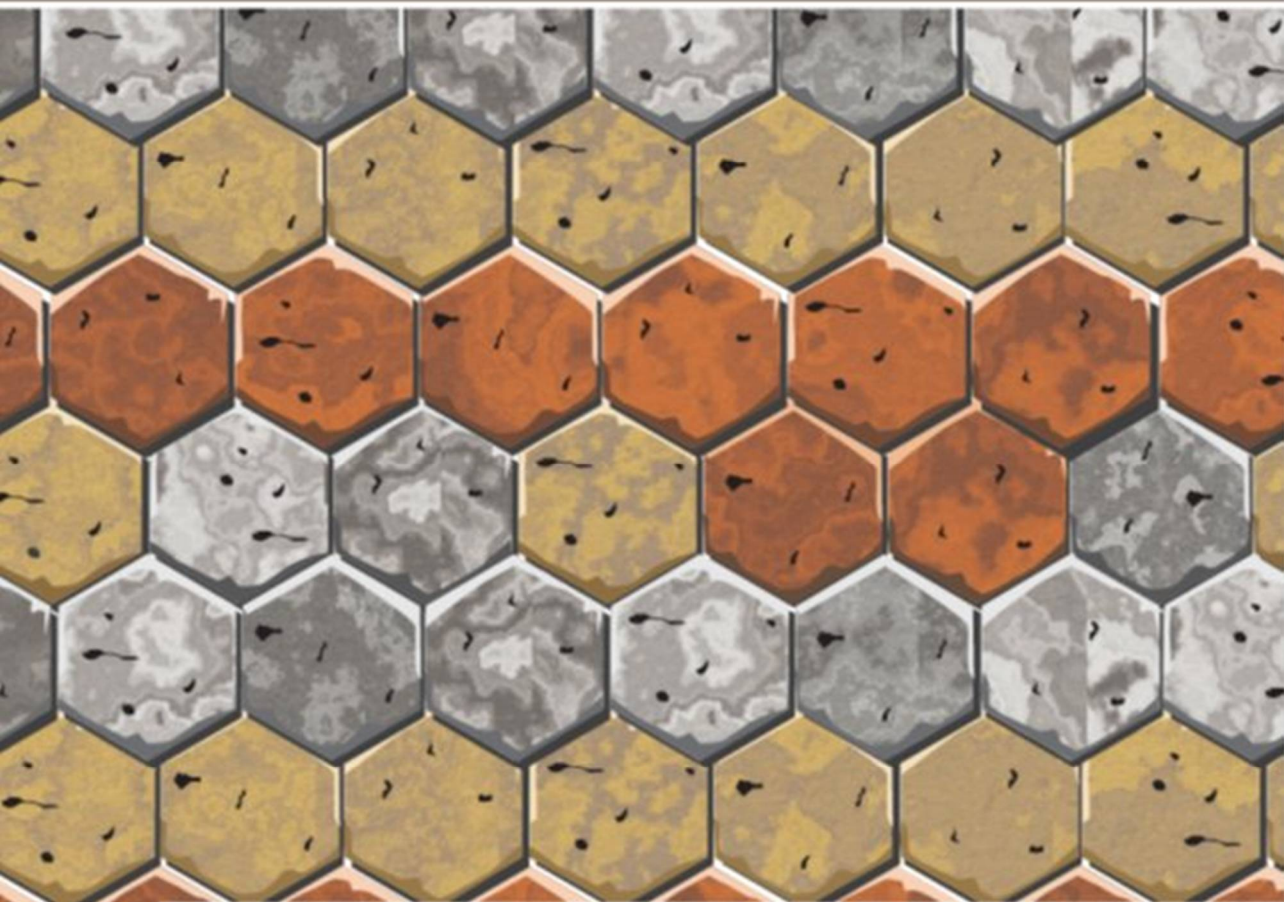


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# PUBLIC WAGE BILL, DEBT CONSTRAINTS, AND SERVICE DELIVERY COMPETITION FOR LIMITED PUBLIC FUNDS: SOUTH AFRICAN GOVERNMENT

Xolani Thusi<sup>1</sup>, Nokukhanya N. Jili<sup>2</sup>

## Abstract

The National Treasury, together with the Provincial Treasurers, are the custodians of public finances and they are responsible for budgeting for the national and provincial government departments. Currently, they are facing a major battle to rescue the public sector from the over bloated public wage bill and debt that is growing at a faster pace each day and bearing serious consequences on service delivery. This has the potential to cripple the public sector in the Republic of South Africa. The mandate of the South African government is to provide effective and sustainable public service delivery to ensure uninterrupted access of goods and services to the occupants of the country, the public wage bill and debt has overcrowded public service delivery and limited funds are used to fund the wage bill and to service the debts. This paper seeks to determine the strategies that could be employed by the government to ensure the sustainability of public service delivery. Sustainability of public service delivery is crucial in South Africa; hence it has higher levels of inequality, higher unemployment rate and more citizens live below the poverty line and depending on the government for basic services provision. South African government cannot have limited funds and higher burden of citizens who are dependent on the state, such bloated wage bill and debt must be dealt with according to prioritise service provision.

**Key words:** Government, Public debt, Service delivery, Wage bill

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## Introduction

According to Kerr and Wittenberg (2017), in 1993, it was projected that the public sector employed roughly 2.1 million people. Employment in the public sector remained relatively flat until around 2007, grew slightly until 2010, and then expanded rapidly by around 400 000 people in the five years leading up to 2010. After apartheid ended, the South African government intended to employ millions of underprivileged black people in the government sector to empower them. This resulted in a threefold increase in government salary spending.

There have, however, been many discussions about reducing the wage bill. National Treasury, for example, wants to cut the wage bill by almost R311 billion by 2023/24. A pay freeze has also been recommended by the National Treasury (Financial and Fiscal Commission, 2021).

Since 2004, the increase of employment in the public service, which accounts for the bulk of public, social, and personal services, has been one of the most significant drivers of creating employment. As a result, public sector accounts for 22.5% of employment, up from 17% in 2001, currently the largest industry by employment. Furthermore, job growth in the tertiary sector is mostly driven by the public sector (Bhorat, Naidoo, Oosthuizen, and Pillay, 2015).

In the year 2005 the public employment average was 17.5%, with the percentage falling from about 22% in the mid-1990s to less than 16% in both 2006 and 2008, then slowly rebounding to slightly under 20% by the end of 2015. The decline in the 1990s may be due to the first National Unity and ANC administrations' emphasis on budgetary restraint, which was unpopular with the ANC's own alliance partners COSATU and the South African Communist Party (Kerr and Wittenberg 2017).

According to Stats SA (2020), the financial statistics of consolidated general government statistical publication made its debut in 2006. Employee wages accounted for 39.2% of total costs in that fiscal year, reaching a high of 42.4% in 2010/11 before easing to 41.9% in 2018/19. In the fiscal year 2004/05, the national government spent R170 billion on salaries and wages. From 2007/08 through 2011/12, a time series from the financial statistics of consolidated general government statistical release reveals significant yearly growth in employee remuneration, growing on average by 14.5% each year. For the next five years (2012/13 to 2016/17), the average yearly rise

was only 8.8%. In 2018/19, this grew to R694 billion, reflecting a 10.5% annual growth rate. During this time, the consumer price index grew by an average of 5.8% each year. The rapid growth of the public wage bill in South Africa has had a severe impact on service delivery; as a result, more state funds are being diverted to pay for the wage bill and public debt analysed period, which spans the financial years 2006/07 to 2019/20.

An examination of government expenditure in South Africa indicates that, rather than investment activities, the growth in spending has been driven by consumption spending as the public sector salary bill keeps rising (Mothibi and Mncayi, 2019). The growth in public sector wage bill has the negative impact on service delivery and further increase the public debt. The work of Borat *et al.* (2015) revealed the earnings in the government sector are far greater than in the private sector. An average government worker earns R11,668 a month, while a private sector employee earns R7 822.

According to National Treasury (2021), the total combined public expenditure is expected to rise at an average yearly growth rate of 0.7%, from R2.05 trillion in 2020/21 to R2.1 trillion in 2023/24. Current expenditures are dominated by public wages which accounts for R3.74 trillion or 60.8% of combined public spending over the MTEF period. Public wage bill amounts to R1.97 trillion or 32% over the medium term, growing at a yearly average rate of 1.2%. The Department of Public Service and Administration (DPSA) is working on ways to cut the government's unsustainable wage cost.

Saungweme and Odhiambo (2018) expounded that South Africa, like many other developing economies, has had considerable foreign capital inflows from 1999, but its development has been accompanied by a huge national debt, which reached 6% of GDP in 2006. From a historical viewpoint, government debt payment expenses in South Africa stretch back to the 1940s, when the country relied heavily on World Bank loans. The government made steady debt repayments to local and foreign creditors until 1985. Between 1985 and 1996, however, a combination of weakening trade arrangements and global political and economic sanctions limited the government's budgetary freedom and raised debt payment expenses. Furthermore, the 1997/98 and 2008/09 great recession also contributed considerably to South Africa's rising public debt payment burden. However, between 1994 and 2015, South Africa implemented stringent financial and economic changes that had a significant impact on the structure, content, and repayment patterns of the government's public debt. Since 2012, the government has set

a spending ceiling goal, a monetary restriction on non-interest spending in the government budget. The goal of imposing expenditure restrictions on the government was to contain increasing fiscal deficits and encourage a major decrease in escalating domestic debt servicing commitments.

Mhlaba and Phiri (2018) stated that since the country's transition to democracy in 1994, fiscal authorities were entrusted with the difficult task of eliminating the country's socioeconomic problems. Since then, the state has succeeded in reducing the debt-to-GDP ratio from 46% of GDP in 1994 to 22% of GDP in 2007, while economic growth has also significantly improved from about 3% in 1994 to 5.6% in 2006. However, since the global financial crisis, debt levels have nearly doubled, from 23% of GDP in 2008 to 45% of GDP in 2015, while economic growth have slowed significantly, from 3% in 2008 to 1.3% in 2015. According to Majam (2020), the ANC was confronted with a massive public debt when it entered a new democratic period in 1994, with the end of the old Apartheid system, due to substantial borrowing and a foreign debt standstill enforced on South Africa in the 1980s. Mowoe (2019) pointed out that by the time the ANC took power in 1994, South Africa's state debt had risen from 31.5% in 1990 to nearly 50% in 1994, owing to a variety of cyclical causes. This was owing to the actuarial funding of the government employees' pension fund (GEPF) as well as the apartheid era's accrued obligations.

Between 1994 and 1998, the national debt increased dramatically, rising from less than 30% of GDP to over 48%. From 2006 through 2008, the government had budgetary surpluses, but this changed significantly in 2009, when the government's counter-cyclical fiscal strategy created huge deficits and increased its debt obligation. From liberation to the global recession of 2008, South Africa's government finances and debt management improvements were critical in reducing the government's debt and interest burden.

According to Stats SA (2019), there was a time, not long time ago, when the government in South African spent less than then the revenues collected. Stats SA examines public expenditure over a 13-year period, with an emphasis on how much the government paid to service public debt. If government spending is used as an indicator of better days, a three-year period between 2005/6 to 2008/9 showed government spent less than it earned, resulting in a surplus. However, this was short-lived. Various causes, notably the great recession in 2008–2009, caused the economy to suddenly shrink. In 2008/09, the economy was in shambles, with three quarters of

recession. In 2009/10, the government's revenue dropped, owing mostly to a decrease in revenue generated from companies. In the years 2010/2011, revenue increased slightly, but not enough to get the state out of the deficit. The state has regularly spent more than it earned since 2007/08. In 2016/17, for example, the deficit was R156 billion.

In 2020/21, the overall deficit is expected to be 14% of GDP, decreasing to 6.3% in 2023/24. In 2025/2026, debt is anticipated to stabilise at 88.9% of GDP. Debt stabilisation will lower the borrowing rates and capital expenses over time, encouraging investment that will help the economy. The government's chosen budgetary route is not simple, but it will help the country achieve greater levels of economic development and prevent a massive debt cycle. The government's overall borrowing need grew from R432.7 billion to R670.3 billion in 2020/21, representing a rise from 8% to 13.6% of GDP. By 2023/24, gross loan debt will have risen from R3.95 trillion, in 2020/21 to R5.23 trillion. Net loan debt — gross loan debt minus net assets — will rise from R3.66 trillion to R5.09 trillion over the same time. By 2020/21, contingent liabilities are expected to exceed R1.11 trillion (National Treasury, 2021).

According to Mbandlwa (2020) poor management of governmental spending on public services, infrastructure, interest payments, and recurring expenditure has prompted African governments to seek financial assistance from western nations. Rugutt (2019) indicated that the governmental fiscal and debt crises revealed the need for enhanced financial reporting by governments throughout the world, as well as improvements in public-sector fund management. The ongoing consequences of these crises have heightened these demands and increased the pressure on governments and public-sector entities to properly manage public funds. Mlambo and Masuku (2020) identified that South Africa's debt will reach 100% of its gross domestic product by the end of the decade, the gross domestic product will have increased by about 114%.

## **Methodology**

To answer the paper's underlying arguments, a review of the literature was conducted using a qualitative research approach. This method allowed for the collection of valuable data for this study. This method was used to assess techniques that the South African government could use to stabilize public finances and promote sustainable public service delivery. The narrative of these techniques, as well as what this means for public service delivery,

will thus become essential in allowing the paper to reach a meaningful conclusion, thereby justifying the use of this methodological approach.

## Results

*Strategies in service delivery that could be employed to address financial constraints to stabilise public finances and enhance public service efficiency*

### **Zero Based Budgeting (ZBB)**

According to Kashani and Sunny (2019), zero-based budgeting (ZBB) is a method of budgeting that distributes funds based on the efficiency and need of programmes rather than past spending patterns. It set the standard for every operation and spending to be reviewed at the start of each budget cycle, and each item must be justified in order to be funded. ZBB always starts a new budget from a zero-based starting point. Rather than starting with the previous period's budget and adding or subtracting from it, start with zero and work the way through every expenditure the government will spend over its operations. This type of budgeting is far more detailed, and it holds Ministries, Department and Agencies (MDAs) accountable for their revenue and expenses. To Ajibolade and Oboh (2017) ZBB is a method of budgeting that helps to avoid the temptation to overspend or create slack in the financial planning process. During the financial process, strict safeguards should be put in place to prevent budget lobbying. This will assist to strengthen the government's financial checks and balances system. Financial control systems should be in place to ensure stringent budget monitoring and execution procedures. In all official transactions, the rule of law should take precedence. In the management of the public service operations, public officials should always prioritise public service delivery through effective use of public funds. According to Alkaraan (2018), ZBB is a quarterly review procedure in which departments start with a blank sheet of paper and work their way up to a budget. Budgeting teams are then given the duty of defining activities that will contribute to established goals over a three-year budgeting period, as well as justifying operations and their related expenses through a full cost analysis. Teams assess programmes that focus on their impact to organisational plans and prioritise them based on a cost estimation. The national government views the ZBB system as a tool for better understanding societal demands and promoting openness in government operations. It was seen as a good way to keep the UAE's strategic planning, fiscal policy, and spending under control

and coordinated. Furthermore, the incorporation of accountability and proper performance indicators are needed for optimal deployment.

### **Good Governance**

The government can help to promote good governance. In general, citizens will trust a government that is seen to have good governance, which will lead to effective public service delivery and sound public sector ethics. The manner the government handles its financial resources is critical to long-term public administration (Sukmadilaga, Pratama, Mulyani, 2015). Caracivovschi (2017) stated that good governance and public administration are critical components of the fundamental developments required to raise citizens living standards. During the global financial crisis, the significance of good governance became apparent. The promotion of good governance and the use of governance quality evaluation tools are performance accelerators that result in well-anchored public policies and improved public service delivery. Ali (2017) expounded that good governance in the government sector attempts to inspire greater service delivery and more accountability. Effective public-sector governance promotes better decision-making, resource efficiency, and resource stewardship responsibility. Strong inspection, which offers essential pressures for improving public sector performance and addressing misbehaviour, is a hallmark of effective governance. It also enhances management, resulting in more effective execution of the chosen treatments, improved service delivery, and improved outcomes.

According to Alkaraan (2018), the financial strain has compelled many governments in both emerging and developed countries to focus on accountability and good governance systems to improve efficiency and effectiveness. Igbokwe-Ibeto et al. (2020) expounded that the revision of government workers' compensation and remuneration is a cause of increasing governance costs in Africa. Due to the rising inflationary pressures in Africa, the state is always under pressure from labour to evaluate its wage system. Public servants are more likely to demand an increase in salary when the cost of living rises, raising government wage expenses. Igbokwe-Ibeto *et al.* (2020) further stated that in Africa good governance is negatively impacted due to inadequate record keeping and disloyal acts by certain officials and politicians who collude to exaggerate the number of public employees entitled to salary and wages, the government labour force cannot be quantified. Mlambo and Masuku (2020) South Africa's public finances are in jeopardy, and the

government's debt and the ever-increasing public sector pay bill must be reined down in order to improve good governance and sustainable public service delivery. According to National Treasury (2021), from 2020/21 to 2023/24, combined compensation reductions of more than R303 billion have been proposed since the 2020 Budget.

### **Spending Reviews Execution**

Robinson (2018) stated that the objective of the spending review is on baseline spending since, in most governments, the preparation of the budget process is nearly entirely focused on the assessment of new spending proposals, with little attention paid to the reason for continuing to pay baseline expenditure. As a result, spending review is a tool for combating fiscal incrementalism, or the propensity for baseline money to be renewed without thought in each budget. During the spending assessment, one or both of two types of savings solutions may be identified: strategic savings and efficiency savings. Strategic savings are achieved by cutting costs by lowering community services, in other words, by reducing or eliminating programmes. Strategic cuts might be focused against inefficient or low-priority initiatives, for example. Efficiency savings, on the other hand, are cost savings achieved by changing the way outputs are generated in order to deliver the same quantity and quality at a lower cost. According to Kristiantoro et al. (2018), the spending review is premised on the idea on how to regulate state expenditure and find savings opportunities. The technique of adopting and establishing strategies for saving based on a systematic examination of the spending budget baseline is known as spending review. The purpose of the spending review is to assess the efficiency, effectiveness, and utility of government spending, as well as to find any available budgetary space. Emmerson et al. (2019) indicated that the practice of methodically scrutinising expenses in order to find and implement cost-cutting strategies is known as spending review. Evaluation of expenditures and re-prioritisation of budget expenditures are two aspects of the evaluations that assure budgetary flexibility for additional spending. Wheatley et al. (2018) illustrated that expenditure reviews serve the obvious purpose of assuring that departments have a roadmap that fit within the overall amount of spending that the government determines it can spend, which is an important aspect of the government's budget management. They also provide an opportunity for the government to articulate its policy platform and demonstrate how its actions support that goal.

### **Public Financial Management Reforms (PFMR)**

According to Magani (2017), the Public Financial Management Reforms (PFMR) aims to improve accountability, public involvement, fair revenue sharing, tax benefits or burdens, inclusive growth, as well as an efficient and responsible use of taxpayer money, sustainable budgeting, and transparent fiscal reporting. The PFMR are fiscal advancements and reforms that are critical to the public service delivery. Reforms are extensively attempted to resolve the public sector's flawed organisational principles, inefficiency, mismanagement, and inefficient management of public finances. Ali (2020) stated that when adopted, PFMR can promote accountability, improve public financial management and enhance budget execution. To determine where to concentrate the public funds available during policy and budget reform, government sector and financial management reforms need focus on the social, economic, and political contexts to search for possibilities or risks to growth. According to the PFMR, each government agency should define its objectives and implement them in stages based on available money, which may include decreasing employees. However, because rising unemployment threatens public order, political considerations may take precedence (Chignell, 2017). Dolo (2021) stated that the PFMR have been highlighted as critical to the effective delivery of public services as well as the generation of wealth and jobs. To guarantee long-term economic success, comprehensive public financial management reforms are necessary to optimise resource efficiency, provide the greatest level of openness and transparency in public finance.

### **Public Expenditure Management (PEM)**

To Jaelani (2018) in real terms, public spending may be used to measure the extent of government-funded activities. The higher the number and size of activities, the greater the amount of money spent by the government. Every member of the public wishes to have their needs met, so it is necessary for the state to facilitate security and justice, which can be accomplished using goods and services. Benedict (2018) stated that government expenditures have a substantial impact on public revenue, implying that competent management is essential to provide accountability and a favourable climate for public service delivery to promote socio-economic development. Public Expenditure Management is an important fiscal policy tool aimed at achieving three objectives: improved efficiency, allocation of resources, and fiscal responsibility. These three

objectives are also intended to encourage financial control, efficient operational management, and budget prioritising. PEM refers to the operational procedures of government units on a day-to-day basis that are related to the achievement of budgeted policy objectives. It entails the actual expenditure of funds in accordance with the authorised budgets of governmental departments. Even if the spending is permitted by the budget, expenditure management inside the governmental unit should be done in a way that produces results that are cost-effective, people-centred, and long-term (Nyamita, Dorasamy and Garbaharran, 2015). Ibrahim and Lawal (2018) expand that the PEM is a tool used by governments to allocate funds in a productive, efficient, and effective manner.

### **The Public Debt Management**

Marena (2021) indicated that the significance of public debt management as a component of national economic strategy is expanding, necessitating the development of an effective debt policy. The primary goal of public debt management is to get the required funding at the lowest feasible cost while taking into consideration the risks. Misztal (2021), in support of this finding, stated that because of the occurrence of government debt, the capacity to efficiently manage it is becoming increasingly vital. The practice of managing public debt is becoming more widely recognised as a critical component of national fiscal strategy. Argentiero and Cerqueti (2021) expounded that for nations with a large public debt-to-GDP ratio and borrowing costs that are higher than their GDP growth rates, public debt management is a critical issue. When such a situation is not combined with main surpluses that increase linearly in the public debt-to-GDP ratio or accommodative monetary policy, the public debt becomes unsustainable. The South African government debt has also reached the critical stage as it continues to grow at the faster pace, propelled by the unmanageable wage bill, which causes the government to keep on borrowing hence most of government revenues fund wage bill, therefore the debt management is significant to stabilise public service delivery. According to the National Treasury (2021), for the fiscal year 2020/21, gross debt has risen from 65.6% to 80.3% of GDP. According to Liutyi and Zykova (2019), three interconnected procedures should be included in an efficient system of public debt management: selecting the proper kind of financing, deciding on the quantity of borrowings, and keeping complete reporting on government debt. The attainment of government's budget fund savings is the primary requirement for the

efficiency of public debt management. Moroz (2021) stated that a considerable portion of money borrowed from international and internal creditors is utilised by the national government to support financial capital transactions rather than budget deficits and capital expenditures, significantly reducing the efficacy of public debt management policies.

### **Effective Public Sector Bargaining in South Africa**

In South Africa, public sector bargaining is unproductive because the employer and unions do not negotiate in a way that prioritises public service delivery. The government only bargains to please the powerful unions that are affiliated to the governing party in South Africa, and the unions only bargain to get better deals for their members. This has gone on for years, and it has now begun to erode the government's credibility on ensuring sustainable public service delivery as more public funds go straight to 1.2 million public workers' wages which account for a third of the government budget. This is evident as the government wage bill is piling up each year and this has affected service delivery negatively. According to Mbaleka (2021), most government workers in South Africa are represented by labour unions, which explains the high cost of living in the public sector. Rickard and Caraway (2018) pointed out that the public-sector salary bill appears to be an attractive target for cost-cutting. Cutting the public sector wage bill, on the other hand, risk jeopardising critical functions and provoking opposition from influential groups. As a result, governments are hesitant to reduce government pay costs. Governments tend to increase expenditure on public sector wages and salaries. According to Reuters (2020), the major cause of an above-inflation wage agreements was because of big unions that are associated with the ANC and can shut down sectors of the economy if they do not get their way. Over the last 12 years, civil servant wages have increased by roughly 40% in real terms, while their number has increased by 170,000. high-skilled occupations, such as physicians and teachers, saw the fastest salary growth.

### **Government Effective Budgetary Control**

Government control over the public budget, prioritising of spending, a consistent legal and regulatory framework, financial transparency, and public engagement in decision-making are all required for successful financial management. State administration in the twenty-first century will need to include public interest and feedback into

polycymaking. The availability, quality, and accessibility of information and fiscal statistics are critical for empowering individuals and their involvement in decision-making, which may be achieved through increased openness and an effective accountability system (Tkachenko, 2019). Establishing an efficient system of budgetary control satisfies a public organisation's requirement to prepare and analyse how to meet future possible hazards and opportunities. Budgetary control must address the effectiveness and efficiency of an organisation's expenditures (Blay, 2020). Financial control in the management of public finances is crucial for strengthening the fiscal discipline of budgetary organisations and improving their financial independence. It also simplifies the funding mechanisms for budget-financed organisations and establishes conditions for the distribution of resources in a way that is rational and efficient when using budgetary funds. However, there are several shortcomings in budget implementation, system, but also in the financial system because of the inadequate supervision over budget allocations, heads of budgetary institutions, chief accountants, financial organisations, and their immunity (Ismoilova and Sharapova, 2019). The public financing constraints should be lessened by implementing structural and process control systems (Nkundabanyanga et al., 2019).

### **Government Effective Planning**

The initial part of managerial duties is planning. As a result, leaders and management must pay close attention to planning. Financial planning is critical in the public sector since service delivery is dependent on good financial management (Baloyi and Beyers, 2019). The activities taken by the public management can be put into practice and work in conjunction with the objectives of sustainable and human development. Therefore, how this sector plans its operations has a big influence on citizens to plan effectively, it is vital to determine the preferences of the decision-makers to raise the sustainability level of the public sector (Thesari *et al.*, 2021). In an era of rising public sector financial uncertainty, the degree of quality of budgetary planning is a key aspect in balancing budgets at all levels of the budget system (Molchanov *et al.*, 2021). Failure to carry out planning will impair, among other things, the public sector's budget, control of spending, management of cash flows, and auditing system. It is critical for the South African government to plan its resource distribution as part of the budget planning process. This may be accomplished by ensuring that the budget is efficient, effective, and satisfies the allocation priorities (Acheampong, 2020).

Planning for the use of public money during a fiscal year in line with established and accepted policy priorities and targets is part of the budget development process. This is essential to guarantee effective use of public funds (Zhyber, 2019). Public budget planning is crucial to the advancement of local government and human quality of life (Thesari *et al.*, 2021). Service delivery has been hampered by a lack of effective planning in the utilisation of public funds (Baloyi and Beyers, 2019).

### **Sustainable Fiscal Policy**

The capacity of the government to meet its financial obligations on schedule might be characterised as fiscal sustainability. This indicates that the government meets the intertemporal financial constraints, which states that the current value of projected primary surpluses equals the existing public debt (Mackiewicz, 2021).

Canh (2018) found that there are many factors which influence the effectiveness of fiscal policy, this includes government transparency, the size of the government, debt burden, government spending and employment in the economy. Fiscal policy has a beneficial influence on economic growth, but in the case of high-debt countries, it loses this effect. The government in a difficulty of inefficient fiscal policy when they are heavily in debt should concentrate on institutional reform, which improves fiscal policy efficacy on the one hand and has direct beneficial effects on economic growth. According to Šimović (2017), one of the key structural drivers of fiscal policy efficacy is the magnitude of public debt. Fiscal multipliers are commonly used to quantify the dynamic impacts of fiscal policy. It is difficult to measure the impact of public debt on the magnitude of fiscal multipliers directly, but greater debt levels usually suggest weaker fiscal multipliers and less efficient fiscal policy.

According to Schröder and Storm (2020), South Africa's 2020 budget suggested R48 billion in public expenditure cuts during the next three years, as well as tax reductions and credit initiatives. South African officials are embracing fiscal sustainability or austerity in the hopes of reviving the country's stagnant economy, presumably by instilling confidence in the private sector and global financial markets, as well as boosting economic growth and ensuring the sustainability of public debt.

According to Burger and Calitz (2019), South Africa's public debt has been rising for a decade, despite efforts to limit it, and this has disrupted service delivery owing to public finance constraints. The

unsustainable public wage bill is also putting further strain on government finances.

### **Public Sector Monitoring and Evaluation Systems**

Magagula (2019) stated that monitoring and evaluation system refers to a set of institutional frameworks as well as various organisational systems and processes, strategies, performance indicators, standards, plans, reporting lines information systems, and accountability relationships that ensure that all three spheres of government effectively carry out their monitoring and evaluation responsibilities. Monitoring and evaluation can be used to guide managers in making management decisions, promoting accountability, soliciting support for programmes, assisting managers in continuing, adjusting, or terminating government programmes, and promoting transparency. Eresia-Eke and Boadu (2019) elaborated that the path to establishing an M&E system might be paved with obstacles. According to some researchers, the lack of political will, insufficient M&E capability, insufficient financial and human resources, limited technical expertise, and poor M&E capacity-building in most government entities are some of the hurdles that block the pathway for a good M&E system. South Africa, like many other African states, is still building and developing an effective and efficient result-based monitoring and evaluation system. Most African governments' eagerness stems from the belief that a well-structured results-based M&E system may improve public officials' service performance as part of the drive for public sector reforms. The need of clear roadmaps in ensuring the efficacy of improvements cannot be overstated. In this setting, an M&E system readiness evaluation is important. According to Nonyane (2019), monitoring and evaluation system is a collection of organisational structures, standard operating procedures, guidelines, techniques, plans, indicators, information systems, lines of reporting, obligations, and accountability measures that enable public sector departments to carry out their M&E functions efficient and effective.

### **Public Accountability**

According to Kgatle (2018), the greater issue with the South African government is that it lacks accountability. Public officials and institutions entrusted with public resources are required to be accountable for the budgetary, administrative, and programme duties that have been assigned to them, as well as to report to those who have entrusted them with these tasks. It is obvious from this idea of

public accountability that government entities that employ public resources have a responsibility to account for how those resources are allocated, spent, and the results of their expenditure. Financial obstacles such as an excessive wage bill, public debt, corruption, and maladministration may all be removed if government employees are held accountable for every decision they take. Chinyere and Goodness (2018) indicated that public servants who are permitted by law to spend public monies must also undertake the simultaneous obligation of providing their stewardship accounting to the people for whom the power is held in trust, public accountability is recognised as a cornerstone of modern democratic administration. As a result, the crucial significance of public accountability in the consolidation of democracy in every polity cannot be overstated. The basic goals of all public accountability measures are to guarantee that public funds are used properly and effectively, that there is no waste or theft, and that the public benefits from government spending. Masiya and Mazenda (2018) expounded that public accountability and transparency complement each other, and government officials must be made aware of their responsibility to account to public on how government funds are used effectively, efficiently, and economically. This boosts public trust in the government's ability to deliver services. Nkomo (2017) indicated that in several South African areas, public accountability for service delivery is seen as insufficient. Although access to services has improved over time, protestors' demands are generally focused on the poor quality of such services. Oppelt (2019) viewed the public accountability process includes the use of public funds, the exercise of public power, and the actual conduct of public institutions. It is important to remember that public accountability entails not just reporting on public expenditure but also progress, performance, failures, and accomplishments, as well as actual vs. target results.

## **Conclusion**

According to the background literature review for this paper, the public wage bill and debt have grown to the point where they now have the potential to collapse public service delivery as more public funds are diverted to fund the wage bill and service debt. The ideal situation is when more public funds are allocated to actual service delivery, as it is the government's mandate to provide public services to citizens. This paper has suggested several techniques that the South African government can use to prioritize service delivery. If the government has already implemented some of the techniques

proposed in this paper, it should review those strategies to determine how to better implement such techniques in order to prioritize public service delivery.

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