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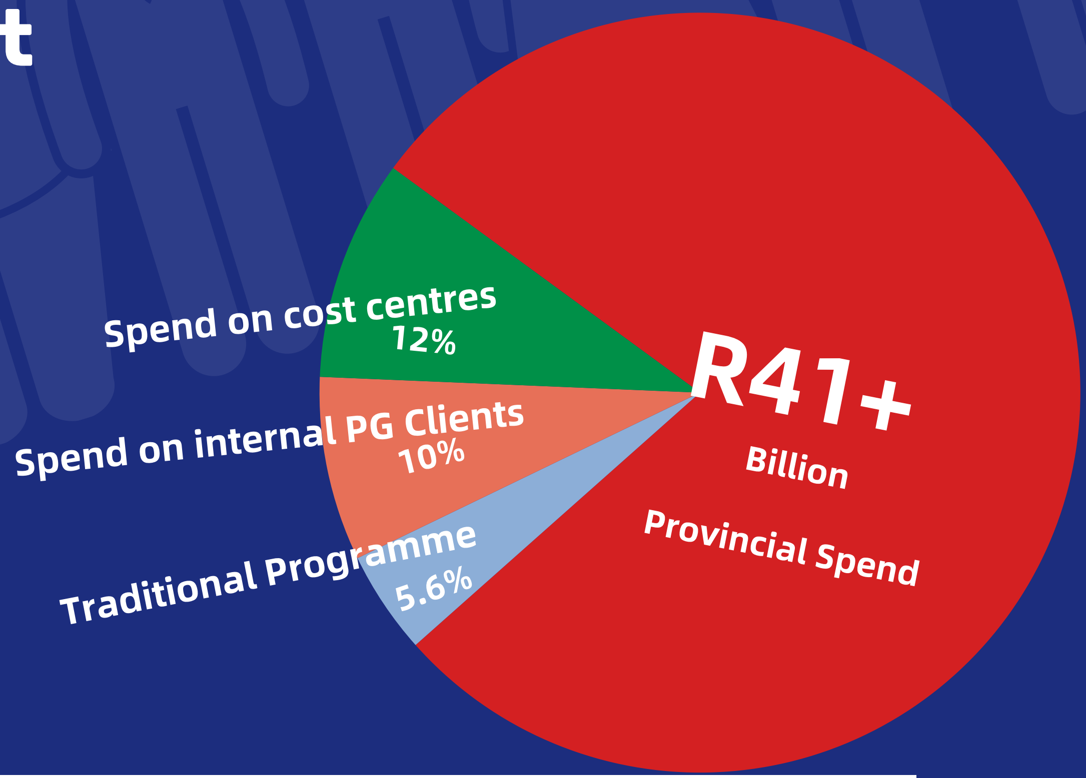
Western Cape Government

Optimising Corporate and Support Services Spending in Western Cape Provincial Government

INTRODUCTION

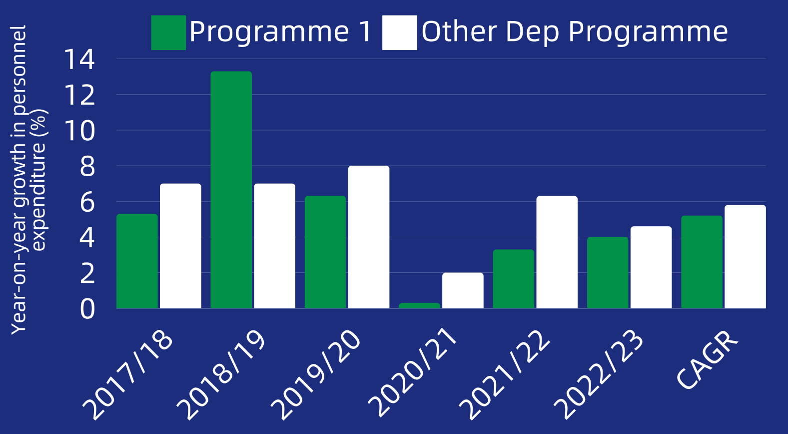
The spending review highlights opportunities to optimise Corporate and Support Services (Programme 1) personnel expenditure to enhance resource allocation and service delivery within the Western Cape Provincial Government.



SPENDING GROWTH TRENDS

Corporate and Support Services Expenditure Growth:
Slower compared to core services implying there has been a shifting of funds from its corporate and support functions to its core functions.

Full Term Equivalent:
Similarly, the growth in FTEs in support functions or programmes has been outpaced by the FTE growth in non support functions or programmes.



Growth In Expenditure Programme 1 vs other Departmental Programme (2017/18 - 2022/23)

KEY COST DRIVERS

Department of Education (DOE):
- Largest HR expenditure.

Department of Health (DOH):
- Significant ICT and communication costs.

HR Costs: DOE and DOH account for 71% of provincial HR expenditure.

ICT Staff Costs: DoTP holds 66% of the province's ICT staff expenditure.

Communication Costs: DCS, DOH, DHS, DARD, DCAS, and DLG contribute 80%.

Legal Services: DEAP handles 5.1% of legal service costs.

RECOMMENDATIONS

Increase Utilisation of Shared Services:
Target Departments: Enhance use in DOE, DOH, DCS, and others.

Standardising Salaries:
Finance Staff Salaries: Potential to reduce costs by aligning salaries across departments, focusing on low levels (3-5), rather than high levels (6-8).

CONCLUSION

By optimising Programme 1 expenditure and reallocating resources from corporate and support functions to frontline services, the Western Cape Provincial Government can realise significant cost savings and improve overall service delivery.