispensation under the country's first democratically elected government, with a unique focus on developmental service delivery. As such, SALGA plays a core role in a variety of areas related to local government transformation and as a national representative of the local government sector and its employees.

1.6 Communication on Public Service Delivery

The Government Communication and Information System (GCIS) provides strategic communication leadership and coordinates a government communication system that ensures that the public is informed. GCIS has access to government programmes and policies. It is expected to build communication partnerships to promote a better life – understood, witnessed, believed and lived by all South Africans".

2 STRATEGIC ORIENTATIONS

2.1 Intervention strategy

The intervention strategy of the current intervention is to develop and implement a grant Facility that will support a range of targeted initiatives, aimed at building the capacity of the South African Public Service for improved **frontline service delivery**, i.e. services **directly** delivered to the public.

The Facility will become a national programme – called *Tirelo Bosha* - open to all spheres of government (i.e. national, provincial and local governments). The current Belgian contribution will serve to launch the new initiative but the programme will continue after the Belgian support has ceased. Hence sustainability of the programme will be an issue from the start. Other donors could join the Facility at any time.

The Facility will contribute to the improvement of frontline public service delivery by stimulating and supporting improvement initiatives at all levels, including capacity development and training, business processes and systems related to service delivery improvement. Whilst emphasis will be put on initiatives that introduce innovative ways of doing things, the overall emphasis of the Facility will be to support those initiatives that demonstrate sound and feasible support mechanism to improve frontline public service delivery in South Africa.

In this context "capacity" refers not only to increasing the individual capacities of public servants but also to strengthen organisations and build institutions (e.g. introducing new models, methods, technologies, systems, processes and strategies). The Facility will rather focus on the latter.

The Facility should be a flexible instrument that supports a wide range of initiatives, such as:

- studies (e.g. needs analysis, training gaps, feasibility, prospecting suppliers);
- exchange programmes & study tours;
- establishment of partnerships and technical networks;
- consultancies;
- training sessions;
- testing new or improved technologies;
- seminars / conferences / workshops.

The Facility wants to learn from experiences, both successful and unsuccessful ones. The goal is not to support as many initiatives as possible (since this could lead to perverse selection) but to learn from the processes and results.

The replication of successful improvement initiatives (roll-out, scaling-up) will be crucial for improved public service delivery, but this is beyond the facilities' mandate and responsibility.

This process will be financed from the national and provincial budget of South Africa. It does not exclude the role of the private sector and other actors interested in taking the improvement initiatives forward.

2.2 Underlying Principles

The underlying principles of the Facility are:

- To install a demand driven approach in order to assure that local stakeholders are engaged in the determination of needs and strategies;

- To focus on supporting pilot improvement initiatives during a limited duration which should render results within 18 months;

- To accept a degree of risk and failure as a way to promote learning and innovation;

- To assure a degree of flexibility in order to be able to respond rapidly to challenges and opportunities;

- To support initiatives that have the potential for replication, roll-out and/or scaling-up (applicability / multiplier effect / transferability);

- To assure equal access for all spheres of government (national, provincial & local governments);

- To foster institutional cooperation and the development of long-lasting partnerships (development of partnerships) in support of national, regional and international technical networks;

- To aim for an efficient management of the fund;

- To integrate the Facility within the South African system and align with its institutional priorities;

- To develop implementation modalities that

    o are fully aligned to the institutional context of South Africa

    o support local ownership and leadership;

    o enhance management capabilities and technical expertise of South African institutions and individuals

3 INTERVENTION FRAMEWORK

3.1 Objectives

General objective

The overall objective of the proposed programme is *"Front-line public service delivery is improved"*.

Specific objective

The Facility's purpose is *"New ways of delivering public services by funding improvement initiatives are piloted"*.

3.2 Results and Activities

Results are formulated as "products" or "services" that are under the control of the intervention.

Result Area 1 – A grant Facility to support initiatives to improve public service delivery is established and implemented.

Activities:

- Define admission and selection criteria and the process by which a call for proposal will be ruled;

- Launch an information campaign and implement a communication strategy with the objective to inform about the Facility and to ensure that potential Beneficiary Institutions know how to apply and get support in doing so;

- Launch call for proposals twice a year;

- Develop and implement a support strategy of Beneficiary Institutions

Result Area 2 – New and innovative ways of public service delivery are piloted and implemented

Activities

- Support proposals for improvement initiatives that are innovative and lead to better front-line public service delivery;

- Establish individual result frameworks for improvement initiatives and monitor their implementation;

- Evaluate the outcomes of the improvement initiatives.

Result Area 3 – Sound practices and lessons learned form improved public service delivery pilots are enhanced and sustained

Activities

- Establish a data management system to monitor all improvement initiatives and record all lessons learned in order to establish a body of knowledge related to improving public service delivery;

- Disseminate innovative ideas, best practice and share piloted experiences with stakeholders through appropriate methods;

- Create awareness about the grant Facility and the piloted improvement initiatives;

3.3 Beneficiary institutions

The primary target group for the programme is the Department of Public Service and Administration (DPSA) within the Ministry of Public Service and Administration. Through DPSA, all South African government departments (national, provincial and local/municipal), Implementing Agencies outside of government but working with government, institutions referred to in *Chapter 9* of the 1996 Constitution of South Africa to guard democracy (see 6.1.) and non-state actors that are involved in Public Service delivery may benefit from the programme.

Beneficiary institutions will identify their own improvement needs and organise an internal screening of proposals. This will guarantee optimal ownership of the improvement initiative by the requesting public institution, and increase also the relevance of the activities supported by the Facility;

Individuals and organisations that receive support from these institutions will indirectly benefit from the programme.

3.4 Key Partners in implementation

The following departments will be the critical players in the delivery of the Facility:

- The Department of Public Service and Administration (DPSA)
- The National Treasury (IDC)
- The Centre for Public Service Innovation (CPSI)
- The Public Sector Education and Training Authority (PSETA)
- The Public Administration Leadership and Management Academy (PALAMA)
- The Department of Co-operative Governance and Traditional Affairs (COGTA)
- The Department of Higher Education and Training (DHET)
- The Department of Labour (DoL)

3.5 Risk Analysis

A number of risks have been identified such as

- High turnover of beneficiary institution staff nationally and in the provinces;
- Restructuring of government departments and organisations;
- Participants' interests/ willingness to implement new approaches;
- DPSA leadership and effective and efficient coordination;
- Shifting government prioritizations result in some aspects of the programme not being sustained into the future;
- Complicated Facility procurement requirements.

3.6 Phasing

The following will be the implementation phases for the Belgian contribution within the framework of the current Specific Agreement:

Phase 1   start-up (6 months)

Phase 2   implementation (5 years)

Phase 3   final evaluation / closure of current Belgian funding (6 months)

The intervention will start with an start-up phase in order to fine-tune the Facility mechanism and the operational modalities.

As it is intended that the Facility evolves into a South African funded programme, the closure will focus on the Belgian contribution only.

4 RESOURCES

4.1 Financial resources

<u>Belgian contribution</u>

The Belgian contribution is € 11 million and is summarised in Table 2.

Table 2: Summary of the Belgian contribution to the Grant Facility

Number	Categories	Amount (€)	Implementing method
1	Capacity building/Technical Cooperation/Facility implementation	10,050,000	Co-management
2	Operating costs/staff travel expenses	500,000	Co-management
3	Monitoring & Evaluation	125,000	BTC- management
4	Audit & backstopping	125,000	BTC- management
5	Budgetary reserve	200,000	Co-management
	Grand Total	11,000,000	

<u>South African contribution</u>

The South African contribution will encompass

- the financing of all project Facility staff (see 4.2)

- the in-kind allocation of counterpart staff to collaborate with the Facility staff.

- the provision of office space and furniture to house the secretariat.

4.2 Human resources

The following staff will manage the grant Facility:

- Programme Manager

- Financial Manager

- M&E expert

- Communication & information expert

- Administrative Assistant

The Facility staff will constitute the Project Management Unit (PMU), of which the tasks and the mandate are developed in chapter 5. The profiles and Terms of Reference of this staff can be found in Annex.

The Facility staff will collaborate with staff of relevant departments and beneficiary institutions.

4.3 Material resources

The PMU operating costs will be covered by the project budget complimented by the department's counterpart funding.

All IT equipment of the PMU will be covered by the Facility budget. This will include communications equipment like computers, printers and mobile phones.

Travel costs for PMU staff will be covered by the Facility budget under operational costs. Government counterpart staff will use the Department's budget allocation for their travel needs.

Office furniture will be covered by the department's budget allocation and may be complemented by the Facility budget where there are gaps.

5 IMPLEMENTATION MODALITIES

5.1 Legal framework and administrative responsibilities

The legal framework for the programme is given by the Specific Agreement signed between the Government of the Kingdom of Belgium represented by the Belgian Minister for Development Cooperation and the Government of the Republic of South Africa represented by the Chief Directorate - International Development Cooperation of National Treasury.

The South African Government designates:

- The National Treasury - International Development Cooperation Chief Directorate (IDC) as the contracting authority which is mandated to take a leading role in managing and monitoring the ODA flows to the government sector. The National Treasury signs all Financing Agreements on behalf of the Government of South Africa and is thus accountable to development partners;

- The Ministry of Public Service Administration (DPSA) is the supervising and implementing agency for the programme.

    o DPSA shall be accountable to IDC for the satisfactory implementation of the Facility and for the management of all funds allocated thereto.

    o DPSA shall also be responsible for the mobilisation of all financial, human and material resources required for programme implementation.

    o The Chief Director of DPSA will be the Authorising Officer, and will be responsible for approving expenditure chargeable to the budget of the Facility. The Authorising Officer is also responsible for the overall management, coordination and implementation of the Facility and for authorising the expenditures charged to the Belgian contributions.

    o The Chief Financial Officer of the DPSA will be the Accounting Officer and will ensure financial oversight stipulated in the Public Finance Management Act (PFMA) and sign-off on work plans and financial expenditure.

The Belgian Government designates

- The Directorate –General for Development (DGD) represented by the Attaché for International Cooperation in Pretoria as the authority responsible for the Belgian government contribution

- The Belgian Technical Cooperation (BTC) represented by the BTC resident representative to South Africa as the Belgian entity responsible for the co-management of the facility, the mobilisation of the Belgian contribution, and the monitoring & evaluation of its appropriate use

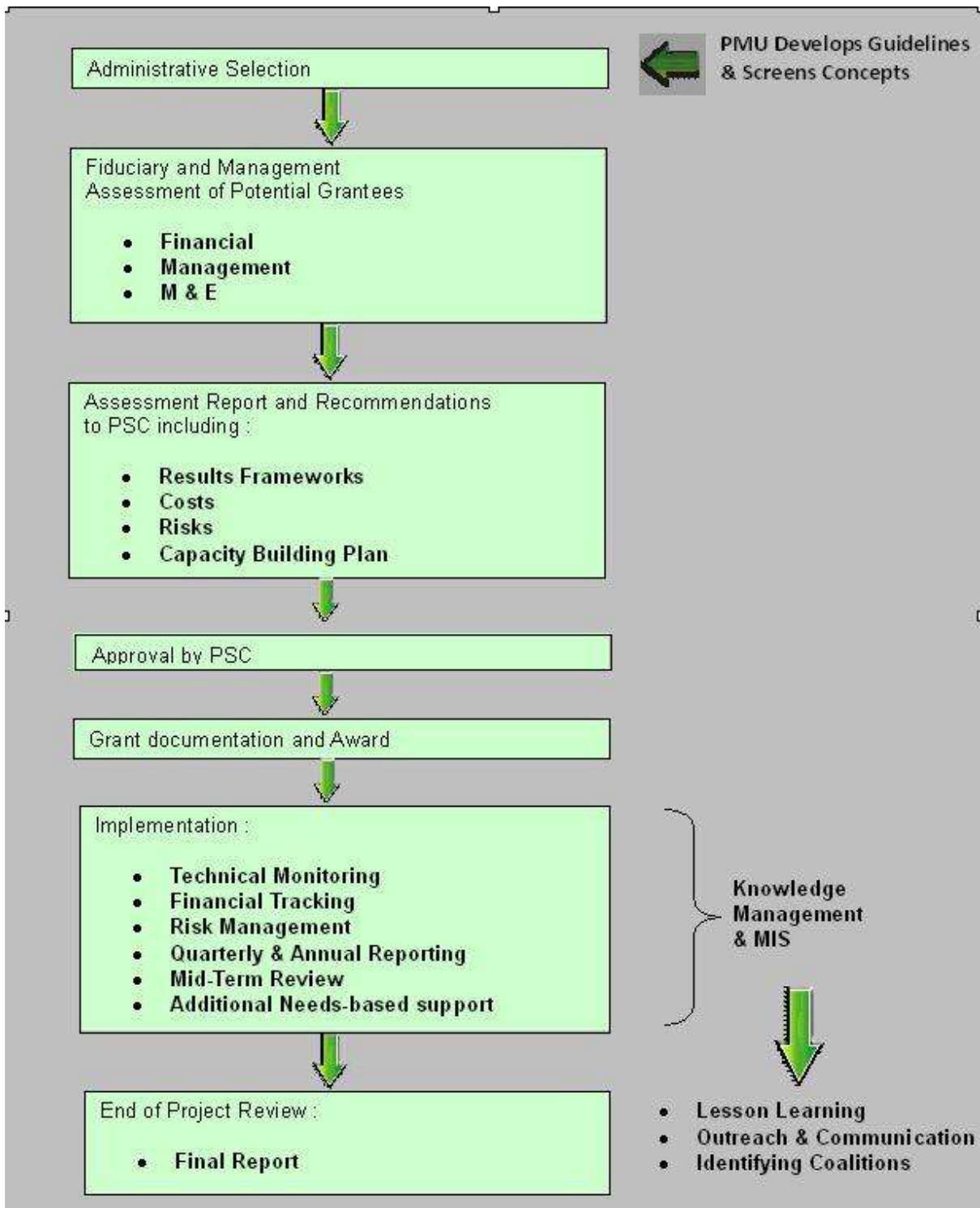## 5.2 Implementation and follow-up bodies

Fig 2. Overview of the operation of the grant Facility

Programme Management Unit (PMU)

A Programme Management Unit will be created to manage the Facility.

The PMU will be composed of an overall Programme Manager (with international experience), a Monitoring & Evaluation Expert, a Communication Expert, a Finance Manager and an Administrative Assistant. All these posts will be recruited in accordance with national procedures.

The PMU is responsible for the coordination and day-to-day management of the Facility. Its role is to facilitate the achievement of the specific objectives and results. Specifically the PMU will assure the following:

- Development and application of a *Results Framework*, to serve as the main vehicle for monitoring and managing all initiatives approved for funding;

- Preparing the overall planning of the activities including the management of the resources (Establishing the project work plan and budget that will be presented to the project Steering Committee during the first 6 months of the project start-up.);

- Motivate all proposed major changes

- Updating work plans on a bi-annual basis (operations, procurement and financial planning)

- Compilation of six-monthly implementation and financial reports, which will be presented to the project Steering Committee.

- Administration of contracts and grants, manage expenditure and process the corresponding payments on behalf and with the approval of the DPSA.

- Monitoring & evaluation of the approved initiatives from Beneficiary Institutions;

- Reporting on a regular basis on the progress of the initiatives in accordance to the results framework;

- Communication on the existence, the mandate and the implementation modalities of the Facility through appropriate media channels;

- Draw-up the initial shortlist based on established administrative criteria and encourage potential beneficiary institutions to submit improvement proposals.

- The initial administrative analysis and shortlisting of proposals to be submitted to a Evaluation Committee and ultimately to the Programme Steering Committee (see below);

- Set-up of Evaluation Committee (see below) to conduct a technical selection of proposed initiatives;

- Close collaboration with the Beneficiary Institutions during the early stages to ensure that approved initiatives can be implemented in a timely and effective manner;

- The monitoring and the evaluation of initiatives implemented by the Beneficiary Institutions and the provision of feedback on opportunities for scaling up and/or roll-out (applicability / multiplier effect);

- Act as secretariat for the Programme Steering Committee (PSC) (see below) and the preparation of technical, administrative, budgetary and accounting management reports;

- Facilitation of the financial and performance auditing of the programme.

The **selection process of new initiatives** will consist of the following steps (Fig. 2)

The PMU will publish a call for proposals from potential beneficiary institutions specifying the eligibility criteria and detailed requirements. Both the print and electronic media will be used.

Two calls for proposals will be made in a year with the first call to be made after the start-upphase. The size of grants will be limited between Euros 20,000 and Euros 200,000.

Two categories of evaluation criteria will be applied: admission criteria and selection criteria (Table 3):

Admission criteria: the PMU will act as a first filter to assess whether the proposal meets the basic administrative requirements for admission. Due diligence will be given for this stage of the process.

Selection criteria: the Evaluation Committee (see below) will provide a more technical screening. Clear and transparent scoring criteria are defined to assess the quality of proposals and to select the ones with likely impact on public service delivery. The minimum standards and relative weight of each selection criterion will be properly defined in the Procedural Manual and approved by both the South African and the Belgian partners.

This technical selection will focus on capacity assessment of the beneficiary institutions and fiduciary risk. The former will look at the beneficiary institutions ability to make effective use of the grant resources including its M&E capacity. The fiduciary risk will focus on internal controls and basic accounting systems.

Table 3: Preliminary list of evaluation criteria for a proposal to be eligible for financing through the Facility

Admission criteria	
1	Amount solicited – minimum 20,000 €, maximum 200,000 €
2	Maximum duration: 18 months
3	Compliance with the specific objective of the Facility.
4	The beneficiary institution participates in public service delivery
5	The proposal fits within the mandate of the beneficiary institution
6	The improvement initiative are aligned to the 12th Presidential outcome
7	Impact on vulnerable and disadvantaged areas
8	Submission of due diligence

Observation: In order to pursue a balanced mix of beneficiary institutions in terms of sector, sphere of government and/or geographical region, the Programme Steering Committee could define a specific sector or regional focus. This decision will be based on M&E results from previous rounds of selection, and/or to respond/ address to critical priorities as set by the Government (12 presidential outcomes).

Table 4: Preliminary list of selection criteria for a proposal to be eligible for financing through the Facility

Selection criteria	
9	Maximum impact on frontline service delivery
10	Innovative aspects
11	The improvement initiative is based on a thorough needs analysis and assessment of options by the Beneficiary Institution
12	Potential for roll-out/replication/scaling-up by government
13	Potential for building sustainable <u>partnerships & technical networks</u>
14	Potential for improved equity in access to quality public services
15	<u>Alignment with other policies / strategies</u> like: *Batho Pele*, Local government turnaround strategy, Integrated Development Plans, sector plans, Public Service Frameworks
16	Impact on poverty reduction and socio-economic development
17	<u>Environmental impact</u> – Demonstrate a positive (or at least a neutral) impact on environment
18	<u>Gender Diversity</u> – promotes equal access by women and men to public services

The PMU will be located in the DPSA offices in Pretoria and report to the Chief Directorate of DPSA. Its management costs will be borne by the Facility as defined above. In the absence of space, government will rent office space as part of national contribution and ownership to house the Facility staff.

If for any reason one of the Beneficiary Institution(s) fails to produce the outputs defined in the approved work plans, or a contract has to be untimely terminated, the Project Management Unit shall inform the Project Steering Committee (see below).

The PMU will regularly conduct self-evaluations to assess issues such as:

- management modalities of the Facility
- the feasibility of the approach
- the financial mechanisms of the Facility
- the HR requirements
- the management of the approved initiatives

The findings and identified solutions of these exercises will be presented to the PSC.

Evaluation committee

An Evaluation Committee will be created to analyse the requests against the predefined technical selection criteria. The Evaluation Committee is composed of:

- Representative of DPSA (Chair)
- Representatives of National Treasury/IDC
- The PMU Manager (secretariat to the panel)
- Co-opted members depending on the sector and type of technical proposals submitted

The Evaluation Committee will submit its motivated recommendations for approval to the Programme Steering Committee.

Programme Steering Committee (PSC)

The implementation of the Facility will be guided by a Programme Steering Committee hereby referred to as the PSC.

Treasury (IDC) will co-chair the PSC with DPSA. All decisions will be taken by consensus amongst the permanent members. Core members of the PSC will be drawn from Government Departments and Agencies that have relevance to Public Service delivery and the objectives of the Facility.

The composition will be as follows:

Chairperson

- Director General or representative – DPSA (Alternate/Co-chair)
- Chief Director, or representative – IDC, National Treasury (Alternate/Co-chair)
- Permanent members
- Director: Social cluster or representative (IDC)
- Chief Director- Human Resources, DPSA
- Director, International Relations, Corporate Governance (DCOG)
- BTC representative or his delegate.
- Invited Members

According to the agenda or topics discussed, individuals from other agencies, donor organizations, and technical experts etc., deemed beneficial for the meeting of the steering committee could be invited to attend.

DPSA/IDC will call upon technical support when necessary from the Technical Assistance Unit (TAU), PALAMA, OPSC, PSETA and the CPSI to complement and further develop the relevant objectives of the Facility in targeting the frontline service delivery.

The PSC shall meet at the onset of the Facility to approve the indicative start-up plan and meet thereafter every six months (or more frequently if necessary. The PSC can meet at the initiative of any member. Within the limitations imposed by the Specific Agreement signed between the Government of South Africa and the Government of Belgium, the Steering Committee shall lay down its own internal rules and take its decisions by full consensus. Consequently financing decisions can only be taken after the non-objection of all permanent members.

The PSC is mandated to:

- provide strategic guidance and executive direction in the implementation of the Facility through the approval of the procedureal manual of the grant Facility and the PMU's annual work plans;

- assure the availability of PMU staff;

- approve proposals for funding (twice per year) based on:
    - original initiative proposals, including budget proposal
    - minutes of the Evaluation Committee;

- assure the follow-up of identified risks and appropriate mitigation measures

- assure overall accountability of the Facility;

- approve the six monthly progress and financial reports prepared by the PMU;

- assure the timely disbursement and utilisation of the Facility funds based on the six-monthly progress report;

- approve the Terms of References of evaluation missions and appraise their recommendations;

- assure the wrapping up of the Belgian support to the Facility, including the approval of the final report and closure procedures;

- approve modifications of the procedural manual

During the start-up phase, the PSC will assess the results framework for the first call for proposals and will establish a common understanding of the procedural manual. A first proposal for the result framework has to be submitted within 6 months after the signing of the specific agreement.

The PSC will make the necessary arrangements to assure that sufficient initiatives responding to the criteria are approved and to guarantee timely disbursement within the validity of the current Specific Agreement.

The PSC can decide to modify the expected results of the Facility, providing that the objectives do not alter and that this decision does not imply an increase of the Belgian contribution or an extension of the Belgian support beyond the validity of the Specific Agreement.

The PMU will act as the secretariat and assure the preparation and follow-up of the PSC meetings.
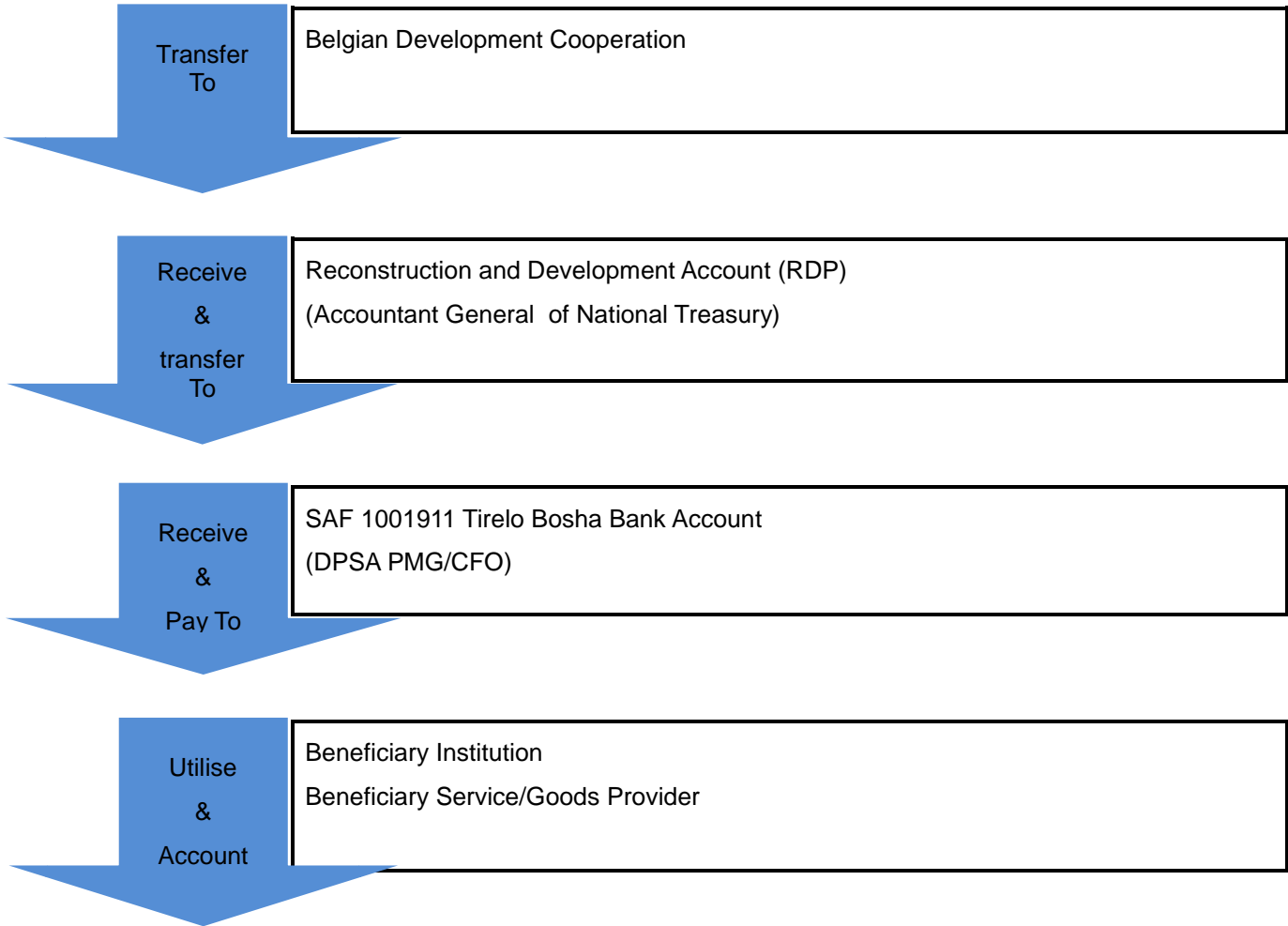
5.3 Financial Management

Transfer To	Belgian Development Cooperation

Receive & transfer To	Reconstruction and Development Account (RDP) (Accountant General of National Treasury)

Receive & Pay To	SAF 1001911 Tirelo Bosha Bank Account (DPSA PMG/CFO)

Utilise & Account	Beneficiary Institution Beneficiary Service/Goods Provider

Fig 3. General principle of the Financial Management of the Facility

Financial Management by the Government of South Africa

As a general principle, the financial management of the Facility is based on the fund flow procedures and regulations used by the Government of South Africa. The funding flow mechanisms to be used are as follows (Fig 3):

The Reconstruction and Development Programme (RDP) account is the central holding account for all ODA to South Africa. Consequently, BTC will transfer funds for the Facility to the RDP account, from which transfer payments will be made to DPSA. The administration of this account follows the prescriptions of section 6 of the RDP Fund Amendment Act, Act No.79 of 1998 and also sections 13(1)(e) and 22(1)(c) of the PFMA Act, Act No.1 of 1999.

The steps to be followed in respect of fund flows via the South Africa's Financial Management Sytem are as follows:

1. BTC deposits the fund into the RDP account at the South African Reserve Bank

2. BTC notifies the process manager at IDC and the PMU programme manager, of the

deposit. No money can be transferred from RDP account to the Facility bank account without this confirmation/notification letter.

3. Upon receipt of notification letter, the process manager at IDC notifies the Office of the Accountant General (OAG), and forwards the letter of acknowledgement to BTC. This process manager at IDC also notifies the finance section of DPSA. The RDP account requisition (available in pdf format) accompanies the notification

4. DPSA's Chief Financial Officer submits the RDP account requisition form together with a copy of the financing agreement to the OAG before the disbursement can be effected. The requisition form is the authorization instructing the OAG to make transfer payment to DPSA.

5. Simultaneously to step 3 and 4, the process manager at IDC verifies the provisions in the financing agreement in accordance with the transfer payment to be made.

6. The OAG makes transfer payment to the DPSA Paymaster General (PMG) account specified in the requisition form.

7. Once the transfer payment has been made, the process manager notifies DPSA.

8. The entire process, from payment into the Reserve Bank to the transfer payment into DPSA PMG account should not take longer than a week provided proper notification is given to the OAG by both BTC and DPSA.

The **bank accounts** that will be used to manage the funds of the Facility are as follows:

- Reconstruction and Development Programme (RDP) Account - as the main holding Account. The signatories will be in accordance with the National Treasury financial rules and regulations.

- DPSA's PMG Account as the Facility Bank Account.

The signatories will be specified by DPSA.

- There will be no special account opened for the Facility but dis-aggregation will be done in accordance with National Treasury financial rules and regulations by allocating specific donor codes to the Facility transactions (Cost Centre Allocation).

BTC will transfer an initial installment to the RDP account of 500,000 Euro, after the signing of the current agreement for the fund. Subsequent instalments of 2,000,000 euro will be transferred when 70% of the first transfer has been used. The following conditions have however to be met:

- The acceptance of the yearly audit reports and review reports;

- Approval by PSC of progress reports;

- Approval of PSC of action plans

The Generated interests will be used for the Facility.

Transfers to beneficiaries

The following documentation shall be required to trigger the **payment process for the approved initiatives**:

- Signed PSC minutes of the approved initiatives to be financed by the Facility account

- Consultancy contract (where applicable) together with the ToR for the implementation of the approved initiatives – this will ensure that the delivery milestones are well defined in the ToR and that they are honoured;

- Invoice from the service/goods provider together with the requisitions, orders and goods received notes (where goods have been supplied) – this constitutes a claim for the service rendered and/or goods delivered;

- A sign-off report from the Beneficiary Institution approving the consultancy or goods in-voice, as the case may be. This report shall specify against which milestones the invoice is approved and shall be duly signed.

- A "non-objection" of BTC is required for all payments to the beneficiaries. The approval of initiatives in PSC (See first bullet here above) includes the "non-objection" of BTC.

Any action to recover the unspent funds will only be triggered by an audit verification presented to and endorsed by the PSC.

BTC-management

Part of the budget amounting to Euros 250,000 shall be managed under BTC-management, to contribute to Monitoring & Evaluation through joint review missions and the contracting of external audits (see 5.7. and 5.8). These funds will not flow through the RDP Fund nor any other account of the South African Government.

One bank account in Euros will be opened at a commercial Bank for the Belgian contribution under BTC-own management. The bank account related to the BTC-managed budget is replenished following BTC procedures.

5.4 Reporting

An overview of expected reports is presented in Table 4. All reports will be submitted to PSC for approval so that PSC can take timely and appropriate decisions on the proposed recommendations.

Accounting

Accounting will be done through the Basic Accounting System of the Government of South Africa under the responsibility of the DPSA Chief Financial Officer's (CFO) Office and the DG as the accounting officer for the department.

Financial reporting

Financial planning is the responsibility of the PMU. Financial reporting to PSC will be done on a 6 monthly cycle. The PSC can request additional financial reports at any time. However, the minimum reporting requirement to the PSC will be every 6 months. Financial Progress Reports will determine the subsequent six monthly instalments from the RDP account to the Beneficiary Institutions accounts.

The PMU shall prepare these reports which shall be reconciled with the Basic Accounting System (BAS) reports from the DPSA Finance Unit (CFO's Office), based on monthly statements of expenditure. The financial reports will provide information for the follow-up of budget and work plans. They will summarise the disbursed amounts for the past period; reflecting amounts received, itemised expenditure/time, accumulated expenditure, the commitment for the coming period.

All PSC members shall be granted access to all accounting reports and expenditure vouchers and shall be allowed to request additional information.

Six monthly operation reports.

The Project Management Unit shall submit bi-annual progress reports to the PSC. These plans shall comprise at least the following information:

- Bi-annual progress reports of on-going initiatives, based on the objectives, the results and the activities as well as a financial reporting from the Beneficiary Institutions.

- List and motivation of shortlisted proposals by the Evaluation Committee

- Activity report of the PMU of the previous period

- Proposed work plan for the following period

The format of these reports will follow the guidelines be provided for in the Procedural Manual, in line with reporting requirements of South Africa;

Table 5: Overview of the reporting for the monitoring of the Facility

Which report?	When?	By Whom?	Content/purpose	To Whom?
PSC minutes	Within one week from date of meeting	Programme Manager	Strategic and policy guidance, Result framework for current Call for Proposals Approved initiatives, activity reports and work plans Assessment of M&E and audit reports,	Members of the PSC and PMU Belgian Embassy
Evaluation Committee minutes	Within one week from date of sitting	Programme Manager	Analysis of proposals and motivation of selection based on approved criteria	PSC
Start-up report	Within six months after the start of the implementation	Programme Manager	Result framework for the first call for proposals Risk analysis and proposal of mitigation measures	PSC, Evaluation Committee and PMU
Six monthly operation reports	Within three weeks from the end of the semester	Programme Manager	Progresses, constraints and solutions, planning, statement of expenditures, work plans	PSC and PMU

Which report?	When?	By Whom?	Content/purpose	To Whom?
Monthly statement of expenditure	Within ten days from the end of the month	PMU Finance Officer/Programme manager ficer	Cashbook, BAS report	DPSA
Six monthly financial reports	Within ten days from the end of the semester	PMU Finance Officer/Programme manager	Cashbook and supporting expenditure documentation.	DPSA and PSC
Joint Reviews	Yearly	Joint DPSA-BTC team	reports responding to approved guidelines and ToR	PSC Belgian Embassy
Final Evaluation	Three months before the end of the Belgian support	External Evaluators	Realizations lessons, financial statements and closing of the accounts …	PSC Belgian Embassy
Audit reports	Yearly	External auditors	Financial audit, the attestation of engagements and a performance audit	PSC

Beneficiary Institutions reporting

The reporting obligations of the beneficiary departments/institutions is part of Procedural Manual and will be integrated in the reporting of the Facility

5.5 Procurement

- Procurement will follow the South African rules (PMFA/MFMA and SCM – DPSA) for expenditures through co-management:
    - Beneficiary institutions shall request for goods and/or services required to implement the improvement initiatives.
    - The Project Management Unit and the DPSA shall evaluate and select the suitable service providers.
    - The winning bidder will then sign an implementation agreement with the Beneficiary Institution.
    - DPSA will be responsible for ensuring that the quality of deliverables and contract management conform to what was agreed in the contract.
- Procurement through BTC-Management will follow the Belgian rules and regulations

5.6 Duties and Taxes

Following the rules and regulations of the General Cooperation Agreement between South Africa and Belgium, the Belgian contribution should not be utilised for the payment of recipient country's duties and taxes. The relevant taxes and duties in South Africa are:

- Value – Added Tax (VAT), administered by the South African Revenue Services (SARS) in terms of the Value Added Tax Act, No.89 of 1991, as amended.

VAT is payable on all goods and services procured locally and internationally, subject to certain exemptions, exceptions, deductions and adjustments.

To prevent departments from having to budget for VAT on donor-funded ODA projects, the VAT was amended through the addition of sub-section 11(q) to the Act.

The implications of this amendment are that ODA funds are subject to VAT at zero rate and that VAT paid in terms of donor funding should be reclaimed from SARS.   This requires the project to be registered as VAT vendor with SARS, in order for VAT to be refunded.

The Chief Financial Officer of the spending agency concerned (DPSA) will be responsible for the VAT obligations of the project.

- With reference to ODA, other relevant exemptions/rebates are as follows:
- Customs and Excise Tariff Rebate Items 406.02 to 406.05
- Customs and Excise Tariff Rebate Item 406.03
- Customs and Excise Tariff Rebate Item 406.07
- Customs and Excise Tariff Rebate Item 406.11
- Personal Income Tax, also administered by SARS in terms of the Income Tax Act of 1962, as amended.

Personal Income Tax for the benefit of South Africa's National Reserve Fund is not payable on any salary or emoluments payable to any subject of a foreign state, or a person employed by an international organisation, who is temporarily employed in the Republic, provided exemption of that salary or emolument is authorised by an agreement entered into by the government of the foreign state, or the international organisation and the Government of the republic.

5.7 Monitoring and Evaluation

Start-up phase

At the end of the start-up period, the PMU will submit a report for approval to the PSC, consisting of the following:

- Preparatory documents essential to implement the Facility (including a results framework and the indicators to monitor the progress, utilisation of the Facility and the functioning of the PMU)
- Review of constraints and challenges
- Communication strategy
- M&E methodology
- Work plan for the following 6 months

Yearly Review

Yearly reviews will be conducted by a mixed team of IDC and BTC, with the objective of reviewing the results of the Facility against the targets, actions and indicators defined in the proposals. The review can also assess the functioning of the PMU. The yearly review includes on the one hand a (SWOT) analysis of the functioning of the Facility and the Procedural manual and will on the other hand evaluate the dissimination and use of results of the iondividual proposals.The ToR for the review will be approved by the PSC. The review mission will report to the PSC and will make recommendations for improving targeting and management of the facilities interventions.

Final Evaluation

At the end of the Belgian assistance to the Facility, an external final evaluation of the Facility will take place. This evaluation will focus on the following:

- Assessing the obtained results of the improvement initiatives;

- Capitalisation of the Facility lessons learnt;

- Assessment of the strategies of the Facility

- Assessment of the management methods of the Facility.

5.8 Audits

Internal audits will be carried out by DPSA through its internal audit division.

The financial management of the Facility will be subjected to yearly **external audits** through an international qualified audit firm. The audit firm will be selected by the BTC in consultation with DPSA. These financial audits will be conducted according to GAGAS and ISA in coordination with the internal audit. These audits will consist of a financial audit, the attestation of engagements and a performance audit. They will cover expenditures of the PMU and the Beneficiary Institutions and the disbursements made from the facility account.

Along with these standards the independent auditor will give an opinion about the ethical principles and the practical procedures and follow-up applied within the Facility. The auditor will also give his opinion about the performance, the planning, the budgets and the tender processes.

The amounts rejected by the external auditor will be submitted to the PSC and will be paid back to the Facility within a period of 120 days from the day of the signed audit report.

Each year an Audit Committee reviews the accounts of BTC. Within this framework, the Audit Committee may also carry out audits of programmes in South Africa or peer reviews of the audits.

All Facility transactions shall also be subject to annual audits by the **Office of the Auditor General of the government of South Africa**.

5.9 Modification of the Technical and Financial File of the Facility

The Facility described in this Technical and Financial File (TFF) may be modified by the PSC with the exception of the overall and specific objectives, the overall budget and the Facility duration. Objectively verifiable indicators, results and activities and the reallocation of budgets between budget

lines is permitted and may be undertaken for the purposes of optimising the attainment of the specific objective and adapting to local changes.

Changes to the overall budget, the overall objective and the specific objective must be confirmed by Exchange of Letters between both Parties.

It must be recognised that the National, Provincial and Local/Municipal Departments/Agencies operate in a fluid and evolving developmental state and, as such, maximum flexibility should be accorded to the PSC to reorient the Facility if necessary.

5.10 End of the Belgian assistance to the Facility

The Belgian assistance to the Facility will stop at the expiry of the Specific Agreement. The PSC should sanction the commencement of the closure processes. The closure process should start six (6) months before the expiry of the Specific Agreement date. All contractual obligations should be concluded, and all financial commitments should be discharged, except for the Final Evaluation and Audit costs. Fundsnot used at the end of the intervention will be reimbursed when the Specific Agreement expires.

The following reports are to be presented to the PSC for approval at the end of the Belgian assistance:

- Final report by the PMU, including documented lessons learned.

- Final Evaluation report.

- Financial Closure

- Bank accounts closure for the BTC-management

- List of commitments made prior to this date

- Final Audit report.

6 CROSS-CUTTING THEMES

6.1 Good governance

The concept of Good Governance, especially with regard to public service delivery projects, refers to the efficient and effective use of public resources; transparency of decisions and the democratic accountability of politicians and officials to the community they serve. All activities supported by the Facility aim at contributing to 'better' governance.

Special attention will be given to institutions referred to in *Chapter 9* of the 1996 Constitution of the Republic of South Africa, with regard to guarding and supporting democracy. These institutions are:

- The public protector

- the South African Human Rights Commission (SAHRC)

- the Commission for the Promotion of the Rights of Cultural, Religious and Linguistic Communities (CRL)

- the Commission for Gender Equality (CGE)

- the auditor General

- the Independent Electoral Commission (IEC)

- an independent Authority to Regulate Broadcasting

The attention to these *Chapter 9* institutions should assure that the programme pays special attention to the vulnerable and prevent discrimination of any kind.

The Facility will implement the recommendations concerning the fight against corruption as described in the NDP 2030 in order to work towards a South Africa that has zero tolerance for corruption. In order to contribute towards the reduction of corruption in the public service, the DPSA will focus on improving Information Technology (IT) Security. The department also plans to reduce transgression relation to financial systems and security risk to government systems and information by developing and implementing vulnerability Assessment Programmes.

6.2 Environment

In line with the policy of South Africa, environment is considered as a key issue. Enhanced protection of environmental assets and natural resources, is a specific Presidential outcome, with four expected outputs:

- enhanced quality and quantity of water resources

- reduced greenhouse gas emissions, climate change impacts and improved air / atmosphere quality

- sustainable environmental management

- protected biodiversity

During the selection, proposals will be screened for their environmental impact and whether they aim to contribute to the introduction of appropriate measures to reach these results.

6.3 Gender

Gender is a key component of the programme and will be taken into account in all steps of the process, including recruitment and selection of proposals.

Attention for gender issues will be an explicit selection criteria to proposed initiatives.

The National Gender Machinery, i.e. the institutional expression of the national gender policy, is made up of:

- the Commission of Gender Policy (i.e. a Chapter 9 institution);

- the Office on the Status of Women;

- gender focal points in all government departments;

- the Parliamentary Joint Monitoring Committee on the Improvement of the Quality of Life and Status of Women

- Non-governmental partners in the field of gender advocacy and women rights

These institutions will be encouraged to submit proposals. It should also be noted that gender issues can also be tackled through other commissions and institutions (see 6.1.). Given the South African reality, cultural or linguistic discrimination may in fact mask gender issues.

6.4 HIV/AIDS

HIV/AIDS is an important public health problem in South Africa. In 2009, South Africa launched a new policy of AIDS control to improve the prevention of new infections and the treatment of the infected. The policy changes will expand access to (free) treatment and provide the possibility for all South Africans to know their infection status. This very ambitious strategy will obviously have implications on public service delivery. It is to be decided whether the Facility will also be used to focus on this part of the South African Policy.

7 ANNEXES

7.1 Overview of activities and resources[3]

TOTAL BUDGET (in euro)				Modality	TOTAL BUDGET	%	Year 1	Year 2	Year 3	Year 4	Year 5
A			To pilot new ways of delivering public services by funding improvement initiatives.		10.050.000	91%	1.310.000	2.175.000	2.180.000	2.185.000	2.200.000
A	01		A grant Facility to support initiatives to improve public service delivery is established and implemented		9.580.000	87%	1.245.000	2.075.000	2.080.000	2.085.000	2.095.000
A	01	01	Start-up activities	Co-management	130.000		130.000	0	0	0	0
A	01	02	Definition of admission and selection criteria	Co-management	10.000		0	5.000	0	5.000	0
A	01	03	Definition of information and communication strategy	Co-management	35.000		25.000	0	5.000	0	5.000
A	01	04	Definition of support strategy of Beneficiary Institutions	Co-management	25.000		25.000	0	0	0	0
A	01	05	Launching of information and communication strategy	Co-management	100.000		20.000	20.000	20.000	20.000	20.000
A	01	06	Launching calls of proposals	Co-management	25.000		5.000	5.000	5.000	5.000	5.000
A	01	07	Implementing of support strategy for Beneficiary Institutions	Co-management	100.000		20.000	20.000	20.000	20.000	20.000
A	01	08	Selection of improvement initiatives (including study tours, consultancies, conferences, . . .	Co-management	25.000		5.000	5.000	5.000	5.000	5.000
A	01	09	Implementation of improvement initiatives	Co-management	9.000.000		1.000.000	2.000.000	2.000.000	2.000.000	2.000.000
A	01	10	Visibility and knowledge dissemination	Co-management	130.000		15.000	20.000	25.000	30.000	40.000
A	02		New and innovative ways of public service delivery are piloted and implemented		250.000	2%	25.000	60.000	60.000	60.000	45.000
A	02	01	Support proposals for improvement initiatives	Co-management	130.000		20.000	30.000	30.000	30.000	20.000
A	02	02	Establish individual result frameworks for improvement initiatives and monitor their implementation	Co-management	40.000		5.000	10.000	10.000	10.000	5.000
A	02	03	Evaluate the outcomes of the improvement initiatives	Co-management	80.000			20.000	20.000	20.000	20.000
A	03		Sound practices and lessons learned from improved public service delivery pilots are enhanced and sustained		220.000	2%	40.000	40.000	40.000	40.000	60.000
A	03	01	Establish a data management system	Co-management	80.000		40.000	10.000	10.000	10.000	10.000
A	03	02	Analyse the results of the experiences	Co-management	60.000		0	15.000	15.000	15.000	15.000
A	03	03	Disseminate innovative experiences and results	Co-management	80.000		0	15.000	15.000	15.000	35.000

[3] pm = pro memory

X			**Budgetary reserve (max 5% * total activities)**		200.000	2%	**0**	**0**	**0**	**100.000**	**100.000**
X	01		*Budgetary reserve*		*200.000*	*2%*	*0*	*0*	*0*	*100.000*	*100.000*
X	01	01	Budgetary reserve	Co-management	200.000		0	0	0	100.000	100.000
X	01	02	Budgetary reserve	Direct-management	0		0	0	0	0	0
Z			**General Means**		750.000	7%	**212.000**	**122.000**	**147.000**	**122.000**	**147.000**
Z	01		*Personnel costs*		*PM*	*PM*	*PM*	*PM*	*PM*	*PM*	*PM*
Z	01	01	Assistant technique - Programme Manager (Gvt)	SAF	PM		PM	PM	PM	PM	PM
Z	01	02	Finance Manager	SAF	PM		PM	PM	PM	PM	PM
Z	01	03	M & E Expert	SAF	PM		PM	PM	PM	PM	PM
Z	01	04	Communications Management Expert	SAF	PM		PM	PM	PM	PM	PM
Z	01	05	Administrative Assitant (Gvt)	SAF	PM		PM	PM	PM	PM	PM
Z	02		*Investment*		*40.000*	*0%*	*40.000*	*0*	*0*	*0*	*0*
Z	02	01	Office equipment	Co-management	15.000		15.000	0	0	0	0
Z	02	02	IT equipment	Co-management	25.000		25.000	0	0	0	0
Z	03		*Operational & maintenance costs*		*460.000*	*4%*	*127.000*	*77.000*	*102.000*	*77.000*	*77.000*
Z	03	01	Office space	SAF	PM		PM	PM	PM	PM	PM
Z	03	02	Service & maintenance (office)	SAF	PM		PM	PM	PM	PM	PM
Z	03	03	Transport	Co-management	100.000		40.000	15.000	15.000	15.000	15.000
Z	03	04	Telecommunication	Co-management	30.000		6.000	6.000	6.000	6.000	6.000
Z	03	05	Office supplies	Co-management	30.000		6.000	6.000	6.000	6.000	6.000
Z	03	06	Missions	Co-management	100.000		20.000	20.000	20.000	20.000	20.000
Z	03	07	External communication & representation	Co-management	25.000		5.000	5.000	5.000	5.000	5.000
Z	03	08	Training	Co-management	50.000		25.000	0	25.000	0	0
Z	03	09	Consultancy	Co-management	125.000		25.000	25.000	25.000	25.000	25.000
Z	03	10	Other operational costs	Co-management	0		0	0	0	0	0
Z	04		*Audit, monitoring & evaluation*		*250.000*	*2%*	*45.000*	*45.000*	*45.000*	*45.000*	*70.000*
Z	04	01	Monitoring & evaluation	Direct-management	100.000		20.000	20.000	20.000	20.000	20.000
Z	04	02	Final evaluation	Direct-management	25.000		0	0	0	0	25.000
Z	04	03	Audit	Direct-management	100.000		20.000	20.000	20.000	20.000	20.000
Z	04	04	Backstopping	Direct-management	25.000		5.000	5.000	5.000	5.000	5.000
TOTAL					**11.000.000**		**1.522.000**	**2.337.000**	**2.367.000**	**2.447.000**	**2.507.000**

Direct-management	**250.000**		**45.000**	**45.000**	**45.000**	**45.000**	**70.000**
COGESTION	**10.750.000**		**1.477.000**	**2.252.000**	**2.282.000**	**2.362.000**	**2.377.000**

7.2 ToR for PMU staff

Staffing Principles

In line with the Facility goals of capacity development and cost-effective performance improvement, the PMU will be a small professional management team to lead and co-ordinate the specialist functions of the Facility. Overall the PMU will have proficiency in:

- Public management / service delivery
- Training needs analysis
- Organising and provision of training
- Capacity development in the public sector
- Management
- Networking
- Private sector development
- Drafting ToR
- Public Tendering
- Research and capitalisation

Wherever practical and cost-efficient, secondments or "job-sharing" will be negotiated with strategic partners in South African government institutions, such as IDC - National Treasury, the Centre for Public Service Innovation (CPSI) and/or Department of Co-operative Governance and Traditional Affairs (CoGTA), DPSA.

7.2.1 Programme Manager

The Facility Programme Manager is responsible, on behalf of the DPSA, for the successful delivery of the project. The role requires the effective co-ordination of the projects and their inter-dependencies, and any risks and other issues that may arise.

The Facility Programme Manager will work full-time on the programme, as the role is crucial for creating and maintaining enthusiasm and momentum.

The Facility Programme Manager is responsible for the overall integrity and coherence of the project, and develops and maintains the project environment.

Key Performance Areas

- Leadership and co-ordination of strategic plans and operational activities, through the staff and relevant stakeholders;
- Ensure cost-effective achievement of Facility research, support, Knowledge Management, M&E and Communications objectives;
- Problem solving to ensure efficient implementation of defined strategies;
- Reporting (progress, achievements, analysis of results.

Qualifications and experience

- A minimum of a Masters Degree in business administration, finance, accounting or economics;

- At least 15 years experience of which most is in international development organisations or public sector but dealing with international development cooperation at senior management level;

- Thorough knowledge of the PFMA and South African Tender Board General Conditions and Procedures.

Specific skills

- Accredited tertiary management qualification in Development Studies or Public Administration (at least National Qualifications Framework, level 6); or equivalent by experience;

- Public Management expert with detailed knowledge of international capacity development programmes;

- Knowledge on service delivery challenges in South African co-operative government context will be an asset;

- Confident and positive presentation, communications and delegation skills at Director Level;

- Competence in proposal writing and analysis;

- Experience in Supply Chain Management aligned to South African tender regulations and procedures;

- An innovative, pro-active leader, with a proven record of achievement in the community development or public governance contexts;

- Competent in financial & budget management;

- Excellent analytical, problem-solving and report-writing skills;

- Proven ability to work as an effective member of a multi-disciplinary, multi-cultural team;

- Excellent stress tolerance, able to maintain high work standards under pressure.

Duties and responsibilities

- Planning and designing the programme and proactively monitoring its overall progress, resolving issues and initiating corrective action as appropriate;

- Quality assurance and overall integrity of the programme - focusing inwardly on the internal consistency of the programme; and outwardly on its coherence with infrastructure planning, interfaces with other programmes and corporate technical and specialist standards;

- Managing the programme's budget on behalf of the PSC, monitoring the expenditures and costs against delivered and realised benefits as the programme progresses;

- Facilitating the appointment of individuals to the project delivery teams;

- Ensuring that the delivery of new products or services from the project is to the appropriate levels of quality, on time and within budget, in accordance with the project plan and project governance arrangements;

- Ensuring that there is efficient allocation of common resources and skills within the project portfolio;

- Managing third party contributions to the programme;

- Managing the communications with all stakeholders;

- Managing both the dependencies and the interfaces between projects;

- Managing risks to the programme's successful outcome;

- Initiating extra activities and other management interventions wherever gaps in the programme are identified or issues arise;

- Reporting progress of the programme at regular intervals to the PSC.

7.2.2 Financial manager

The Financial Manager's role is to establish and maintain financial and management procedures for the Facility. To ensure compliance with all regulatory requirements as relating to ODA Regulations of South Africa, and in conjunction with the Programme Coordinator ensure adequate resource acquisition for the development of services in the support of the Facility.

Key Performance Areas

- Accurate budgeting and financial controls of approved Facility initiatives, in terms of defined financial policies and procedures;

- Efficient design and implementation of Facility administration policies and procedures;

- Effective liaison and co-ordination of Finance and Administration procedures with all stakeholders and beneficiary institutions;

- Accurate, timely and actionable reporting of Finance and Administration protocols to required recipients of data and recommendations.

Qualifications and experience

- A minimum of a bachelor's degree in business administration, finance, accounting or business administration;

- At least 10 years' experience most of which is in the public sector;

- Thorough knowledge of the PFMA.

Competence Profile

- Accredited tertiary Financial Management qualification (at least National Qualifications Framework level 6);

- Proven numerical and analytical skills, in a busy administration office;

- Excellent computer skills, in a package defined by National Treasury;

- Knowledge of SA government financial policies, protocols, practices and procedures.

- Good verbal and written communications, negotiation and problem-solving skills;

- Proven ability to work as an effective member of a multi-disciplinary, multi-cultural team;

- Excellent stress tolerance, able to maintain high work standards under pressure.

7.2.3 Monitoring & Evaluation Expert

Key Performance Areas

- Effective and efficient implementation of the Monitoring and Evaluation strategy of the Facility;

- Capitalisation of results;

- Build effective networking and relationships with Government Knowledge management and M&E Officers and other defined stakeholders.

Competence Profile

- A tertiary qualification in Knowledge Management and / or M&E, accredited by the SA Monitoring & Evaluation Association (at least National Qualifications Framework level 6);

- Proven understanding of SA Government Knowledge Management and / or M&E protocols, practices and processes;

- Excellent verbal and written communications skills, in English and at least one other official SA language;

- Excellent analytical and problem-solving skills, in the developmental or public governance context;

- Proven ability to work as an effective member of a multi-disciplinary, multi-cultural team;

- Excellent stress tolerance, able to maintain high work standards under pressure.

7.2.4 Communication Expert

Key Performance Areas

- Implement the defined Communications Strategy for the Facility, efficiently and effectively

- Design the annual communication plan

- Build effective working relationships with Government Communications Officers and other defined stakeholders (as targets or channels).

- Manage the communication budget

- Monitor, evaluate, report and make necessary changes to Communications Strategy to ensure achievement of communications objectives.

Competence profile

- A tertiary Communications / Marketing qualification (at least National Qualifications Framework level 6).

- Proven understanding of SA Government Communications policies, protocols, practices and processes.

- Proven understanding of South African media sphere

- Excellent verbal and written communications skills, in English and at least one other official SA language.

- Excellent analytical and problem-solving skills, in the media and communications context.

- Proven ability to work as an effective member of a multi-disciplinary, multi-cultural team.

- Excellent stress tolerance, able to maintain high work standards under pressure.

- Experience as a communications officer in a similar programme (or at least considered as an asset)

7.3 Communication strategy

Target audience	Issue	Message[4]	Channel
Key partners	- Timely and efficient exchange of relevant ideas and information - Ownership of the PSI Facility	- X is our partnership project directly linked with South African government priorities and outcomes - Let us manage it with excellence in order to get the desired outcomes, in partnership	- Transparent, regular progress reports, constructive meetings
Citizens of South Africa and Belgium and their parliaments	- Information on the use of public aid - Evidence that public money is spent well	- PSI Facility is a partnership project between the South African and Belgian governments, directly linked with the priorities of both countries to reduce global poverty. It supports the improvement of public service delivery to South African citizens, especially the disadvantaged ones - Public aid is managed cost-effectively and transparently - PSI Facility has valuable results that make it an example to follow	- PSI Facility's website (mission, vision, values, structure, case studies, e-newsletter, lessons learned ...) - DCIS website - GCIS website and media - BTC and DGD websites - SA government websites - Case studies via RSS feeds - Parliamentary visits to projects - National and Belgian media (through press releases and journalists visits) - Endorsement from government leaders in Belgium and SA
Clusters and Government Communicators' Forum (GCF)	- Specific information about PSI Facility - Motivation to communicate about PSI Facility, in link with the communication objectives of each government institution	- PSI Facility is a partnership project between the South African and Belgian governments, directly linked with the priorities of both countries to reduce global poverty. It supports the improvement of public service delivery to South African citizens, especially the disadvantaged ones	- Regular meetings with members of GCF - Regular information posted on GCF's website - "Bua" Magazine (electronic magazine aimed at government communicators - PSI Facility's website (mission, vision, values, structure, case studies, e-newsletter, lessons learned ...)

[4] Message will be refined with partners' communicators in order to be in line with SA government communication

Target audience	Issue	Message[4]	Channel
		- PSI Facility has valuable results your audiences would like to learn about.	- Case studies via RSS feeds
South African government - national sphere (President, Cabinet, government departments)	- Specific information about PSI Facility - Motivation for participation in partnership with provincial or local institution - Expected outcomes - Motivation to replicate successful projects on a larger scale	- PSI Facility is an exciting new partnership SA - Be programme that will support you and all SA government spheres, to improve public service delivery to all citizens, especially the disadvantaged ones - If you have an innovative service improvement idea (study, study-tour, training, new technology, …) submit a full proposal in partnership with a provincial or local institution. Your experience might be replicated all over SA to enhance community services. - These are the results to date - Here are innovative projects that have improved public service. Now it is time to roll them out or scale them up so that all SA citizens can benefit from them	- PSI Facility's website - Examples of innovative projects - Database of project results and lessons learned - Community of practice - E-newsletter - Partners' websites and internal newsletters - Partners' magazines (Ideas that work, Service Delivery, Deliver, Vuk'uzenzele, ...) - Other partners' media - Personal memos to President, members of Cabinet - Folders (information on PSI Facilty) - Stand at national conferences, lekgotlas, seminars and fora - National and regional media
South African government - Provincial sphere (9 Premiers and Executive councils with provincial departments and agencies)	- Specific information about PSI Facility - Motivation for participation in partnership with national or local institution - Motivation to replicate successful projects on a larger scale, in the Province	- PSI Facility is an exciting new partnership SA - Be programme that will support you and all SA government spheres, to improve public service delivery to all citizens, especially the disadvantaged ones - If you have an innovative service improvement idea (study, study-tour, training, new technology, …) submit a full proposal in partnership with a provincial or local institution. Your experience might be replicated all over SA to enhance community services. - These are the results to date - Here are innovative projects that have improved public service. Now it is time to	- PSI Facility's website - Examples of innovative projects - Database of project results and lessons learned - Community of practice - E-newsletter - Partners' websites and internal newsletters - Provinces websites and communication tools - Personal memos to Premiers, MEC's and Provincial Director-General - Folders - Stand at provincial conferences, lekgotlas, seminars and fora - 9 launching sessions (with "national champions")

Target audience	Issue	Message[4]	Channel
		roll them out or scale them up so that all SA citizens can benefit from them	- Provincial and regional media
SAF government - local sphere 284 municipalities	- Specific information about PSI Facility - Opportunity to strengthen Local Government Turnaround Strategy (LGTAS) capacity and results - Motivation for support and participation in partnership with provincial or national institutions - Support for application - Support for communication and knowledge management - Motivation to replicate successful projects on a larger scale and to be in line for a Vuna Award for Excellence in Service Delivery	- PSI Facility is an exciting new partnership SA - Be programme that will support you and all SA government spheres, to improve public service delivery to all citizens, especially the disadvantaged ones - If you have an innovative service improvement idea (study, study-tour, training, new technology, …) submit a full proposal in partnership with a national or provincial institution – CSO or private sector company. Your Municipality's practical experience might be replicated all over SA to enhance community services. - If you have questions or need support, please contact our helpdesk - These are the results to date - Here are innovative projects that have improved public service. Now it is time to roll them out or scale them up so that all SA citizens can benefit from them	- PSI Facility's website - Examples of innovative projects - Database of project results and lessons learned - Community of practice - E-newsletter - Partners' websites and internal newsletters - Partners' magazines - CoGTA, SALGA and other partners' communication tools - Personal memos to Mayors, Municipal managers and national/provincial SALGA leadership - Folders - Helpdesk - Preliminary workshops (2x/y) - Training workshops (2x/y) - SALGA annual congress - Stand at local / provincial conferences and fora - Communications fora with metro, district and local communicators (4x/y) - Guidelines and toolboxes for communication and knowledge management - Community media - Local and regional media
Government department clusters which co-ordinate community service planning and delivery	- Specific information about PSI Facility - Motivation for participation in partnership with Cluster departments, provincial or local institutions - Motivation to replicate successful projects on a larger scale and to prove that "Together, we can do more !"	- PSI Facility is an exciting new partnership SA - Be programme that will support you and all SA government spheres, to improve public service delivery to all citizens, especially the disadvantaged ones - If your Cluster members have an	- PSI Facility's website - Examples of innovative projects - Database of project results and lessons learned - Community of practice - E-newsletter - Clusters' partners' websites and internal newsletters

Target audience	Issue	Message[4]	Channel
		innovative service improvement idea (study, study-tour, training, new technology, …) submit a full proposal on behalf of the lead department / agency or in partnership with a provincial / local institution. Your Cluster's practical achievement might be replicated all over SA, to enhance community services. - These are the results to date - Here are innovative projects that have improved public service. Now it is time to roll them out or scale them up so that all SA citizens can benefit from them	- Clusters' other communication tools - Personal memos to Cluster Cabinet members and DGs to the Ministers - Partners' magazines (Ideas that work, Service Delivery, Vuk'uzenzele, ...) - Folders - Stand at local / provincial conferences and fora - National and regional media
Public entities, Agencies and State Owned Enterprises (SOE's) in national, provincial and local spheres	- Specific information about PSI Facility - Motivation for participation in partnership with relevant national, provincial or local institutions - Motivation to replicate successful projects on a larger scale	- PSI Facility is an exciting new partnership SA - Be programme that will support you and all SA government spheres, to improve public service delivery to all citizens, especially the disadvantaged ones - If you have an innovative service improvement idea (study, study-tour, training, new technology, …) submit a full proposal on behalf of your department / agency or in partnership with provincial or local institution! Your experience might be replicated all over SA - These are the results to date - Here are innovative projects that have improved public service. Now it is time to roll them out or scale them up so that all SA citizens can benefit from them	- PSI Facility's website - Examples of innovative projects - Database of project results and lessons learned - Community of practice - E-newsletter - Partners websites and SOE internal newsletters - All SAF government websites - Partners' magazines (Ideas that work, Service Delivery, Deliver, Vuk'uzenzele, ...) - SOE and partner's communication tools - Personal letters to SOE chief executives - Folders - Stand at national/provincial and local conferences, lekgotlas, seminars and fora - National and regional media
Academic Institutions focussed on Public Administration and Governance	- Specific information about PSI Facility - Motivation for professional / academic research and participation in partnership with national, provincial and local institutions - Motivation for the academic institutions	- PSI Facility is an exciting new partnership SA - Be programme that will support you and all SA government spheres, to improve public service delivery to all citizens, especially the disadvantaged ones	- PSI Facility's website - Examples of innovative projects - Database of project results and lessons learned - Community of practice - E-newsletter

Target audience	Issue	Message[4]	Channel
and members of the SA Association of Public Administration and Management (SAAPAM) to contribute to the research, training and replication of successful projects on a larger scale		- If your institution has an innovative service improvement idea (study, study-tour, training, new technology, …) partner with a relevant national, provincial or local government department / agency to submit project proposal. Your institution's research capacity and experience might the innovative project to be replicated all over SA. - These are the results to date - Here are innovative projects that have improved public service. Now it is time to roll them out or scale them up so that all SA citizens can benefit from them	- SAAPAM and Universities' websites, internal newsletters and communication tools - Partners' magazines (Ideas that work, Service Delivery, Deliver, Vuk'uzenzele, ...) - Personal memos to Heads of Department of university departments of public administration and to members of the SA APAM - Banners + stand at seminars and fora - Folders - National and regional media -
Private sector organisations, federations and companies	- Specific information about PSI Facility - Motivation for participation in partnership with national, provincial or local institution - Motivation to replicate successful projects on a larger scale with potential scope for branding and visibility of the company or organisation	- PSI Facility is an exciting new partnership SA - Be programme that will support you and all SA government spheres, to improve public service delivery to all citizens, especially the disadvantaged ones - If you have an innovative service improvement product or idea (study, study-tour, training, new technology, …) contact any government institution that will submit a proposal on behalf your public-private-partnership (PPP). Tour company's know how and practical experience might be replicated all over SA - These are the results to date - Here are innovative PPP projects that have improved public service. Now it is time to roll them out or scale them up, so that all SA citizens can benefit from them	- PSI Facility's website - Examples of innovative projects - Database of project results and lessons learned - Community of practice - E-newsletter - Business Organisations' websites and internal Chamber/federation newsletter - Business organisations' communication tools - Personal memos to CEOs of Business Unity SA, Afrikaanse Handelsinstituut, Black Management forum, Regional Chambers, "Adopt a Municipality", etc… - Stand at national/provincial Business Chamber conferences, seminars and fora - Folders - TIA (Technology and Innovation Agency - National and regional media
Civil Society Organisations (CSO's)	- Information on the use of public aid - Evidence that public money is spent well	- PSI Facility is an exciting new partnership SA - Be programme that will support you	- PSI Facility's website - Examples of innovative projects

Target audience	Issue	Message[4]	Channel
Non-governmental, Non-profit, Community-based, Faith-based	- Motivation for participation, in partnership with national, provincial and local government institutions. - Motivation to strengthen Civil Society empowerment by identifying and replicating successful service projects on a larger scale.	and all SA government spheres, to improve public service delivery to all citizens, especially the disadvantaged ones - If you have an innovative service improvement idea (study-tour, training, new technology,..) arrange a partnership with a national, provincial or local government institution. Your CSO influence and practical community experience might be replicated all over SA - These are the results, to date. - Here are innovative CSO initiatives projects that have helped improved public service. Now it is time to roll them out or scale them up, so that all SA communities can benefit from them	- Database of project results and lessons learned - Community of practice - E-newsletter - CSO websites (such as Community Development Resource Association; SANGONet NGO Pulse ; Greater Good SA , Institute for Democracy in SA - Idasa) ; and their stakeholder newsletters - Partners' magazines (Ideas that Work, Service Delivery, Delivery, etc.) - Other CSO and NGO partners' communications tools - Personal memos to directors of major CSOs and NGOs (use the 'Prodder' on line directory of national regional CSOs and NGOs): www.prodder.org.za). - Folders - Stand at national / provincial CSO & NGO conferences, seminars and fora. - National & regional media -
South African media	- Information on the use of public aid - Evidence that public money is spent well - Specific information about PSI Facility – lessons learned	- PSI Facility is an exciting new partnership SA - Be programme that will support you and all SA government spheres, to improve public service delivery to all citizens, especially the disadvantaged ones. It supports the improvement of public service delivery to SAF citizens, especially the disadvantaged ones - Public aid is managed well - PSI Facility has valuable results	- PSI Facility's website (mission, vision, values, structure, case studies, e-newsletter, lessons learned ...) - SA government websites - Case studies via RSS feeds - Press releases and journalists visits) -
International media	- Information on the use of public aid - Evidence that public money is spent well - Specific information about PSI Facility – lessons learned	- PSI Facility is an exciting new partnership SA - Be programme that will support you and all SA government spheres, to improve public service delivery to all	- PSI Facility's website (mission, vision, values, structure, case studies, e-newsletter, lessons learned ...) - SA government + BTC + DGD websites

Target audience	Issue	Message[4]	Channel
		citizens, especially the disadvantaged ones. It supports the improvement of public service delivery to SAF citizens, especially the disadvantaged ones - Public aid is managed well - PSI Facility has valuable results	- Case studies via RSS feeds - Press releases and journalists visits)
Other donors	- Information on the partnership between South Africa and Belgium - Interest in the lessons learned and the outcomes - Motivation to fund replication of successful projects on a larger scale throughout South Africa	- PSI Facility is an exciting new partnership SA - Be programme that will support you and all SA government spheres, to improve public service delivery to all citizens, especially the disadvantaged ones. It supports the improvement of public service delivery to SAF citizens, especially the disadvantaged ones - If you are interested in the outcomes of FSI Facility, consider working in partnership with a South African national, provincial or local government institution. Your expertise and financial support will assist the replication all over South and Southern Africa, to enhance equitable community services and democratic development, towards the MDG. - These are the results, to date. - Here are innovative projects that have improved public service equity in South Africa. Now is the opportunity to roll them out or scale them up, so that all SA communities can benefit equitably from them with your support and expertise.	- X website (mission, vision, values, structure, case studies, - E-newsletter.) - DCIS website - BTC and DGD websites - All SAF government websites - Folders - Development partners meetings - Press releases to South African Corporate Social Investment network (such as CSI Managers Forum: www.myggsa.co.za) and international donor media.

7.4 Procedural Manual

See file hereby.