

06 May 2021

Ms Yoliswa Makhasi The Director-General Department of Public Service and Administration (DPSA) ZK Matthews Building 70 Meintjes Street Sunnyside PRETORIA

By e-mail: <u>Amukelani.Baloyi@dpsa.gov.za;</u> renishan@dpsa.gov.za

Dear Ms Makhasi

DRAFT PUBLIC SERVICE AMENDMENT BILL

The South African Institute of Chartered Accountants (SAICA), welcomes the opportunity to make submissions to the DPSA on the draft Public Service Amendment Bill.

SAICA is South Africa's pre-eminent accountancy body which is widely recognised as one of the world's leading accounting institutes. The Institute provides a wide range of support services to more than 46 000 members who are chartered accountants [CAs(SA)] and hold positions as CEOs, MDs, board directors, business owners, chief financial officers, auditors and leaders in their spheres of business operation.

Our work in the public sector goes beyond member support but also includes a significant focus on advocacy and capacity building to support and encourage an improvement in public finance management.

SAICA believes that in line with the professionalisation of public service, it is important that the laws and regulation that support the public service continue to be reviewed and revised to be harmonious with the public service.

SAICA has consulted its member through a survey and comments contained in this submission also reflect the views of our members who responded.



For ease of reference, we set out below in Annexure A, our detailed comments to the draft Bill referred above.

Yours sincerely

Natashia Soopal Senior Executive: Public Sector and Enabling Competencies The South African Institute of Chartered Accountants

Odwa Benxa Project Director: Public Sector The South African Institute of Chartered Accountants



Specific comments on the Public Service Amendment Bill

Amendment to section 1

Section 1 of the Public Service Act, 1994 (hereinafter referred to as the "principal Act") is hereby amended—

(b) by the substitution for the definition of "head of department" of the following definition: "head of department", "head of a department" or "head of the department", means the incumbent of a post mentioned in Column 2 of Schedule 1, 2 or 3 [and includes any employee acting in such post]."

- 1. The current practice within the public service is that where there is a vacancy in a position, an official will be appointed to act in the vacant period until a permanent appointment is made. This is often the case at key positions such as that of accounting officer or chief financial officer.
- 2. The official appointed in an acting position would ideally have all the powers and responsibilities of the position they are acting in. This is important as it allows for continuity and for critical decisions to continue to be made for operations as well as service delivery to continue.
- 3. In addition, the officials appointed into the acting positions often receive acting allowances. Further, it is expected that those that get appointed to act have the necessary skills and experience to perform the duties. Therefore, it is important that the officials are given the powers and responsibilities to perform the duties.
- 4. The amendment of the definition of head of department seeks to exclude employees who are acting in such position. This has the impact of possibly hampering the decision-making processes within departments and further hinders the operational effectiveness as well as service delivery by the department.
- 5. SAICA therefore disagrees with this amendment and recommends that the department relooks at the amendment or provide further clarity on how those acting as heads of departments will be given the necessary powers and responsibilities to ensure the effective functioning of departments.

Amendment to section 7

Section 7 of the principal Act is hereby amended by the substitution for subsection (3) of the following subsection: <u>(3) (a) Each department shall have a head who shall be the incumbent of the post on the</u> <u>establishment bearing the designation mentioned in column 2 of Schedule 1, 2 or 3 opposite the name</u> <u>of the relevant department or component.</u>

6. Subsection 3(a) has been amended to exclude employees who are acting in the head of department post. Similarly to the section 1 amendment above, SAICA disagrees with this amendment and recommends that the department relooks at the amendment or provide further clarity on how those acting as heads of departments will be given the necessary powers and responsibilities to ensure the effective functioning of departments.