

BUDGETARY REVIEW AND RECOMMENDATION REPORT OF THE PORTFOLIO COMMITTEE ON WOMEN, YOUTH AND PERSONS WITH DISABILITIES, DATED 22 OCTOBER 2019.

The Portfolio Committee on Women, Youth and Persons with Disabilities, having considered the annual and financial performance of the Department of Women, Youth and Persons with Disabilities and the Commission for Gender Equality on 08 and 09 October 2019, reports as follows:

1. Introduction

The Department of Women, Youth and Persons with Disabilities (henceforth “the Department”) presented its budget and annual performance plan to the Portfolio Committee on Women in May 2018. The Department revised its 2018/19 Annual Performance Plan in August 2018. It indicates that no financial implications were incurred in this regard, however, two targets were migrated from Programme 2 to Programme 3. This Budget Review and Recommendations Report (BRRR) takes cognisance of these changes.

2. Strategic Overview 2018/19

2.1. Mandate and Purpose of the Department

The purpose of the Department is to lead, coordinate and oversee the transformation agenda on women’s socioeconomic empowerment, rights and equality. It derives its mandate from the Constitution and the presidential proclamation following the 2014 national elections. The mandate of the Department is to champion gender equality and the achievement of women’s socioeconomic empowerment and rights. The Department indicates in its 2018/19 Annual Report that it is not mandated to deliver services directly to the public but works in partnership with other government departments, civil society and the private sector to promote the socio-economic empowerment of women.

2.2 Mandate of the Commission for Gender Equality

The Commission for Gender Equality (CGE) was established in 1996 according to the Commission for Gender Equality Act 39 (1996) to promote gender equality. In its efforts to monitor, lobby, educate citizens and encourage the equitable development of women and men, the CGE is compelled to undertake the following:

- To monitor and evaluate policies and practices of organs of State at any level, statutory bodies or functionaries, public bodies and authorities, and private businesses, enterprises and institutions;
- To cultivate an understanding of gender equality and the role and activities of the Commission through developing, conducting and managing information and education programmes;
- To evaluate whether Acts of Parliament (existing or proposed), systems of personal and family law or custom, systems of indigenous law, custom or practices or any other law, will affect the status of women, and to make recommendations to Parliament in this regard;
- To recommend to the National and Provincial Legislatures, any new legislation that would promote gender equality;
- To investigate on its own initiative or due to a complaint, any gender related issue;
- To maintain close relations with institutions that undertake similar work, and to facilitate cooperation in handling complaints;
- To interact with civil society to further the work of the Commission;
- To monitor compliance to international conventions, covenants and charters related to gender issues, and to submit reports to Parliament in this regard;
- To conduct research on gender related issues; and
- To consider recommendations, suggestions and requests made with regards to gender equality as received from any source.

2.3. Strategic Priorities of Department

The priority of the Department will be to ensure that women's socio-economic empowerment and women's rights are mainstreamed across all sectors of society through:

- Policy and implementation analysis and advice to ensure engendered transformation for socio-economic empowerment of women and gender equality;
- Monitoring, evaluating and making recommendations for enhancing women's socio-economic empowerment;
- Monitoring, evaluating and making recommendations for advancing women's social empowerment;
- Monitoring, evaluating and making recommendations for enhancing women's access to justice, safety and security;
- Development of a gender framework to evaluate progress made on women's socio-economic empowerment and gender equality; and
- Conducting outreach initiatives, stakeholder coordination, dissemination and gathering of information to promote women's socio-economic empowerment and gender equality.

3. Purpose of the Budget Review and Recommendations Report (BRRR)

The Money Bills Procedures and Related Matters Amendment Act (No. 9 of 2009) sets out the process that allows Parliament to make recommendations to the Minister of Finance to amend the budget of a national department. Section 5 (1) of the Money Bills Amendment Procedure and Related Matters Act, (No. 9 of 2009) requires that the National Assembly, through its Committee, must annually assess the performance of each national department. Section 5 (2) makes provision for the annual submission of the budgetary review and recommendations report (BRRR) for tabling in the National Assembly for each department. It is expected of the BRRR to report on the following:

- Assessment of the department's service delivery performance given the available resources;
- Assessments on the effectiveness and efficiency of the department's use and forward allocation of available resources; and
- May include recommendations on the forward use of resources.

In order to enable the Committee to take informed decisions on the performance of the Department for the financial year 2018/19, the Committee consulted the following reports and documents: Section 32's reports of National Treasury, the Department's Annual Report 2018/19, Reports of the Auditor-General of South Africa (AGSA), Report of the Department's Audit and Risk Committee (ARC), the 2018 State of the Nation's Address and the CGE's Annual Report 2018/19. All of this information assisted the Committee in providing a holistic assessment of the Department and the CGE's performance for 2018/19.

4. Method

In complying with Section 5 (2) of the Money Bills Amendment Procedure and Related Matters Act, (Act No 9 of 2009), the Portfolio Committee on Women, Youth and Persons with Disabilities held a meeting on the 8 & 9 October 2019 to consider the 2018/19 Annual Report of the Department of Women, Youth and Persons with Disabilities. The Office of the AGSA was invited to give input during the budget review and recommendation report process on 8 October 2019. The Committee was also briefed and deliberated on the quarterly reports for 2018/19 and the first quarter report for 2019/20 of the Department and the CGE. As such, this report therefore includes those key issues that were identified by the Committee. The Committee held meetings to consider the Annual Reports of the Department and the Commission for Gender Equality for 2018/19.

5. Outline of the Contents of the Report

This report provides an analysis of the financial and programmatic performance of the Department and the CGE. The analysis takes cognisance of what Government's key priorities are and how these

affect women in the country in order to determine what progress has been made as well as identify the gaps and challenges that have to be addressed.

6. Overview of Key Policy Focus Areas - Strategic Priorities of Government

6.1 National Development Plan

The Department's indicates that its mandate is aligned to the National Development Plan in terms of measures to promote social equity. A range of measures are proposed that seeks to advance women's equality in the NDP these include the following:

- Public employment should have a specific focus on unemployed women.
- Transformation of the economy should involve active participation of women and empowerment of women.
- There should be support for women leadership in all sectors of society.
- Measures should be put in place for women to have access to basic services.
- Women should have no fear of crime and should feel protected by the law.
- There should be nutrition intervention for pregnant women.
- Women should have access to antiretroviral treatment and effective routine micro-biocides.

The Department identified nine chapters in the NDP that are particularly relevant to its mandate – these include Chapter 3, 4, 6, 9, 10, 11, 12, 13 and 15. Thus in implementing its programmes, the Department maintains that it aligned its indicators to respond and contribute to the principles of the NDP. This BRRR also examines the extent to which the Department has been able to do this for the year under review but also across the 5-year period as outlined in its Strategic Plan.

6.2 Medium-Term Strategic Framework (MTSF)

The Department notes that its work is directly linked to Outcome 14 of the Medium-Term Strategic Framework (MTSF), i.e. the attainment of a diverse, socially cohesive society with a common national identity and highlights that its budget allocation will be strategically positioned so as to enable the Department to continue to fight against structural gender imbalances and patriarchy in all its forms and manifestations.

6.3 State of the Nation Address 2018

The President made mention of women thrice in his 2018 State of the Nation Address (SONA) namely;

- “As we mark her centenary, we reaffirm that no liberation can be complete and no nation can be free until its women are free.” This was in reference to paying tribute to the late Albertina Nontsikelelo Sisulu in celebration of the centenary.
- “Through measures like preferential procurement and the black industrialists programme, we are developing a new generation of black and women producers that are able to build enterprises of significant scale and capability.” This was in reference to the President emphasizing that the “process of industrialisation must be underpinned by transformation”.
- “Radical economic transformation requires that we fundamentally improve the position of black women and communities in the economy, ensuring that they are owners, managers, producers and financiers.” This was in relation to the President's commitment towards improving the capacity to support black professionals and dealing decisively with companies that resist transformation, using the competition policy to open up markets to new black entrants as well as investing in the development of businesses in townships and rural areas.

Programme 2, Social, Political and Economic Participation and Empowerment of Women of the Department is envisaged to provide intervention mechanisms on policies and programme implementation for mainstreaming the economic empowerment and participation of women towards economic transformation and development. The Department's Programme 3 (Policy, Stakeholder Coordination and Knowledge Management), strategic objective is the undertaking of evidence-based

research to inform the planning and effective implementation of policies and programmes for women's socio-economic empowerment, conducting analysis and coordination of policies to inform measures for women's economic empowerment and gender equality and management of information and knowledge on women's socio-economic empowerment and rights.

The Department has committed itself in its 2015-2020 Strategic Plan to ensuring that women's socio-economic empowerment and rights are mainstreamed across all sectors of society through its identified strategic objectives.

During the year under review, the Committee also requested the Department to report on progress in terms of what the President identified in its 2018 SONA and how the programmes were responding to these.

7. Strategic Focus for 2018/19 Strategic Priorities

In its 2018/19 Annual Performance Plan, the Department indicates that the overarching outcome that it aims to attain is the achievement of an informed society that upholds non-sexism, fights patriarchal practices and understands gender equality and implements gender-sensitive policies.

The Department prioritised the following strategic objectives from its 2015-2020 Strategic Plan:

- Promotion of strategic leadership; good governance; and the effective, efficient and economical use of public resources for the socio-economic empowerment of women and the promotion of gender equality;
- Promotion of gender mainstreaming of socio-economic and governance programmes such that they accelerate a just and equitable society for women;
- Promotion of gender knowledge and analysis of policy and policy implementation for the socio-economic empowerment of women;
- Promotion of monitoring, evaluation and reporting systems as a mechanism for ensuring timely interventions aimed at the socio-economic empowerment of women and gender equality; and
- Promotion of public participation in the work of the Department through outreach and advocacy work.

In support of these strategic objectives, the Department indicates in the 2018 Estimates of National Expenditure that its focus over the medium-term will be directed at three core areas namely:

- Analysing, evaluating and monitoring policy and programme implementation, and building stakeholder relations;
- Mainstreaming the socioeconomic empowerment of women; and
- Raising awareness and conducting outreach programmes to further gender equality and women's rights.

Measures to facilitate this include intensifying campaigns for gender equality and against gender violence; removing educational barriers for women to enter job markets; and encouraging the participation of women in developmental planning.

The Department's policy priorities for 2018/19 highlighted the re-emergence of matters related to gender-based violence with the establishment of an inclusive high-level Committee on Gender-Based Violence (GBV). To this end, the Department intended through this committee and engagements with relevant stakeholders, to address the root causes of violence which inhibits the advancement, empowerment and equality of women and girls. This is a significant change from the Department's inception in 2014 when issues related to gender-based violence were seemingly transferred to the Department of Social Development. The Department also indicated that it planned working towards the revival of the National Gender Machinery (NGM), recognising it as a mechanism to advance and promote women's protection and empowerment.

With regards to the CGE, it aims to ensure that gender equality is promoted and unfair discrimination is eradicated within the policies and practices of Government, other state institutions, and private

organisations, in line with outcome 3 (all people in South Africa are and feel safe) and outcome 11 (create a better South Africa, a better Africa and a better world) of Government's 2014-2019 Medium Term Strategic Framework.

The CGE over the medium term, intended to continue to advance policies that contribute to the eradication of gender inequality and unfair discrimination within the practices of government and the private sector. As such, the CGE aimed to focus on the following:

- Challenging gender stereotypes and changing perceptions by raising awareness and educating the public;
- Monitoring state compliance with regional and international conventions, covenants and charters; and
- Building an effective and sustainable organisation that will fulfil its constitutional mandate on gender equality.

To this end, over the MTEF period the CGE intended to conduct 220 education and information programmes per year. Furthermore, the work of the programmes included inspecting legal clinics, conducting campaigns and workshops, and engaging with civil society organisations to promote gender equality.

8. Policy Priorities for 2018/19

In its 2018/19 Annual Performance Plan the Department indicated that the overarching outcome that it aimed to attain was the achievement of an informed society that upholds non-sexism, fights patriarchal practices and understands gender equality and implements gender-sensitive policies. The Department identified the following key MTSF Outcomes in relation to targets for the year under review as reflected in the table below.

Table 1: Performance Indicators for 2018/19 – MTSF Outcomes

Indicator (target)	Programme	MTSF Outcome
Number of reports produced per year on the implementation of the presidential directive on women's economic empowerment in the nine point plan	Programme 2: Social Transformation and Economic Empowerment	Outcome 4: Decent employment through inclusive growth.
Implementation of interventions to enhance prevention and elimination of violence against women and children	Programme 2: Social Transformation and Economic Empowerment	Outcome 3: All people in South Africa are and feel safe Outcome 13: An inclusive and responsive social protection system
Policy framework for sanitary dignity developed	Programme 2: Social Transformation and Economic Empowerment	Outcome 14: Nation building and social cohesion
Number of public participation and outreach initiatives on women's empowerment, including girls and young women, conducted per year	Programme 3: Policy, Stakeholder Coordination and Knowledge Management	Outcome 14: Nation building and social cohesion
Number of campaigns rolled out on 365 Days for No Violence against Women and Children campaign per year	Programme 3: Policy, Stakeholder Coordination and Knowledge Management	Outcome 14: Nation building and social cohesion
Number of reports produced on the implementation of women's empowerment and gender equality monitoring and evaluation framework per year		
Number of reports on the		

Indicator (target)	Programme	MTSF Outcome
implementation of government commitments on international instruments produced per year		
Number of country indicator frameworks for the socioeconomic empowerment of women developed per year		

The achievement of the aforementioned targets has been considered and examined by the Committee in its deliberation of the Department's Annual Report. These are reflected in the Observations section of this report.

9. Overview and Assessment of Financial Performance

The 2018 Estimates of National Expenditure indicates that the Department received a budgetary allocation of R230.2 million as compared to R206.2 million for the previous 2017/18 financial year. Of this, R80.7 million constitutes the transfer payment to the CGE, leaving the Department with an operating budget of R149.5 million. The previous financial year 2017/18 the Department had an operating budget of R 127.8 million. Thus for the year under review, the Department had an increase of R21.7 million in its operating budget as compared to the previous financial year.

Table 2: Appropriated budget 2018/19 (including the CGE transfer)

Programme	Budget				Nominal Rand change	Real Rand change	Nominal % change	Real % change
	2017/18	2018/19	2019/20	2020/21	2017/18 – 2018/19		2017/18-2018/19	
R million								
Programme 1: Administration	83,8	78,7	83,9	90,9	- 5,1	- 9,2	-6,09%	-10,98%
Programme 2: Social, Political and Economic Participation and Empowerment	93,4	106,7	113,1	120,6	13,3	7,7	14,24 %	8,28%
Programme 3: Policy, Stakeholder and Knowledge Management	28,1	44,9	47,4	48,2	16,8	14,5	59,79%	51,46%
TOTAL	R205,3	R230,3	R244,4	R259,7	R25,0	R13,0	12,18%	6,33%

Table 2 indicates that despite a nominal increase of R25 million in the allocation between 2017/18 and 2018/19, when inflation is taken into account, the Department has R13 million more to spend than it did in the previous financial year.

When looking at key cost drivers, 57.1% (R85.4 million) of the Department's operating budget for 2108/19 (R149.5 million) was allocated for Compensation of Employees and 40.7% (R60.9 million) was allocated for Goods and Services. As compared to the previous financial year, when 56.2% (R71.9 million) of the Department's operating budget (R127.8 million) was allocated for Compensation of Employees and 40.8% (R52.1 million) was allocated for Goods and Services.

In terms of spending under Goods and Services, the main cost drivers are travel and subsistence (R15.760 million), property payments (R13.256 million), expenditure for external audit costs (R4.041 million) and Catering: Departmental activities (R4.084 million). These line items consume 63% of the Goods and Services budget.

Figure 1: Budget allocation 2018/19 (including CGE transfer payment)

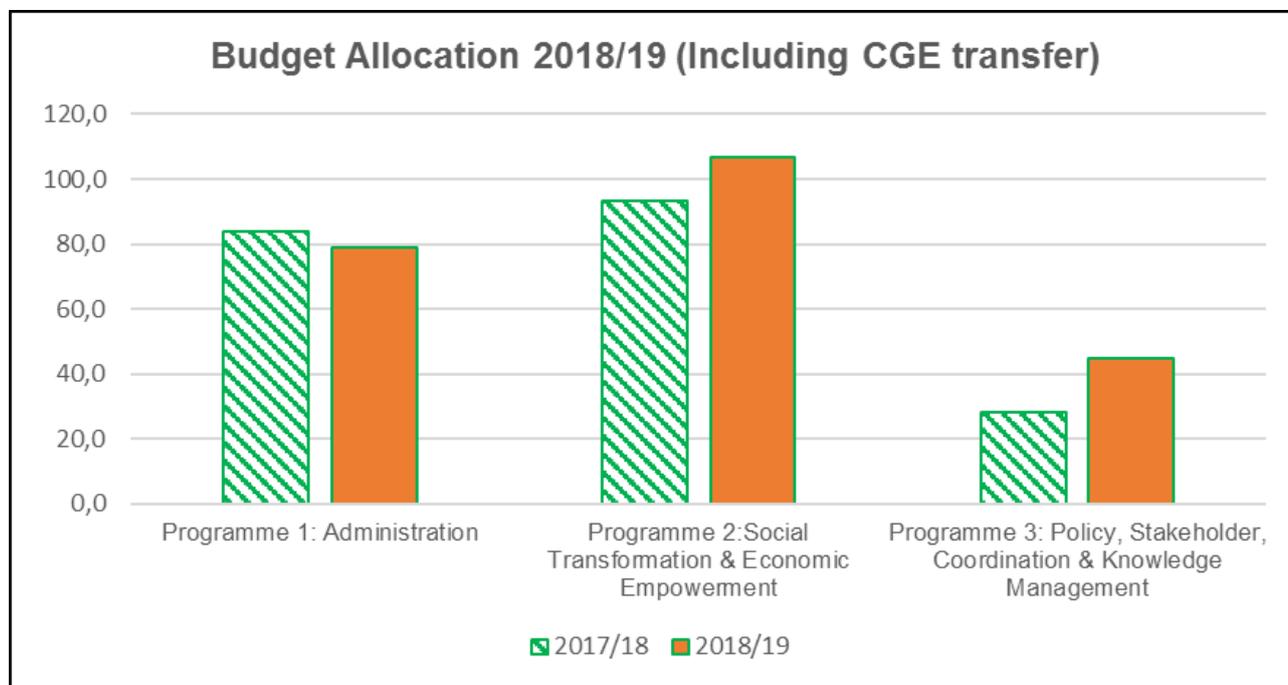


Figure 1 above provides a diagrammatic representation of the allocated funds. It illustrates that based on the 2018 Estimates of National Expenditure and the submission made by the Department in May 2018, it is clear that there has been a year-on-year decrease in the Administration Programme (less R5.1 million), while there have been increases in Programme 2: Social Transformation and Economic Empowerment (increase of R13.3 million) and Programme 3: Policy, Stakeholder Coordination and Knowledge Management (increase of R16.8 million). It must be noted that the increase in Programme 2 is inclusive of the CGE's transfer payment. Programme 3 sees a significant increase for the 2018/19 financial year.

It is also important to consider what the Department's appropriated budget was excluding the CGE transfer.

Table 3: Appropriated budget 2018/19 (excluding the CGE transfer)

Programme	Budget				Nominal Rand change	Real Rand change
	2017/18	2018/19	2019/20	2020/21	2017/18- 2018/19	
R million						
Programme 1:	83,8	78,7	83,9	90,9	- 5,1	- 9,2
Programme 2:	21,5	26,0	27,9	30,7	4,5	3,1
Programme 3:	28,1	44,9	47,4	48,2	16,8	14,5
TOTAL	133,4	149,6	159,2	169,8	16,2	8,4

When removing the CGE transfer payment from the allocation, the real rand change in the Department's budget R8.8 million more than the previous financial year 2017/18. Programme 2 in fact only has a R4.5 million increase when the CGE transfer allocation is removed from the programme budget. Programme 3 sees the most significant increase year-on-year.

Table 4 below provides an overview of the final appropriation and expenditure per programme as at 31 March 2019. The CGE's budget allocation has been excluded from the budget for programme 2 so as to better depict Departmental spending. From this figure it is clear that the bulk of the Department's budget was allocated to its Administration Programme (Programme 1). There has been a significant decrease in the allocation for Programme 2 and a R3.5 million increase for Programme 3. Overall, the Department has spent 98% of its entire budget.

Table 4: Programme Expenditure as at 31 March 2019

	Programme 1	Programme 2		Programme 3	Total
Allocation as presented in May 2018	R 79.409m	R 28.796 m	Excl. CGE (R80.744m)	R41. 267m	R149.47 2 million
Final Appropriation	R 89.759m	R 21.746 m	(R82.194m)	R 37.967 m	R149.47 2 million
Actual Expenditure	R 88.063 m	R 21.620 m	(R82.154m)	R 31.394 m	R141.07 7 million
Variance	R 1.696m	R126 000		R 6.033	R7.855 m
Percentage Expenditure	98.1%	99.9%	%	84.1%	96.9%

The Department indicated that under-spending per programme was due to following reasons:

For Programme 1:

- Vacancies
- Savings under communications
- Funds for procurement of servers not utilised

For Programme 2:

- In-sourcing of the implementation of the sanitary dignity framework.

For Programme 3:

- Vacancies
- Appointment of contract workers rather than external service provider
- ICT network server funds that were not used

The Department reports no over-expenditure and indicates a surplus/saving of R7.855 million for the financial year. There is also no over-expenditure in terms of the budgets allocated per programme. The key cost drivers are compensation of employees and goods and services.

Virements were made between programmes to offset expenditure on Compensation of Employees, payment for goods and services as well as payments for capital assets and transfers and subsidies. A R7 million virement was made from Programme 2 to programmes 1 whilst R3.3 million virement was made for Programme 3 also to Programme 1. Thus Programme 1 received an additional R10.3 million through virements from its core programmes.

The Department indicates that it had appropriated R5.254 million for Consultants: Business and Advisory Services, the final appropriation was R2.471 million and the Actual Expenditure incurred was R2.467 million. However, the Report on consultant appointments using appropriated funds (table on p. 90 of Annual Report) for the period 1 April 2018 to 31 March 2019 indicated a total contract value for R4.619 million for a total of 12 projects.

9.1 Financial statements

9.1.1 Irregular Expenditure

- For the year under review, the Department incurred irregular expenditure to the amount of R4.095 million. This was primarily as a result of non-compliance with procurement processes.

9.1.2 Fruitless and wasteful expenditure

- The Department incurred fruitless and wasteful expenditure amounting to R 334 000 for the period under review.

9.1.3 Unauthorised expenditure

- The Department has a total of R30 million unauthorised expenditure from previous years that is awaiting authorisation from Parliament with or without funding. R27 338 000 was due to overspending of the vote in the 2011/12 financial year. R2 237 000 was due to overspending of the main division within the vote in the 2015/16 financial year.

9.2 2018/19 MTEF financial allocation

The Department maintains that it requires adequate funding in order to function optimally and that the current resource allocation was insufficient.

9.3 Concluding comments on financial performance

The Committee concurs with the findings of the AGSA and the relevant recommendations made in this regard. The Department managed to spend nearly its entire budget but was unable to efficiently deliver on targets within its programmes that would give effect to its mandate. The Committee notes the work that was outsourced to consultants to deliver on targets and expenditure incurred despite a large cohort of staff within programmes. Most of the expenditure incurred was for Compensation of Employees and Goods and Services.

10. COMMISSION FOR GENDER EQUALITY (CGE)

The CGE briefed the Committee during all the quarterly reports on its finances. A commissioner's report was submitted to the Committee at every quarter.

Based on its constitutional mandate, the CGE's vision is to strive for "a society free from all forms of gender oppression and inequality", while its mission includes to "advance, promote, protect, monitor and evaluate gender equality through undertaking research, public education, policy development, legislative initiatives, effective monitoring and litigation". Its values are independence; professionalism; accountability; ethical behaviour; and teamwork.

The Commission's Strategic Framework translates its constitutional mandate into four strategic objectives, which are:

10.1 Strategic Objective 1:

The purpose of Strategic Objective 1 is to ensure the creation and implementation of an enabling legislative framework that promotes the attainment of gender equality. This Strategic Objective planned to achieve 9 targets and 6 was achieved. This Strategic Objective was allocated R24 850 200 for 2018/19 financial year. These has been achieved through the following sub-strategies:

- (i) To monitor and evaluate the promotion of gender equality and any relevant policies and practices of the public and private sector and report to Parliament.
- (ii) To initiate and review for the improvement of the legislative framework in all spheres of government that impacts on priority areas of gender equality.
- (iii) To conduct periodic performance assessments of priority Ministries, State institutions, Government departments, political parties and the private sector on the implementation of applicable legislation and policies that impact on gender equality.
- (iv) To evaluate the implementation and the effectiveness of the national justice facilities for gender discrimination.
- (v) To convene direct dialogues with relevant policy makers at national and provincial level on recommendations to promote gender equality contained in research reports and research activities.

10.2 Strategic Objective 2:

The purpose of this Strategic Objective is to protect and promote gender equality by engaging with relevant stakeholders to educate and raise awareness on issues of gender equality, challenge patriarchal perceptions and stereotypes and take actions against infringements of gender rights through the implementation of appropriate redress. This Strategic Objective planned to achieve 12 targets and achieved all of these targets. This Strategic Objective was allocated R 20 332 040 for financial 2018/19. These Strategic Objective has the following sub-strategies:

- To timeously investigate complaints of violations of gender rights and identify appropriate redress.
- To initiate investigations of systematic violations of gender rights in the public and private sector and identify appropriate redress.
- To develop a coordinated programme to promote equality
- To initiate intervention for sustainable development and promotion of gender equality by addressing violations in the social cultural, political and economic security and human rights dimension.
- To collaborate with organs of state, civil society and other institutions for the effective development, protection, promotion and attainment of gender equality.

10.3 Strategic Objective 3:

The purpose of this Strategic Objective 3 is to monitor State compliance with regional and international conventions, covenants and charters which have been acceded to or ratified by the Republic, relating to the objects of the Commission. This Strategic Objective planned to achieve 12 targets and 11 were achieved. This Strategic Objective was allocated R35 552 820 for financial year 2018/19. This has been achieved through the following sub-strategies:

- To conduct annual reviews and audits of state compliance with obligations under the conventions, covenants and charters and to report a regular basis to Parliament and the Office of the Speaker of Parliament.
- To interact with and report to national, regional and international bodies on state compliance with conventions, covenants and charters acceded to or ratified.

10.4 CGE'S BUDGET FOR 2018/19

For the 2018/19 period, the Commission for Gender Equality received a budgetary allocation of R80.7 million. This is a R2.4 million increase from the 2017/18 financial year. Considering that the CGE received an R8.4 million increase between 2016/17 and 2017/18, the R2.4 million is a nominal amount. The greatest proportion of the Commission's budget is allocated to compensation of employees 70.8% (R57 209 600) and Good and Services equate to 29.1% (R23 525 400). The Commission has previously indicated to the Portfolio Committee on Women that most of its work is carried out by internal personnel and thus the main driver of spending is the compensation of employees.

For the year under review, the CGE has augmented its income by R1.1 million through interest received, sundry income and donations received. This brings the total income to R81.8 million. As at the end of March 2019, the CGE recorded an operational surplus of R785 494. Savings were recorded as a result of under-expenditure on personnel costs due to vacancies. Even though the CGE therefore overspent on its allocated budget, it managed to offset this over-expenditure with the additional funds it had acquired as well as the savings due to vacancies.

In terms of irregular expenditure, R985 768 was incurred for the 2018/19 financial year, The CGE however is hopeful that some of the expenditure will be condoned. Of the R985 768, R864 654 was irregular expenditure incurred during the 2018/19 financial year and R 121 114 was incurred during previous financial years.

Fruitless and wasteful expenditure: The Commission incurred fruitless and wasteful expenditure to the amount of R20 424 for the year under review. The fruitless and wasteful expenditure was incurred as a result of incorrect payments of medical aid subsidies to employees who in terms of the internal policies were not entitled to receive the subsidy. Management has instituted corrective action to recover the amounts.

10.5 Human Resources

The Commission indicated that they had 112 funded posts during 2018/19 and a vacancy rate of 16% (18 vacancies). This is an increase in vacancies from the 2017/18 financial year when the vacancy rate was 10% (11 vacancies). This is a cause for concern. The CGE has previously indicated that while it recruits highly skilled personnel, it is hard to retain them due to its limited budget – staff often leave due to better financial offers which the CGE cannot compete with and this impacts on the CGE being able to achieve targets and activities set out in its mandate. The CGE had 94 employees during the period under review, of which 90 were permanent and 4 were temporary employees or interns. The majority of the CGEs employees are female (59.5%). During the period under review 54.2% of employees participated in skills development opportunities. Personnel expenditure amounted to R55.4 million, of which R53.8 million was expenditure on salaries.

A total of 77 employees received performance related rewards during the period under review resulting in expenditure of R2.7 million. A total of 17 employees left the CGE during 2018/19. Reasons for leaving primarily relate to contracts which had expired (6), whilst 8 personnel members resigned.

11. Findings of the Auditor General of South Africa (AGSA)

The Department has received an unqualified audit opinion from the Auditor-General of South Africa (AGSA), with findings on compliance with legislation/regulations, in particular procurement and contract management, expenditure management, strategic planning and consequence management. To this end, the AGSA highlighted the following key concerns with regards to the Department:

11.1 Procurement and contract management

- Some of the goods and services with a transaction value below R500 000 were procured without obtaining the required price quotations as required by Treasury regulation 16A6.1.

11.2 Expenditure Management

- The AGSA found that effective and appropriate steps were not taken to prevent irregular expenditure amounting to R4 095 000, as disclosed in note 24 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1.
- The AGSA found that effective steps were not taken to prevent fruitless and wasteful expenditure (R334 000), as well as irregular expenditure as per Treasury regulation 9.1.1 and section 38(1)(c)(ii)7 of the PFMA.

11.3 Strategic Planning

- Quarterly reports were not submitted to the executive authority as required by Treasury regulation 5.3.1.

11.4 Consequence management

- The AGSA indicated that it could not find sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular and/or fruitless and wasteful expenditure as required by section 38(1)(h)(iii) of the PFMA.
- *Records management*: the lack of appropriate and sufficient audit evidence was due to a lack of proper and complete records that were not maintained.

11.5 Leadership

- The AGSA found ineffective oversight exercised by leadership in the Department regarding compliance with laws and regulations.
- Leadership on oversight, particularly relating to the implementation of the audit action plan as well as information technology governance requires urgent intervention.

11.6 Compliance

- The AGSA found that there was non-compliance with laws and regulations which could have been prevented had compliance been properly reviewed and monitored by senior management.

With regards to the CGE, AGSA indicated CGE received an unqualified audit opinion. The following matters were raised by the AGSA:

11.7 Internal control deficiencies

The AGSA notes that there was insufficient oversight responsibility exercised with regards to compliance and related internal controls, particularly in the areas of procurement planning and contract management. This led to irregular expenditure which was another material finding as noted below.

11.8 Expenditure management

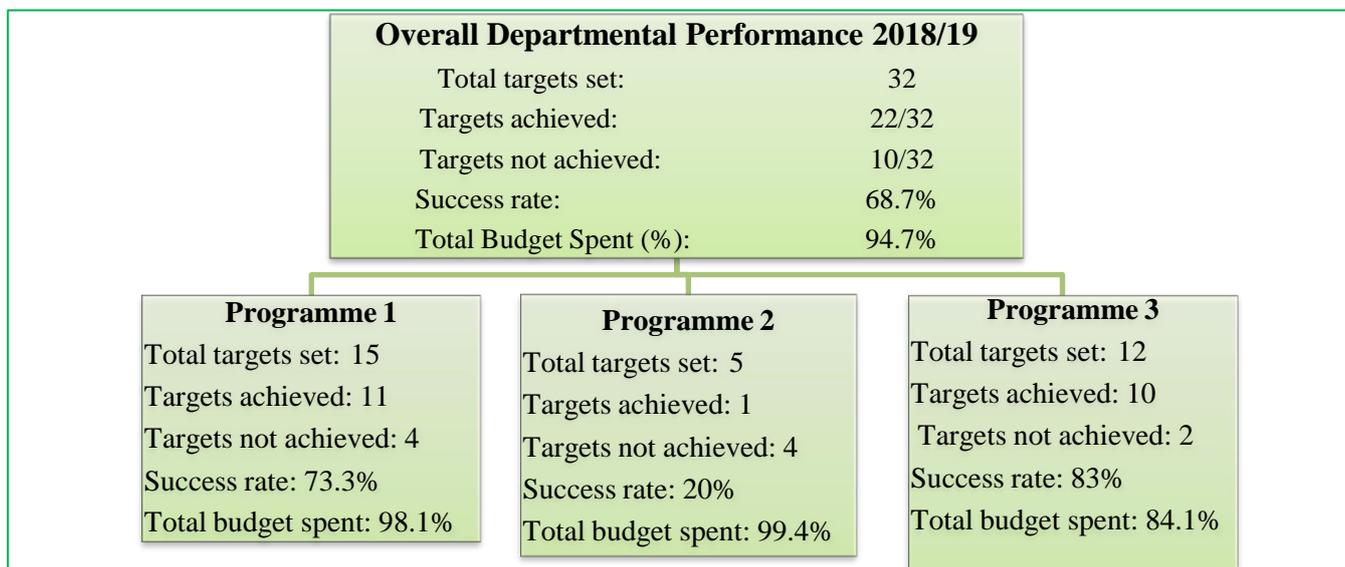
AGSA found that effective and appropriate steps were not taken to prevent irregular expenditure. The Commission incurred fruitless and wasteful expenditure to the amount of R20 424 for the year under review. The fruitless and wasteful expenditure was incurred as a result of incorrect payments of medical aid subsidies to employees who in terms of the internal policies were not entitled to receive the subsidy. Management has instituted corrective action to recover the amounts.

The CGE's Audit Committee agreed with the findings of the AGSA and commended the Commission for putting in place a management audit action plan to address risk and related issues as they arose. The system for internal control was therefore considered effective for the period under review.

12 Overview and assessment of service delivery performance

Diagram 1: Overall Performance of the Department for 2018/19

Figure 2: Use of operational budget vs targets achieved



Although the Department has managed to spend nearly 94.7% of its appropriated budget (this excludes the CGE’s allocation), it has only managed a 68.7% success rate in the attainment of its indicated targets – only 22 out of the 32 targets were met during the period under review. The majority of targets that were met, were under Programme 3. Unmet targets were primarily in the Administration programme and Programme 2. The Department also reports that overall it has seen a performance improvement year-on- year with a success rate of 59.2% in 2017/18 as compared to 36.8% in 2016/17. While this is commendable, it must be noted that the majority of targets in Programme 1 related to compliance matters and the core programmes targets included events, frameworks and reports. The latter of which is still in draft form and has yet to be fully implemented. Unmet targets were primarily in Programme 2, which effectively saw a decrease in performance from 50% in 2017/18 to 20% in 2018/19. While the programme has under-performed, nearly the entire programme budget has been spent (99.4%) The performance of core delivery programmes has been a concern raised by the Portfolio Committee on numerous occasions.

12.1 Programme 1: Administration

The purpose of the Administration programme is to provide strategic leadership, management and support services to the Department. The total allocation for this programme was R78.6 million and the final appropriation was R89.759 million. This programme still consumes the highest proportion of the Department’s budget. This remains a concern as the Department’s core mandate is carried out in Programmes 2 and 3. The programme’s Strategic Objectives is to provide effective leadership and oversight; sound financial management; and strengthen good governance for the department to deliver on its mandate.

Sub-programme objectives are as follows:

- Strengthened good governance that ensure the Department delivers on its mandate
- Improved strategic financial management system in Department, enabling delivery on the mandate
- Effective and appropriate Human and Information Communication and Technology (ICT) and Physical Resource management, enabling delivery on its mandate

The Department planned to achieve 15 targets of which 11 were achieved and 4 were not achieved. This Programme spent R88.063 million for 2018/19 financial year which was 98.1% of its total

allocation. Of importance to note was that, the final budget appropriation indicates that this Programme increased by R10.1 million from its original presentation on the budget at the tabling of the APP.

12.2 Programme 2: Social Transformation and Economic Empowerment

The purpose of the programme is to facilitate and promote the attainment of women's socioeconomic empowerment and gender equality. The programme objective is to promote gender mainstreaming and governance programmes such that they accelerate a just and equitable society for women.

The programme consists of 4 sub-programmes namely;

- **Management: Social Transformation and Economic Empowerment** provides overall strategic leadership and management to the programme.
- **Social Empowerment and Transformation:** the purpose of the sub-programme is to provide intervention mechanisms on policies and programme implementation for mainstreaming the social empowerment and participation of women towards social transformation.
- **Governance Transformation, Justice and Security** provides guidance for enhancing existing systems and procedures and addresses gaps that create barriers to the equal participation of women in the private and public sectors. This sub-programme also contributes to the elimination of gender based violence.
- **Economic Empowerment and Participation:** the purpose of the sub-programme is to provide intervention mechanisms on policies and programme implementation for mainstreaming the economic empowerment and participation of women towards economic transformation and development.

Sub-programme Objectives are as follows:

- Intervention mechanisms on policies and programme implementation for mainstreaming the economic empowerment and participation of women towards economic transformation and development.
- Intervention mechanisms for gender mainstreaming for women's social empowerment and participation developed.
- Mechanisms for engendered transformation through advancing measures for the empowerment of women towards a just society developed.

The Department planned to achieve 5 targets and achieved 1 for 2018/19 financial year. In terms of the programme's operating budget i.e. excluding the transfer to the CGE, this programme was allocated R25.7 million and spent R21.620 million (99.4%). Of importance to note, the final appropriation for this programme is R4 million less as funds were transferred to Programme 1.

12.3 Programme 3: Policy, Stakeholder Coordination and Knowledge Management

The purpose of programme 3 in 2018, as per the Annual Performance Plan (2018/19), is to undertake:

- research
- policy analysis
- knowledge management
- monitoring and evaluation
- outreach and stakeholder coordination for women's socio-economic empowerment and gender equality

The programme consists of 5 sub-programmes, namely:

- **Management: Policy, Stakeholder Coordination and Knowledge Management** provides overall strategic leadership and management to the programme.

- **Research and Policy Analysis** promotes the development of gender-sensitive research and conducts policy analysis to intervene in transformation for women's socio-economic empowerment and gender equality.
- **Information and Knowledge Management** positions the department as the knowledge hub on the socioeconomic empowerment of women and gender equality.
- **Stakeholder Coordination and Outreach:** the purpose of the sub-programme is stakeholder management, international relations and to conduct outreach activities which promote women's socio-economic empowerment and gender equality coordinates stakeholder participation in women's empowerment and the promotion of women's rights initiatives at the national, regional and international levels. This sub-programme also ensures compliance with international treaty obligations, and conducts outreach initiatives which promote women's socioeconomic empowerment and gender equality.
- **Monitoring and Evaluation** monitors and evaluates progress on the empowerment of women in line with national laws, regional, continental and international treaties and commitments.

This programme planned to achieve 12 targets and achieved 10. It was allocated R44.8 million and spent R31.934 million (84.1%) for financial year 2018/19. Of importance to note, is that this programme had R6.9 million less in its final budget appropriation as funds were transferred to Programme 1.

12.4 Human Resources

The majority of personnel in the Department's employ are in the Administration Programme (68 out of 111 approved, 7 out of 23 additional = 75 out of 135). The Department has 32 employees in senior management. The Department has had a turnover rate of 8.0%. In terms of people leaving the Department during the financial year, a total of 9 staff left. To this end, 4 staff members resigned, 1 was dismissed, 2 were transferred to other Public Service departments and 2 had their contract expire. 3 grievances and 7 disputes were lodged during the period under review. 4 staff members were on precautionary suspension. The Department indicates that 7 staff members received performance awards were during the 2018/19, amounting to R127 000. The Department also indicated performance awards were issued in 2018/19 related to the 2017/18 financial year.

Out of 28 staff in senior management, only 14 had signed performance agreements. Reasons cited for this include late submissions of performance agreements, suspensions and staff in the Ministry appointed in April 2018. Consequence management in this regard included the issuing of demand letters and disqualification from performance rewards.

Three employees are recorded as receiving salaries exceeding the level determined by job evaluation. The Department indicates that this is as a measure to retain/attract services.

The Department indicates that it had used consultants on 12 projects throughout the financial year amounting to R4.619 million. The Department is not able to indicate the estimated duration/work days of these consultants and is also unable to indicate whether consultants were historically disadvantaged individuals.

12.5 Future plans

The 2018/19 Annual Report does not reflect anything specific under the Future Plans.

12.6 Concluding comments on service delivery performance

In examining the significant achievements which the Department noted in the 2018/19 Annual Report, included the following:

- i. Improved performance against Annual Performance Plan targets. Performance improved from 57% for 2017/18 to 69% by the end of the 2018/19 financial year.
- ii. Gender-Responsive Planning, Budgeting, Monitoring, Evaluation and Auditing Framework (GRPBMEA) developed.
- iii. Report on the 25-year review of women's empowerment and gender equality in South Africa developed.
- iv. Vacancy rate of less than 10% annually maintained, as planned (vacancy rate on 31 March 2019 was 7% of funded vacant posts).
- v. 100% of all disciplinary cases were resolved internally within 90 days, as planned.
- vi. Sanitary Dignity Framework to ensure universal access to sanitary dignity for indigent women and girls was developed and implemented.
- vii. Awareness raising campaign on women's struggle heritage in South Africa, including icons such as Mama Albertina Sisulu, Charlotte Maxeke, and Winnie Madikizela-Mandela, conducted.
- viii. Programmes aimed at uniting a wide range of stakeholders, including those from civil society and non-governmental organisations, behind the country's efforts to combat Gender-Based Violence implemented.
- ix. Women's Financial Inclusion Framework developed.
- x. Diagnostic review report on the National Gender Machinery, and initiating the revival thereof, produced.

Thus of the notable achievements, many relate to compliance matters in the Administration programme and the development of draft reports which have yet to be finalised and fully implemented after 5 years.

Of concern is the impact of the unmet targets from 2018/19 which totals 10 and the impact on the financial and programmatic performance of 2019/20 including the unmet targets from Quarter 1 of 2019/20. The performance of the Department within the 1st quarter of 2019/20 was at 58%. The Department indicated that out of 31 planned targets, 18 were achieved and 13 were not achieved. In terms of Programme 1, the Department indicated that out of 15 planned targets, 13 were achieved while 2 targets were not achieved. In terms of Programme 2, 7 targets were planned of which 1 was achieved and 6 were not achieved. This programme continues to perform dismally. Programme 3 planned to achieve 9 targets of which 4 were achieved and 5 were not achieved. Hence there 13 targets which was rolled over to the 2nd quarter. The pressure on the Department to thus deliver in the 2nd, 3rd and 4th quarter of 2019/20 would be increased given the number of outstanding targets from previous quarters which also have to be met.

12.7 Summary: Finance and Service Delivery Performance Assessment

This section provides a synopsis of the service delivery performance against spending patterns for 2017/18 and 2018/19 and 1st quarter of 2019/20 of the Department.

- a) The 2017 Estimates of National Expenditure indicates that the Department received a budgetary allocation of R206.2 million for the 2017/18 financial year. Of this, R78.3 million constituted the transfer payment to the Commission for Gender Equality, leaving the Department with an operating budget of R 127.8 million.
- b) The 2018 Estimates of National Expenditure indicates that the Department received a budgetary allocation of R230.22 million for the 2018/19 financial year. Of this, R80.7 million constituted the transfer payment to the Commission for Gender Equality, leaving the Department with an operating budget of R 149.5 million.
- c) This is an increase of R21.7 million in the Department's operating budget as compared to the previous financial year.
- d) The Department spent R222.352 million (96.9% of final appropriation) and achieved 22 targets (68.7%) with a surplus/savings of R7.855 million.
- e) The key cost drivers are Compensation of employees and Goods and Services. As such, 57.1% (R85.4 million) of the Department's operating budget (R149.5 million) is allocated for Compensation of Employees and 40.7% (R60.9 million) is allocated for Goods and Services. In

the 2017/18 financial year, the Department allocated 56.2% and 40.8% of its operational budget to Compensation of Employees and Goods and services respectively. In terms of spending under Goods and Services, the main cost drivers are travel and subsistence (R16.2 million), property payments (R15.8 million) and expenditure for external audit costs (R3.5 million). These 3 line items consume 68.1% of the Goods and Services budget.

- f) In terms of the financial performance for the 1st Quarter of the Department for 2019/20, the Department indicated that the total allocation for the 2019/20 financial year was R244.4 million. Its operating budget for 2019/20 was R149.5 million. The actual expenditure was R59.5 million (24.3%) for the 1st quarter. The budget for Compensation of Employees was R85.4 million and the actual expenditure was R18.1 million with an under-expenditure of R3.3 million due to the following reasons:
- i. Vacancies in the department
 - ii. Cost of living adjustments not yet implemented.
 - iii. Payments for Compensation of employees for Ministry for the month of April 2018 was paid by the Department of Social Department (DSD), however the department will refund DSD upon receipt of a claim from DSD.

The irregular expenditure incurred for Q1 amounted to R1 595 048.52 and the reasons cited were as follows:

- Unauthorised travel
- Deviation not justifiable
- Local content specification not included
- BBEEE points incorrectly allocated
- No deviation approval from normal SCM processes obtained from the Accounting Officer prior to appointment of service provider.

The Department reported that Programme 1 was allocated R84.4 million and the actual expenditure was R23.5 million which translates to 27,9%. The overspending of R2.3 million against the projected expenditure of R21.2 million was due to Goods and Services and the clearing of the advance paid to the Department of International Relations and Cooperation (DIRCO) and the final expenditure for Commission on Status of Women CSW 62 and CSW 63 which took place in March 2017 and March 2018 respectively. The estimated amount of advance paid to DIRCO was less than the actual expenditure incurred. The estimated amount was determined by the quotation received by the Department from the Mission via DIRCO.

Programme 2 was allocated R24 million which excludes transfers to CGE with actual expenditure of R7.4 million which translates to 30,9%. The overspending of R270 000 against the projected expenditure of R7.1 million was mainly due to Goods and Services on account of the launch of the public hearings for gender-based violence that was planned for December 2018 and postponed to 26 April 2019.

Programme 3 was allocated R50.9 million with an actual expenditure of R8.5 million which translates to 16,8%. The underspending of R1.3 million against the projected R9.8 million was mainly on Compensation of Employees as a result of vacant posts that were not filled by the end of June 2019. Furthermore, the cost of living adjustments for senior management staff had not yet been implemented.

- g) Erratum to APP 2018/19: The Committee noted that the Department submitted an erratum on the APP for 2018/19 as targets were shifted from Programme 2 to Programme 3.

13 COMMITTEE'S OBSERVATIONS

Having interacted with the Department, the AGSA, the ARC and the CGE, the Committee made the following observations:

13.1 General

- a) The Committee commends the Department and the CGE for tabling the Annual Reports within the specified time.

- b) The Committee concurred with all of the findings and recommendations of the AGSA and the ARC.
- c) The Committee observed that 68.7% (22/32) of the Department's targets were met and 40.8% (10/32) were not met, whilst 94.7% of the budget (i.e. its operating budget) was spent (R141.0777 million) with a surplus/saving of R7.84 million.
- d) Whilst the Department's increase in performance is to be commended, from 59.2% in the previous financial year (2017/18) to 68.7% in 2018/19, the Department's dismal performance in Programme 2 part of its core programme is concerning. The majority of the targets met in Programme 1 relate to compliance matters in terms of the development and submission of reports whilst the targets achieved in the core programmes were the development of frameworks, reports many of which were draft.
- e) The Committee noted with particular concern, the discrepancies between what the Department had reported as targets achieved versus what was reported by the AGSA and the ARC. Despite the Department's explanations to the Committee for the different understanding as to why these anomalies occurred, the Committee had accepted the reports of the AGSA and the ARC with findings and recommendations as matters that required serious attention by the Department.
- f) As with the previous financial years, the Committee questioned the nature of expenditure by the Department given that a few targets were met in its core programmes (Programme 2 and 3) with many of the deliverables having been long standing, were in draft form and some even undertaken by consultants. Yet the main cost drivers are for Cost of Employment and Goods and Services.
- g) The Committee remains particularly concerned with limited number of tangible deliverables by the Department that have been implemented in its final state that fulfils its Strategic Objectives at the end of the MTSF period. As such, the Committee questions what evidence is there to motivate this expenditure.
- h) The Committee noted the Department's revision to its APP and relocation of targets between programmes. Notwithstanding this, the Department has changed its APP for the past 3 consecutive years which is disconcerting and points to poor planning this despite having a dedicated unit to deal with strategic planning in the Department.
- i) The Committee observed that the Department was not effectively implementing the AGSA recommendations and those of the ARC, hence the repeat findings. The Committee raised this as a major concern.
- j) The Committee notes with concern despite repeated requests for documents/reports to be submitted to the Committee for consideration, not all of these were forthcoming in the year under review. This compromises the ability of the Committee to conduct effective oversight of the Department.
- k) The Committee noted with concern that even though the Department's mandate is to promote gender equality and the economic empowerment of women the evidence provided hereto was not convincing and did not appear to translate to visible changes to women in South Africa particularly the most vulnerable.
- l) The Committee noted with concern the AGSA and ARC finding which relates to the lack of accountability which is attributed to the leadership within the Department.
- m) The Committee remains concerned about whether the Department is optimally utilising its budget and whether it was in fact giving effect to its mandate.
- n) The Committee remains concerned about the repeat finding both by the AGSA and the ARC regarding leadership. In 2017/18 the AGSA noted that adequate oversight was not effectively and timeously exercised by the Accounting Officer and senior management regarding performance reporting and compliance with laws and regulations. In addition, the Action plans to address audit findings were developed but not always effectively implemented and monitored. The latter has regressed even further as the Audit Action Plan was only approved in February 2019 a month before the end of the financial year.

Observations with respect to the Department of Women, Youth and Persons with Disabilities

The Committee commends the Department for the overall increase in achievements between the financial year under review and the previous financial year 2017/18. The Committee notes the slight

increase in the achievement of targets within in core Programmes 2 and 3 from 64% (9/14) in 2017/18 to 65% (11/17) in 2018/19. The Committee notes the highlights of significant achievements listed in the Annual Report of 2018/19 (p.31) but questioned why many of these deliverables are still in draft form when reflected in the service delivery achievements under Programme 2. Furthermore, the Committee has also noted the discrepancies between what the Department cited as targets achieved versus AGSA's findings which points to the contrary. The reporting of achievements thus remains inconsistent within the Annual Report. All of these deliverables have yet to be presented to the Committee in the form of a report and or tabled and referred for consideration. The Committee acknowledges the Department's request for these to be presented and discussed by the Committee.

The Committee commends the CGE for attaining most of its targets for the year under review given the funding constraints and vacancies. The CGE strove to implement innovative means to achieve its targets through partnerships, commitment and dedication by staff to give effect to the Commission's mandate.

13.2 Policy imperatives

- a) The Committee notes that similar to the previous financial year, the Department again does not clearly indicate how the attainment of its current 21 targets achieved for 2018/19 has contributed towards progress in achieving Government's key priorities namely NDP priorities and the MTSF outcomes.
- b) The Committee notes the Department's silence on any reference to the National Gender Policy Framework in its Annual Report 2018/19 even though it had stated in the previous Annual Report for 2017/18 that as part of its "Future Plans" it would be reviewing the country's outdated gender policy. As such the Committee maintains that in the absence of a gender mainstreaming framework which has yet to be fully implemented, the Committee was concerned as to what policy the Department was using to drive gender mainstreaming and how the rest of Government was to be guided in this regard. The M&E framework has yet to be completed and fully implemented by the Department as the guidelines were being developed for the GRPBMEA Framework.

13.3 Governance and operational issues

- a) *AGSA findings*: The Committee noted with concern the repeat findings by the AGSA and the repeated calls by the Committee itself for the Department to address particular matters which appeared not to be taken seriously as not all of these recommendations were given implemented by the end of the financial year.
- b) *Audit and Risk Committee (ARC)*: The Committee acknowledges the efforts of the ARC for the year under review in monitoring the Department and raising matters that required attention. However, despite these early warnings received the Committee is concerned that the implementation of recommendations made by the AGSA and the ARC were not always forthcoming by senior management and consequence management appears to be questionable despite the regular meetings between the ARC and the Department's senior management. This is a repeat from the previous financial year where the former Committee had raised the same matter. Furthermore, the Committee notes that the ARC concurred with the findings and recommendations of the AGSA. The Committee agrees with the ARC that the capacity constraints of the Department should be addressed. The Committee concurs with the ARC insofar as questioning how optimally the Department is utilising its budget and whether it was focussing on the key issues that gives effect to its mandate.
- c) *Compliance*: The Committee noted with concern the repeat finding with regard to irregular expenditure, unauthorised, fruitless and wasteful expenditure incurred by the Department and questioned whether the Department's efforts to deal with the root cause of the problems and its ability to take strong decisive action against transgressors as these issues persist from year-to-year. Consequence management does not appear to be a deterrent as problems persist. To this end, the Committee noted with concern the AGSA's findings that the AGSA was "unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure" as well as fruitless and wasteful expenditure.

- d) The specific matters related to Supply Chain Management in terms of procurement and contract management were unacceptable and should not have occurred but has continued from year-to-year. This too is a repeat finding.
- e) *Forensic investigations*: The Committee has noted the investigations initiated by the Department on account of irregular expenditure incurred (p.147 of Annual Report 2018/19) and urges the Department to deal with these expeditiously.
- f) *Internal Audit*: Moreover, the Committee was also concerned that the “Audit and Risk Committee reports that Internal Audit function did not timely complete the annual audit plan approved by the Audit and Risk Committee due to delays in the provision of information by management for audit purposes and limited human and financial resources within Internal Audit Division”, this too is a repeat finding from the previous financial year which is concerning to the Committee. Notwithstanding the fact that the Internal Audit Unit was not well capacitated and therefore was not operating optimally the delay in providing the requisite information is unacceptable. As indicated in the previous financial year, the Committee seeks clarity from the Department as to what the implications are then for the 2018/19 financial period given that the “Audit and Risk Committee has noted with concern that the Department was unable to resolve all the matters that were raised by AGSA in the previous audit as some have reoccurred in the 2017/18 annual audit by AGSA.” The Committee calls on the Department to strengthen the Internal Audit with human resource and material capacity.
- g) *Internal Controls*: The Committee noted with concern the AGSA’s findings of internal control deficiencies which was a repeat finding from the previous financial year. This is in contrast to the quarterly report briefings by the Department to the Committee as no major concerns were brought to the attention of the Committee for the year under review. The Committee noted with concern the ARC’s report which indicates that “During the period under review in some instance the systems of internal control were inadequate and ineffective during the financial year. This condition had an adverse impact on compliance with applicable legislation, integrity and reliability of non- financial information.” which was a similar finding in the previous financial year.” Furthermore, the ARC also noted that the key drivers of internal control that require urgent intervention of management pertained to firstly, leadership on oversight specifically relating to the implementation of the audit action plan as well as the information technology governance and secondly, record keeping as well as monitoring of compliance on financial and performance management.
- h) *Risk management*: The Committee commends the Department for the appointment of a Director: Risk management and Internal Auditors as a means of strengthening risk management. However, despite the filling of this post and a fully functional Risk Mitigation Committee, the APP for 2018/19 was still amended and targets were still not met which brings into question the extent to which risks were properly identified at the inception of the APP and plans in place to avoid non-delivery of targets. The Committee notes that the ARC was satisfied that the Department implemented the risk management framework which included policies, plans, strategies, procedures and risk management oversight structures. However, the Committee has also noted the ARC’s view that the maturity level of the Department’s Enterprise-wide Risk Management required improvement.
- i) *Leadership*: The Committee noted with serious concern the AGSA’s findings that the Department exercised ineffective oversight regarding performance reporting and compliance with laws and regulations. Moreover, non-compliance with laws and regulations could have been prevented had compliance been properly reviewed and monitored by senior management. This finding is in contrast to what the Department had presented to the Committee during the quarterly reviews in which it reassured the Committee that compliance matters were being addressed. Based on the findings of the AGSA and ARC of the Department, in particular the accounting officer and senior management, did not exercise adequate oversight responsibility with regards to financial (expenditure management) performance reporting and compliance with legislation (procurement and contract management). The audit action plan was inadequately implemented by responsible managers to address internal and external audit findings and recommendations this despite the Department presenting to the Committee during quarterly reviews and indicating that an audit action plan was developed and implemented. This is a repeat finding from the previous financial year. But of greater concern was that the Audit Action Plan was only approved in February 2019 a month before the end of the 2018/19 financial year.

- j) *Consequence Management*: The Committee raised its concerns as it done in the previous financial year about the lack of effective consequence management for employees who fail to comply with supply chain management or performance prescripts. The Committee raised concerns with the effectiveness of the consequence management which the Department implemented given the systemic nature of the problems that have persisted since the inception of the Department. The Committee noted that the leadership of the Department should take much more stringent actions to enforce compliance and implement consequence management for employees who fail to comply, especially in relation to the senior management structure and particularly the accounting officer, the DG.

13.4 Administration

13.4.1 Human Resources

- a) *Top-heavy structure*: The Committee noted that the structure of the Department continues to be top-heavy.
- b) *Vacancies*: The Committee commends the Department for keeping the vacancy rate below 10%. While the vacancy rate at the beginning of the financial year was 4.7%, this remained stable throughout the financial year and was 5.6% by the end of the fourth quarter.
- c) *Use of consultants*: The Committee noted that the Department continued to procure the services of consultants during the year under review which was concerning given the request from National Treasury to curtail costs in terms of consultancy. The Department indicated that it utilised the services of consultants for 12 projects amounting to R4.619 million slightly more than the R4.03 million it spent on Consultants: Business and Advisory Services in the previous financial year 2017/18. The Department continued to utilise the services of a consultant for the dialogues held in 3 provinces this despite the former Committee's recommendation that the Department desist from doing that and instead utilise its existing staff with the assistance of the CGE. The target on the DTI Incentive Schemes was also achieved having utilised the services of a consultant for R800 000. This brings into question what the role of officials were within the respective programme who are responsible for the delivery of that target that were then undertaken by consultants yet many of these officials earn between a half a million or just under a million rand per annum.
- d) *Structure of & Capacity with Department*: The Committee still remains concerned about the top-heavy structure of the Department in the Administration programme with the core programmes functioning on far less staff. This despite an organisational review implemented by the Department and the skills audit undertaken in 2015. The Committee is cognisant of the Department's response that the lack of adequate capacity has impacted directly on its ability to deliver on targets. However, the Committee noted that the Department had identified a set of deliverables through its Annual Performance Plan based and as such the non-delivery can then be attributed to poor planning. The Committee notes that an assessment of the Department's organogram is required to determine precisely where the capacity constraints currently exist within programmes.
- e) *Disciplinary cases*: Even though the Department cites the target, 100% of all disciplinary cases resolved internally within 90 days of the cases being initiated as achieved, the Committee was concerned that it did not correlate with what the AGSA identified and the Audit and Risk Committee reported for the same financial period. The AGSA noted that it was unable to obtain sufficient appropriate audit evidence that disciplinary cases were taken against officials who had incurred irregular expenditure nor against those officials who had incurred fruitless and wasteful expenditure. As noted above, there were 8 instances of irregular expenditure documented 6 referred for investigation and 1 under investigation. Hence this does not correlate with the 4 disciplinary cases which the Department refers to of which 2 were finalised, 1 employee found guilty and dismissed, 1 employee acquitted of all charges and 2 are still outstanding/pending. The Committee concurs with the ARC recommendation that the case involving the suspended Deputy Director: Supply Chain Management should be expedited. Furthermore, the Committee remains concerned that this illustrates how the Department's target pertaining to 100% Disciplinary Cases resolved was achieved if the ARC refers to a case that is still not resolved.
- f) *Arbitration*: In addition, the Committee notes that ARC also specifies the Arbitration matters (5) and litigation cases (2) for the year under review. With regards to the Arbitration matters, 4/5

cases were still pending and 1 matter was finalised and the department and employee agree to a settlement payment of 12 months' salary to the applicant without reinstatement. The two litigation cases brought against the Department were also still pending.

- g) *Suspensions*: The Committee remains concerned about the cost implications of officials that have been placed on suspension.
- h) *Performance awards, Promotion in salary bands*: The Committee noted with concern stipulation of performance awards within the Annual Report. It is unclear on what basis the performance awards were allocated or notch increases were awarded in the Department when the performance over the past two financial years has been poor, many of the deliverables in draft form, with no tangible evidence of impact and a significant amount of the work within the Department been outsourced to consultants or contract workers.

13.4.2 Financial performance

- a) *Unauthorised expenditure*: The Department did not incur unauthorised expenditure for the financial year under review. The Committee notes the historical debt that is still reflected in the Department's financial statements as condonement still needs to be considered.
- b) *Fruitless and wasteful expenditure*: The Committee noted that fruitless and wasteful expenditure amounted to R334 000 for the year under review with concern. Committee was concerned by the AG's finding that effective steps were not taken to prevent this fruitless and wasteful expenditure.
- c) *Irregular Expenditure*: The Department incurred irregular expenditure to the amount of R4.095 million in 2018/19. This was primarily as a result of non-compliance with procurement/ supply chain management processes which is concerning for the Committee. The Department indicates that it does not have internal capacity to undertake investigations and will source the services of an external contractor in this regard. Previously, the Department disclosed irregular expenditure amounting to R6.1 million in the 2017/18 financial year relating to non-compliance with procurement processes. This was a similar finding in the 2016/17 in which the Committee then noted with concern the irregular expenditure incurred (R6.3 million) which was mainly due to non-compliance with procurement processes. This appears to be a repeat finding since the inception of the Department which is a major concern for the Committee. In addition, the Committee notes with concern the type of internal controls within the Department to avoid irregular expenditure. Of importance to note was that the transactions for irregular expenditure incurred for 2017/18 were referred to National Treasury for an investigation; these investigations were still in progress as at 31 March 2018 but no feedback was given to the Committee in its 2018/19 Annual Report in this regard.
- d) *Virements*: The Committee was concerned about the perpetual virements between programmes as this indicated poor planning. Virements were made between programmes to offset expenditure on Compensation of Employees, payment for Goods and Services as well as payments for capital assets and transfers and subsidies. A R10.1 million virement was made from Programme 2 and 3 to Programme 1 for Goods and Services, compensation of employees and transfers and subsidies.

13.4.3 Supply Chain Management

- a) The Committee noted with concern the number of invoices paid outside the 30-day period and was unsure about what this amounted to and for what this was.
- b) The Committee was also particularly concerned by the Department's lack of adherence to the Preferential Procurement Framework Act and Regulations in light of the following findings by the AGSA namely; - Some of the Goods and Services with a transaction value below R500 000 were procured without obtaining the required price quotations as required by treasury regulation 16A6.1.
- c) Despite the review of the SCM policy in 2016/17 which was revised and approved in 2017/18 in order to strengthen compliance with SCM prescripts and prevent possible occurrence irregular expenditure, the AG notes that for the year under review, the Department incurred irregular expenditure to the amount of R4.095 million. This was primarily as a result of non-compliance with procurement/ supply chain management processes which is concerning to the Committee as this is a repeat finding. The Department indicates that it does not have internal capacity to undertake investigations and will source the services of an external contractor in this regard.

- d) The Committee notes with concern the ARC findings that states 44/57 (77%) “transactions related to transactions where approval for deviation was granted in instances where a minimum of three quotations could not be obtained from the prospective suppliers by the Supply Chain Management Unit. The majority of the deviations emanated from the procurement of catering for Departmental events.”
- e) The Committee concurs with the ARC recommendation that “Management should improve and strengthen planning for the procurement of goods and services and monitor procurement plans for the departmental events which are the major contributor of deviations from the procurement prescripts.”
- f) The Committee remains concerned about the perpetual transgressions that occur and the lack of effective consequence management implemented that would deter officials from offending in this regard.

13.4.4. ICT

- a) The Committee notes with concern the ARC finding that the ICT governance structure was not functioning properly and that Department’s management committee was tasked to improve ICT governance and IT systems in the Department. Furthermore, the ARC goes on to state that, the “production environment failed or crashed in October 2018. The transversal systems and the information sharing and storage system were affected by the failure. The transversal systems were restored but the information sharing and storage systems are not yet reinstated.”
- b) The Committee noted that the ICT network server funds that were not used for the year under review yet the server crashed in October 2018.
- c) The Committee notes the capacity constraints in ICT and the need to employ requisite personnel.

13.5 Core Programmes

13.5.1 Service delivery performance overall for core programmes

- a) *Unmet Targets:* The Committee was concerned about the 10 unmet targets from 2018/19 as well as Quarter 1 of 2019/20 and the impact this would have on the rest of the 2019/20 financial year. Unmet targets were primarily in the Administration programme and Programme 2 that has consistently performed poorly even in the Q1 of 2019/20. The Department also reports that overall it has seen a performance improvement year-on-year with a success rate of 68.7% in 2018/19 as compared to 59.2% in 2017/18 which is commendable.
- c) *Performance outcomes:* The Committee was concerned that despite the Department’s intentions it was not addressing the socio-economic challenges faced by women in the country in order to bring about gender equality as there was no tangible evidence to prove this.
- d) *Outstanding Reports:* The Committee noted in its highlights of achievements reference made to draft reports and the like. Whilst, the Committee commends the Department for the work undertaken it has not yet received any of these updated reports as requested nor was it briefed.
- e) *Policy and Law Reform:* The Committee was concerned that the Department has not yet briefed the Committee on work related to policy and law reform it had undertaken but notes these as achievements.
- f) *Draft Frameworks:* In the Overview of Departmental Performance (p.24), the Department notes that it developed the following draft frameworks in 2017/18, namely; Draft Gender Responsive Planning Budgeting Monitoring Evaluation Auditing (GRPBMEA) Framework is approved, Draft Women Financial Inclusion Framework is approved and the Draft Framework on Sanitary Dignity. However, under Programme 2 in the Annual Report (p.48-50), the Women’s Financial Inclusion framework is captured as developed and cited as an achievement. Similarly, the GRPBMEA framework is captured as developed and finalised and also cited as an achievement, thus giving the impression that these frameworks are not draft but finalised. The Committee remains concerned that the Department has yet to finalise these frameworks and that consultations have been ongoing for the GRPBMEA since 2014 with implementation questionable at the end of the MTSF period.
- g) *Monitoring and Evaluating Impact of Government Policies and Programmes:* The Department noted that it conducted monitoring and evaluation. The Committee commends the Department for undertaking the work but notes that that these reports have not yet been submitted to the Committee for consideration and that the discrepancies within the annual report reflecting these as achievements is concerning.

- h) *Policy analysis provided on government policies:* The Department notes in its Annual Report for 2018/19 that policy inputs were made into several draft policies, bills and Cabinet memos that covered a broad spectrum. This is commendable to the Committee. However, it is unclear to the Committee as to what strategy the Department uses to decide on which policies to provide input into within a given financial year given the broad spectrum which it has covered.

Programme 2

13.5.2 Sanitary Dignity

- a) The Committee noted with concern the discrepancies within the Department's Annual Report in reference to the fact that it is not a service delivery implementing department, yet within the same document it notes the provision of sanitary products and the roll out hereto as a key aspect of the Sanitary Dignity Project (Noted on p.41 of the Annual Report), "Sanitary pads have been distributed to indigent girls through a number of outreach programmes, as part of the 365 Days Programme of Action." This hereby reflecting the Department as a front line service delivery department. However, in the briefing to the Committee, the Department indicated that National Treasury had allocated R157 million for the Sanitary Dignity Programme which was then disbursed to Provincial Treasuries which either transferred to the funds to the Provincial Departments of Social Development and or Basic Education as there was no uniformity at a provincial level for the distribution of the sanitary pads. This allocation of R157 million for sanitary pads is more than the Department's entire budget allocation for 2018/19 which was R149.5 million. For the year under review, the Department allocated R7.632 million for the development of the revised draft Sanitary Dignity Framework and spent R7.824 million.
- b) The Committee is particularly concerned that the Department is unable to coordinate the Sanitary Dignity Programme in Provinces and the draft Sanitary Dignity Framework in its pilot form is not currently being implemented.

13.5.3 Women's Financial Inclusion Framework (WFIF)

- a) The Committee notes that the WFIF was initiated in 2015/16. It took the Department 4 years to develop this framework but it was still not finalised or implemented at the end of the 5-year MTSF period.
- b) The Committee notes that, in the Annual Report for 2017/18 (p.48-50), the WFIF was captured as developed and cited as an achievement. The Annual Report 2018/19 indicates that this framework was developed but that further consultation would take place in 2019/20. This indicates an anomaly. The Quarter 1 report of 2019/20 states that the target for the 1st quarter could not be achieved i.e. 1 Report on Capacity Building Workshop within the Economic Sectors Employment Infrastructure Development (ESEID) Clusters - Technical Implementation Forum (TIF) produced. The reason cited as to why this could not be achieved was that the "approved Women Financial Inclusion framework (WFIF) had to be further consulted internally first within the Department's various units as per Accounting Officers recommendations before it is taken through the Government Cluster System."

13.5.4 Programmes on 365 days Programme of Action Coordinated

- a) *Impact of events/campaigns:* Whilst the Department is to be commended on the various campaigns and outreach initiatives undertaken during the year under review, the Committee questioned the effectiveness and impact of the events undertaken by the Department for the year under review as this did not appear to translate in visible difference on the ground for the women and girl children in South Africa. The Committee also questioned whether the Department actually assessed the impact of the campaigns and requested the outcomes of these campaigns conducted. The Committee requested for all outstanding reports which it stated as achievements in the current Annual Report.
- b) *National Dialogues:* Whilst the Department is to be commended on the dialogues that were held it is still unclear what the key issues that emerged and how these have been dealt with by the Department. Unlike the CGE, through its legal clinics and case management it is able to identify systematically what the key issues are per quarter per province. Given that the Department is not a service delivery entity, and has previously indicated that partners are brought on to deal with the referrals there is still no clarity as to how many complaints are lodged at these dialogues,

where and when, who the complainant was then referred to and if the matter was resolved and how long it took.

13.5.5 National Gender Machinery (NGM)

- a) The Committee commends the Department for the progress made in re-establishing the NGM.

13.5.6 Revised Inter-Ministerial Committee – Integrated Programme of Action (IMC-IPOA)

- a) The Committee notes that the Revised IMC-IPOA for addressing Violence Against Women and Children (VAWC) was developed but was not approved. This policy is led by the Department of Social Development and as such in its Annual Report 2018/19 that the target in this regard was not met as the Draft POA has not been submitted to Cabinet for approval as the process for reviewing it was delayed in order to link the POA with the GBVF Summit outcomes.
- b) The Committee remains unclear as to what the relation is between the Department and the Interim Steering Committee on Gender-based Violence and Femicide (GBVF) established by the President following the Summit on GBVF. The Committee notes that “The Interim Steering Committee on Gender-based Violence and Femicide (GBVF) is set to begin the second leg of stakeholder consultations aimed at soliciting inputs to the draft GBVF National Strategic Framework. The consultations will start from the 5th to the 13th September 2019 covering Mpumalanga, Gauteng, Northern Cape, Free State and North West provinces. The Interim Steering Committee was formed as per article 3 of the Declaration on GBVF, with the mandate to draft a National Strategic Plan (NSP) Framework and establish a Multi–Sector GBVF Council, which is a coordinating body that will champion work around the national GBVF campaign. The Interim Steering Committee met on 01 August 2019 at the Union Buildings, Pretoria and resolved that the Ministry of Women, Youth and People with Disabilities will now be the government Co-chair of the Steering committee.” However, the Department’s APP for 2019/20 reflects the establishment of a GBVF Council – clarity is sought in this regard.
- c) Furthermore, of importance to note the Committee was concerned that the proposed NSP is not a target of the Department’s and the development thereof appears to reside with the Interim Steering Committee which only co-chaired by the Department. Thus bringing into question who should ultimately be held to account for the development and implementation of the NSP as a lead Department.

Programme 3

13.5.7 25-year review

- a) Whilst the Committee commends the Department for having developed a 25-year review report and initiated the establishment of a review committee consisting of key experts and stakeholders, the Committee is unclear as to what the relationship is between the structure and that of the Presidential Review Committee (PRC) on Women’s Emancipation and Gender Equality established by the President that was launched in January 2019. The PRC held two meetings in April 2019 and reported to the then former Minister of Women in the Presidency, Ms Bathabile Dlamini on its progress. Prof. Vivienne Taylor chairs the PRC which is comprised of 24 experts. The PRC is expected to submit a report to the President in March 2020.
- b) The 25-year review report has not been tabled and or referred to the Committee for consideration by the Department.
- c) The Committee acknowledges the Department’s request to have a briefing on the report.

13.5.8 Incentive Schemes of DTI

- a) The Committee commends the target achieved on incentive schemes. It also acknowledges that the report on “A Gender Analysis of Government’s Incentives Schemes Administered by the Department of Trade and Industry” (2018/19) was done by a consultant from UCT. It has not yet been tabled for consideration to the Committee.
- b) However, the Committee notes that in November 2018, a Report on the Evaluation of Government Business Incentives was prepared by DNA Economics and the Rebel Group. The

Evaluation Steering Committee comprised of the Department of Planning, Monitoring and Evaluation, the National Treasury, the Department of Trade and Industry, the Department of Tourism, the Department of Science and Technology, the Department of Economic Development, the Department of Small Business Development and the South African Revenue Service. The Steering Committee oversaw the operation of the evaluation, commented and approved the report which is a National Evaluation Plan Report. It is unclear what the link is between the report then produced by for the Department by UCT and the extensive report produced for DPME.

13.5.9 Young Women's Socio-Economic Empowerment Framework

- a) The Committee commends the Department for the development of the aforementioned framework but notes that it is still not fully implemented given that the framework requires further consultation and tabling within the DG clusters and cabinet system. This is concerning for the Department as it just one of many policy initiatives that have yet to be given effect to by the Department.
- b) Furthermore, the Committee is unclear as to what the link is between the Young Women's Socio-Economic Empowerment Framework and the WFIF as well as the GRPBMEA as well as the policy initiatives of the National Youth Development Agency that is now located in the new Department.

13.5.10 Country Reports

- a) The Committee commends the Department of the targets achieved in terms of country reports but notes with concern the outstanding CSW report that was not achieved in terms of multi-lateral fora.
- b) The Committee reiterates the importance of submitting country reports on time for these to be referred to the Committee for consideration and report timeously before submission at the UN or AU Committee's concerned. Furthermore, the Committee is aware that the Combined 2nd 3rd and 4th periodic report on CEDAW was submitted and that the country received Concluding Observations, responded to the Observations and the List of issues and questions with regard to the consideration of periodic reports. The Committee on the Elimination of Discrimination against Women has been very specific in terms of its recommendations to South Africa and timeframes for which to report back. To this end, the monitoring and evaluation of recommendations received once country reports have been submitted and considered is as important so too the need for the Country Gender Indicator Framework to be finalised and implemented.

13.5.11 Always Keeping Girls in School (AKGIS)

- a) The Monitoring Report on the implementation of Outcome 14, Process Evaluation Report of Always Keeping Girls in School (AKGIS) Programme was undertaken in two provinces, Mpumalanga and KwaZulu-Natal. This AKGIS programme is implemented by an NPO, Footprints Foundation. The Facebook posts for AKGIS dates back 11 months and has since not been active. It is unclear as to why the Department chose to spend its limited budget focusing on an evaluation of the programme run by an NPO albeit in partnership with government (Department of Basic Education) which does not have a reach in all 9 provinces.

13.5.12 M&E framework for Sanitary Dignity Programme

- a) The Committee commends the Department for developing a M&E framework however it is unclear why this is separate from the revised Sanitary Dignity Framework.

13.5.13 Country Gender Indicator Framework (CGI)

- a) The CGI will only be fully operational in 2020/21 as per the AR 2018/19 as the revised framework will be consulted with various stakeholders and only finalised by the end of 2019/20.
- b) The Department indicates that 65 Country Gender Indicators have been identified. Given the number of international and regional treaties South Africa is signatory to it is unclear whether the allocated number of indicators identified will suffice.

13.5.14 GRPBMEA Framework

- a) In the Annual Report 2018/19, the Department cites that it had developed the Gender Responsive Planning, Budgeting, Monitoring, Evaluation Framework (GRPBMEA) which was approved by Cabinet in March 2019. However, the work continues on this framework as per the Q1 2019/20 briefing i.e. development of guidelines and consultations which means these framework is not yet fully operational. Furthermore, the Department had also indicated to the Committee at the briefing of the Quarter 1 report for 2019/20, that it had developed a concept paper on the development of guidelines for the GRPBMEA Framework.
- b) This GRPBMEA framework was however captured as developed and finalised in the 2017/18 Annual report and also cited as an achievement. Thus giving the impression that the framework was not draft but finalised this appears to be the case again for 2018/19.
- c) Notwithstanding that, the Department indicated to the Committee that these guidelines have come about given that the Department of Planning Monitoring and Evaluation had indicated the departments have requested guidance on how to implement the proposed GRPBMEA Framework. However, this points more to not only a lack of understanding of the framework but also to its effectiveness if at the onset departments are unable to implement it.

Observations with respect to the Commission for Gender Equality

13.6 CGE Matters

Notwithstanding the fact that the CGE is a Chapter 9 Institution, it only accounts to Parliament vis-a-vis the Portfolio Committee on Women, Youth and Persons with Disabilities Presidency and that the Department merely transfers its funds, the Committee deemed it important to note the following observations:

13.6.1 General

- a) The CGE was commended for achieving a significant amount of its targets, 29/33 targets met (88%).
- b) The Committee commended the Commission, support staff and previous Commissioners for the work done over the years and for an unqualified audit opinion.
- c) The Commission was requested to share ideas with the Department in the Presidency on implementing their programmes with limited support staff.
- d) The Committee notes the need for the CGE to conduct a stronger, dedicated monitoring and evaluation of the Department's programmes as the focus in 2018/19 has not been sufficient to provide an assessment as a Chapter 9 Institution of whether the Department has given effect to its mandate.
- e) The Committee concurs with the findings and recommendations of the AGSA. In addition, the Committee indicated that AGSA indicated that the findings are the same as the previous financial year. As such, the Commission was urged to resolve findings made by the AGSA.

13.6.2 Governance

- a) The Committee commends the CGE for addressing the key findings noted by the AGSA previously but still urged the Commission to attend to any findings raised to ensure that a clean audit can be maintained. To this end, the Committee noted the concerns related to internal control deficiencies and expenditure management.

Notwithstanding that, the Commission for Gender Equality's Audit Committee agreed with the findings of the AGSA and commended the Commission for putting in place a management audit action plan to address risk and related issues as they arose. The system for internal control was therefore considered effective for the period under review.

13.6.3 Finance

- a) The Committee noted surplus/saving of R785 494 for the year under review.
- b) The Committee noted the irregular expenditure of R985 768 was incurred for the 2018/19 financial year.
- c) The Committee noted the fruitless and wasteful expenditure to the amount of R20 424 for the year under review which was attributed to incorrect payments for medical aid subsidies to employees who in terms of the internal policies were not entitled to receive the subsidy. The

Committee commends the CGE management for instituting corrective action to recover the amounts.

- d) The Committee acknowledged the immense strain placed on the CGE's budget in trying to give effect to its mandate.

13.6.4 Human Resources

- a) *Vacancies*: The Committee noted a vacancy rate of 16% for permanent employees for the period under review.
- b) *Disciplinary cases*: The Committee noted that 3 employees were subject to disciplinary processes for the period under review and that there were 10 cases still under investigation.
- c) The Committee acknowledged that the turnover of staff at the CGE is attributed to remuneration packages which are not in line with other Chapter 9 institutions. As a result, the CGE staff attrition is often due to other Chapter 9 Institutions that are able to offer staff better remuneration packages for which the CGE is unable to make counter offers due to constraints on its fiscus.
- d) *Employment of Persons with Disabilities*: The Committee also queried whether the Commission employed people with disabilities as part of its staff complement.

13.6.5 Programme

- a) *Case management*: The Committee still remains concerned about the pending files between quarters and financial years and the challenges faced by the CGE to attend to this expeditiously. Gender-based violence (GBV), maintenance and sexual offences still dominate as the key areas of concern in terms of the profile of cases across provinces. The CGE had less files pending (524) as compared to the previous financial year 2017/18. However, the number of files opened and closed is less than the previous financial year. 891 were opened and 738 were closed during 2017/18 and 591 files were pending. In 2018/19, 546 files were opened and 530 were closed
- b) *Maternal health*: The CGE is commended for the research and work done in this regard. However, the report is still not complete and awaits the input from the Department of Health. It will be important for the Committee to consider the research report in a conferral meeting with the PC on Health. Furthermore, it would be important for the CGE to keep the Committee abreast of progress and developments in this regard.
- c) *Gender-Based Violence (GBV)*: The CGE has identified various initiatives it has undertaken be it awareness raising, case management, litigation, court monitoring and research in the year under review which is to be commended. It will be important for the CGE to follow-up on the work that was done in 2018/19 and to update the Committee on progress in this regard but also to determine what the strategy is for the next 5-years given the new developments since the Summit and the President's pronouncement of an emergency plan. Whilst the training initiative with SAPS on the handling of sex workers is commended it would be important for the Committee to establish from the CGE how this will be sustained and rolled out nationally given the resource and financial constraints.
- d) *Systemic Gender Violations in Shelters*: The CGE is to be commended on its work on the state of shelters in South Africa. It would be important for the Committee to ascertain from the CGE if the Department of Social Development (national and provincial) will be invited to participate at the hearing. A conferral meeting with the Portfolio Committee on Social Development and the Portfolio Committee on Women, Youth and Persons with Disabilities should also be arranged to discuss the report and outcomes of the hearings.
- e) *Mining*: The CGE is commended for work done in the mining sector on gender transformation. The research report indicates a lack of gender transformation in the mining industry. This highlights what is still required for the advancement of women in priority areas for Government as one of the means for economic emancipation. A conferral meeting with the Portfolio Committee on Mineral Resources on this research report will be important for the Committee to consider.
- f) *Gender transformation in institutions of higher learning*: The CGE is commended for the research and work done in this regard. The hearings conducted revealed challenges related to the lack of gender-related policies and clear measures to promote women and persons with disabilities to senior management positions. It would be important for the Committee to consider the research

report in a conferral meeting with the PC on Higher Education and for the Department of Higher Education to respond to the findings.

- g) *Law reform*: The CGE is commended for the submissions made during the year under review. It would be important for the CGE to track what of its recommendations were incorporated and report back to the Committee accordingly.
- h) *Litigation*: The CGE is commended for the litigation it has pursued in the year under review and the Committee should be kept updated of any new developments.
- i) *Gender Mainstreaming & Training*: Whilst the CGE is commended for the various training initiatives undertaken through the country within government and the private sector, the follow-up of it is important in addition to ensuring that the policy provisions are in place. Moreover, in planning the way forward it would be imperative to determine strategically which areas the CGE will be targeting for training and to ensure continuity e.g. identifying municipalities, provincial and national departments etc. A systematic approach to training at municipal level should be considered and how the National School of Government can be partnered in this regard with its Mainstreaming in the public service module aimed at middle and senior managers in National, Provincial and Local Government Departments.
- j) *Treaty compliance*: As noted in the previous financial year, the CGE is commended for its participation at various international fora, it would be important for the Committee to ascertain how the CGE is monitoring the implementation of the Resolutions that arise from these engagements at a domestic level. The Committee notes that the CGE has not evaluated the Department's Country Gender Indicator Framework and an assessment in this regard would be important to undertake.
- k) *Women in Correctional Centres*: The CGE is to be commended for the work done thus far focussing on women incarcerated in Correctional Service Centres in South Africa. The key findings that relate to overcrowding, lack of understanding by prison officials of sexual reproductive health care, mental and chronic illness of female inmates in correctional centres and lack of access to health care hereto is concerning. It will be important for the Committee to ascertain from the CGE what the strategy it intends embarking on to address the findings in its research reports.
- l) *Assessing Women's Representation and Participation in Traditional Sector*: The CGE is to be commended on the work done in this sector. Given the key issues that have emanated from the study it will be important for the Committee to ascertain what the CGE proposes in order to deal with lack of understanding and awareness on issues related to gender equality and transformation; limited representation and participation of women; royal families predominantly still appointing males more than females and the lack of legal enforcement (30% quota in female representation in membership of HTL) or legal mechanisms to sanction failure to comply.
- m) *Department of Women, Youth & Persons with Disabilities*: The Committee notes that the CGE did not have a dedicated focus on the monitoring and evaluation of the Department's programmes and initiatives during the year under review to assess the extent to which the Department has given effect to its mandate.

14 RECOMMENDATIONS

The Minister of Women, Youth and Persons with Disabilities should ensure that the following recommendations are implemented.

14.1 Mandate of the Department

- a) The Committee remains concerned about the Department's ability to give effect to its mandate and therefore urges the Department to engage with all key stakeholders in this regard to look at addressing this matter given the expanded mandate.
- b) The Committee strongly recommends that the Department undertake effective planning to give effect to its mandate and ensure that targets identified in its APP are not changed and are adhered to. In the event changes are brought about the Committee should be informed at quarterly report briefings made to the Committee.
- c) The Committee strongly recommends that the Department utilises its budget optimally to give effect to its mandate within the programme allocations.

d) The Committee strongly recommends that the Department ensures that all its targets and programmes are aligned to the NDP and MTSF outcomes.

14.2 Audit Action Plan

- a) The Committee recommends that the Department develop an audit action plan and implement the recommendations made by the AGSA and improve on the MPAT results. This action plan should address the root cause of the problems, clearly articulate specific actions with key persons responsible at a senior management level and specify time frames. All action plans should be submitted to the Committee with the 2nd Quarterly Report for 2019/2020 before 12 November 2019 briefing.
- b) The Committee recommends that the Department should monitor and evaluate the implementation of action plans and progress reports should be submitted to the Committee on a monthly basis until the end of the 2019/20 financial year.
- c) The Committee recommends that the Department must report monthly to the Committee on progress made with regards to implementing the recommendations made by the AGSA, the Audit and Risk Committee and the DPME via the latest MPAT result. A clear explanation should be provided in instances where recommendations have not been implemented and what the remedial action is. The key person/s responsible for implementing recommendations must be submitted to the Committee.
- d) The Committee recommends that the Department provides a detailed list of names of officials who have contravened the PFMA, National Treasury Regulations and SCM policies during 2018/19, indicate the nature of the contravention, the cost incurred and the consequence management implemented by the respective manager and whether there have been any repeat offenders.
- e) The Department must provide quarterly reports on the consequence management it will take to remedy the poor performance of members at the SMS level.

14.3 Financial performance

- a) *In-Year Monitoring Reports*: The Department must continue to submit quarterly reports to the Committee in line with National Treasury Regulations.
- b) *Spending Trends*: The Committee recommends that the Department monitor spending patterns and ensure that this is in keeping with what has been outlined in the respective Strategic Plans and Annual Performance Plans. To this end, the Department is to provide the Committee with detailed financial reports for activities on a quarterly basis. These financial reports should clearly indicate the purpose of the activity as it relates to the objectives outlined in the APP and the expenditure incurred. In instances, where the Department incurs expenditure for events nationally and internationally, the size of the delegation must be included and details pertaining to Travel and Subsistence. The Committee urges the Department to utilise the budget allocated to Programme 2 and 3 effectively and plan accordingly in order to do this.
- c) *APP*: The Department must ensure that its APP is costed appropriately with a clear indication as to how and when it intends undertaking activities with corresponding costs.
- d) *Irregular expenditure, Fruitless and Wasteful Expenditure*: The Committee recommends that the Department should provide a comprehensive report on the investigations into irregular expenditure incurred during 2018/19 and fruitless and wasteful expenditure as well as the previous financial year. The report should clearly indicate the sanctions brought against members responsible for irregular expenditure and fruitless and wasteful expenditure. The Department should further develop an action plan on steps to prevent irregular expenditure, through a skills audit, training, skills development and consequence management.
- e) *Investigations*: Committee awaits outcomes and reports in this regard and for a briefing until matters are concluded at every quarterly briefing.
- f) *Unauthorised expenditure*: The Department is urged to follow-up with SCOPA regarding the condonement of historical debt incurred and report back to the Committee accordingly.
- g) *Virements*: The Committee urges the Department to avoid virements from the core programme to administration. In the event, that virements have to be done this needs to be brought to the attention of the Committee for discussion during quarterly briefings.

14.4 Internal control and risk management

- a) The Committee recommends that the Department must provide the Committee with a detailed report on the implementation of risk management controls which should include the staffing structure, risk management systems, challenges identified and remedial action.
- b) The Committee concurs with the recommendation by the ARC on improving internal controls.
- c) The Committee requires the Department's Audit and Risk Committee to brief the Committee in the 2nd Quarter of 2019/20 (12 November 2019) on the challenges identified and recommendations made.
- d) The Committee recommends that the Department must provide the Committee with a detailed outline of the measures in place to strengthen internal control and risk management.
- e) The Committee recommends that the Department should brief the Committee on risk mitigation measures it has applied to ensure that targets are reached within the core programmes.

14.5 AGSA & Audit and Risk Committee

- a) The Audit and Risk Committee should continue to monitor the implementation of the AGSA recommendations, intervene when necessary with the senior management of the Department and report to the Committee on a quarterly basis in this regard. The Committee in turn will provide the ARC with feedback on the outcome of meetings held with the Department and what recommendations are expected to be implemented with specific time frames.
- b) ARC to submit its quarterly reports to the Committee for consideration after every meeting it has with the Department.

14.6 Human Resource

- a) *Organogram*: The Committee requests the Department submit a detailed organogram for the Department which clearly indicates funded, unfunded positions, posts established in addition to the establishment per programme to clearly illustrate what the capacity constraints are.
- b) *Vacancies*: All key funded vacancies should be filled within the specified time allocation, in instances where this is not complied with, the Department should clearly identify within the quarterly reports to the Committee reasons for failure to comply and remedial action taken. The Committee recommends that all vacancies, including acting positions, especially those in which the incumbent is on longstanding suspension, should be filled permanently in the next six months – positions to be prioritised for the permanent appointment of the DG, Finance, SCM, Internal Audit and ICT as well as the core programmes. The Department should provide quarterly reports on this to the Committee.
- c) *Resignations/Dismissals/Termination of contracts*: The Committee recommends that the Department provide a written report on the reasons for dismissal of staff, resignations, termination of contracts and its subsequent impact on service delivery. A contingency plan should also be developed to focus on staff retention.
- d) *Performance management*: The Committee recommends that the heads of Programme 2 and 3 provide quarterly reports of consequence management for the non-delivery of targets with a clear indication of the remedial action implemented. Each programme and sub-programme will be required to present progress to the Committee on a quarterly basis.
- e) *Longstanding suspensions*: The Committee recommends that all vacancies, especially those in which the incumbent is on longstanding suspension, should be filled permanently in the next six months. The suspension should be dealt with expeditiously and reported on every month until resolved.
- f) *Use of consultants*: The Committee requests the Department to indicate what measures the Department would implement to avoid the use of consultants in future in a bid to contain costs. Furthermore, the Committee recommends that skills transfer must occur when using consultants so as to capacitate staff within the Department.
- g) *Top-heavy structure*: The Committee recommends that the Department indicates how it intends utilising its top-heavy structure more optimally to ensure that targets are met, rather than using consultants. The Committee also recommends that programmes 2 and 3 which encompass the core delivery mandate of the Department be capacitated. The Committee welcomes an opportunity to engage with the Department on its strategic plan and organogram/structure going forward.

14.7 Governance

- a) The Committee reiterated the importance of compliance with the Public Finance Management Act and National Treasury Regulations by the Department and that failure of officials in this regard must be dealt with expeditiously. To this end, the Committee recommends that the Department reports on how it deals with transgressors and what remedial action is taken. This should be presented in the quarterly reports.
- b) For the year under review, the Committee recommends that the Department submits a report clearly outlining the officials that contravened the PFMA by authorising transactions that should have been done by the accounting officer.
- c) The Committee remains concerned about the non-compliance and adherence to laws and prescripts by officials within the Department. The Department should consider including a specific key performance indicator and targets that addresses compliance to laws and prescripts.
- d) The Committee recommends that the Department report on the forensic investigation/s referred to by the AGSA to be submitted to the Committee on completion and Committee to be briefed on progress with regards to new investigations underway.
- e) *Supply Chain Management (SCM)*: The Committee recommends that the Department provides a monthly report on the Supply Chain Management (SCM) deviations and transgressions and what action steps were taken against officials who fails to comply with SCM policies. Where deviations were allowed, the motivation hereto should be clearly stipulated. The Department should consider identifying a specific key performance indicator with targets pertaining to SCM in its APP for 2020/21.
- f) *Investigations*: The Committee recommends that the Department briefs it (at Quarter 2 briefing for 2019/20) on the outcome of investigations that have been completed for 2017/18 and indicate what progress has been made in terms of implementing recommendations and consequence management. Furthermore, the Department is expected to brief the Committee on progress with regards to investigations currently underway.

14.8 Performance related recommendations

14.8.1 SMART principle

- a) The Committee recommends that the Department must ensure the alignment between the Strategic Plan and its Annual Performance Plan which includes objectives and targets that are SMART and costed accordingly. Any changes to the APP must be brought to the attention of the Committee as soon as these are done with a clear indication of the HR impact and financial implications. The Department must update the Committee on the status of targets on a quarterly basis.
- b) The Committee urges the Department to desist from embarking on activities that do not fall within its mandate and are more service delivery orientated.

14.8.2 Collaboration

- a) The Committee recommends that the Department should ensure improved collaboration with the CGE and all other relevant organs of State as well as civil society. The Department should explore how its proposed national dialogues can be linked with the CGE's legal clinics as a cost saving measure and to avoid duplication.
- b) The Committee requests a plan that outlines how the Department collaborates with key stakeholders w.r.t. gender-mainstreaming with a specific emphasis on GBVF.
- c) The Committee recommends that specific emphasis should be placed on developing relationships with GFPs within government departments, Premiers Offices, Mayor's offices and municipalities.

14.8.3 Country Gender Indicator Framework

- a) The Committee recommends that the Department should present the CGE framework to the Committee along with the 65 indicators identified.
- b) The Department should be requested to present its findings on all analysis, monitoring and evaluations undertaken. To this end, reports compiled should be referred to the Committee for consideration.

14.8.4 Events/Campaigns/Conferences

- a) The Committee recommends that the Department should inform the Committee in advance of all initiatives it intends undertaking in order for Portfolio Committee Members to attend where possible.
- b) The Committee recommends that the Department should provide the Committee with reports of all initiatives undertaken by outlining the cost incurred (as per the recommendation on spending trends), the purpose of initiatives and its relation to the APP, the outcomes of the initiative, number of intended beneficiaries and an action plan as to how resolutions/outcomes will be implemented.
- c) The Committee recommends that a year plan be submitted of all key events with forecasted costs.

14.8.5 Gender-responsive planning budgeting monitoring evaluation and auditing

- a) The Committee recommends that the Department should brief the Committee on the GRPBMEA framework.
- b) The Committee recommends that the Department should brief the Committee on what progress has been made by departments in implementing this framework.
- c) The Committee recommends that the Department submits the guidelines for consideration to the Committee.

14.8.6 Gender Focal Points

- a) The Committee recommends that the Department should update the Committee on the progress with the Department of Public Services and Administration insofar as gender focal points are concerned.
- b) The Committee recommends that the Department brief the Committee on a regular basis on its work and relationship with Gender Focal Points within departments and local government at every quarter.

14.8.7 Treaty compliance framework and timeframes

- a) The Committee recommends that the Department should ensure that country reports are submitted within the specified timeframes as required by the relevant reporting bodies.
- b) The Committee recommends that the Department should report back to Parliament on feedback received on country reports, action plans developed in this regard as well as progress in terms of implementing recommendations.
- c) The Committee recommends that the Department must present all reports to be presented at an international level to the Committee at least one month before it undertakes the international trip.

14.8 Legislative and Policy Reform

- a) The Committee recommends that the Department should brief the Committee on gaps identified within policies and laws on a regular basis.
- b) The Committee recommends that the Department should table all reports developed upon completion on a quarterly basis for the Committee to consider.
- c) The Committee recommends that the Department should brief the Committee on its policy position with regards to gender mainstreaming and clearly indicate what, if any, changes are required to the existing National Policy Framework for Women's Empowerment and Gender.

14.9 Outstanding responses and reports

- a) The Committee requests that the Department briefs it on all outstanding responses to questions posed in relation to the Annual Report for 2018/19 as well as reports submitted.
- b) The Committee recommends that the Department must submit all reports within 30 days of completion for consideration.
- c) The Committee recommends that the Department submit all documentation for a meeting at least 7 working days in advance. Failure to do so – the Committee should be informed in writing as to the reasons.

14.10 GBVF

- a) The Committee requests the Department to brief it on the relationship between the Interim Steering Committee and the Department insofar as the development of the NSP is concerned as well as the proposed National Council on Gender-Based Violence.
- b) The Committee requests the Department to submit a list of names of all those represented in the Interim Steering Committee.
- c) The Committee requests the Department to submit the draft NSP for consideration and for the Interim Steering Committee to present the outcomes of the input from civil society.
- d) The Committee requests the Department to provide an update on progress with regards to the establishment of the National Council on GBV.
- e) The Committee requests the Department to provide a costing for the implementation of the NSP and the National Council on GBV.

14.11 Sanitary Dignity

- a) The Committee recommends that the Department ensure that women and persons with disabilities benefit from the whole value chain.
- b) The Committee requests that the Department briefs Members on the Sanitary Dignity Framework and its M&E Framework.
- c) The Committee recommends that the Department reports back on its monitoring and evaluation of the roll out of the sanitary dignity programme in provinces and its budgetary allocations.

14.12 CGE

The CGE should ensure that the following recommendations are implemented.

14.12.1 Finance

- a) *Audit Action Plan:* The CGE should develop an audit action plan that relates to the recommendations made by the AGSA. These action plan should address the root cause of the problems. It must be submitted to the Committee with the 2nd Quarterly Report for 2019/20.
- b) The CGE should ensure that it maintains tight control over its fiscus and avoid over-expenditure in 2018/19.
- c) *Contract management:* The CGE should report back to the Committee on what internal control measures have been implemented to deal with the management of terminated contracts more prudently

14.12.2 Governance

- a) The CGE should continue with its compliance with legislation and National Treasury regulations.
- b) The CGE should inform the Committee what actions have been taken to deal with transgressors of policies and laws and overall poor performance delivery. This should be reported back to the Committee within quarterly reports.

14.12.3 Programme and performance

- a) The CGE should continue to monitor and evaluate the impact and outcome of the initiatives it implements.
- b) The CGE should explore training and mentorship initiatives as a means of capacity building to strengthen government institutions with the National School of Government.
- c) The CGE is encouraged to develop a coordination plan of training initiatives and awareness raising and report back to the Committee on a quarterly basis in this regard.
- d) The CGE should continue to provide the Committee with an account of the performance of Commissioners on a quarterly basis and this should also be reflected in the 2020/21 annual performance plan and report.

14.12.4 National Treasury

- a) The CGE's funding model should be aligned with the rest of the Chapter 9 institutions, in particular the Public Protector, to enable it to optimally give effect to its mandate.
- b) The CGE's should be provided with additional funds in order to retain existing staff and attract new staff. Specific emphasis should be placed on the funding of staff for legal clinics, public

education and information, communication and legal support. To this end, provinces with the largest case load should be prioritised where offices require additional support.

15 SUMMARY OF REPORTING REQUESTS

Table 5: Reporting requests

Reporting matter	Action required	Timeframe	Dept.	CGE
Quarterly reports	Written report Briefing	Briefing at end of every quarter	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Audit outcomes - Details of audit action plan	Written report of audit action plan Briefing	At briefing of 2 nd quarterly report for 2019/20 on 12 November 2019 and then at 3 rd and 4 th quarter briefing as well on any outstanding matters	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Progress report on audit action plan Briefing	At briefing of 2 nd quarterly report on 12 November 2019	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Forensic investigations	Written report Briefing	Progress report at 2 nd quarterly briefing and on completion of new investigation/s on 12 November 2019 and then at 3 rd and 4 th quarter briefing as well	<input checked="" type="checkbox"/>	
Deviations	Written report Briefing	Progress report at 2 nd quarterly briefing on 12 November 2019 and then at 3 rd and 4 th quarter briefing as well	<input checked="" type="checkbox"/>	
HR: vacancies, dismissals, termination of contracts	Written report Briefing	At every quarterly report briefing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
WFIF	Written report Briefing	Briefing in February 2020	<input checked="" type="checkbox"/>	
Young Women's Economic Framework	Written report Briefing	Briefing in February 2020		
GRPBMEA	Written report Briefing	Briefing in February 2020	<input checked="" type="checkbox"/>	
	Written report on pilot sites Briefing (progress report)	At briefing of 2 nd quarterly report	<input checked="" type="checkbox"/>	
Country reports	Written report Briefing	Progress update at quarterly briefings	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Impact reports of initiatives (campaigns, events, workshops, conferences etc.)	Written report	30 days after an event has taken place	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Commissioner's performance per quarter	Written report Briefing	At every quarterly report briefing		<input checked="" type="checkbox"/>

16 CONCLUSION

The Committee will continue to stringently monitor the Department with respect to the implementation of recommendations made by the AGSA as well as the ARC. Thus, the Committee urges the Department to take its recommendations seriously and implement these expeditiously.

Report to be considered.