



**PUBLIC SERVICE ACCOUNTABILITY MONITOR  
SUBMISSION ON 2023 APPROPRIATION BILL**

**PSAM**



Public Service  
Accountability  
Monitor

**24 May 2023**

**Presented by Lisa Higginson  
Budget Advocacy Coordinator**



# Presentation outline

**PSAM presentation is focused on resourcing of procurement reform and anti-corruption system. The structure is as follows:**


1. Key frameworks
2. Performance and resourcing of key departments and entities
3. Coordination
4. Conclusion
5. Summary of findings and recommendations
6. Historical spending and 2023 MTEF allocation (not discussed)

# Frameworks

**PSAM**

Public Service  
Accountability  
Monitor

**NACS, Procurement Bill, Zondo recommendations on  
procurement**

- 
- National Anti-Corruption Strategy (NACS), emerging from 2012 NDP, initiated in 2018 and published in 2020 forms an overarching strategy, and permanent institutional state entity
  - Procurement Bill released in 2020 (but initiated in 2014), recently approved by cabinet, and yet to be tabled in parliament, introduces a single framework for procurement to address current weakness in “fragmented” system
  - Zondo Recommendations on Procurement included in June 2022 report, accepted by the President with commitment to implement

# Departments and entities

DoJCD, SIU, NPA, FIC, SARS, OCPO

**PSAM**

Public Service  
Accountability  
Monitor



# DoJCD

- DoJCD budget has remained relatively flat with slight decline in real terms
- DoJCD plays key oversight role in operations of NPA, SIU, PPSA and SAHRC, however serious challenges exist including poor financial management & internal controls resulting in R900 million in irregular spending in 2021/22
- Weak SCM and recruitment processes leading to underspending of R600 million in 2021/22
- We question what impact this has on other entities

# NPA

- NPA has received additional funds and filled critical vacancies and rebuilt capacity, however, challenges remain, and performance has not improved in line with additional resources
- Poor uptake of SIU referrals has been partly attributed to capacity constraints
- SIU has performed well, despite funding challenges, mostly related to funding model, and debt owed by departments

# SIU

- SIU has seen a number of adjustments to spending since 2012
- Important to note that the department receives only a portion of funding from the fiscus with the balance made up of revenue from services rendered
- This creates an inherent conflict and the funding model has been raised as a threat to sustainability
- SIU has performed well and appears to be improving, achieving 100% of APP targets in 2021/22, an increase from previous year



# PPSA and SAHRC

- Both play important but secondary role in anticorruption system providing opportunity for citizens to report
- PPSA receives small share of the budget. Allocations have not increased in real terms despite increase in mandate to include anti-corruption and whistle-blower management. Very few complex cases were finalised and very few recommendations were implemented
- SAHRC also receives a small share of the budget and plays a role in supporting citizens in addressing corruption that impedes human rights. The budget has also decreased in real terms in recent years, and a number of challenges are highlighted within the commission, that could hamper performance

# FIC, SARS and OCPO

- These entities fall under National Treasury and are also part of anti-corruption system playing a particular role in financial crime and procurement related corruption
- Encouraging to see that both OCPO and FIC have received significant, real increases over the MTEF which should translate into better outcomes
- SARS operations budget has not been consistent, with frequent changes, however recent increases appear to coincide with better revenue collection and more attention to supporting anti-corruption, with newly introduced performance measures linked to NPA referrals

# COORDINATION

**PSAM**

Public Service  
Accountability  
Monitor




- Numerous stakeholders. Here we have looked at NPA, SIU, PPSA, SAHRC, FIC, SARS, OCPO
- There are others too, within departments, local government, SAPS, non stake actors
- NACAC plays important role in implementation of NACS while permanent body is being established
- There is also ACTT which consists mainly of enforcement but also has a mandate
- Recent revelations of poor coordination between SIU and NPA necessitated the establishment of an MoU between key entities, including SAPS and Hawks
- Less clear how procurement reforms, including the Procurement Bill and Zondo Recommendation are coordinated and integrated into anti-corruption system

# CONCLUSION

**PSAM**

Public Service  
Accountability  
Monitor



- 
- Corruption impacts democracy, service delivery, social and economic development, investor confidence and public trust
  - Efforts to address corruption including procurement reform should be a priority
  - Frameworks have been developed, and institutions established, however these need to be adequately resourced to be effective
  - While additional resources are welcome, more needs to be done to coordinate across entities to improve outcomes.

# SUMMARY OF FINDINGS & RECOMMENDATIONS


**PSAM**


Public Service  
Accountability  
Monitor




- **I. Finding:** A number of challenges are highlighted within the Department of Justice and Constitutional Development (DoJCD), which plays a key oversight role as the department in which several crime and corruption fighting entities are located.
- **Recommendation:** We would like to encourage the Committee to interrogate this further with sector department to determine what measures are in place to resolve persistent challenges reported in annual reports and performance plans
- **Recommendation:** explore possibility of reallocating funds within vote to ensure adequate resourcing of anti-corruption system



- 
- **II. Finding:** Increased allocations to the National Prosecuting Authority (NPA) has enabled the institution to fill vacancies and take important steps to rebuild capacity, however, performance has not improved significantly
  - **Recommendation:** We urge the Committee to review past performance, and targets over the MTEF and seek an explanation from the NPA to ensure continuous improvement

- 
- **IV. Finding:** The National Anti-Corruption Advisory Council (NACAC) appears to be funded from Criminal Assets Recovery Account (CARA) and it is unclear how funds are allocated or spent, and it appears that some funds allocated, have not yet been spent.
  - **Recommendation:** We recommend that the NACAC receive adequate funding from the fiscus to ensure sustainability.

- 
- **V. Finding:** Given that numerous stakeholders are involved in anti-corruption efforts, and weaknesses or performance challenges in one entity can impact overall outcomes, it is critical that these entities work collaboratively to improve the efficient use of resources and secure better outcomes.
  - **Recommendation:** We urge the committee to follow up with these entities to find out whether the MoU has been concluded and find out what terms have been agreed



# Thank you

Presented by Lisa Higginson on behalf of PSAM

<https://psam.org.za/>

Contact: [lisa.higginson@ru.ac.za](mailto:lisa.higginson@ru.ac.za)

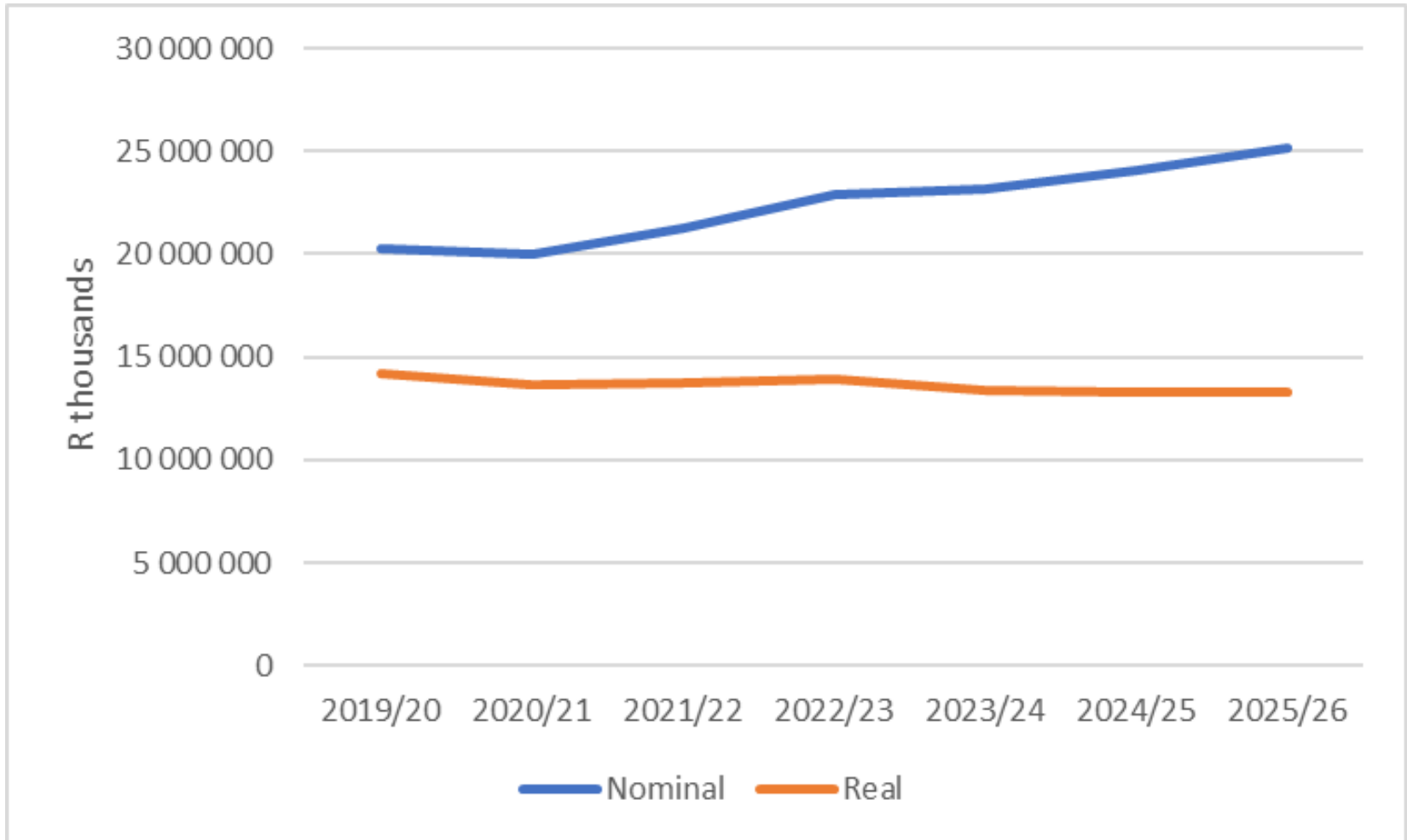
# HISTORICAL SPENDING AND MTEF ALLOCATIONS

**PSAM**

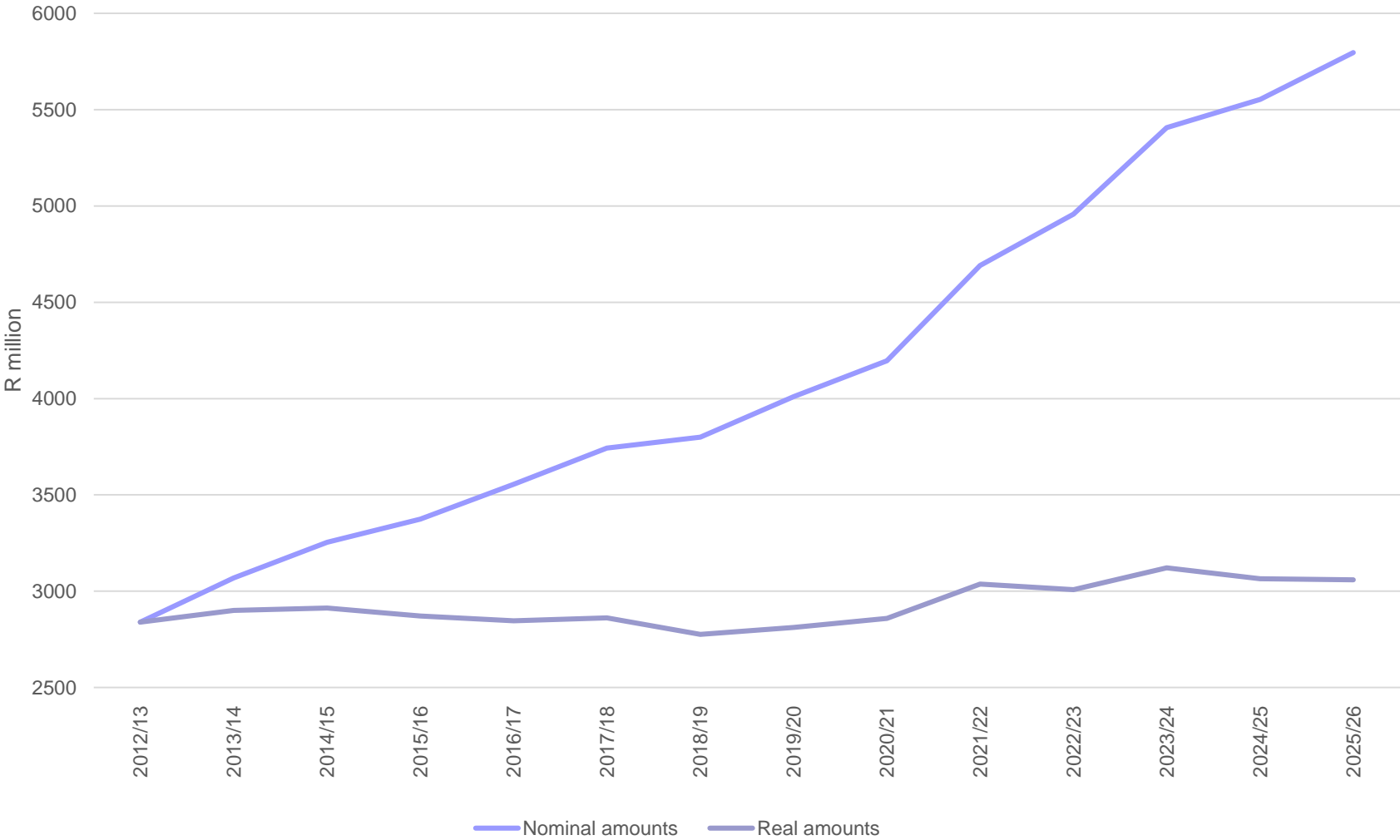
Public Service  
Accountability  
Monitor

**\*Not presented but included for references  
purposes**

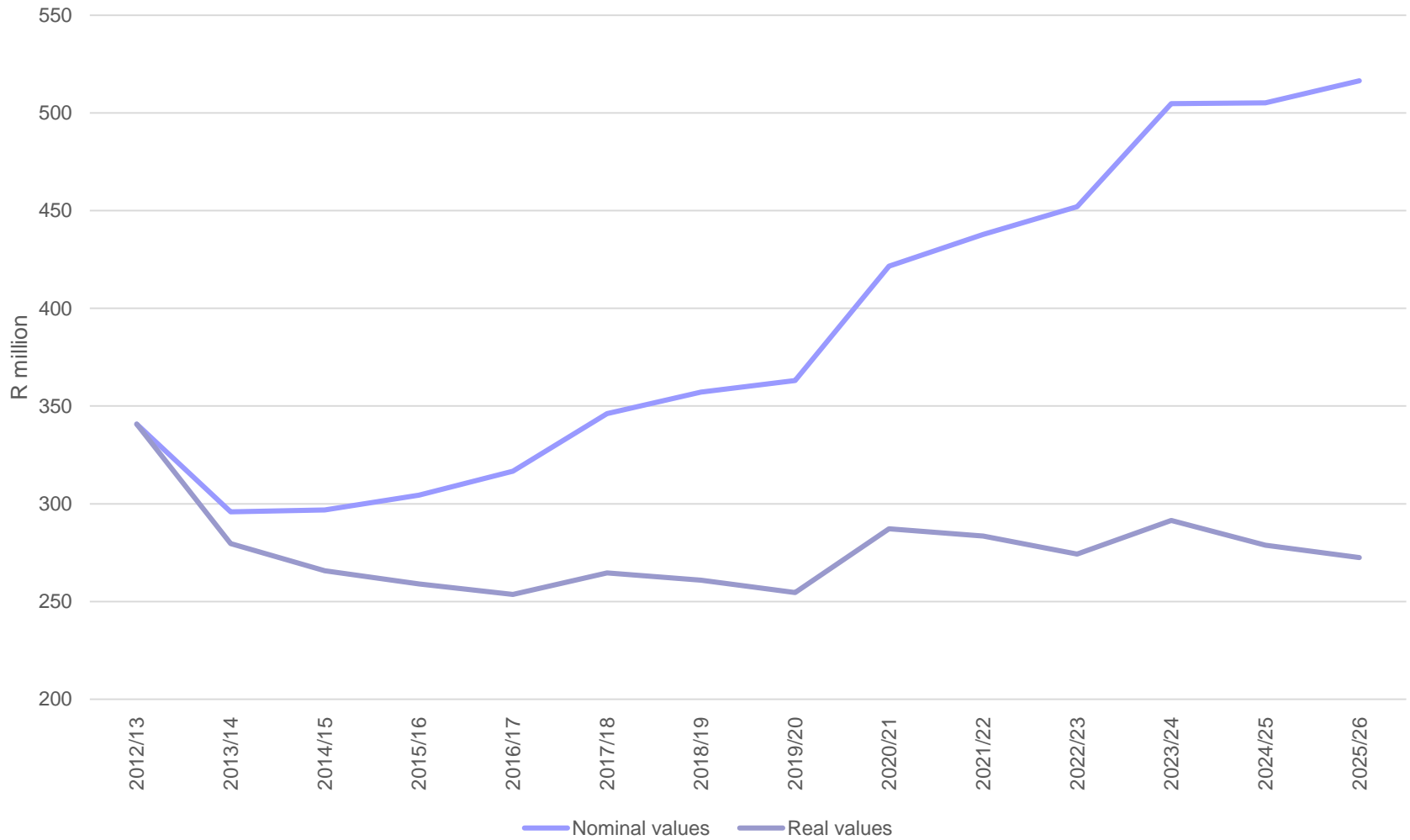
# Department of Justice and Constitutional Development



# National Prosecuting Authority

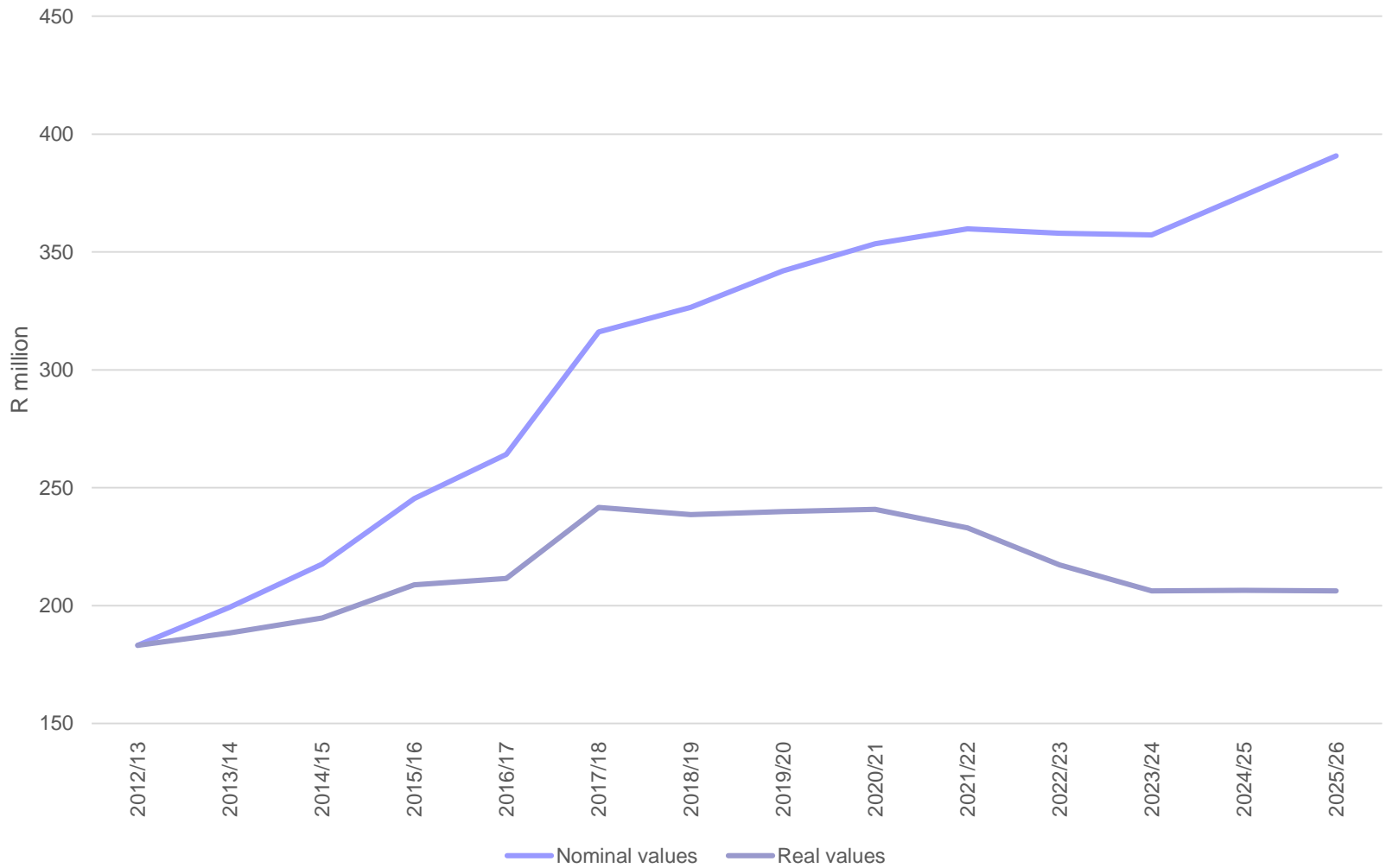


# Special Investigating Unit

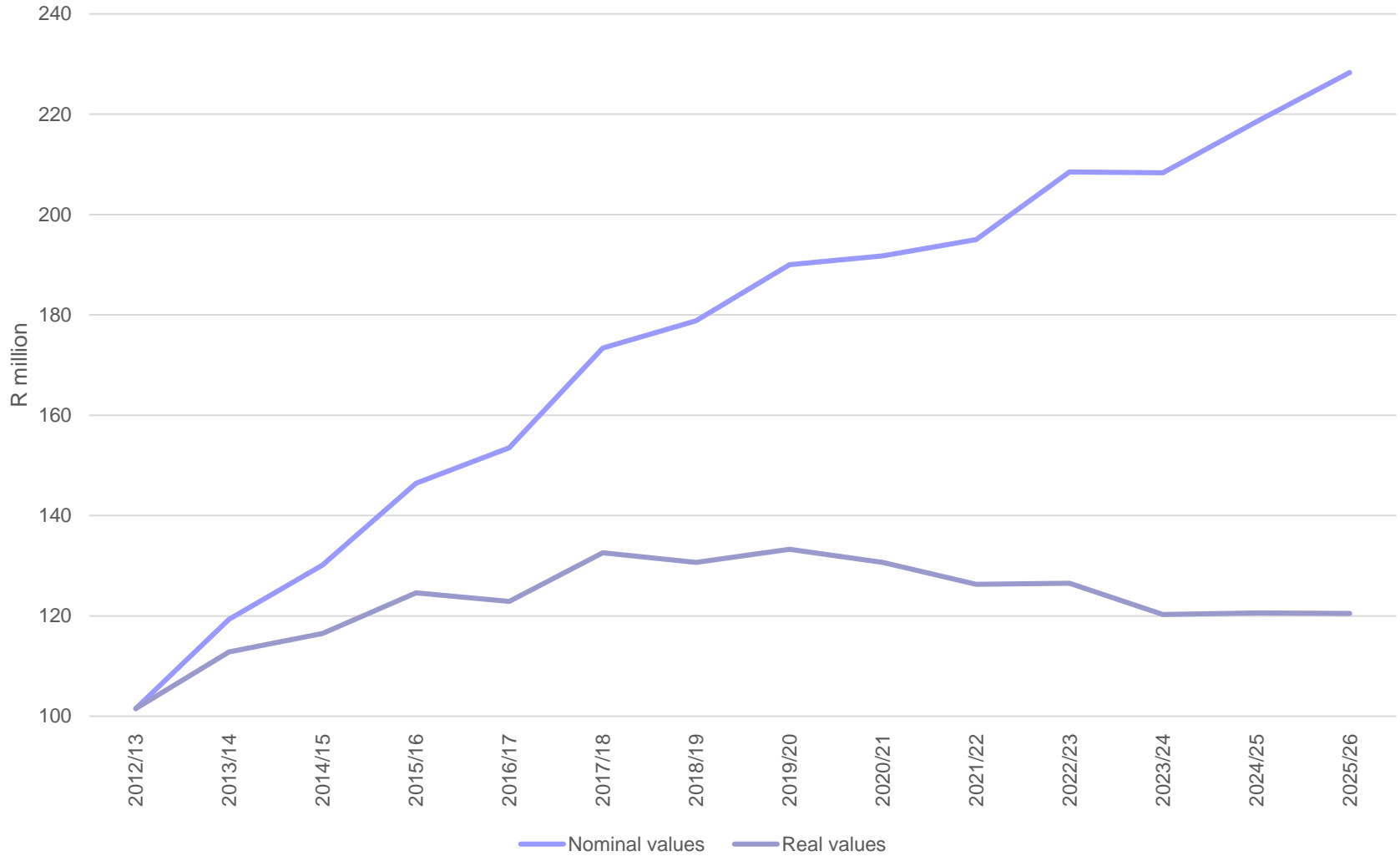




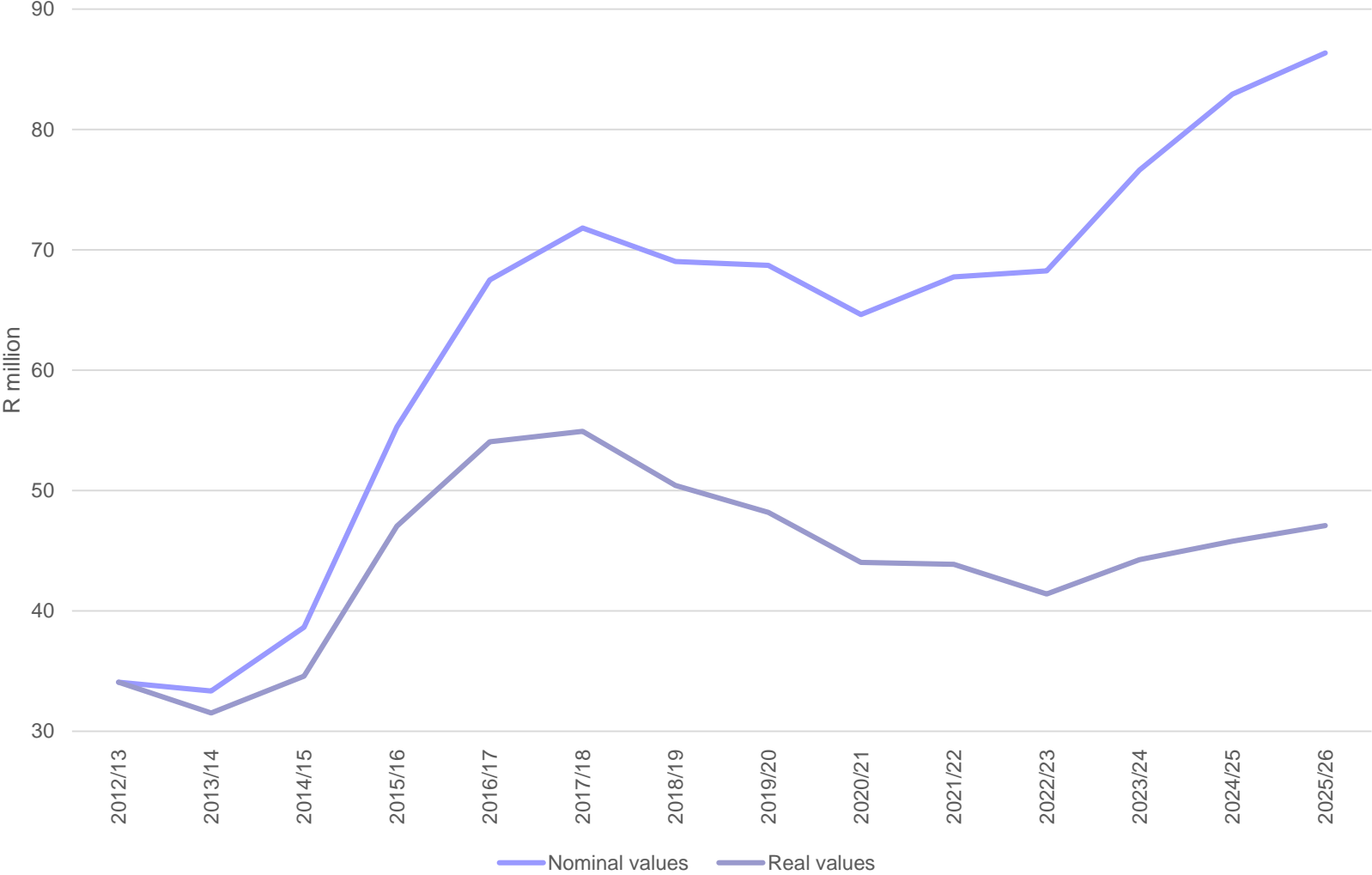
# Public Protector of South Africa



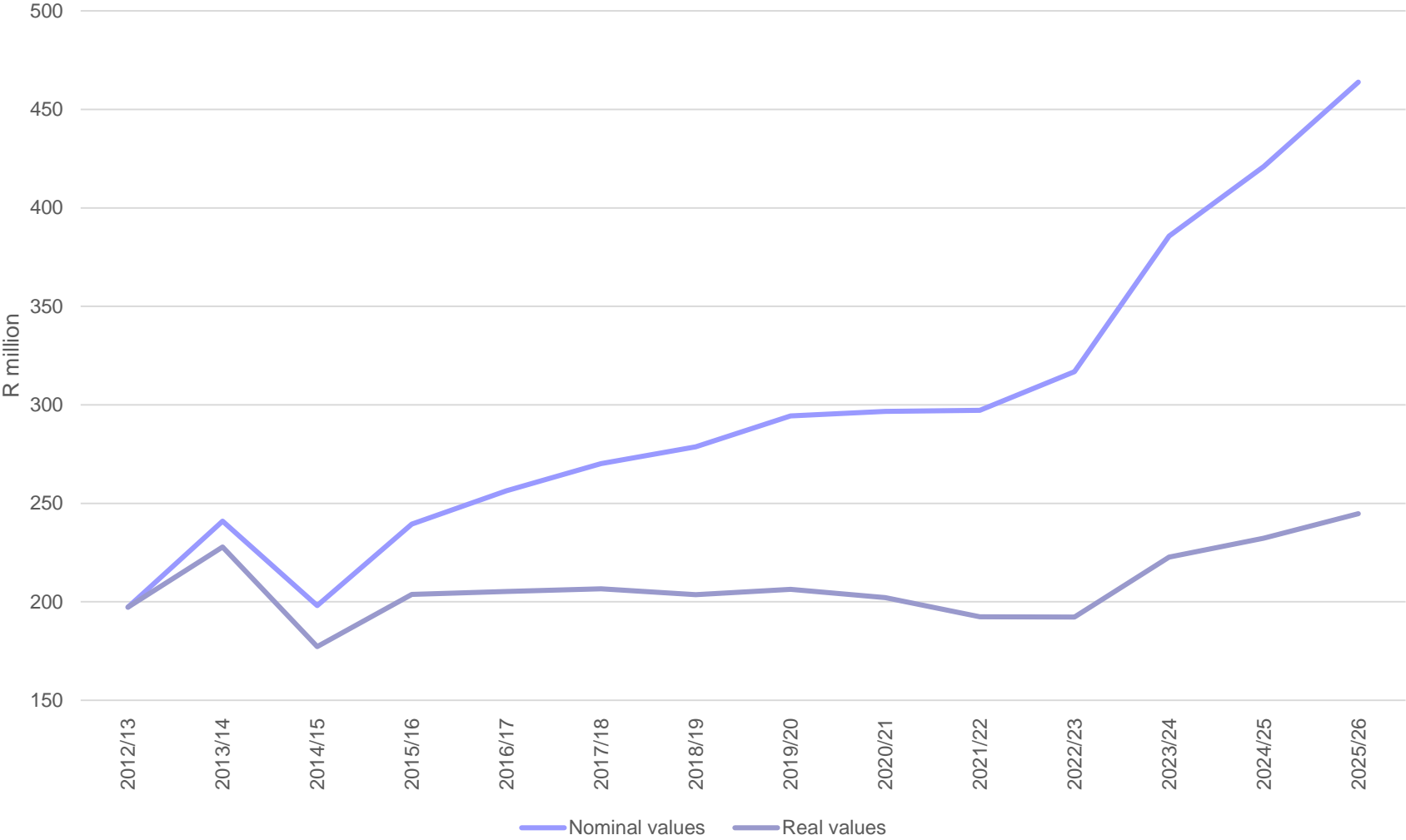
# SA Human Rights Commission



# Office of the Chief Procurement Officer



# The Financial Intelligence Centre



# South African Revenue Services (SARS) operations

