

## PUBLIC SERVICE COMMISSION

---

### INTRODUCTION

---

The Public Service Commission is the employer of the public service. OPSC has five core objectives which are consistent with the mandated obligations under the Constitution, the NSDP, the Public Service Act, and PSC Corporate Plan.

- To provide corporate support to the Office of the Public Service Commission and the Public Service Commission;
- To Manage and implement housing and vehicle policy;
- To strengthen the Human Resource Management capacity of the Public Service and improve sound HR policies, practices, processes and systems;
- To increase capacity and usage of HRMIS;
- To provide efficient monitoring, compliance and discipline management and development of Public Service policies;
- To ensure organizational structures, objectives and strategies are in line with Corporate Plans in terms of service delivery;
- To advance the capacity of the Vanuatu government work force in the development and implementation of Human Resource Development systems, policies and plans; and
- To improve, develop and assess skills, knowledge and attributes of public servants.

The above mandated responsibilities, duties and objectives are implemented through the five Units within OPSC, which consist of Corporate Services Unit (CSU), Human Resource Management Unit (HRMU), Performance Improvement Unit (PIU), Human Resource Development Unit (HRDU) and Compliance Unit (CU). This year 2017, the office accommodates an additional unit called the Vehicle Management Unit which acts as the secretariat for the vehicle management committee. The new unit coordinates all the vehicle related policies and management for the public service commission. Each unit is headed by a manager who reports directly to the Secretary of the public service commission which is currently on an acting basis.

This year the annual recurrent budget for PSC increases by 11 percent, from VT 151 million in 2016 to VT 168 million, as a result of approved NPPs for PSC. This includes PMO office rental cost, housing repairs, etc. The office spent 99 percent of its recurrent budget last year and consumes 24.5 percent of the 2016 annual budget of VT 168 million in the first quarter.

## SUMARRY OF KEY FINDINGS

---

This section will give a brief summary of the budget, spending, revenue and virements for the public service commission in the first quarter of this year 2017.

Table 1 below graphically illustrated the annual budget for PSC since 2015. As stated earlier, the increased recurrent budget came about because of the increase in approved NPPs for this year. There was an increase in last year's budget due to the refund of TC Pam office repair Table 2 shows the recurrent funding allocation per unit within the commission.

Table 3 shows the first quarter budget vs actual expenditure for the public service commission, 2015 – 2017. In 2015, PSC spent around 99 percent of its annual budget, while in the first quarter of 2016, PSC over spent its budget by VT 2 million. In the first quarter of this year, PSC consumes VT 41 million off the VT 30 million budgeted for. This came about due to advances requested in the first quarter to cater for urgent payments. This also includes relocation payments incurred in that period.

Table 4 details the payroll and operational chart of accounts for the first quarter, showing budgeted, unbudgeted and over spend chart of accounts in the first three months period. With a total budget of VT 30 million in the first quarter, 41 percent was allocated to payroll expenses while the remaining 21 percent caters for operational expenditures.

The Public service commission spends more on permanent wages, Termination payments, housing allowances and Building Repairs & Maintenance in the first quarter. In table 4 below, its outlines some of the major overspent items (*highlighted in yellow*) and unbudgeted expenditures (*highlighted in red*).

The office over spent on the total operational budget in the first quarter, due to unbudgeted expenses incurred. Payroll on the other hand, saved up to VT2.5 million at the end of the first quarter. However, analysis shows that acting allowances, responsibility allowances and home island passage allowances were not budgeted for in the first quarter. Therefore, it is recommended that recurring expenditures should be budgeted for in the future to avoid huge unbudgeted expenses.

Like in the same period last year, the operational cost centre was over spent due to huge overspend on sitting allowances, other rental, vehicle repairs, official entertainment and building repairs & maintenance.

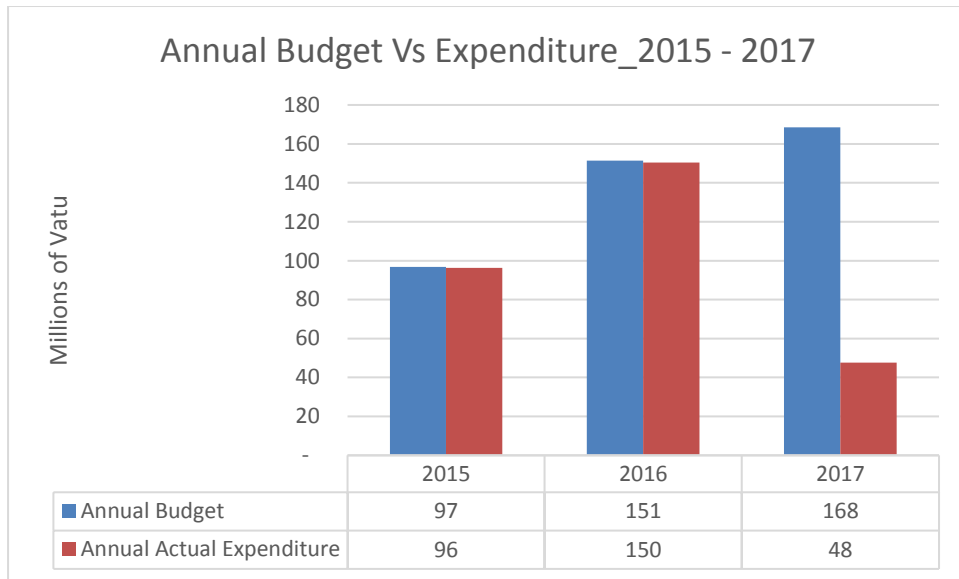
There was no transfer of fund during the first three months of this year.

Table 5 below shows the summary of budgeted revenues and actual revenues received by the Public Service Commission in the first quarter of 2015, 2016 and 2017. Analysis shows that from 2015 to 2017, PSC budgeted to raise VT 3.7 million annually. However, the actual revenue trend diminishes through the 3 years period. PSC, through the current reforms will likely generate more income for the government.

## TABLES

---

**TABLE 1: ANNUAL BUDGET VS EXPENDITURE FOR THE PUBLIC SERVICE COMMISSION  
BY COST CENTRE, 2015 - 2017**



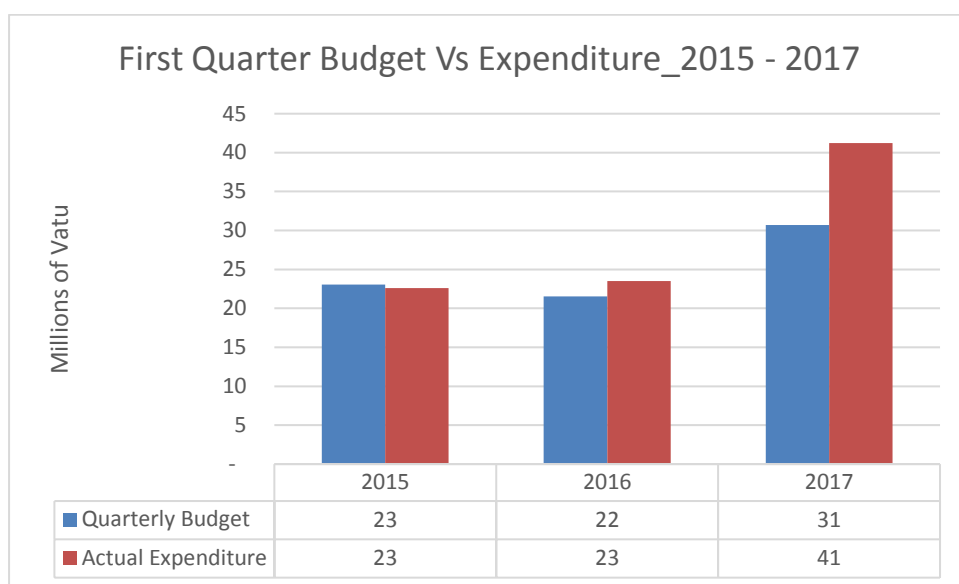
**Source:** Finance & Treasury

**TABLE 2: 2017 ANNUAL BUDGET FOR THE PUBLIC SERVICE COMMISSION BY COST  
CENTRE**

Code	Description	Final Budget
19AA	Cooperate Services	116,677,114
19AB	Human Resources	13,643,069
19AC	Performance Improvement Unit	10,119,433
19AD	Human Resource Development	18,739,300
19AE	Compliance Service Unit	9,290,034
<b>Grand Total</b>		<b>168,468,950</b>

**Source:** Finance & Treasury

**TABLE 3: FIRST QUARTER BUDGET VS ACTUAL EXPENDITURE FOR THE PUBLIC SERVICE COMMISSION, 2015 - 2017**



**Source:** Finance & Treasury

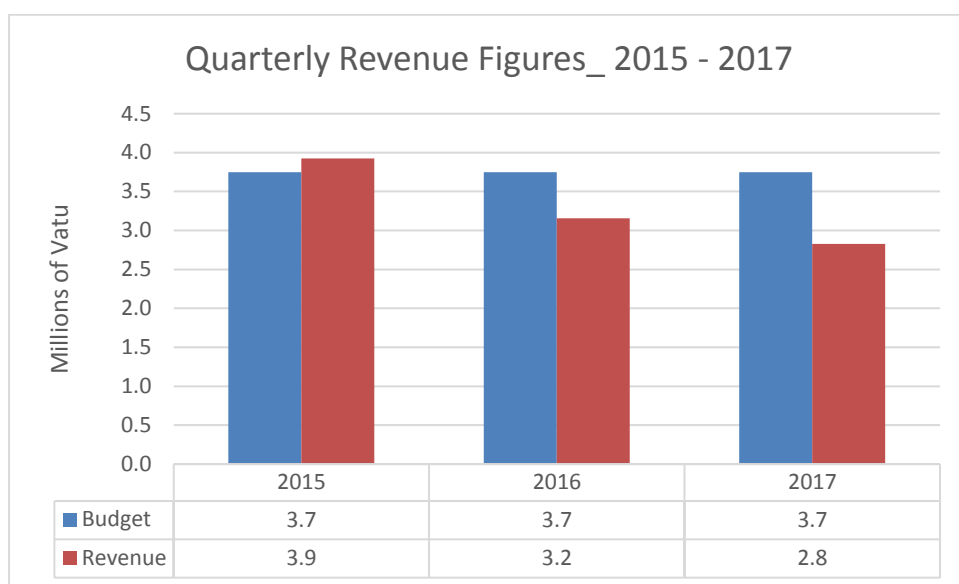
**TABLE 4: BUDGET VS EXPENDITURE FOR THE PUBLIC SERVICE COMMISSION BY CHART OF ACCOUNTS FOR THE FIRST QUARTER, 2017**

Account	Description	Total	Budget	Under/(Over)
	<b>Personnel Expenses</b>			
8AAA	Acting Allowances	926,091	-	(926,091)
8AAB	Responsibility Allowance	62,280	-	(62,280)
8AAF	Family Allowance	160,080	321,231	161,151
8AAH	Housing Allowances	1,249,734	1,896,921	647,187
8AAO	Other Allowances	200,000	-	(200,000)
8AAP	Home Island Passage Allowances	219,690	429,057	209,367
8AAS	Special Allowances	216,666	-	(216,666)
8ASP	Provident Fund	520,843	620,859	100,016
8AWD	Daily Rated Wages	-	-	-
8AWO	Overtime Wages	570,053	-	(570,053)
8AWP	Permanent Wages	11,793,670	15,200,265	3,406,595
PAYR	Payroll expenses	-	-	-
	<b>Personnel Expenses</b>	<b>15,919,107</b>	<b>18,468,333</b>	<b>2,549,226</b>
	<b>Operating Expenses</b>			
8CAB	Subsistence Allowances	170,000	249,999	79,999
8CAS	Sitting Allowances	532,845	324,999	(207,846)
8CBL	Local Accommodation	92,000	-	(92,000)

8CCL	Local Courses	193,551	-	(193,551)
8CFV	Vehicles Fuel	218,906	62,499	(156,407)
8CHL	Local Medical Treatment	6,800	-	(6,800)
8CIF	Facilities Hire	200,000	-	(200,000)
8CJO	Office Cleaning	103,037	-	(103,037)
8CKD	Advertising - Communications	67,760	-	(67,760)
8CKP	Postage - Communications	6,000	-	(6,000)
8CKR	Printing - Communications	-	-	-
8CKS	Stationery - Communications	473,544	424,998	(48,546)
8CKT	Telephone / Fax - Communications	101,178	50,001	(51,177)
8CMG	General - Materials	93,876	-	(93,876)
8CNO	Office Rental	11,717,888	8,999,964	(2,717,924)
8COI	Incidentals	31,928	-	(31,928)
8COP	Official Entertainment	166,527	-	(166,527)
8COU	Uniforms	29,539	-	(29,539)
8CRB	Buildings Repairs & Maintenance	1,050,000	-	(1,050,000)
8CRE	Equipment Repairs & Maintenance	67,635	249,999	182,364
8CRV	Vehicles Repairs & Maintenance	1,313,130	124,998	(1,188,132)
8CTI	International Travel	20,000	-	(20,000)
8CTL	Local Travel	220,500	315,000	94,500
8CUC	Gas - Cooking Utilities	-	-	-
8CUE	Electricity Utilities	473,706	449,997	(23,709)
8CUW	Water Utilities	-	461,400	461,400
8CWL	Local Workshops	574,000	-	(574,000)
8CZV	Value Added Tax	2,250,643	50,001	(2,200,642)
8EBR	Buildings - Renovation	3,587,500	-	(3,587,500)
8EEA	Equipment - Additional General	8,889	-	(8,889)
8EEC	Equipment - Computer	296,890	-	(296,890)
8EEP	Equipment - Photocopiers	345,800	453,354	107,554
8EHR	Houses - Renovation	880,000	-	(880,000)
8FCB	Bank Charges	2,500	-	(2,500)
OVER	Overhead expenses	-	-	-
	<b>Operating Expenses</b>	<b>25,296,572</b>	<b>12,217,209</b>	<b>(13,079,363)</b>
	<b>Total Expenditure</b>	<b>41,215,679</b>	<b>30,685,542</b>	<b>(10,530,137)</b>

Source: Finance & Treasury

**TABLE 5: REVENUE FIGURES FOR PUBLIC SERVICE COMMISSION FOR THE FIRST  
QUARTER, 2015 - 2017**



**Source:** *Finance & Treasury*