

WESTERN CAPE PROVINCIAL PARLIAMENT



ANNUAL REPORT 2020/2021

Annual Report 2020/21

**Published by
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2021**

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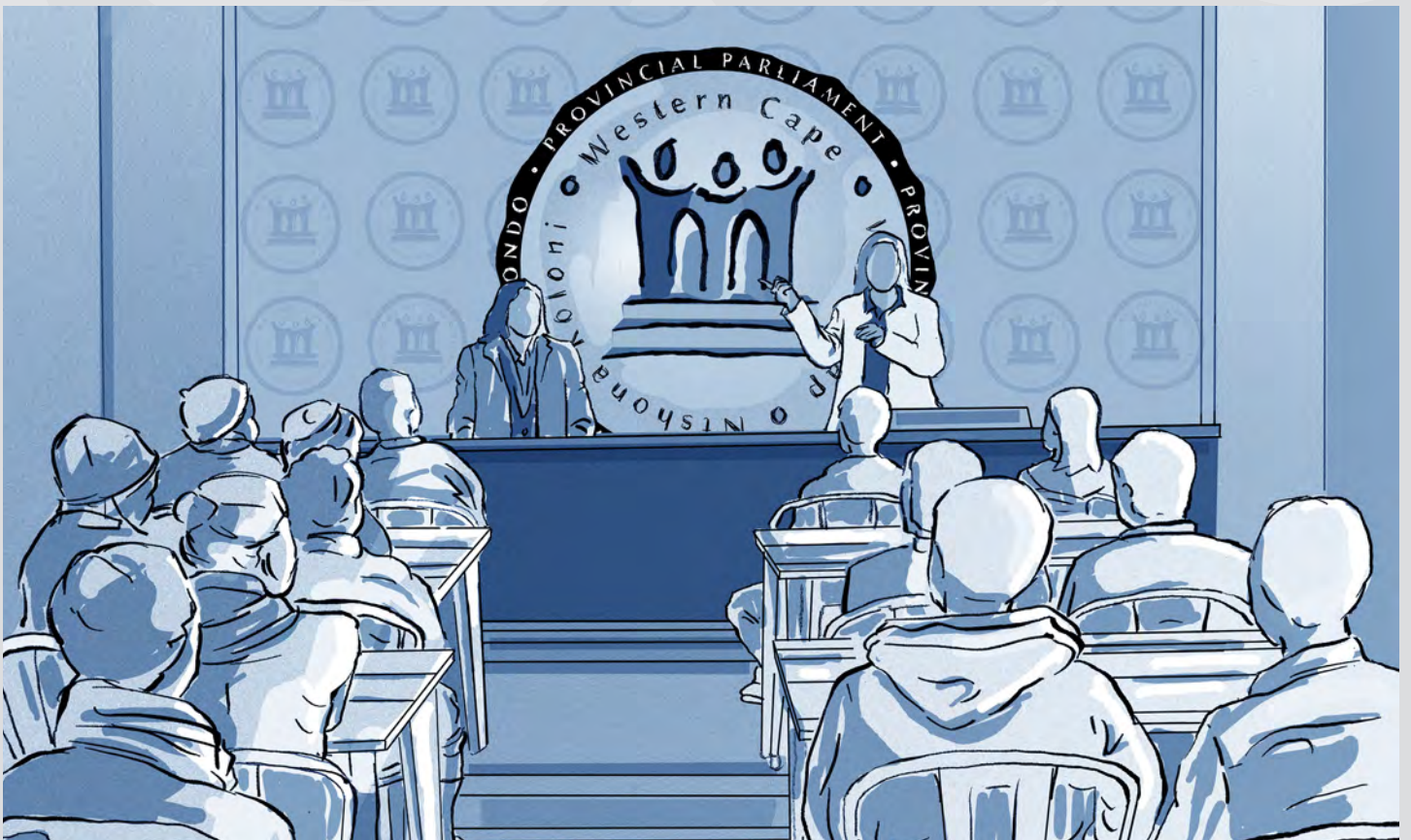
WESTERN CAPE PROVINCIAL PARLIAMENT



PART A GENERAL INFORMATION



The Western Cape Provincial Parliament is situated at 7 Wale Street, Cape Town



The Visitors' Centre is used to brief visitors on the role and function of the Provincial Parliament

PART A: GENERAL INFORMATION

1. GENERAL INFORMATION

Physical address: Provincial Legislature Building
7 Wale Street
Cape Town

Postal address: PO Box 648
Cape Town
8000

Telephone numbers: 021 487 1701 and 021 487 1702

Email: secretary@wcpp.gov.za

Website: www.wcpp.gov.za

2. ACRONYMS

AC	Audit Committee
ACDP	African Christian Democratic Party
AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
ANC	African National Congress
APP	Annual Performance Plan
ATC	Announcements, Tablings and Committee Reports
BBBEE	Broad-based Black Economic Empowerment
BCP	Business Continuity Plan
COVID-19	Coronavirus Disease 2019
DA	Democratic Alliance
DIRCO	Department of International Relations and Cooperation
DoCS	Department of Community Safety
DoTP	Department of the Premier
EFF	Economic Freedom Fighters
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
ExCo	Executive Committee
FMPPLA	Financial Management of Parliament and Provincial Legislatures Act, 2009 (Act 10 of 2009)
GOVCOM	Governance Committee
GRAP	Generally Recognised Accounting Practice
ICAS	Independent Counselling and Advisory Services
ICT	Information and Communications Technology
LSS	Legislative Sector Support
MOU	Memorandum of Understanding
NKP	National Key Points
OHS	Organisational Health and Safety
POPIA	Protection of Personal Information Act
PPE	Personal Protective Equipment
SAPS	South African Police Service
SOP	Standard Operating Procedure
SOPA	State of the Province Address
SLA	Service Level Agreement
TOR	Terms of Reference
WCPP	Western Cape Provincial Parliament

3. FOREWORD BY THE SPEAKER



Masizole Mnqasela

Speaker

I hereby table the Annual Report of the Western Cape Provincial Parliament for the 2020/21 financial year.

I reported in the foreword to the 2019/20 Annual Report how the WCPP, and other institutions – both private and public – would be affected by the COVID-19 pandemic, and that it would entail a fundamental rethink, and refocus on the way the Province, and indeed the WCPP would be functioning going forward since a hard lockdown on 27 March 2020 was announced by President Ramaphosa to contain the spread of the virus.

As Speaker, I am extremely grateful, and proud of the manner, and spirit in which the Honourable Members, employees, and stakeholders of the WCPP collectively responded to the challenges presented by the pandemic, and ensured that the WCPP as an institution could continue discharging its constitutional mandate in an effective, efficient, innovative, and forward-looking manner. The health, and safety of our Members of Parliament, and employees was of paramount importance, and a number of steps were taken to ensure an uninterrupted service but, at the same time, to ensure that the environment in which we operated was safe. The detailed response to the pandemic is to be found in the Annual Report.

Highlights during the reporting period included the establishment of a COVID-19 multi-party ad-hoc committee, which did sterling work under the able leadership of the Chief Whip, Hon. Wenger, and ensured that all affected departments were held to account, and information was shared with all stakeholders about the response of the provincial government in this regard. This Parliament did not abdicate its responsibility.

The Rules Committee, furthermore, concluded the review of the Standing Rules, and adopted recommendations from the subcommittee on the review of the rules. Honourable Members, through committees were able to engage, by means of virtual, and hybrid means. All our meetings were streamed live on YouTube, and other social media platforms.

During the reporting period the Presiding Officers' Manual was finalised, and approved by the House to regulate the enabling allowances of the presiding officers outside of the realm of the Ministerial Handbook.

Thereby strengthening the doctrine of separation of powers between the Executive, and the Legislative Arm of the State, as it relates to the enabling allowances of Provincial Ministers, and the presiding officers of the WCPP respectively.

In keeping with my commitment to bringing the provincial parliament closer to the people, the State of the Province Address (SOPA) by the Premier, and the subsequent debate on the address took place at a remote venue outside the seat of the legislature for the second year running. The very successful 2021 SOPA took the form of a hybrid sitting with two physical venues, the main venue

being Genadendal in the Overberg district, and the other venue being the Chamber at 7 Wale Street in Cape Town.

The challenge remains to create a modern, sharp, focused, and fully integrated organisation. Together with the administration of the WCPP under the leadership of the Secretary, we will continuously explore ways to become more effective as an institution in the extremely constrained fiscal environment we find ourselves in. I know, that I can count on the support of the Honourable Members in this regard.

In the world of volatility, uncertainty, complexity, and ambiguity, we depend solely on decisive, and agile leadership.

I wish to thank the Deputy Speaker for her support, and assistance, as well as the Secretary to the Provincial Parliament, Mr Romeo Adams for his wise counsel, and the entire administrative staff for providing exceptional support under very trying circumstances.

A special word of appreciation is extended to employees in the Office of the Speaker, under the very able leadership of Mr Madoda Mahlutshana “uGcwanini”, they have assisted us in steering the ship under very difficult circumstances.

Enkosi

Baie Dankie

Thank you



Masizole Mnqasela

Speaker

31 August 2021

4. REPORT OF THE ACCOUNTING OFFICER



ROMEO ADAMS

Secretary to the Provincial Parliament

4.1. Overview of the operations of the Western Cape Provincial Parliament

Due to the COVID-19 pandemic and the subsequent national lockdown, the 2020/21 financial year has been both a challenging as well as a successful year for the WCPP.

The 2020/21 financial year was the first year of the 2020/21–2024/25 Strategic Plan. The restrictions on travel and large-scale engagements, and the significant financial constraints in the country and particular in the province, necessitated a review of the WCPP's Strategic Plan as well as its 2020/21 Annual Performance Plan. The revisions took place in two key strategic priorities, namely Inter/Intra-parliamentary and stakeholder relations and Conducive and enabling facilities.

During the 2020 adjustment estimate process the WCPP tabled revisions to five performance indicators, which affected two Programmes: Parliamentary Support Services and Public Engagement. The following table lists the number of planned programme performance indicators for the year and whether they were achieved or not. Details of the revisions to the performance indicators are to be found in this report in Part B: Performance Information.

Programme	Number of performance indicators and planned targets according to the APP	Achieved	Not achieved or partially achieved
Programme 1: Governance, Leadership and Administration	9	6	3
Programme 2: Parliamentary Support Services	13	12	1
Programme 3: Public Engagement	12	7	5
Programme 4: Members' Support	4	3	1
Total	38	28	10

Notwithstanding the negative impact the pandemic had on the 2020/21 Annual Performance Plan, the WCPP used the pandemic as an opportunity to transform its operations and working environment. As a result of innovative forward-thinking, quick decision-making, the implementation of appropriate protocol measures and the use of technology, the WCPP propelled its initial plans of modernisation. This not only created a platform for work to continue largely uninterrupted, but also created an opportunity to improve operations, increase skills, review strategies and policies and change behaviours and attitudes in order to adapt and proactively respond to the "new normal".

One of the WCPP's priorities has always been the health and safety of its Members and employees, especially during this review period, which was drastically affected by the COVID-19 pandemic.

During the financial year provision has been made for the procurement of personal protective equipment (PPE) for Members and employees. In the spirit of transparency an assessment was conducted on all personal protective equipment transactions up until 30 September 2020 and it was found that WCPP did not transact with any of the companies declared by WCPP employees in their declaration of interest forms. The assessment in respect of the period 1 October to 31 March 2021 will be done early in the new financial year.

The WCPP has an approved Return-to-Work Plan for all alert levels of the Risk Adjusted Strategy and its related staffing plans have successfully been implemented to support its business continuity when changes are announced to the alert levels or new restrictions introduced by the relevant authorities.

The pandemic presented challenges relating to the imbalance of workload and the allocation of resources to be able to work from home. These challenges were addressed by the deployment of laptops to the relevant employees to replace their desktops and the implementation of a policy to provide for the reimbursement of additional cellular phone and internet costs incurred by employees as a result of working from home. A Working-from-Home Policy was also approved and implemented to give direction to how working from home will apply to WCPP employees and what administrative functions of the WCPP may be performed from home. Relevant employees were also given VPN access to ensure that all payments were able to be processed off-site. As a result, all financial and human-resource functions could take place remotely.

In keeping with the WCPP's commitment to being forward-looking and modern, a Working-from-Home Task Team was also established towards the end of the period under review to produce a position paper on the thinking of a medium- to long-term remote working approach for the WCPP. Until this position paper has been finalised, the WCPP will continue to work according to the approved Return-to-Work Plan.

The WCPP has made huge strides in enabling a virtual environment. Members of the House and committees are able to engage through virtual and hybrid means and all meetings are streamed live on YouTube. New rules were made by the Speaker in accordance with Rule 1 of the Standing Rules, as well as directives, to allow the House and/or a committee to meet with its Members in remote attendance by electronic means.

Even though employees were not in physical contact, communication was greatly improved through the establishment of singular communication platforms for Members and employees as a routine communication protocol. During the period under review virtual education initiatives were also phased in.

Further detail on how the WCPP responded to the COVID-19 pandemic can be found in Part B: Performance Information in this report.

The WCPP have made strides in implementing the new organisational structure which was implemented with effect from 1 April 2019. At the start of the 2020/21 financial year there were four director positions, of which three positions were filled. With the passing away of the then Deputy Secretary, Mr Royston Hindley, and after an assessment of the key performance areas associated with the position, a new job profile was subsequently established. The Deputy Secretary position was abolished and a new position, Director: Strategy and Institutional Oversight, was created. As at 31 March 2021 the recruitment for the Director: Parliamentary Support Services was finalised and the new appointee was scheduled to commence duty on 1 April 2021. The recruitment process for the Director: Strategy and Institutional Oversight had commenced. The Manager: Human Resources position was also filled during this period. A number of the vacant positions were filled with internal employees. As at 31 March 2021, 103 positions were filled of the 117 approved positions on the establishment. This equates to a vacancy rate of 11,97 per cent. More details regarding the staff establishment and the filling of vacancies are discussed in Part D: Human Resource Management of this report.

The WCPP is still in the process of addressing challenges with regard to its Enterprise Resource Planning (ERP) System. A feasibility study was conducted on deploying an alternative HR and payroll plug-in to the current ERP system. A business case, based on the recommendations of the study to consider SAGE 300 as an alternative solution, was approved during the period under review. Implementation will commence during the 2021/22 financial year.

Other significant events and projects that took place during the 2020/21 financial year are as follows:

From 5 to 9 October 2020 the WCPP participated in the self-assessment exercise against the updated Benchmarks for Democratic Legislatures of the Commonwealth Parliamentary Association (CPA). The assessment entailed discussions with Members and employees of the WCPP and a review of parliamentary documents, such as the Standing Rules. The resultant CPA Assessment Report, which also contained information relating to a technical desk review carried out in advance of the field visit, as well as discussions the CPA consultant had with representatives from civil society and the media, was provided to the Speaker in order for it to be finalised. Further engagement will take place with the CPA to ascertain how the recommendations could be implemented and what assistance can be provided to the WCPP in this regard.

The State of the Province Address (SOPA) 2021 took the form of a hybrid sitting with two physical venues, one being at the WCPP and the other being at a remote venue in the Overberg District. SOPA 2021 took place on 17 February and the debate and reply by the Premier took place on 18 February 2021. All COVID-19 protocols at both events and venues were strictly adhered to and no incidents of non-compliance were reported. In addition to these two venues, SOPA was streamed live on YouTube.

During the period under review the WCPP intensified its preparations for the implementation of the Protection of Personal Information Act (POPIA). POPIA training was concluded for the senior managers and managers (1 and 2 March 2021) and other officials (8 and 9, and 24 and 25 March 2021). Members of the Information Monitoring Committee (IMC) were appointed on 9 March 2021 under the leadership of the Deputy Information Officer. The aim of this committee is, firstly, to ensure the WCPP's substantive compliance with POPIA by 1 July 2021 and, secondly, to oversee ongoing compliance with the POPIA in future. For now, the IMC is squarely focused on the first of these objectives.

During the reporting period the Presiding Officer's Manual for the enabling benefits and allowances of the Speaker and Deputy Speaker of the Western Cape Provincial Parliament was discussed and finalised at a Special Rules Committee meeting on 23 March 2021 and approved by resolution of the House on 29 March 2021. This manual is a policy that governs the enabling benefits and allowances the Speaker and Deputy Speaker are entitled to in order to execute their official duties.

The WCPP had good support from its assurance providers namely Internal Audit, the Audit Committee and the Auditor General together with the Parliamentary Oversight Committee. With this support and the support of the Executive Authority, the Management team and all the staff of the WCPP, the WCPP once again received a clean audit outcome for the 2020/21 financial year. This is the eighth consecutive clean audit outcome for the WCPP.

4.2. Overview of the financial results of the Western Cape Provincial Parliament

4.2.1. WCPP receipts

Receipts	2020/21			2019/20		
	Final appropriation	Actual expenditure	Final appropriation	Actual expenditure	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	7	(4)	3	6	99	(93)
Fines, penalties, and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	64	294	230	61	408	(347)
Sale of capital assets	-	8	8	-	87	(87)
Financial transactions in assets and liabilities	-	115	115	-	13	(13)
Total	71	413	342	67	607	(540)

During the 2020/21 financial year WCPP collected revenue from the payments received for parking, the sale of meals to Members, sales of corporate gifts, commission on insurance, interest on bank account and the sale of old or redundant assets.

The tariff charged for parking is based on a policy and is below market value. The WCPP retains a portion of parking fees as revenue after paying over an agreed tariff to the Department of Transport and Public Works.

Members of the WCPP pay for meals prepared by a catering service, which is a further source of revenue. The Members' meals are charged in accordance with the Members' Facilities Guide.

4.2.2. Programme expenditure

Programme name	2020/21			2019/20		
	Final appropriation	Actual expenditure	(Over)/under expenditure	Final appropriation	Actual expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Governance, Leadership and Administration	64 205	59 428	4 777	64 489	59 309	5 180
Parliamentary Support Services	19 269	18 044	1 225	19 269	18 010	1 259
Public Engagement	12 966	10 076	2 890	12 966	10 076	2 890
Members Support	55 488	55 488	-	55 508	51 809	3 699
Total	151 928	143 036	8 892	158 463	145 713	12 750

During the 2020/21 financial year there was an under-expenditure of R8 892 million.

Rollovers

For the 2020/21 financial year, an amount of R8 892 million (in respect of the underspending on voted funds) and an amount of R342 000 (in respect of over collected own revenue) were approved to be rolled over.

Virements

An amount of R283 729 will be shifted from savings in Programme 1 to cover for the overspending in Programme 4. This refers to the under-projection for Members' travel expenditure during the COVID-19 lockdown period. Members have therefore travelled more than what was initially anticipated.

Irregular, fruitless and wasteful and unauthorised expenditure

There were eight cases of irregular expenditure with a total value of R4 187 181 and one case of fruitless and wasteful expenditure with a total value of R158 289 reported during the 2020/21 financial year. Five cases of irregular expenditure were condoned (R3 493 390), while three cases are in the process to be condoned (R693 791). The fruitless and wasteful expenditure is still under investigation.

4.2.3. Supply Chain and Asset Management (SC&AM)

No unsolicited bid proposals were received or concluded in the 2020/21 financial year.

SC&AM has successfully navigated the waters of uncertainty in respect of the impact of the COVID-19 pandemic and to this end the section (for the aforementioned fiscal period) has operated to a large degree remotely with limited resources. A lot of pressure was carried from officer-level upward as the laptops for clerks were only deployed at the end of the third quarter. It may further be added that SC&AM's AGSA regulatory audit was successfully effected digitally in quarter 1 of the 2020/21 fiscal year.

The role of SC&AM extends from assisting with the specification of the goods or services required, through the tendering and bidding process, to the receipt and delivery of the goods and services at the right time, the right quantity, the right place and the right price for consumption and the furtherance of the WCPP's strategic objectives.

The contractual administration function resides with SC&AM. The section manages and monitors contracts for compliance and performance. In this regard SC&AM provides a written Section 41 report (a FMPPLA requirement) to the executive authority quarterly. SC&AM further facilitates the management of public assets and its subsequent disposal, if required, while maintaining norms and standards as prescribed.

All assets are valued in terms of their cost (or deemed cost where historical costs were not available) in preparation of a GRAP-compliant asset register.

4.2.4. Gift and donations received in kind from non-related parties

During the 2020/21 financial year there were three material donations received in kind from non-related parties to the total value of R110 000. No material gifts were received.

4.2.5. Exemptions and deviations received from the National Treasury

None.

4.2.6. Events after the reporting date

There were no significant or material events that occurred after the financial year-end to the date of approval of the annual financial statements.

4.2.7. Compliance with the 30-day payments

During 2020/21 seven invoices with an accumulated value of R168 571,77 were settled in more than 30 days. The reasons related to the breakdown of internal controls in submitting the invoices timeously for payment.

The root causes for cases were investigated and identified, and remedial steps and additional controls (where needed) were implemented to eliminate the recurrence of such cases.

4.2.8. Acknowledgement and appreciation

I wish to express my gratitude to Speaker Masizole Mnqasela, Deputy Speaker Beverly Schäfer, the Rules Committee, the Parliamentary Oversight Committee, Members and employees for their support over the past year. I also wish to thank all the employees for their continued commitment to enabling Members to fulfil their functions as public representatives optimally.

A handwritten signature in black ink, appearing to read 'R. Adams', with a stylized flourish at the end.

ROMEO ADAMS
Accounting Officer
31 August 2021

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF THE ACCURACY OF THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

- All information and amounts disclosed throughout the Annual Report are consistent;
- The Annual Report is complete, accurate and free from any omissions;
- The Annual Report has been prepared, where applicable to the WCPP, in accordance with the guidelines on the annual reports as issued by National Treasury;
- The annual financial statements (Part E) have been prepared in accordance with the Standards of Generally Recognised Accounting Practice as prescribed by section 56(1) of the Financial Management of Parliament and Provincial Legislatures Act, 2009 (Act 10 of 2009);
- The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information;
- The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human-resources information and the annual financial statements; and
- The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion the Annual Report fairly reflects the operations, the performance information, the human-resources information and the financial affairs of the WCPP for the financial year ended 31 March 2021.

Yours sincerely



ROMEO ADAMS
Accounting Officer
31 August 2021

6. STRATEGIC OVERVIEW

6.1. Vision

To be the leading regional parliament, rooted in Africa – innovative, relevant, forward-looking and in touch with all its people.

6.2. Mission

In pursuance of the vision, the administration of WCPP commits to serve, support and strengthen the WCPP by:

- Being professional and innovative in our processes and work while fostering ethical and good governance;
- Empowering our Members and staff to function optimally;
- Facilitating the constitutional mandate of law-making, public participation and oversight in the interests of the people of Western Cape; and
- Promoting the WCPP provincially, nationally and internationally.

6.3. Core values

Recognising, valuing and embracing diversity as a strength in performing our functions, we, as the administration of the WCPP, subscribe to the following core values:

Respect: The WCPP recognises the dignity of others and acts with kindness, tolerance and appreciation of diversity.

Transparency: The WCPP represents the interests of the people of the Western Cape and is transparent in its operations and records. The WCPP communicates in an open and inclusive way.

Honesty: The WCPP strives to be truthful and honest in all its business and interaction with internal and external stakeholders.

Integrity: The WCPP demonstrates high ethical standards in its processes, systems, conduct and dealings with all stakeholders, both internal and external.

Professionalism: The WCPP strives towards efficiency of operations, informed decision-making and a general professional attitude by providing advice and services of a high quality. The WCPP strives to act on the basis of sound and established rules of procedure, facts, insight and experience.

Impartiality: The WCPP seeks to retain an impartial approach to conducting business by being non-partisan.

Efficiency: The WCPP renders an efficient service by utilising resources responsibly and cost-effectively.

7. LEGISLATIVE AND OTHER MANDATES

7.1. Constitutional mandates

The core objectives of the Western Cape Provincial Parliament are based on the following constitutional mandates:

(i) Constitution of the Republic of South Africa, 1996

The provincial legislatures are established in terms of Chapter 6 of the Constitution of the Republic of South Africa, 1996 ("the Constitution").

- (a) Section 114(1) of the Constitution confers the power to make laws on provincial legislatures.
- (b) Section 114(2) of the Constitution provides that provincial legislatures must provide for mechanisms—
 - to ensure that all provincial executive organs of state are accountable to it; and
 - to maintain oversight of the exercise of provincial executive authority in the province, including the implementation of legislation, and of any provincial organ of state.
- (c) Section 115 of the Constitution states, among other things, that a provincial legislature may summon any person to appear before it to give evidence; may require any person or provincial institution to report to it; and may receive petitions, representations or submissions from any interested person or institution.
- (d) Section 116(1) of the Constitution provides that provincial legislatures may determine and control their internal arrangements, proceedings and procedures; and may make rules and orders concerning their business with due regard to representative and participatory democracy, accountability, transparency and public involvement.

The *Standing Rules of the Western Cape Provincial Parliament*, as amended from time to time, give expression to the powers conferred by section 116(1) of the Constitution.

- (e) Section 117 of the Constitution concerns, among other things, the privileges of members of provincial legislatures, notably the privilege of freedom of speech to be enjoyed subject to the rules and orders of the legislatures.
- (f) Section 118 of the Constitution places an obligation on provincial legislatures to facilitate public involvement in the legislative and other processes of the provincial legislatures and to conduct their business in an open manner.

(ii) Constitution of the Western Cape, 1997

The Western Cape is the only province with its own Constitution. Together with the Constitution of the Republic of South Africa, 1996, it is the highest law in the Western Cape.

The Provincial Constitution provides for certain distinct legislative and executive structures that differ from certain structures in the Constitution. For example:

- (a) Section 9(1) of the Provincial Constitution refers to the Western Cape's provincial legislature as the Western Cape Provincial Parliament, and section 13 provides that the Provincial Parliament consists of 42 members;
- (b) Where section 111(1) of the Constitution provides that a provincial legislature must elect a Deputy Speaker, section 20(3) of the Provincial Constitution makes the election of a Deputy Speaker by the Provincial Parliament discretionary; and
- (c) Section 42 of the Provincial Constitution refers to Provincial Ministers whereas section 132 of the Constitution refers to members of the Executive Council.

7.2. Statutory mandates

(i) **Financial Management of Parliament and Provincial Legislatures Act, 2009**

This Act regulates the financial management of Parliament and the provincial legislatures, as well as oversight of the financial management of Parliament and the provincial legislatures.

(ii) **Money Bills Amendment Procedure and Related Matters Act, 2009**

This Act provides for the amendment of money Bills in Parliament, and for norms and standards for the amendment of money Bills in provincial legislatures.

(iii) **Mandating Procedures of Provinces Act, 2008**

This Act provides for a uniform procedure for provincial legislatures to confer authority on their delegations to cast votes on their behalf in the National Council of Provinces.

(iv) **Western Cape Witnesses Act, 2006**

This Act sets out the procedure for summoning witnesses to appear before committees or the House.

(v) **Western Cape Petitions Act, 2006**

This Act provides for the public to petition Provincial Parliament and for the processing of petitions by Provincial Parliament.

(vi) **Western Cape Law on the Powers and Privileges of the Provincial Legislature Act, 1995**

This Act, as amended, deals with the appointment of staff and the fixing of remuneration by the Speaker.

(vii) **Powers, Privileges and Immunities of Parliament and Provincial Legislatures Act, 2004**

This Act delineates the parliamentary precincts of Parliament and the provincial legislatures, and articulates the powers, privileges and immunities of Parliament and the provincial legislatures.

(viii) **Members of the Western Cape Provincial Parliament Code of Conduct Act, 2002**

This Act gives effect to section 27 of the Provincial Constitution by providing for a Code of Conduct governing the conduct of members of Provincial Parliament. The *Code of Conduct for Members of the Western Cape Provincial Parliament* is premised on this Act.

(ix) **Western Cape Provincial Languages Act, 1998**

This Act provides for the use of the three official languages of the province, Afrikaans, English and Xhosa, by Provincial Parliament.

(x) **Remuneration of Public Office Bearers Act, 1998**

This Act provides a framework for the determination of salaries and allowances of public office bearers.

(xi) **Determination of Delegates (National Council of Provinces) Act, 1998**

This Act provides for the determination of permanent and special delegates to the National Council of Provinces.

(xii) **Electoral Act, 1998**

This Act provides for the election of the National Assembly, provincial legislatures and municipal councils.

(xiii) **Independent Commission for the Remuneration of Public Office-bearers Act, 1997**

This Act provides for the establishment of a Commission to make recommendations concerning the salaries, allowances and benefits of public office-bearers.

(xiv) National Council of Provinces (Permanent Delegates Vacancies) Act, 1997

This Act makes provision for the filling of vacancies among permanent delegates to the National Council of Provinces.

(xv) National Key Points Act, 1980

This Act provides for the identification of national key points and for the safeguarding of national key points. The Western Cape Provincial Parliament, situated at 7 Wale Street, Cape Town, was declared a national key point by the Minister of Police.

7.3. Case law

The following judgments inform the interpretation of the constitutional and statutory mandates of the Provincial Parliament:

(i) Certification of the Constitution of the Western Cape 1997 [1997] ZACC 8, and Certification of the Amended Text of the Constitution of the Western Cape, 1997 [1997] ZACC 15

These judgments culminated in the certification of the Provincial Constitution by the Constitutional Court.

(ii) Doctors for Life International v The Speaker of the National Assembly and Others (CCT 12/05)

This judgment dealt with the interpretation of section 118(1)(a) of the Constitution and a provincial legislature's duty to facilitate public involvement in the legislative and other processes of the provincial legislature.

(iii) Ex parte President of the Republic of South Africa: In re Constitutionality of the Liquor Bill 2000 SA 732 CC

This judgment dealt with the domain of Schedule 5 exclusive provincial legislative competences in the context of the Constitution's distribution of legislative power.

(iv) Lindiwe Mazibuko, MP, Leader of the Opposition in the National Assembly v Max Vuyisile Sisulu, MP, Speaker of the National Assembly and Another [2013] ZACC 28

In this case the Constitutional Court held that the rules of a legislature must give effect to the rights and obligations imposed by the Constitution and must provide for the vindication of members' constitutional rights in a legislature.

(v) Mario Gaspare Oriani-Ambrosini, MP v Maxwell Vuyisile Sisulu, Speaker of the National Assembly ZACC 27 [2012]

In this judgment the Constitutional Court held that a legislature cannot restrict the power of an individual (private) member of that legislature to introduce legislation in that legislature.

(vi) Mosiuoa Lekota and Another v The Speaker, National Assembly and Another (Western Cape High Court) case no: 14641/12

This judgment was concerned, in the first instance, with restrictions placed on members' freedom of speech by the rules of a legislature and, in the second instance, with the limits of judicial oversight over legislatures.

(vii) Premier: Limpopo Province v Speaker: Limpopo Provincial Legislature and Others ZACC 25 [2011]

This judgment dealt with section 104 of the Constitution in the context of the provincial legislatures' capacity to legislate on the management of their own financial affairs.

(viii) Stephen Segopotso Tongoane and Others v Minister for Agriculture and Land Affairs and Others CCT 100/09 [2010] ZACC 10

The judgment confirmed that any bill that substantially affects the interests of the provinces must be enacted in accordance with the procedure stipulated in section 76 of the Constitution.

(ix) Premier of the Province of the Western Cape and Another v Electoral Commission and Another 1999 (11) BCLR 1209 CC

In this judgment the Constitutional Court held that the Province may determine the number of members in its provincial legislature in the Provincial Constitution.

(x) The Speaker of the National Assembly v Patricia de Lille, MP and Another (Supreme Court of Appeal) case no: 297/98

The court held that freedom of speech in a legislature may be limited by the rules and orders of a legislature, provided that the limitation has due regard to representative and participatory democracy, accountability and public involvement.

(xi) Economic Freedom Fighters v Speaker of the National Assembly and Others CCT 143/15

In this case the Constitutional Court found that the structures or measures employed by a legislature to have oversight of executive organs of state are to be determined by the legislature itself but that such measures must in substance and reality amount to oversight.

(xii) Democratic Alliance v Speaker of the National Assembly and Others CCT 86/15

In this case the Constitutional Court found that section 11 of the Powers, Privileges and Immunities of Parliament and Provincial Legislatures Act, 2004, that authorised the arrest of members who created or took part in a disturbance in the House, is unconstitutional.

(xiii) Andries Molapi Tlouamma and Others v Speaker of the National Assembly and Others (Western Cape High Court) case no: 3236/15

In this case the court considered the constitutional and legislative framework in which the legislatures in South Africa operate; interrogated the concept of separation of powers; considered the powers of the judiciary in relation to the principle of non-interference by other organs of state in parliamentary proceedings; and analysed the role of the Office of the Speaker in South African law.

(xiv) UDM v Speaker of the National Assembly and Others (Constitutional Court) case no: CCT 89/17

In this case the court considered the use of open or secret ballots to record a vote in Parliament.

(xv) Primedia Broadcasting (Pty) Ltd and Others v Speaker of the National Assembly and Others (Supreme Court of Appeal) case no: 784/2015

In this case the court considered the principles and values underpinning the public's right to an open Parliament.

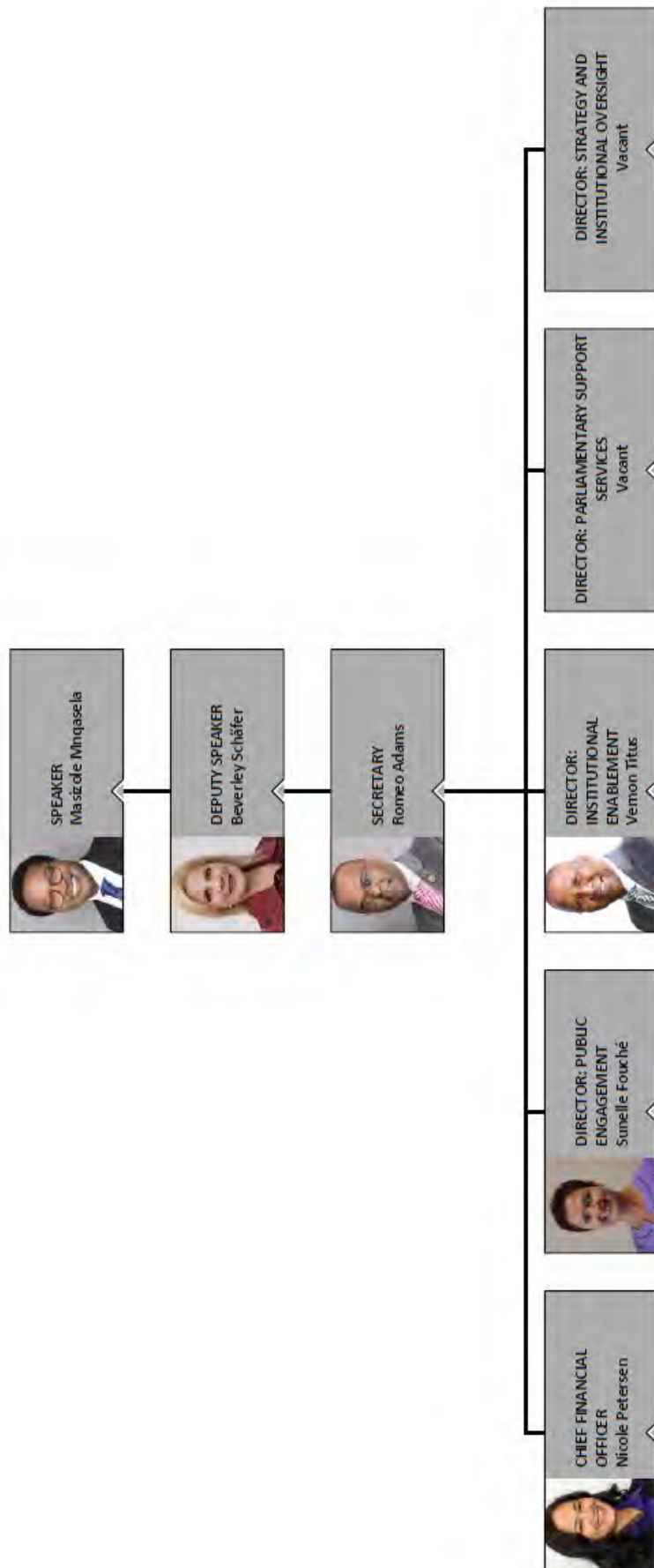
(xvi) Land Access Movement of South Africa and Others v Chairperson of the National Council of Provinces and Others (Constitutional Court) case no: CCT 40/15

In this case the court considered the lawfulness of truncated timelines for public involvement.

(xvii) Marius Llewellyn Fransman v Speaker of the Western Cape Provincial Parliament and Another (Western Cape High Court) case no: 13097/2014

In this case the court found that it is not for the judiciary to determine the internal arrangements, proceedings and procedures of legislatures but that these matters are reserved by the Constitution for determination by the legislatures themselves. The court also found that the proceedings of a parliamentary committee is not administrative action reviewable under the Promotion of Administrative Justice Act, 2000.

8. ORGANISATIONAL STRUCTURE: EXECUTIVE AUTHORITY AND TOP MANAGEMENT AS AT 31 MARCH 2021



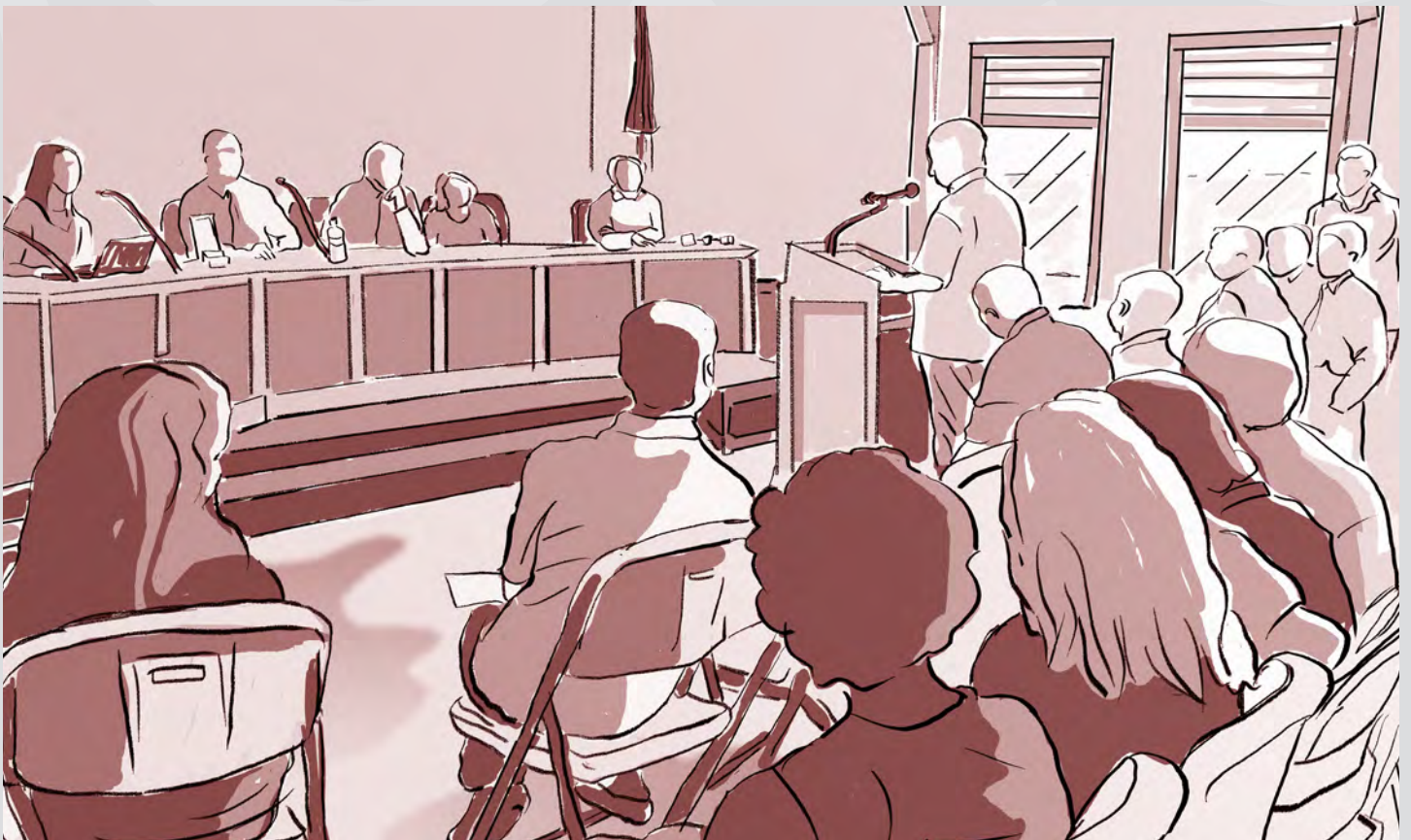
WESTERN CAPE PROVINCIAL PARLIAMENT



PART B PERFORMANCE INFORMATION



Members of standing committees meet regularly to consider draft legislation and conduct oversight over the Executive



As part of its constitutional duty to involve the public in the law-making process, standing committees hold public hearings in order to provide an opportunity for public participation

PART B: PERFORMANCE INFORMATION

9. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General of South Africa (AGSA) currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance measured against predetermined objectives is included in the report to management, with material findings being reported under the heading "Report" on the audit of the annual performance report.

Refer to page 99 of the Report of the Auditor-General published as Part E: Financial Information.

10. OVERVIEW OF THE WCPP'S PERFORMANCE

The 2020/21 financial year was the first year of the WCPP's Strategic Plan 2020/21–2024/25. In pursuit of its vision to be the leading regional parliament, rooted in Africa, and innovative, relevant, forward-looking and in touch with all its people, the WCPP has set three strategic outcome-oriented goals and seven strategic objectives, namely:

10.1. Strategic outcome-oriented goal 1

To provide effective procedural and related support to the House, its Members and its committees to make laws, conduct oversight and facilitate public involvement.

This strategic outcome-oriented goal is linked to Programme 2: Parliamentary Support Services and Programme 4: Members Support.

10.1.1. Strategic objective 3

Enhanced professional and timely procedural and related support.

10.2. Strategic outcome-oriented goal 2

To support the promotion of meaningful stakeholder and inter/intra-parliamentary relations.

This strategic outcome-oriented goal is linked to Programme 3: Public Engagement.

10.2.1. Strategic objective 5

Increased engagement with international role players.

10.2.2. Strategic objective 6

Improved relationship building with stakeholders using various platforms, including technology.

10.2.3. Strategic objective 7

Enhanced processes to facilitate meaningful public involvement in the legislative process.

10.3. Strategic outcome-oriented goal 3

To provide strategic, governance and institutional support services.

This strategic objective outcome-oriented goal is linked to Programme 1: Governance, Leadership and Administration and Programme 2: Parliamentary Support Services.

10.3.1. Strategic objective 1

Demonstrable good governance by continuously improving governance processes and practices.

10.3.2. Strategic objective 2

Modernised and continuously improved institutional procedures and processes towards supporting the functions of parliament.

10.3.3. Strategic objective 4

To provide for and maintain conducive facilities and to ensure a safe working environment for Members and staff.

10.4. Service-delivery environment

The WCPP is mandated by the Constitution to perform oversight over the executive, make laws and facilitate public involvement in its activities. In this regard the Administration provided procedural and related support to Members, committees and the House.

The WCPP's stakeholders are as follows:

- Members;
- Employees;
- People of the Western Cape;
- Office of the Premier (Audit Committee, Internal Audit and Legal Services);
- Government departments;
- Vendors;
- Parliament and other legislatures;
- South African Police Service;
- Institutions of higher learning;
- Political parties; and the
- Auditor-General of South Africa.

10.5. Organisational environment

The Secretary and employees of the WCPP are appointed in terms of the Western Cape Law on the Powers and Privileges of the Provincial Legislature Act, 1995 (Act 3 of 1995).

The organisational structure as at 31 March 2021 is depicted on page 82.

10.6. The WCPP's response to the COVID-19 pandemic

The spread of COVID-19 forced the WCPP to look at the way in which it functions as an institution and to adapt to the new conditions under which it had to and still operates. New procedures and directives in terms of Rule 1A(b) were issued by the Speaker to enable the House and the committees to hold sittings and meetings by electronic means.

The lasting impact of the pandemic necessitated further discussions on planning and the overall implementation of the APP. Processes took place to review the targets on which the COVID-19 pandemic had an impact during 2020/21. This review was tabled during November 2020.

10.7. In-year changes to the 2020/21 APP

Programme	Subprogramme	Original Performance Indicators	Revised Performance Indicator
Programme 2: Parliamentary Support Service	10.2.2 Plenary Support	Percentage increase of ATCs available within the agreed time frame according to the SOP	Percentage of ATCs published within the agreed time frame in accordance with the SOP
		Compile and publish the digest of rulings	Compile and distribute the digest of rulings Annual and quarterly targets remain unchanged.
	10.2.5 Serjeant-at-Arms (Security and Precinct Management)	¹ Percentage verification and processing of visitors in the VMS system	Percentage of visitors processed and overall compliance with applicable COVID-19 regulations
Programme 3: Public Engagement	11.2.2 Stakeholder Management and Communication Services	IR Policy, Strategy approved and roll-out of Implementation Plan	International Relations Framework Approved The approved International Relations Framework will be reported in Q4. The roll-out and implementation of the Framework will commence in 2021/22. There will therefore be no quarterly reports on implementation during the 2020/21 financial year.
	11.2.3 Public Education and Outreach	Constituency programmes approved and implemented to establish relationship between Members and their constituents	Name change from Constituency Programme to WCPP Engage Programme The quarterly targets changed from approved programme in quarter 1 and implementation reports in quarters 2 to 4 to <i>Approved WCPP Engage Programme</i> reported on in Q4.

¹For quarters 1 and 2 the VMS system was not activated due to the COVID-19 lockdown and therefore reported as not applicable.

11. PERFORMANCE INFORMATION BY PROGRAMME

11.1. Programme 1: Governance, Leadership and Administration

11.1.1. Purpose

The purpose of this programme is the strategic management of the institution and to provide governance, institutional and financial management support services to the WCPP.

11.1.2. Subprogrammes

- Office of the Speaker;
- Office of the Secretary;
- Financial Management; and
- Institutional Enablement.

11.1.3. Main functional areas

- Exercise strategic and institutional oversight;
- Develop and coordinate parliamentary procedures and systems;
- Ensure effective public engagement;
- Ensure effective institutional support;
- Provide effective and compliant financial management services;
- Provide legal support;
- Maintain effective institutional governance;
- Perform functions in terms of relevant statutory provisions;
- Render secretarial and office support services to presiding officers;
- Formulate and execute policy and operational policies; and
- Establish norms and standards in compliance with relevant legislation and practices.

11.1.4. Strategic outcome-oriented goals, subprogrammes, strategic objectives and strategic objective performance indicators

Programme 1: Governance, Leadership and Administration			
Strategic outcome-oriented goal	Subprogrammes	Strategic objectives	Strategic objective performance indicators
To provide strategic, governance and institutional support services	1. Office of the Speaker	Demonstrable good governance by continuously improving governance processes and practices	Establish mechanisms year-on-year to continuously improve governance processes and practices
	2. Office of the Secretary		Improvement in administrative efficiency regarding the Western Cape Provincial Parliament's constitutionally mandated functions
	• Programme Management		
	• Legal Services		
	• Risk Management		
	• Strategy and Organisational Performance		
	3. Financial Management	Modernised and continuously improved institutional procedures and processes towards supporting the functions of parliament	Establish mechanisms year-on-year to continuously improve governance processes and practices
	• Financial and Management Accounting		
	• Supply Chain and Asset Management		
	• Financial Compliance and Internal Control		
	4. Institutional Enablement		Percentage of resource efficiency measures implemented
	• Human Resources		
	• Information Technology and Digital Services		
	• Knowledge Management and Information Services		
	• Logistical Services		

11.1.5. Summary of achievements: Governance, Leadership and Administration OFFICE OF THE SECRETARY

During the period under review the WCPP implemented various activities in line with its current Governance Framework. Regular monthly and quarterly meetings took place virtually on various levels from the Executive Committee, Senior Management Team, Governance Committee and other committees in terms of the Framework. The meeting of the Extended Management recommenced quarterly from August 2020. Through these structures the WCPP was able to respond effectively and appropriately to the COVID-19 pandemic so that its operations could continue.

During the period under review the WCPP maintained its good relationship with its external assurance providers. Regular interaction took place with its external assurance providers, such as the Audit Committee and Internal Audit as well as its legislative oversight body the Parliamentary Oversight Committee.

Registrar of Members Interest

The fixed-term retainership agreement of the Registrar of Members Interests came to an end on 31 August 2020. Due to the recruitment process taking longer than what was anticipated, the retainership agreement was extended for the period 1 September to 30 November 2020. After going through a formal recruitment process the Registrar of Members Interest was reappointed for the period 1 December 2020 to 30 November 2023.

The Registrar reports to the Conduct Committee in respect of the implementation of the provisions of the Code of Conduct that is the Registrar's "professional" responsibility. The Accounting Officer, in terms of the imperatives of section 7 of the FMPPLA, has to put measures and mechanisms in place to "ensure" that the Registrar, as contracted, performs in terms of agreed contractual terms and provisions. To this end the Registrar provides a quarterly report to the Accounting Officer.

Members Survey

During the period under review the WCPP conducted an online satisfaction survey for Members on the support services they receive from the Administration. Twelve out of 31 WCPP Members completed the survey and the results were analysed and reported on. Although the survey indicated that 91% of Members who responded to the survey were satisfied with the service they received, there were some gaps or needs identified. In response to the survey, the Administration will be developing improvement plans that will be implemented during the 2021/22 financial year. As this survey is the first in the new parliamentary term, it also serves as a baseline from where services will be improved upon. The effect of the improvement plans that will be implemented by the Administration will be analysed after the next survey, which is planned for the 2021/22 financial year.

Legal Support

During the period under review, the Legal Support Unit advised on numerous draft agreements for various types of goods and services, advised numerous committees on Bills in accordance with section 76 of the Constitution of the Republic of South Africa, 1996, as well as on provincial Bills, and advised the Administration and the Office of the Speaker on a wide range of legal matters.

Legal Support was provided in respect of various sets of regulations issued in accordance with the Disaster Management Act, 2002, which regulations were intended to give effect to the national state of disaster that had come into effect in South Africa to deal with the COVID-19 pandemic. Among other things, this included advice on determining essential services and essential workers, on the movement by Members across provincial boundaries, on the impact of the regulations on the Compensation for Occupational Injuries and Diseases Act, 1993, on amending the WCPP's leave policy, on rules applicable to remote sittings and meetings, on the making of summaries of applicable regulations for consumption by Members, on the appointment of a COVID-19 oversight committee, on draft rules by the National Council of Provinces and directives by the Speaker of the WCPP for meetings by means of videoconferencing, on the complex constitutional issue of limitation of rights, on the late tabling of various statutorily required reports, such as annual reports, and similar matters.

The WCPP had begun to undertake preparations in order to comply with the Protection of Personal Information Act, 2013 (POPIA) which will come into effect on 1 July 2021. The Secretary appointed an Information Monitoring Committee to facilitate the WCPP's compliance with the POPIA. Training commenced as a key initial step to enable institutional readiness and, in the period under review, commenced the processes for completion of its personal-information impact assessment and compliance framework, as required by the relevant regulations.

Strategy and Institutional Oversight

On 26 November 2020 the Office of the Deputy Secretary was abolished and a new Directorate: Strategy and Institutional Oversight was created and approved by the Speaker. The main role of the directorate is to manage and oversee the development of institutional strategy, performance monitoring and evaluation and oversight. As at 31 March 2021 the recruitment process for the filling of the Director position commenced and as an interim arrangement a caretaker manager was appointed with effect from 26 September 2020.

During the period under review all reporting requirements in terms of the FMPPLA to the Parliamentary Oversight Committee were complied with. The WCPP also responded timeously to requests for information that emanated from these quarterly meetings with the oversight body.

Risk Management

The WCPP has been able to implement the ERM Strategy and Plan 2020/21 successfully in the context of the restrictions brought about by the COVID-19 pandemic. The ERM Strategy and Plan was reported on at the WCPP Governance Committee (GOVCOM).

The annual risk maturity assessment was conducted with the GOVCOM to inform the ERM Strategy and Plan for the 2021/22 financial year. In addition to the internal assessment by the GOVCOM, an external stakeholder assessment was conducted by the Audit Committee, Chief Audit Executive and Director of the Internal Audit function of the Department of the Premier (DoTP) servicing the WCPP. The outcome of both assessments provided a basis for developmental actions that would assist in the continuous improvement of the risk management process and its integration into the decision-making process of the WCPP. This was formalised in the ERM Strategy and Plan for the 2021/22 financial year.

The risk registers that were produced during the reporting period were used to inform management decisions and provided the internal audit function of DoTP with a basis to develop a risk-based audit plan in order to evaluate the effectiveness of the risk treatments independently.

Internal audit

The WCPP continued to utilise the services of the Department of the Premier with regard to its internal audit function.

FINANCIAL MANAGEMENT

2020/21 audit process

For the first time in history the WCPP was audited in the middle of a pandemic. The pandemic brought about disruptions to the organisations' business processes and many were forced to relook at their processes. The WCPP has not been immune to these challenges, however, our agile processes and strong internal-control environment enabled us to adapt to very fluid situations. The Section: Financial Compliance and Internal Control played a significant role in facilitating the external audit process despite the challenges and this resulted in the institution being able to complete the audit on 31 July successfully.

Declaration of Interest Policy

The Declaration of Interest Policy, which previously applied to managers only, was extended to include all employees. The purpose is to ensure that no conflict of interests exists with any of the service providers that the WCPP does business with.

The Section: Financial Compliance and Internal Control facilitated the roll-out and completion of declarations of interests by all WCPP employees. As at 31 August all employees had completed their declarations as required by the policy. This is testament to the WCPP's commitment to fair dealing and integrity in conducting its business.

Verification of personal protective equipment-related (PPE-related) procurement against employee declarations

The Section: Financial Compliance and Internal Control undertook a verification exercise where employees' declarations of interests were compared with the suppliers from whom the WCPP procured PPE items in the first half of the financial year. This exercise was conducted again in the second half of the financial year. The objective of this exercise was to ensure that there were no conflicts of interest and to promote transparency in the WCPP's processes. It was pleasing to note that none of the WCPP's employees had any interest in the suppliers that WCPP conducted business with for the purposes of procuring PPE items.

Annual financial statements

The Section: Financial and Management Accounting prepared and submitted the annual financial statements (AFS) in accordance with the FMPPLA. The submission of the 2020/21 statements was a significant event as it was prepared predominantly under remote working conditions. The WCPP has also, as stated above, obtained a clean audit outcome for the 2020/21 financial year and this was an achievement on its own.

During the global COVID-19 pandemic and under the lockdown regulations effective work-from-home measures were implemented to ensure all reporting requirements could be met and that regulatory timelines could be complied with.

Interim financial statements are prepared quarterly and tabled at the Audit Committee, as well as in-year monitoring reports, which are also submitted to the Speaker and the Provincial Treasury.

During the 2020/21 financial year, as a result of the financial impact of the COVID-19 pandemic, the budgeting process proved to be challenging, especially in an attempt to streamline the budget to contribute to the provincial response to the pandemic.

The financial effects of the pandemic on the economy also had to be taken into account during the drafting of the 2021/22 budget submissions.

Section: Supply Chain and Asset Management (SC&AM)

In the calendar year, as part of the AGSA'S management and audit reports, the Section: Supply Chain and Asset Management (SC&AM) had six instances of irregular expenditure findings. Three of the instances were identified by the AGSA as part of the regularity AFS audit for the 2019/20 fiscal period and have since been condoned in the 2020/21 fiscal year. An additional two of the six instances were condoned due to the SLA's being approved after the issuing of the orders and, lastly, one instance is in the process of condonation.

These findings did not necessarily refer to untoward activity, but dealt with record-keeping and/or issues of timing, all aspects of decisions related to the procurement that were documented. It must be stressed that, given the circumstances, SC&AM and the entire Financial Management Directorate mostly conducted the AG audit while under lockdown. The latter notwithstanding, SC&AM had to meet its operational requirements virtually for the period April to mid-July, while SC&AM had limited office presence from the latter part of July until March 2021. Daily, from September to March, SC&AM had an average of approximately 30% to 40% of employees working at the office on a daily rotational basis, while other SC&AM practitioners were working remotely from home. During March 2021 the SC&AM unit reviewed and successfully submitted the SCM Manual and the Accounting Officer's Delegated Authority to the Western Cape Provincial Parliament for approval by the Secretary.

In terms of asset management the AGSA reported no non-compliance in relation to the GRAP compliance for assets for the annual financial statements. The Section: Asset Management conducted an asset count from August to December 2020 and has conducted a second asset count that commenced in February 2021, concluding in March 2021.

In addition the WCPP Asset Management Policy was reviewed and approved by the Secretary on 25 March 2021. The policy became effective on the date of signature.

Tender for WCPP corporate video

During the period under review a tender for a WCPP corporate video was advertised with the closure date being 1 February 2021. The tender is at the BEC stage. It is envisaged that the tender will be awarded during the 2021/22 fiscal period.

Maintenance services and support related to ERP

A service level agreement (SLA) will be pursued with T3T Technologies to ensure continuity and support for the enterprise SAGE system. For the purpose of continuity and support for SAGE People (and SAGE 300 – HR Module), an SLA will be entered into with XFOUR. Both of these vendors were appointed through SAGE in terms of the manufacturer's model of business-partner appointments. These appointments will be effected in the 2021/22 period as the T3T, Enterprise SLA, concludes on 31 March 2021 and negotiations are underway in respect of SAGE 300 with XFour.

Ensure compliance

The Section: Financial Compliance and Internal Control helped to strengthen internal-control policies, processes and procedures that make the WCPP a less attractive target to both internal and external criminals seeking to exploit internal control weaknesses. During the pandemic compliance testing of business process through inspections and follow-up inspections, as well as a 100% compliance test of financial and procurement procedures, were conducted on all the payments made.

INSTITUTIONAL ENABLEMENT

Human Resources

Enterprise Resource Planning (ERP) system

During 2019/20 a Human Resources Information Systems Project was launched to investigate the continued feasibility of SAGE X3 PEOPLE, as well as to identify the additional aspects that are to be included in the stabilisation and optimisation process of the HR Module of SAGE X3 PEOPLE. This investigation culminated in the recommendation and subsequent approval of a move to be made to SAGE 300. The implementation of this decision will start in earnest in 2021/22.

Employee Wellness Programme

Employee wellness support became particularly important with the pressure and stress brought about by the vastly changed environment of the COVID-19 pandemic and strict lockdown regulations of the 2020/21 financial year. In response the Employee Wellness Programme focused keenly on psycho-social support, in particular the prioritisation of the continuous availability of professional counselling services for all employees throughout the year. On 1 December 2020, as part of the continuous improvement of the Wellness Programme, the WCPP entered into a 24-month contract with the Independent Counselling and Advisory Services (ICAS) after an open bidding process was completed in late 2020. This is the first time that a contract with a wellness provider has been entered into for a 24-month period and the decision was made to ensure continuity and consistency of rendered services for 24 instead of 12 months, as well as to reduce the time spent on the process of procuring a new service provider annually. As an international employee-wellness service provider, ICAS has offered new as well as the usual employee-wellness services. The contract will expire in December 2022, whereupon the section will again embark on a renewed procurement process.

Employee Training and Development

To ensure that training and development remained a key priority despite the challenges of a strict lockdown, a quick and efficient switch was made from classroom-based training to online training. The success of the pivot to such platforms was evidenced in the increase in the number of training and study-assistance participants from a total of 51 employees in 2019/20 to 88 employees in the 2020/21 financial year receiving the same. Of the 88 employees, 79 employees received training only, four employees received study assistance only and five employees received both study assistance and training. The total number of training interventions (including formal education with study assistance) more than doubled from 79 in the previous financial year to 191 in the 2020/21 financial year, and included 18 training topics and seven formal education programmes.

Information Technology and Digital Services (ITDS)

Much has been written about the unprecedented impact of COVID-19 on the world – mostly from a health and safety perspective, but importantly also from a technological-enabling perspective. In this regard ITDS played a pivotal leading role in ensuring that the WCPP could implement its Business Continuity Plan (BCP) through the use of virtual delivery platforms, processes and systems.

The WCPP became the first Parliament in Africa and one of a handful in the world that were able to continue its business of law-making, public participation and oversight during all the adjusted levels of lockdown. During April 2020 a COVID-19 Committee was established under the auspices of the Chief Whip of the ruling party in response to the pandemic. This became the vehicle to pilot the virtual platforms of engagement, debate and functionality. The functionality was simultaneously

implemented across the WCPP in a cascading approach. The learning and new manner of work was soon extended to the work of the House and live streaming of debates.

At every level of the process the potential cybersecurity risks have been considered and mitigated. At lower levels of lockdown the WCPP started a hybrid approach to the business of the House and the Administration. Technical support was therefore provided on-site as well as virtually for every meeting, including the State of the Province Address.

Training had to be scripted and rolled out in terms of the rules of engagement to ensure a robust implementation of the Microsoft Teams platform with proper alignment of the business requirements. Concurrently, consideration was given to the secure operations to uphold a standard that protects the goodwill and reputation of the WCPP. The virtual implementation was achieved at no costs for seven months into the pandemic and started over the Easter weekend in close collaboration with the Office of the Secretary and the Directorate: Institutional Enablement.

Prior to the pandemic, online streaming focused on House sittings, with the constraint of having to be present at the location of the event in order to stream. This model had to be reviewed rapidly as committee meetings also had to be public. A new professional streaming service was tested, architected and rolled out in collaboration with the Section: Stakeholder and Communication Services to ensure that the branding standards were met. The new streaming service proved to be reliable and effective, with ICT continuously making adjustments in time. The service can now stream to all online platforms from a single source and has thus become very efficient. The section prepared resources to handle up to three simultaneous events in order to be responsive to the core business requirements.

The innovation mentioned above was followed by the enablement of a hybrid model involving the Chamber and committee rooms, utilising internal resources only at an extremely low implementation cost for committee rooms.

Collectively all of the changes mentioned above required efficient end-user support, something that is of cardinal importance to enable the Members and the Administration to function effectively. The ITDS team rose to the occasion by providing a committed and technically sound support function consistently, even after hours and on weekends, in order to roll out the end-user tools while providing ad-hoc training and technical assistance in parallel.

Full collaboration with all stakeholders and the acceptance and adoption of the change imposed by the virtual environment by the Members and the Administration ensured effective operations during a very challenging period and streamlined the challenges generally associated with people, process and technology.

ICT resources were committed to the audit function to ensure compliance and to ensure that the right tools were in place for reliable operations. ICT proposed additional tools to enhance the governance in ICT operations. A comprehensive security report was submitted to the Office of the Secretary in order to provide insight into the exposure of the WCPP while working from home and the increased online presence. The security-awareness programme kicked off at the right time to protect the WCPP from human error, while the outcome of the penetration test and vulnerability assessment further validated the good posture and security standards applied across the information platform.

ICT continued to innovate by acquiring an enterprise agreement with Microsoft and thus laying a solid foundation for further digitalisation. Microsoft Office 365 will lead the WCPP to new technology heights by enabling mobile applications, workflow and realising a knowledge management platform. The first online survey was sent through this effective platform.

Further due diligence with respect to the ERP People & Payroll module ensured that the Steering Committee could make an informed decision to move forward with enhancing the system. The

supply-chain module was optimised through a project, which is currently in testing, while the support functions continued unabated for the financial and payroll modules.

WCPP ended with the initiation of a complex and high-impact internet service provider migration project due to the three-year limitation of contractual agreements, which touched every technical ITDS service being offered. ICT embarked on the planning and implementation seamlessly and thus demonstrated how nimble the ICT operations are in terms of accepting and implementing change effectively.

The adoption of cloud and hybrid operations in 2020 set the WCPP on a trajectory that is world-class in terms of enablement and risk to business continuity, while completing one of the Disaster Recovery tests for the year again showcased the ability to sustain disrupted operations at every level.

Knowledge Management and Information Services

Language Services

Translation Services

Translation Services is primarily responsible for ensuring that all House papers, such as ATCs, are translated into all three official languages of the province. Translation Services were assessed by external service providers towards the end of 2019 and the quality of the translation output was found to be satisfactory. During the period under review Translation Services translated a total of 206 documents, including the following:

- 133 ATCs
- 35 Order Papers
- 35 Minutes of House Sitings
- 46 Written Question Papers
- 15 Oral Question Papers

Interpreting Services

Interpreting Services, which is provided by multiple independent contractors, ensure that all House sittings and committee meetings, where requested, are conducted in all three official languages of the Western Cape. During the period under review ICT customised Microsoft Teams to include two additional audio channels to accommodate interpreting during hybrid House sittings from September.

The 2017–2020 interpreter SLAs came to an end on 31 October and through a rigorous procurement process the SLAs were renewed with effect from 1 November. The revised 2020/21 SLA ensured that the terms and conditions contained in the SLA, as well as hourly and daily rates offered by WCPP, were consistent with industry norms and standards.

A comprehensive assessment of Interpreting Services was conducted by external service providers during February 2020 and the quality of the interpreting services based on relevant criteria, such as use of parliamentary terminology, was found to be of a satisfactory standard. Interpreting Services continue to ensure a minimum of four and a maximum of six interpreters for each language option at any point in time.

Knowledge Management

The WCPP KM strategic framework was approved by SMT at the end of March 2021. The framework was required as KM is both a new discipline and function in the WCPP. The key challenge while drafting the KM strategy was to include sufficient KM elements to comprise a holistic organisational strategic framework whilst being well-suited to the WCPP's organisational context. The strategic framework achieved this by aligning the KM Strategy to the WCPP Strategy and having a dedicated focus on critical knowledge and operational excellence and specific core business functions such as procedural support. The framework includes WCPP's KM foundational principles, model, approach and methodology that will direct and guide the roll-out and implementation of KM over the next few years.

During September 2020 a five-day virtual KM workshop was held through MS Teams, which was facilitated by KnowLead, an external service provider. The workshop introduced and explained concepts, principles and practices of knowledge management, as well as organisational learning and innovation. The workshop included employees from Research Services, Library Services, Record Management, ICT and HR. Employees from these various functional areas will either be directly involved in KM implementation or will be required to support implementation.

Records Management

There were constant challenges in the efforts to set in motion interventions to improve Records Management and subsequently prepare it for a gradual migration where the service can increasingly be offered by means of electronic processes and procedures. There were continued technical delays in the implementation of a new taxonomy on E-filing, which should mirror the revised organogram and structure. Further challenges experienced in the Records Management environment included:

- Upgrade of WCPP's E-filing system;
- Storage space for registry; and
- Western Cape Archives and Record Services (WCARS) not finalising the review of the WCPP's updated and amended File Plan, which now includes all relevant business functions and activities.

Information Services

Research Services

Research Services continued to provide traditional research support to committees, individual Members as well as ExCo. The Senior Information and Services Provisioning Officer post was filled on 1 November 2020. The following are some of the research outputs produced during the period under review:

- Nature and efficacy of powers to amend money Bills in various Commonwealth legislatures;
- Comparative overview of the Western Cape Government's response to COVID-19;
- Overview of the policy framework governing basic education and social development in Sao Paulo and Medellin;
- Summative assessment for committees of the 2019–2024 Western Cape Provincial Strategic Plan; and
- Nature and structure of energy security in Japan.

Library Services

All Members and employees continued to have access to JStor, a digital library service providing access to academic journal articles and books across various disciplines. NewsBank, an online newspaper service provider, also provided both the WCPP Members and employees access to more than 600 national and local news titles, which includes access to the largest collection of African news sources in the form of newspapers, websites and newswires from across the continent.

A range of new book titles were also added to the library's comprehensive collection of resource material during the period under review. The library also continued to provide reference request services to Members and ExCo, as well as to circulate e-publications to promote awareness of and commemorating noteworthy provincial, national as well as international events.

11.1.6. Annual performance

Strategic objectives performance indicators, performance indicators, planned targets and actual achievements

Strategic objective performance indicators

Programme 1: Governance, Leadership and Administration					
Strategic objective performance indicators	Actual achievement 2019/20	Planned targets 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/ reason for deviation
Improvement in administrative efficiency regarding the Western Cape Provincial Parliament's constitutionally mandated functions	New strategic objective performance indicator	Year-on-year improvement in administrative efficiency	Achieved: Baseline established: 91% of Members, who completed the survey questionnaire, were satisfied with the support services they receive from the administration		
Establish mechanisms year-on-year to continuously improve governance processes and practices	New strategic objective performance indicator	Establish mechanisms year-on-year to continuously improve governance processes and practices	Achieved: One mechanism has been established (implementation of an electronic register to track and monitor documentation, which include the FMPPLA reporting requirements) within the Office of the Speaker Measuring repeat findings in AGSA, IA and IC findings		
Percentage of resource efficiency measures implemented	New strategic objective performance indicator	- Digitalisation Strategic Improvement Plan - Human Resources Strategy - Knowledge Management Strategic Framework	Achieved: Digitalisation Strategic Improvement Plan approved; Human Resources Strategy approved; and Knowledge Management Strategic Framework approved		

Performance Indicators, planned targets and actual achievement

11.1.6.1. Office of the Speaker

The purpose of this subprogramme is as follows:

- to render support to the presiding officers in the formulation of the strategic direction of the WCPP administration;
- to render support to the presiding officers in the fulfilment of their functions in terms of the relevant statutory provisions and parliamentary rules;
- to render support to the presiding officers in representing the WCPP and participating in legislative activities both locally and internationally; and
- to render secretarial and office support services to presiding officers.

Subprogramme: Office of the Speaker					
Performance indicator	Actual achievement 2019/20	Planned target 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/reason for deviation
Percentage compliance by the Executive Authority with the prescribed legislative obligations in terms of the FMPPLA by the required due dates	Not achieved: 11 out of 12 compliance actions achieved	100%	Not achieved: 86% 6 out of 7 compliance actions achieved	Deviation: -14%	One indicator not complied with within the required time frame - Section 8 of FMPPLA: Performance Agreement of the Accounting Officer was concluded on 21 May 2020, instead of a week after the start of the 2020/21 financial year.
Strategy to address underperformance: Percentage compliance by the Executive Authority with the prescribed legislative obligations in terms of the FMPPLA by the required due dates: The concluding of the Performance Agreement was late due to COVID-19 restrictions. There were no physical interactions between the Speaker and Secretary. The performance agreement for 2021/22 was concluded on 7 April 2021.					

Changes to planned targets

No changes were made to this subprogramme's performance indicators or targets during the reporting period.

Subprogramme expenditure

Office of the Speaker	2020/21			2019/20		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the Speaker	6 487	6 295	192	6 508	6 499	9
Total	6 487	6 295	192	6 508	6 499	9

11.1.6.2. Office of the Secretary

The purpose of this subprogramme is as follows:

- to formulate operational policies and establish norms and standards in compliance with relevant legislation and practices;
- to perform strategic and institutional oversight;
- to manage public engagement, parliamentary support services, institutional enablement and financial management services;
- to provide legal support services to the administration and committees; and
- to facilitate risk management services.

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Subprogramme: Office of the Secretary					
Performance indicators	Actual achievement 2019/20	Planned targets 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/reason for deviation
Percentage of Members' satisfaction with administration support services	New performance indicator	75%	Achieved: 91% 12 Members completed the survey	Deviation: 16% more than planned	
Percentage compliance with the FMPPLA's reporting requirements	Achieved: 100% compliance with legislative obligations and relevant transitional arrangements, in terms of the FMPPLA (Accounting Officer) by required due date	100%	Not achieved: 94% compliance with legislative obligations and relevant transitional arrangements, in terms of the FMPPLA (Accounting Officer) by required due date	Deviation: -6%	One indicator out of the 18 Accounting Officer requirements were not complied with within the required time frame – section 8(2)(1) (a) Performance Agreement of the Accounting Officer was concluded on 21 May 2020, instead of a week after the start of the 2020/21 financial year.
Percentage of planned APP programme performance indicators achieved	Not achieved: 77,78% Of the total of 63 planned APP annual targets, 45 were achieved	96%	Not achieved: 74% Of the total of 38 planned APP targets, 28 were achieved	Deviation: -22%	Refer to individual subprogrammes for reasons for deviations and strategies to address under-performance.
Strategy to address underperformance: Percentage compliance with the FMPPLA's reporting requirements: The performance agreement for the Accounting Officer for the 2021/22 financial year was concluded on 7 April 2021. Percentage of planned APP programme performance indicators achieved: Dedicated monitoring and evaluation capacity to be strengthened in 2021/22, as well as a revision of the M&E SOP and subsequent implementation.					

Changes to planned targets

No changes were made to this subprogramme's performance indicators or targets during the reporting period.

Subprogramme expenditure

Office of the Secretary	2020/21			2019/20		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Management: Governance (Leadership) and Administration	9 526	9 418	108	9 611	9 611	-
Legal Services	2 694	2 183	511	2 158	2 158	-

Office of the Secretary	2020/21			2019/20		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Risk Management	865	865		758	758	-
Strategy and Organisational Performance	1 332	1 154	178	81	81	-
Total	14 417	13 620	797	12 608	12 608	-

11.1.6.3 Financial Management

The purpose of this subprogramme is as follows:

- to render financial and management accounting services;
- to render supply chain and asset management services; and
- to identify systematic weaknesses and recommend corrective measures to combat irregularities.

Subprogramme: Financial Management					
Performance indicators	Actual achievement 2019/20	Planned targets 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/ reason for deviation
Number of progress reports against the Financial Management Improvement Plan (FMIP)	Achieved: 2 progress reports against the Financial Management Improvement Plan	2	Achieved: 2 progress reports against the Financial Management Improvement Plan		
Number of inspection reports issued identifying control gaps in processes	Achieved: 4 inspection reports issued identifying control gaps in processes	4	Achieved: 4 inspection reports issued identifying control gaps in processes		Quarter 1 target was achieved in quarter 2. For this reason two inspection reports were issued in quarter 2.

Changes to planned targets

No changes were made to this subprogramme's performance indicators or targets during the reporting period.

Subprogramme expenditure

Financial Management	2020/21			2019/20		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Supply Chain and Asset Management	5 410	5 265	145	4 977	4 973	4
Financial Management and Accounting	4 512	4 485	27	4 073	4 069	4

Financial Management	2020/21			2019/20		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Financial Compliance and Internal Control	6 403	6 403		4 803	4 801	2
Total	16 325	16 153	172	13 853	13 843	10

11.1.6.4. Institutional Enablement

The purpose of this subprogramme is as follows:

- to render human resource management services;
- to render administrative and user support services and enhance and maintain information-technology infrastructure; and
- to provide knowledge management and information services; and to provide logistical services, including catering, telephony, travelling and transport, cleaning, venue management and parking management services.

Subprogramme: Institutional Enablement					
Performance indicators	Actual achievement 2019/20	Planned targets 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/reason for deviation
Digitalisation Strategic Improvement Plan developed and percentage implemented	New performance indicator	Approved Digitalisation Strategic Improvement Plan	Achieved: Approved Digitalisation Strategic Improvement Plan		
Human Resource Strategy developed and percentage implemented	New performance indicator	Approved Human Resource Strategy	Achieved: Approved Human Resource Strategy		
Knowledge Management Strategic Framework developed and percentage implemented	New performance indicator	Approved Knowledge Management Strategic Framework	Achieved: Approved Knowledge Management Strategic Framework		

Changes to planned targets

No changes were made to this subprogramme's performance indicators or targets during the reporting period.

Subprogramme expenditure

Institutional Enablement	2020/21			2019/20		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Human Resources	6 095	4 708	1 387	6 104	5 924	180

Institutional Enablement	2020/21			2019/20		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Information Technology and Digital Services	10 573	8 876	1 697	11 747	10 316	1 431
Knowledge Management and Information Services	7 759	7 551	208	8 944	8 912	32
Logistical Services	2 549	2 225	324	3 587	3 147	440
Total	26 976	23 360	3 616	30 382	28 299	2 083

11.2. Programme 2: Parliamentary Support Services

11.2.1. Purpose

The purpose of this programme is to provide effective procedural and related support to the House and committees.

11.2.2. Subprogrammes

- Programme Management;
- Plenary Support;
- Committee Support;
- Hansard Services; and
- Serjeant-at-Arms.

11.2.3. Main functional areas

- Provide committee support;
- Provide plenary support;
- Provide security and precinct-management services; and
- Manage Hansard services.

11.2.4. Strategic outcome-oriented goals, subprogrammes, strategic objectives and strategic objective performance indicators

PROGRAMME 2: PARLIAMENTARY SUPPORT SERVICES			
Strategic outcome-oriented goals	Subprogrammes	Strategic objectives	Strategic objective performance indicators
To provide effective procedural and related support to the House, its Members and its committees to make laws, conduct oversight and facilitate public involvement	1. Programme Management	Enhanced professional and timely procedural and related support	Improvement in administrative efficiency regarding the Western Cape Provincial Parliament's constitutionally mandated functions
	2. Plenary Support		
	3. Committee Support • Committee Administration • Standing Committees		
	4. Hansard Services		

PROGRAMME 2: PARLIAMENTARY SUPPORT SERVICES			
Strategic outcome-oriented goals	Subprogrammes	Strategic objectives	Strategic objective performance indicators
To provide strategic, governance and institutional support services	5. Serjeant-at-Arms (Security and Precinct Management)	To provide for and maintain conducive facilities and to ensure a safe working environment for Members and staff	Appropriate, well-maintained conducive facilities and safe working environment to support the functions of Parliament

11.2.5. Summary of achievements: Parliamentary Support Services PLENARY SUPPORT

The President of South Africa announced a lockdown of the country in response to the COVID-19 pandemic. The lockdown had several objectives, all aimed at containing the spread of the virus and readying the country's healthcare services to deal with the pandemic.

The lockdown necessitated the immediate cessation of business at the WCPP's precinct at 7 Wale Street. The work of the WCPP could, however, never cease and the WCPP immediately commenced the setting-up of business on MS Teams. The ITDS Section, with Members of Parliament and WCPP employees, already commenced with the setting up of alternative platforms in the days leading up to the lockdown.

Initially, the plenary sittings were all held on the MS Teams platform. As the risk adjusted levels were amended, the WCPP moved to a hybrid model where a limited number of Members attended plenary sittings in the Chamber at the WCPP while the other Members joined the plenary sittings on the MS Teams platform.

Procedural advice was provided to presiding officers and Members according to the standard requirement or in response to requests received. These included recorded advice on procedural matters provided routinely to presiding officers and advice and guidance on procedural matters provided routinely to Members or in meetings of internal committees.

The table below reflects various activities of the House and statistical information on certain of the output related to plenary support services:

Activity	Total
Interpellations debated	35
Questions for oral reply processed	159
Questions for written reply processed	567
Speaker's debates	1
Opportunities for questions to the Premier without notice	6
Subjects for discussion put through debate	4
Matters of urgent public importance debated	0
Minutes of proceedings	31
Published Announcements, Tablings and Committee Reports (ATCs)	133
Extraordinary gazettes published	12

COMMITTEE SUPPORT

As indicated above, the announcement of the lockdown in South Africa had an immediate impact on the continuation of the WCPP's activities at the premises of the WCPP. Similarly as with plenary support, the team, with the ITDS Section, immediately commenced the process of setting up an alternative platform for committee meetings to continue virtually. The programming authority, with due consideration to the technical requirements, amended the scheduling to ensure the technical transition between committee meetings.

The WCPP also immediately established an Ad-hoc Committee on COVID-19 under the chairpersonship of the Chief Whip, Hon M Wenger.

The table below describes the activities achieved by the committees in the 2020/21 financial year, which excludes the following committees: Rules Committee, Conduct Committee, Disciplinary Committee and any subcommittees:

Number of committee activities	Total
Committee activities held	242
Public hearings held	74
Oversight visits undertaken	20
Cluster visit weeks	0
Provincial Bills considered	7
National Council of Provinces' Bills considered	12

HANSARD SERVICES

Hansard Services for this period included the recording, transcription and publication of the unrevised and final revised record of proceedings of all 35 sittings of the House within the stipulated time frame and in accordance with the SLA.

SERJEANT-AT-ARMS (SECURITY AND PRECINCT MANAGEMENT)

Cooperation with the Department of Community Safety (DoCS)

The DoCS was approached to assist with the provision of two Chrysalis Academy interns to conduct screening and temperature readings of all employees and visitors who entered the 7 Wale Street complex. This arrangement started with the national alert level 3 lockdown measures. This service was requested as a result of and in response to the biometric system and card readers being deactivated. The WCPP had to convert to a manual system as the Visitor Management System was also deactivated.

The DoCS also commissioned a Hazard Identification and Risk Assessment (HIRA) for the building at 7 and 15 Wale Street. After two formal assessments the WCPP scored an average of 69% for the WCPP floors. Because the WCPP takes the report and its findings very seriously, the HIRA findings have been incorporated in the draft APP of the Section: Serjeant-at-Arms.

National Key Points (NKP) matters

The Secretary to the Provincial Parliament approved the new Security Plan on 31 January. The Security Plan was adopted at the Joint Planning Committee meeting held on the same day.

Internal audit matters

In respect of the audit in relation to Security Management emphasis was placed on holding service providers (the SA Police Service, the Department of Community Safety and the Department of Transport and Public Works) accountable through new memoranda of understanding (MOUs) and through amending existing service level agreements. Only the MOU with SAPS remains outstanding.

Occupational health and safety

The Occupational Health and Safety Committee increased its membership from four to seven to respond to the impact of COVID-19. During the period under review the Occupational Health and Safety Policy was reviewed and approved on 23 March. The Serjeant-at-Arms was appointed as "Assistant to the Chief Executive Officer" in terms of section 16.2 of the Occupational Health and Safety Act, 1993 (Act 85 of 1993).

The Occupational Health and Safety Committee was also responsible for the issuing of personal protective equipment in response to the COVID-19 pandemic.

COVID-19

The Serjeant-at-Arms was appointed as the chairperson of the COVID-19 task team. The task team was made up of four managers who represent the various directorates, as well as a representative from the union and one team member from the Section: Stakeholder Management and Communication Services. The WCPP also appointed a COVID-19 Compliance Officer in response to the pandemic. The Compliance Officer plays an important role in ensuring the WCPP complies with all COVID-19 regulations as issued by the Department of Health, as well as by the Department of Employment and Labour.

The Occupational Health and Safety (OHS) Committee was bolstered with three additional occupational health and safety representatives. The OHS Committee and the COVID-19 task team merged to ensure the fight against the pandemic, at least in the workplace, is dealt with.

The WCPP also requested and obtained the services of a specialist ergonomist to give input on further health and safety enhancements for the Return-to-work strategy. These findings will be incorporated in the long-term future working model of the WCPP.

11.2.6. Annual performance

Strategic objectives performance indicators, performance indicators, planned targets and actual achievements

Strategic objective performance indicators

Programme 2: Parliamentary Support Services					
Strategic objective performance indicators	Actual achievement 2019/20	Planned targets 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/ reason for deviation
Improvement in administrative efficiency regarding the Western Cape Provincial Parliament's constitutionally mandated functions	New strategic objective performance indicator	Improving timelines and quality of procedural and related support	Not applicable: Baseline was established 2020/21 survey outcome: Of the Members that completed the survey 91% were satisfied with the overall support services received from the administration	Deviation: A baseline was established in 2020/21 and therefore improvement will only be measurable from the 2021/22 survey onwards.	Although improvement cannot be measured there was compliance with the Plenary Support and Committee Support SOPs, as well as the Hansard Services SLA.
Appropriate, well-maintained conducive facilities and safe working environment to support the functions of Parliament	New strategic objective performance indicator	U-AMP submitted based on alternative premises assessment; 98% compliance with the requirement of the NKP Act, 1980	Achieved: U-AMP submitted based on alternative premises assessment; 98% compliance with the requirement of the NKP Act, 1980		
Strategy to address underperformance: Improvement in administrative efficiency regarding the Western Cape Provincial Parliament's constitutionally mandated functions: The survey planned for 2021/22 will indicate whether support services have improved after implementing the relevant action plans.					

Performance indicators, planned targets and actual achievements

11.2.6.1. Subprogramme: Plenary Support

The purpose of this subprogramme is to provide procedural advice and administrative support for the sittings of the House.

Subprogramme: Plenary Support						
Performance indicators	Actual achievement 2019/20	Planned targets 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/ reason for deviation	Reasons for revisions to the Programme Performance Indicators, outputs or annual targets
Percentage of ATCs published within the agreed time frame in accordance with the SOP	New performance indicator	100%	Achieved: 100% of ATCs published within the agreed time frame in accordance with the SOP			Administrative error during the development of the APP. The ability to increase the number of ATCs received cannot be controlled by WCPP. The WCPP can only set a target to ensure that all requests received to ATC documents are done so within the agreed time frames as stipulated in the relevant standard operating procedure. The relevant technical indicator description has been amended accordingly.
Number of procedural-related capacity-building sessions with Members and/or staff	New performance indicator	3	Achieved: 3 procedural-related capacity-building sessions with Members and/or staff		Quarter 1 and 2 targets achieved in quarter 3. Quarter 3 target achieved in quarter 4.	
Compile and distribute the digest of rulings	New performance indicator	1	Not achieved	Deviation: The Digest of Rulings was compiled for the period under review 1 April 2020 to 28 February 2021	Due to the scheduled Sittings on 26, 29 and 30 March the Digest of Rulings could not be finalised and distributed before 31 March 2021.	Due to COVID-19 the digest of rulings will be distributed to Members electronically and not as a published hardcopy book.
Strategy to address underperformance: Compile and distribute the digest of rulings: The technical indicator descriptions for 2021/22 APP will be updated to specify the period of the Digest of Rulings which will be distributed before the end of the reporting period in respect of the 2021/22 financial year.						

Subprogramme expenditure

Plenary Support	2020/21			2019/20		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	2 728	2 485	243	3 585	3 378	207

11.2.6.2. Subprogramme: Committee Support

11.2.6.2.1. Sub-subprogramme: Committee Administration

The purpose of this sub-subprogramme is to provide procedural advice and administrative support to committees.

Subprogramme: Committee Support Sub-subprogramme: Committee Administration					
Performance indicators	Actual achievement 2019/20	Planned targets 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/ reason for deviation
Percentage of committee support provided in accordance with the approved standard operating procedures (SOPs) for committees to all programmed committee meetings according to the approved parliamentary programme	Not achieved: 98% of procedural Support services provided to all plenaries programmed in accordance with the approved parliamentary programme	100%	Achieved: 100% of committee support provided in accordance with the approved standard operating procedures (SOPs) for committees to all programmed committee meetings according to the approved parliamentary programme		
Number of capacity-building sessions with staff	New performance indicator	3	Achieved: 3 capacity-building sessions with staff		

Changes to planned targets

There were no changes to this subprogramme's performance indicators or targets during the reporting period.

Subprogramme expenditure

Committee Support	2020/21			2019/20		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	12 308	11 795	513	12 737	12 737	-

11.2.6.3. Hansard Services

The purpose of this subprogramme is to manage the provision of verbatim reports of the proceedings of the House.

Subprogramme: Hansard Services					
Performance indicator	Actual achievement 2019/20	Planned target 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/ reason for deviation
Number of contact meetings held with the service provider to ensure that Hansard services provided are in accordance with the service level agreement and that deviations are addressed	Not achieved: 11 contact meetings held with the service provider to ensure that Hansard services provided are in accordance with service level agreement and that deviations are addressed	12	Achieved: 12 contact meetings held with the service provider to ensure that Hansard services provided are in accordance with the service level agreement and that deviations are addressed		Quarter 1 target achieved in quarters 2 and 4. (One additional contact meeting in each of these quarters.)

Changes to planned targets

There were no changes to this subprogramme's performance indicators or targets during the reporting period.

Subprogramme expenditure

Hansard Services	2020/21			2019/20		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	689	589	100	648	648	-

11.2.6.4. Serjeant-at-Arms (Security and Precinct Management)

The purpose of this subprogramme is to provide security and precinct management, including the facilitation of occupational health and safety.

Subprogramme: Serjeant-at-Arms (Security and Precinct Management)						
Performance indicators	Actual achievement 2019/20	Planned targets 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/reason for deviation	Reasons for revisions to the Programme Performance Indicators, outputs or annual targets
Percentage compliance with requirements of the National Key Points Act, 1980 (Act 102 of 1980)	Achieved: 96% compliance with the requirements of the National Key Points Act, 1980 (Act 102 of 1980)	98%	Achieved: 98% compliance with the requirements of the National Key Points Act, 1980 (Act 102 of 1980)			

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Subprogramme: Serjeant-at-Arms (Security and Precinct Management)						
Performance indicators	Actual achievement 2019/20	Planned targets 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/reason for deviation	Reasons for revisions to the Programme Performance Indicators, outputs or annual targets
Percentage security support provided for standing committees during oversight visits in line with the approved standard operating procedure for oversight visits	Achieved: 100% security support provided to standing committees during oversight visits	100%	Achieved: 100% security support provided for standing committees during oversight visits in line with the approved standard operating procedure for oversight visits (11 events)			
Register the WCPP's accommodation requirements on U-AMP by the specified due date	Achieved: WCPP's accommodation requirements registered on U-AMP by the specified due date	Accommodation requirements registered on U-AMP by the specified due date	Achieved: WCPP's accommodation requirements registered on U-AMP by the specified due date			
Number of planned evacuation exercises completed	Achieved: 1 evacuation exercise completed	1	Achieved: 1 evacuation exercise completed		Quarter 3 target achieved in quarter 4. This target could not be achieved in quarter 3, as planned, due to applicable COVID-19 lockdown regulations at the time.	
Percentage of visitors processed and overall compliance with applicable COVID-19 regulations	Achieved: 100% verification and processing of visitors in the VMS system	100%	Achieved: 100% of visitors processed and overall compliance with applicable COVID-19 regulations			Method of processing visitors (VMS system) had to change to comply with COVID-19 regulations.

Subprogramme: Serjeant-at-Arms (Security and Precinct Management)						
Performance indicators	Actual achievement 2019/20	Planned targets 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/reason for deviation	Reasons for revisions to the Programme Performance Indicators, outputs or annual targets
Number of contact sessions with the Department of Transport and Public Works in respect of management of the service level agreement	Achieved: 4 contact sessions with the Department of Transport and Public Works	4	Achieved: 4 contact sessions with the Department of Transport and Public Works in respect of management of the service level agreement			
Number of BCP testing conducted	New performance indicator	1	Achieved: 1 BCP testing conducted			

Subprogramme expenditure

Serjeant-At-Arms	2020/21			2019/20		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	2 447	2 445	2	1 994	1 991	3

11.3. Programme 3: Public Engagement

11.3.1. Purpose

The purpose of this programme is to ensure effective public engagement and to facilitate public involvement in legislative and other processes.

11.3.2. Subprogrammes

- Programme Management;
- Stakeholder Management and Communication Services; and
- Public Education and Outreach.

11.3.3. Main functional areas

- Provides stakeholder management and communication services;
- Facilitate and enhance public involvement in the law-making process; and
- Facilitate public education and outreach programmes and initiatives.

11.3.4. Strategic outcome-oriented goals, subprogrammes, strategic objectives and strategic objective performance indicators

PROGRAMME 3: PUBLIC ENGAGEMENT			
Strategic outcome-oriented goals	Subprogrammes	Strategic objectives	Strategic objective performance indicators
To support the promotion of meaningful stakeholder and inter/intra-parliamentary relations To provide effective procedural and related support to the House, its Members and its committees to make laws, conduct oversight and facilitate public involvement	1. Programme Management		
	2. Stakeholder Management and Communication Services	Increased engagement with international role players Improved relationship building with stakeholders using various platforms, including technology	Improved presence in inter/intra-parliamentary sphere Improved relationship building with stakeholders aimed at meaningful engagement
	3. Public Education and Outreach	Improved relationship building with stakeholders using various platforms, including technology	
		Enhanced processes to facilitate meaningful public involvement in the legislative process	Increased opportunities for the public to participate in legislative activities

11.3.5. Summary of achievements: Public Engagement STAKEHOLDER MANAGEMENT AND COMMUNICATION SERVICES

International relations

The WCPP regularly participates in the international legislative arena through international events and undertaking and receiving international study visits. However, the outbreak of the global COVID-19 pandemic in 2020 resulted in international borders being closed, thereby restricting any form of international travel.

The Commonwealth Parliamentary Association invited the WCPP to nominate five Members to participate in a seven-month CPA Fundamentals Training Programme from May to November 2020. This rigorous training programme, attended by Honourable Members Baartman, Bosman, Kama, Makamba-Botya and Windvogel, consisted of a number of modules and was facilitated by Wits University. All of the Honourable Members successfully completed the programme.

The CPA Africa Region, in collaboration with the Centre for Parliamentary Studies and Training (CPST), invited branches from the Africa Region to participate in a webinar on 12 June that focused on how legislatures were navigating legislative business during the COVID-19 pandemic.

Presenters from different legislative precincts made presentations on the topic: Adequacies of House rules and procedures given the challenges caused by the COVID-19 pandemic. Speaker Masizole Mngqasela invited all Honourable Members and employees to participate in this webinar and noted and shared experiences and practices from the WCPP.

In July 2020 the CPA Small Branches Network facilitated a webinar on “The Role of Legislators and Decision-Makers on Sustainable Development and Agenda 2030”. Speaker Mngqasela and Deputy Speaker Schäfer, together with other Members who participated in this event, found it to be of great value.

The CPA launched a series of virtual masterclass support programmes for all branches on the topic of remote working. The masterclasses were presented on three topics, namely:

- Parliamentary questioning;
- Virtual presentations; and
- Time management.

The WCPP took full advantage of these sessions with Members and employees acquiring new knowledge and skills in the above-mentioned areas.

The National Conference of State Legislatures' annual legislative summits usually bring together more than 4 000 delegates, mostly from the United States, but with a growing number of participants from across the globe.

As the COVID-19 pandemic spread, the organisers of the 2020 Annual Legislative Summit took the decision to postpone the event, which was scheduled to take place from 10 to 14 August in Indiana.

The decision was then made to offer a virtual "base camp" in place of the physical summit. This virtual conference took place from 14 to 17 September with a similar structure to the annual summit. Speaker Masizole Mqasela, Deputy Speaker Beverley Schäfer, Minister of Social Development, Ms Sharna Fernandez, Secretary to the Provincial Parliament, Mr Romeo Adams, Manager in the Office of the Speaker, Mr Madoda Mahluthshana, and Stakeholder Management Officer, Mr Achmat Patience, attended the virtual conference.

In October 2020 the WCPP was one of a handful of parliaments invited to participate in a comprehensive survey to determine the CPA Recommended Benchmarks for Democratic Legislatures. This survey entailed in-person and virtual meetings with a number of Members and employees, as well as with external WCPP stakeholders. The draft findings were submitted to the WCPP and, after consultation, formed part of the CPA's official report. The CPA has offered their support in addressing the areas where gaps were identified and this will be pursued in future.

Speaker Masizole Mqasela represented the WCPP at a CPA webinar for Speakers and Presiding Officers on 25 November. The topic of the webinar was COVID-19 and independent parliaments. Presiding officers were given the opportunity to share their experiences and response to the pandemic and to learn from other parliaments and their responses.

The CPA hosted a Commonwealth Virtual Youth Parliament from 14 to 18 December 2020. The WCPP was represented by the winners of the 2019 WCPP Youth Parliament, Ms S de Villiers and Mr J Yawe.

On 17 February 2021 the Deputy Speaker, together with other women Members, participated in a virtual programme on Gender Sensitive Parliaments in the 21st Century. The programme was arranged by the Commonwealth Women Parliamentarians, Africa Region.

Deputy Speaker Schäfer was also invited to participate in the "Post-Election Workshop for New and Returning Members of the Parliament of Trinidad and Tobago" from 22 February to 1 March 2021.

In commemoration of International Women's Days the Gauteng Legislature hosted a virtual workshop. The WCPP was represented by Deputy Speaker Schäfer and Honourable Members Philander, Bans and Makamba-Botya.

International relations training

Introduction to International Relations, Protocol and Etiquette training was provided by the Department of International Relations and Cooperation (DIRCO). Since the establishment of the Sixth Parliament in June 2019, the need for international relations training for Members and employees was identified.

The Section: Stakeholder Management and Communication Services engaged with DIRCO to investigate the possibility of providing such training by means of virtual workshops due to the COVID-19 regulations.

DIRCO ultimately acceded to the request and presented two virtual training sessions: one for Members on 7 and 8 October and another for employees on 26 and 27 October 2020.

International Relations Policy

The Deputy-speaker was appointed by the Speaker as his delegated authority to deal with international relations. Following discussions with the Deputy Speaker, it became clear that the WCPP required an International Relations Strategy, focusing on high level objectives, as well as an International Relations Policy to provide administrative guidelines.

The International Relations Policy was drafted during the year under review and went through several round-table discussions to ensure that the policy enabled the strategy and that sufficient structure was provided for ease of interpretation and administration. The policy was approved in March 2021.

Official opening and State of the Province Address

The opening of the third session of the Sixth Parliament of the Western Cape and the Premier's State of the Province Address took place in Genadendal and the WCPP on 18 February 2021. The event was a hybrid session with proceedings taking place on site in Genadendal and in the WCPP's Chamber at 7 Wale Street. The main event, with the Speaker and Deputy Speaker presiding, took place in Genadendal.

The WCPP complied with COVID-19 regulations for public gatherings and only 50 people, including Members, guests and employees, were present at each site. Other Members, guests and employees followed and participated in proceedings via an online platform.

Social media

The WCPP's social media platforms saw significant growth in 2020, specifically as a result of messaging related to the COVID-19 pandemic. These messages included information on the prevention of the spread of the virus, daily statistics and regulations during the different lockdown levels. To this end a variety of new information slides and videos were produced in-house, as well as the sharing of information from credible sources, specifically from the Western Cape Government.

The WCPP's activity on Instagram has also seen staggering growth, mainly due to the sharing of information on the COVID-19 pandemic.

It is, however, the WCPP's YouTube page that is the star in the crown of the institution's reaction to the COVID-19 pandemic. Since April, with the onslaught of the pandemic in South Africa, all standing committee meetings, all sittings of the House and a few special events hosted on virtual platforms, were live-streamed on the WCPP's official YouTube channel, providing a platform for uninterrupted public engagement.

In the past, only sittings of the House were live-streamed.

Website

The WCPP placed links for the live streaming of all committee meetings and plenary sittings on its website. Information was also constantly updated on the website.

Internal communication

Communicating with Members and employees through the institution's electronic internal communication channels has always been a priority to keep Members and employees informed about everything that is happening at the WCPP.

In 2020, 22 issues of the WCPP's electronic internal newsletter, *Legis-thetha*, were produced. The newsletter also carried important messaging during the COVID-19 pandemic.

Similarly, IntraComm, the corporate internal communication email service, fulfilled an important role in keeping employees informed about the institution's response to COVID-19 and other corporate matters. This function was of even greater importance during the period when employees were

working remotely. During the 2020/21 financial year, 172 emails were distributed to Members and employees from IntraComm.

The Section: Stakeholder Management and Communication Services also produced four in-house occupational health and safety videos for distribution to Members and employees prior to the reactivation of services and activities in the Provincial Legislature Building.

The section also produced and distributed a number of videos on COVID-19 messaging featuring representatives from the various political parties and the presiding officers.

To enhance the effectiveness of internal communication, WhatsApp groups were established to communicate with Members and employees. These WhatsApp groups have since become one of the institution's primary internal communication tools. During the 2020/21 financial year many hundreds of messages were shared with the group for employees and the Members group. These messages included COVID-19 messaging for own use and sharing with contacts and constituents, correspondence, notices, etc.

During 2020/21, 25 posters were produced and printed for internal use, predominantly focusing on COVID-19-messaging. These included posters on COVID-19 signs and symptoms, social distancing, sanitising, the wearing of masks, and many more. A presentation on COVID-19 was prepared for the institution's internal electronic noticeboard system and played continuously.

Media

The WCPP can pride itself on the positive media relationships it has built through the years. The media remains an important vehicle to relay information to the public about the institution, its activities and public participation processes.

With the outbreak of COVID-19 and the hosting of meetings and sittings on virtual platforms, it was very important to keep the media abreast of developments and invite media representatives and the public to join and follow these virtual meetings and sittings.

In 2020/21 the Section: Stakeholder Management and Communication Services issued 274 media alerts. The majority of these media alerts issued were to invite the media and the public to view online proceedings of meetings of the standing committees and the virtual sittings of the House streamed on YouTube.

Publications

During 2020/21, six publications were published, including the 2019/20 Annual Report, the 2020/21 Annual Performance Plan, the 2020–25 Strategic Plan, the 2019 Secretary's Report and the Sixth Parliament Legacy publication.

Due to the COVID-19 lockdown, fewer public education workshops were presented, fewer visitors were received at the WCPP and no tours were conducted, resulting in fewer public education and marketing publications being distributed or required.

PUBLIC EDUCATION AND OUTREACH (PEO)

Education initiatives

As a result of the lockdown restrictions on the movement and gathering of people, the WCPP also implemented measures to prevent the spread of the virus, which included the suspension of all public engagement initiatives both internal and external. Consequently, all the planned educational initiatives by the Section: PEO for the first quarter had to be cancelled. The implementation of the PEO annual education programme commenced in the second quarter. A total of six educational initiatives, in collaboration with our strategic partners, were facilitated in the last financial year.

Stakeholder database and digital platform

The Manager: PEO and the Manager: ITDS met to discuss the specifications for a proposed WCPP stakeholder database and, at the same time, the evaluation criteria were approved by the Director: Public Engagement and were forwarded to Supply Chain and Asset Management section for processing (SCAM).

The procurement process was followed and a service provider was identified. A service level agreement was drafted, following which an order was issued to the service provider.

In terms of the Digital Online Platform the funding for this project is part of the allocation to the WCPP from Legislative Sector Support. Specifications were submitted and the LSS procurement process is underway.

New education material developed

The *Order!* board game is new educational material that was procured to serve as an engagement tool during PEO educational initiatives. *Order!* is a fun, exciting and fast-paced game for the participants, which is based on the chapters of the PEO Workbook that guides the public education workshops.

Engagement with stakeholders

As a result of COVID-19 regulations regarding public gatherings, PEO communicated with stakeholders by referring and popularising the WCPP parliamentary sittings and committee meetings virtually for stakeholders to participate by means of links.

Youth dialogue

The WCPP held a two-hour youth dialogue in a hybrid form with delegates from the Cape metropolitan area attending in the Chamber, while other delegates participated virtually. The dialogue took place on 20 November 2020 with the theme: "Delivering parliamentary democracy during and post-COVID-19 in the Western Cape". The Honourable Speaker and Honourable Deputy Speaker presided. Other stakeholders viewed the event virtually or as it was streamed live. Other speakers included the Premier, who provided a provincial update on the COVID-19 response. The Honourable Chairperson of the COVID-19 Ad-hoc Committee provided an update on the WCPP's response to COVID-19.

Thirty-four diverse youth delegates aged between 16 and 25, from all the six municipal districts of the Western Cape, participated. Members of the WCPP, representing all the political parties, also participated in the dialogue.

11.3.6. Annual performance

Strategic objectives performance indicators, performance indicators, planned targets and actual achievements

Strategic objective performance indicators

Programme 3: Public Engagement					
Strategic objective performance indicators	Actual achievement 2019/20	Planned targets 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/reason for deviation
Improved presence in inter/intra-parliamentary sphere	New strategic objective performance indicator	Approved strategy and policy roll out of implementation plan	Not achieved	Deviation: Draft International Relations Strategy needed more engagement and further amendments.	The IR Framework consists of 3 documents: Policy, Plan and Strategy. International Relations Policy has been approved. International Relations Plan has been approved. Draft International Relations Strategy compiled and submitted for consideration.
Improved relationship building with stakeholders aimed at meaningful engagement	New strategic objective performance indicator	5% year-on-year increase (website and social media)	Not achieved: 7.3% year-on-year decrease (website and social media) 70 680 Website sessions; 3 161 tweets and Facebook updates	Deviation: -5 840 website and social media recorded in 2020/21, in comparison with the actual website and social media (79 681) recorded in 2019/20	Technical issue with website analytics unresolved during financial year resulted in inaccurate recording of website sessions.
	New strategic objective performance indicator	TOR for Digital App approved	Achieved: Procurement of a service provider was finalised and approved by the Director: Public Engagement on 16 March 2021.		
Increased opportunities for the public to participate in legislative activities	New strategic objective performance indicator	Year-on-year expansion on partnerships, sectoral events and the stakeholder database	Achieved: Virtual Climate Change Dialogue with the Speaker on 25 August 2020 with 62 youth participants; MoU with Departments of Local Government; and Stakeholder Database procured		

Programme 3: Public Engagement					
Strategic objective performance indicators	Actual achievement 2019/20	Planned targets 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/reason for deviation
Strategy to address underperformance: Improved relationship building with stakeholders aimed at meaningful engagement: The matter was discussed with the new service provider and a potential cause for the problem was identified. The service provider has addressed this potential problem and the situation will be re-evaluated at the end of May 2021. Improved presence in inter/intra-parliamentary sphere: Draft International Relations Strategy will be amended and resubmitted for approval.					

Performance indicators, planned targets and actual achievements

11.3.6.1. Subprogramme: Stakeholder Management and Communication Services

The purpose of this subprogramme is to provide stakeholder management and communication services.

Subprogramme: Stakeholder Management and Communication Services						
Performance indicators	Actual achievement 2019/20	Planned targets 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/reason for deviation	Reasons for revisions to the Programme Performance Indicators, outputs or annual targets
Percentage year-on-year increase in website statistics in respect of website sessions	Achieved: 34% increase from the previous year's baseline in website statistics in respect of website sessions Actual: 76 958 website sessions recorded	5%	Not achieved: 0% increase from the previous year's baseline in website statistics in respect of website sessions Actual: 70 680 website sessions recorded	Deviation: -8.16% -6 278 website sessions recorded in 2020/21, in comparison with the actual website session recorded in 2019/20	A sudden decrease in website sessions was identified early in the year and brought to the attention of the service provider responsible for maintaining the back end of the website. It was discovered that some code had "fallen off" and was reinstated. However, while there was a slight improvement, it was clear that the problem had not been completely solved. Numerous engagements and attempts lead to naught.	

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Subprogramme: Stakeholder Management and Communication Services						
Performance indicators	Actual achievement 2019/20	Planned targets 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/ reason for deviation	Reasons for revisions to the Programme Performance Indicators, outputs or annual targets
Percentage year-on-year increase in social media presence and activities	Achieved: 11% increase from the previous year's baseline in social media presence and activities Actual: 2 723 tweets and Facebook updates	5%	Achieved: 16% increase from the previous year's baseline in social media presence and activities Actual: 3 161 tweets and Facebook updates	Deviation: 11% more social media activities recorded than planned		
Number of international relations or protocol training or briefing sessions held with Members or staff	Not achieved: 2 of the 3 sessions planned for the year were achieved	2	Achieved: 2 international relations or protocol training or briefing sessions held with Members or staff		Quarter 1 and 2 targets achieved in quarter 3.	
International Relations Framework Approved	New performance indicator	Approved International Relations Framework	Not achieved	Deviation: Draft International Relations Strategy needed more engagement and further amendments	The IR Framework consists of 3 documents: Policy, Plan and Strategy. International Relations Policy has been approved. International Relations Plan has been approved. Draft International Relations Strategy compiled and submitted for consideration.	The ban on international travel, which lasted for two quarters, and the uncertainty as to how long the ban will be in force, limited opportunities for international engagements and travel and therefore impacted on the achievement of the target.

Subprogramme: Stakeholder Management and Communication Services						
Performance indicators	Actual achievement 2019/20	Planned targets 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/ reason for deviation	Reasons for revisions to the Programme Performance Indicators, outputs or annual targets
Strategy to address underperformance: Percentage year-on-year increase in website statistics in respect of website sessions: The matter was discussed with the new service provider and a potential cause for the problem was identified. The service provider has addressed this potential problem and the situation will be re-evaluated at the end of May 2021. International Relations Framework Approved: Draft International Relations Strategy will be amended and resubmitted for approval.						

Subprogramme expenditure

Stakeholder Management and Communication Services	2020/21			2019/20		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure (Over-) or under-expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	6 211	4 803	1 408	5 466	5 466	-

11.3.6.2. Subprogramme: Public Education and Outreach

The purpose of this subprogramme is to facilitate public education and public participation.

Subprogramme: Public Education and Outreach						
Performance indicators	Actual achievement 2019/20	Planned targets 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/ reason for deviation	Reasons for revisions to the Programme Performance Indicators, outputs or annual targets
Annual education programme on law-making, oversight, public participation and petitions processes developed by 28 February 2021	Achieved: Annual education programme on law-making, oversight, public participation and petitions processes developed (2020/21)	Annual education programme developed (2021/22)	Achieved: Annual education programme on law-making, oversight, public participation and petitions processes developed (2021/22)		The annual education programme was approved by the Director: Public Engagement on 9 March 2021.	

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Subprogramme: Public Education and Outreach						
Performance indicators	Actual achievement 2019/20	Planned targets 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/ reason for deviation	Reasons for revisions to the Programme Performance Indicators, outputs or annual targets
Number of education initiatives rolled out in accordance with the annual programme	Not achieved: 58 education initiatives rolled out	24	Not achieved: 6 education initiatives rolled out	Deviation: -18	As a result of strict regulations on public gatherings due to COVID-19, minimal educational initiatives could be facilitated.	
Develop and maintain a stakeholder database to ensure targeted stakeholder engagement	New performance indicator	Procurement of tier 3 database	Achieved: Stakeholder database procured		Quarter 3 target was achieved in Q4. Procurement was finalised in Q4 with the appointment of the service provider on 16 February 2021.	
Develop and implement a standard procedure for the proactive preparation for processing legislation	New performance indicator	Public Education based on standard procedure	Achieved: Standard procedure for proactive preparation for processing legislation approved			
Develop improved and formalised processes for dealing with submissions	New performance indicator	Procedure Approved	Not achieved	Deviation: Formalised process for dealing with submissions not approved.	The document needed a lot of consultation and inputs between PEO and Committees to develop a shared uniform document.	
Number of strategic partnerships established to enhance effectiveness	New performance indicator	MOU with CGE	Not achieved	Deviation: The WCPP did not sign a MOU with the CGE.	MOU with the Western Cape Department of Local Government had to be finalised first. The MOU with the CGE is projected to be finalised in June 2021.	
Develop a digital platform for interaction with the public	New performance indicator	Procurement for platform commenced	Achieved: Procurement of digital Platform			

Subprogramme: Public Education and Outreach						
Performance indicators	Actual achievement 2019/20	Planned targets 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/ reason for deviation	Reasons for revisions to the Programme Performance Indicators, outputs or annual targets
WCPP Engage Programme approved to establish relationship between Members and their constituents	New performance indicator	Approved WCPP Engage Programme	Achieved: WCPP Engage Programme to establish relationship between Members and their constituents approved			Due to COVID-19 engagements with the public were restricted and therefore roll-out of the programme will only commence in 2021/22.
Strategy to address underperformance: Number of education initiatives rolled out in accordance with the annual programme: As strict regulations on public gatherings due to COVID-19 are still in place, proposed virtual educational initiatives will be promoted. This will ensure that the target is met. Develop improved and formalised processes for dealing with submissions: A final draft document has been prepared and will be forwarded to all Chairpersons for further inputs. Number of strategic partnerships established to enhance effectiveness: On 16 March 2021 Terms of reference with CGE were drafted and forwarded to CGE for the collaboration to be finalised.						

Subprogramme expenditure

Public Education and Outreach	2020/21			2019/20		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure(Over-) or under-expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	4 692	3 211	1 481	3 531	3 427	104

11.4. Programme 4: Members Support

11.4.1. Purpose

The purpose of this programme is to provide enabling facilities and benefits to Members and political parties.

11.4.2. Subprogrammes

- Members Administration;
- Enabling Allowances; and
- Political Parties Support.

11.4.3. Main functional areas

- Manage enabling allowance; and
- Manage constituency and secretarial allowances.

11.4.4. Summary of achievements: Members Support

During each term capacity-building and training for all Members of the legislatures, including the national Parliament, is sponsored by the Legislative Support Sector (LSS). LSS provides the following programme options from which members can select:

The University of the Witwatersrand offers the following:

- Graduate Certificate in Governance and Leadership
- Postgraduate Diploma in Governance and Public Leadership
- Master of Management: Governance

Twelve Members of WCPP registered for the graduate certificate training programme. Members had to complete an online survey conducted by Wits to test their online learning readiness. On 21 and 24 August the training course started with an introduction and academic and research writing. The first training module, “Managing delivery, programmes and projects”, was presented on an online platform from 8 to 11 September 2020. The second module, “Oversight Monitoring and Evaluation”, including academic support, was scheduled for 8 to 11 December 2020. The third module, “Financial Oversight and Accountability”, will take place in the first quarter of the 2021/22 financial year.

The University of Johannesburg offers the following:

- Public Policy and African Studies
- Postgraduate Diploma

The University of Johannesburg offered a Short Learning Programme in Public Policy and African Studies. Two WCPP Members opted to participate in that training course.

CPA Fundamentals

The CPA Fundamentals programme is sponsored by the Common Wealth Parliament and Wits is the tertiary institution that hosted the programme. The WCPP elected five Members to participate in this programme. The programme started on 22 May 2020 and consisted of 14 modules. All five Members successfully completed the course.

LSS donor funding

The WCPP submitted five training initiatives to the Legislature Sector Support to be funded by the donor funds provided to the WCPP. These initiatives are as follows:

- Insights into Governance and Financial Oversight Training;
- King IV Principles of Governance;
- Sign Language;
- Effective Personal Productivity; and
- Public Speaking.

As at the end of the financial year the WCPP was still waiting for approval of three of the initiatives in order to proceed with the scheduling of the training for Members.

Internal training – WCPP

DIRCO facilitated the International Relations, Protocol and Etiquette training for Members on 7 and 8 October 2020. Twenty-two Members attended this training on an online platform.

Despite delays in obtaining LSS funding as a result of external factors related to the 2020 pandemic, the Section: Members’ Affairs continued to prioritise the capacitation of Members through internal training. During February 2021 internal training, “Finance for Non-Financial Managers”, was arranged for and attended by 21 Members from 22 to 24 February 2021.

11.4.5. Strategic outcome-oriented goals, subprogrammes, strategic objectives and strategic objective performance indicators

PROGRAMME 4: MEMBERS SUPPORT			
Strategic outcome-oriented goals	Subprogramme	Strategic objective	Strategic objective performance indicator
To provide effective procedural and related support to the House, its Members and its committees to make laws, conduct oversight and facilitate public involvement	1. Members Administration	Enhanced professional and timely procedural and related support	Enhancing capacity building and support to Members
	2. Enabling Allowances • Allowances • Contributions		
	3. Political Party Funding • Secretarial Allowances • Constituency Allowances		

11.4.6. Annual performance

Strategic objectives performance indicators, performance indicators, planned targets and actual achievements

Strategic objective performance indicators

Programme 4: Members Support					
Strategic objective performance indicator	Actual achievement 2019/20	Planned target 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/ reason for deviation
Enhancing capacity building and support to Members	New strategic objective performance indicator	4 capacity-building and support initiatives implemented	Achieved: 5 capacity-building and support initiatives implemented	Deviation: One more than planned.	

Subprogramme expenditure

Members Administration	2020/21			2019/20		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure(Over-) or under-expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	1 357	1 357	-	1 180	1 180	-

Performance indicators, planned targets and actual achievements

11.4.6.1. Subprogramme: Enabling Allowances

The purpose of this subprogramme is to manage the payment of:

- Membership fees to parliamentary and related associations;
- State contributions to the medical aid of continuation Members; and
- Enabling allowances to compensate Members for expenses relating to official travel, accommodation and telecommunication.

Subprogramme: Enabling Allowance					
Performance indicators	Actual achievement 2019/20	Planned targets 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/reason for deviation
Number of capacity-building and support initiatives implemented	New performance indicator	4	Achieved: 5 capacity-building and support initiatives implemented	Deviation: One more than planned.	
Review and update of service portal	New performance indicator	Review and update of self-service portal	Not achieved	Deviation: There was no review and/or update of the self-service portal.	Sage was unable to get the self service portal to work in the live environment and eventually advised that they would not be investing further resources into developing a solution as SAGE X3 People was going to be discontinued. A business decision, based on a robust cost benefit analysis, was consequently taken to move to SAGE 300. Accordingly this indicator is not achieved as the WCPP is not in a position to achieve this deliverable based on factors outside its control.
Strategy to address underperformance: Review and update of self-service portal: The Sage 300 project includes the implementation of a self-service portal. Further enhancements include in-house application development, which is planned for 2021/22.					

Changes to planned targets

No changes have been made to this subprogramme's performance indicators or targets during the reporting period.

Subprogramme expenditure

Enabling Allowance	2020/21			2019/20		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure(Over-) or under-expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	5 533	5 533	-	8 134	6 745	1 389

11.4.6.2. Subprogramme: Political Parties Support

The purpose of the subprogramme is to manage the payment of:

- Constituency allowances to enable political parties represented in the WCPP to establish and maintain infrastructure in constituencies to serve the interests of constituents;
- Secretarial allowances to enable political parties represented in the WCPP to establish and maintain their own administrative infrastructure in the precincts of the WCPP; and
- Allowances for special programmes to enable Members to arrange programmes in their constituencies in the interests of oversight, law-making and public participation by the WCPP.

Annual Report for the 2020/21 Financial Year
Vote 2: Western Cape Provincial Parliament
Part B: Performance Information

Subprogramme: Political Parties Support Sub-subprogramme: Secretarial Allowances					
Performance Indicator	Actual achievement 2019/20	Planned target 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/ reason for deviation
Number of working days to process transfer payments in terms of the Members' Guide	Achieved: Transfer payments were processed within 1 working day after receipt of required documents in terms of the Members Guide	5	Achieved: Transfer payments were processed within 2 working days in terms of the Members' Guide	Deviation: Transfer payments were paid faster than what the planned target prescribed.	

Subprogramme: Political Parties Support Sub-subprogramme: Constituency Allowances					
Performance Indicator	Actual achievement 2019/20	Planned target 2020/21	Actual achievement 2020/21	Deviation from planned target to actual achievement for 2020/21	Comment on/reason for deviation
Number of working days to process transfer payments in terms of the Members' Guide	Achieved: Transfer payments were processed within 1 working day after receipt of required documents in terms of the Members Guide	5	Achieved: Transfer payments were processed within 2 working days in terms of the Members' Guide	Deviation: Transfer payments were paid faster than what the planned target prescribed.	

Changes to planned targets

No changes have been made to this subprogramme's performance indicators or targets during the reporting period.

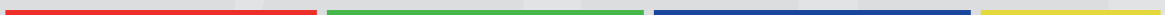
Subprogramme expenditure

Political Parties Support	2020/21			2019/20		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure(Over-) or under-expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	48 598	48 598	-	42 444	40 753	1 691

WESTERN CAPE PROVINCIAL PARLIAMENT



PART C GOVERNANCE





The Speaker sits at a raised dais with the parliamentary officials seated at the table below



The Serjeant-at-Arms, bearing the Mace, guides the Speaker's procession to the Chamber at the start of every sitting

PART C: GOVERNANCE

12. INTRODUCTION

The WCPP recognises that proper risk management and effective internal controls are essential for effective governance and good management. Therefore, the WCPP is committed to maintaining the highest standards of governance and considers good governance fundamental to the management of public finances and resources. At the WCPP there are structures in place to utilise its resources, which are funded by the taxpayer, effectively, efficiently and economically.

13. RISK MANAGEMENT

The Secretary of the WCPP takes responsibility for implementing risk management in terms of section 7(c) of the Financial Management of Parliament Act, 2009, or FMPPLA, as amended by Act 34 of 2014. The National Treasury Regulations 3.2.1 governing risk management were adopted to align with best practice in the absence of the South African Legislative Sector (SALS) having developed its own set of regulations for risk management in terms of the FMPPLA. Therefore, other prescribed best practices, such as the Public Sector Risk Management Framework, are used as reference points in developing risk management practices and procedures.

13.1. Governance Committee (GOVCOM) Report

The WCPP herewith presents its annual GOVCOM report for the financial year ended 31 March 2021.

Governance Committee responsibility

The GOVCOM reports that it has complied with its responsibilities arising from section 7(c) of the FMPPLA. The GOVCOM also reports that it has adopted the appropriate formal charter or terms of reference, which was approved on 16 April 2020, to regulate the Committee's affairs and has discharged all its responsibilities as contained therein.

Governance Committee Members

The GOVCOM comprises the Senior Management Team. In accordance with its terms of reference, the GOVCOM met at least four times (quarterly) during the year under review.

The table below provides information on GOVCOM members:

Member	Position	Scheduled meetings	Attended	Date appointed
Romeo Adams	Secretary to the Western Cape Provincial Parliament (Chairperson)	4	4	N/A
Royston Hindley	Deputy Secretary	4	1	24/3/2020
Nicole Petersen	Chief Financial Officer (CFO)	4	4	24/3/2020
Vernon Titus	Director: Institutional Enablement	4	4	24/3/2020
Sunelle Fouché	Director: Public Engagement	4	4	24/3/2020
Genevieve Accom	Caretaker Manager: Strategy and Institutional Oversight	3	3	Appointed in a caretaker capacity in Mr Hindley's position as of 21 September 2021.
Other participants	Position	Scheduled meetings		Attended
Craig Matthee	Senior Risk Officer	4		4
Coby Skriker	Manager: Information Technology and Digital Services	4		4
Charles Dowman	Serjeant-at Arms	4		3
Zinzi Nikelo	Manager: Financial Compliance and Internal Control	4		4
Stefan Malan	Director: Internal Audit DoTP	4		2
Liana Adonis	Deputy Director: Internal Audit DoTP	4		4

Key activities of the GOVCOM

The GOVCOM performed the following key activities during the year:

- Reviewed the risk management policy and strategy and recommend for approval by the Accounting Officer/Secretary;
- Reviewed the risk appetite and tolerance and recommend for approval by the Accounting Officer/Secretary;
- Reviewed the institution's risk identification and assessment methodologies to obtain reasonable assurance of the completeness and accuracy of the risk register;
- Evaluated the effectiveness of mitigating strategies to address the material risks of the institution;
- Reviewed all risks outside the agreed tolerance levels for further action/attention;
- Reviewed the ethics-management strategy and plan and the fraud prevention plan and recommend it for approval by the Accounting Officer/Secretary;
- Evaluated the effectiveness of the implementation of the ethics-management processes and the fraud-prevention plan;
- Reviewed any material findings and recommendations by assurance providers on the system of risk management and monitored that appropriate action was instituted to address the identified weaknesses;
- Evaluated the extent and effectiveness of integration of risk management within the institution by assessing the risk management system using the South African Legislative Sector (SALS) Risk Maturity Tool;
- Assessed the implementation of the risk management policy, strategy and implementation plan;
- Evaluated the effectiveness of the combined assurance model in providing assurance to significant risks facing the WCPP;
- Performed ICT governance oversight to assess the implementation of policy on enterprise-wide technology, information management and information-security management, and to ensure the embedding of it into the day-to-day, medium- and long-term decision-making, activities and culture of the WCPP;
- Reviewed the compliance and loss-management processes and procedures and its effectiveness; and
- Evaluated the effectiveness of the business-continuity-management practices of the institution.

Key strategic risks considered and addressed during the year

The following strategic risks were considered and addressed:

- Continuous resurgence of COVID-19 that may result in business discontinuity, mass absenteeism and the loss of life;
- Significant interruptions to the service delivery of Parliament that may result in extended business discontinuity;
- Inadequate Information Security Management system resulting in cyber-attacks;
- Ineffective measures to protect personal information, due to the non-implementation of POPI requirements, that may result in financial and reputational risk;
- Uncertainty in respect budget envelope that may result in institutional performance stagnation;
- Inadequate public participation in the law-making process resulting in possible unconstitutional laws and ineffective legislative oversight;
- Security breaches at the legislature building;
- Security and occupational health and safety incidents during oversight visits, external events and educational workshops that may result occupational health and safety liability;
- System failure and downtime due to inadequate support of the ERP system;
- Inadequate procedural advice and support to Committee's;

- Improper procedural advice provided in respect of Standing Rules and parliamentary procedures;
- Inadequately skilled and trained Members of parliament compromise effective law-making and oversight; and
- Inappropriate skills set of staff to adjust to the requirements of a modernised parliament.

Each programme's key risks are deliberated upon and debated at the quarterly GOVCOM meetings. Programme managers or directors are required to provide feedback on progress with the implementation of action plans to reduce the likelihood of risks materialising and/or their impact, if they should materialise. The GOVCOM also referred risks back that should be analysed more extensively and recommended additional mitigations or actions to manage risks.

Key emerging risk for the year under review

The following is the key emerging risk that needs to be considered in the next financial year:

- Unlawful intrusion on the WCPP's autonomy by existing or prospective legislation (impact of the Legislative Sector Bill)

Conclusion

The GOVCOM remains an important forum within the WCPP's strategic level discussions on a range of matters that pose or could pose risks to the operations of the WCPP. During the period under review the GOVCOM focused on a number of critical risks that either influenced or could potentially influence the operations of the WCPP. Due to the deliberations at the GOVCOM, the mitigation measures put in place and the tracking of the implementation of these measures allowed the WCPP to minimise the risks within its control and to achieve its goals and objectives as set out in its Annual Performance Plan.



ROMEO ADAMS

SECRETARY TO THE PROVINCIAL PARLIAMENT

DATE: 31 August 2021

14. FRAUD AND CORRUPTION

The WCPP's Fraud Prevention Policy maintains a stance of not tolerating corrupt or fraudulent activities, whether internal or external, and commits to pursuing and prosecuting any parties vigorously, by all legal means available, who engage or attempt to engage in such practices. The Fraud Prevention Policy was distributed to all employees and was made available on the document management system.

The WCPP's Whistle-blowing Policy was distributed to all employees. This policy provides guidelines to employees and workers on how to raise concerns with the appropriate line management, specific designated persons in the WCPP or external institutions where they have reasonable grounds for believing that offences or improprieties have been or are being perpetrated in the WCPP.

The Ethics Management Strategy and Plan were implemented and covered both the proactive and reactive activities. These activities included fraud reporting, fraud governance (identification of fraud risk and management of identified existing fraud risk, awareness programme in respect of ethics management, fraud control and corruption prevention), Code of Conduct declaration, declaration of business interests, vetting employees, screening of prospective employees and service providers. Feedback was then provided basis to the GOVCOM, the ExCo and the Audit Committee in respect of progress against the plan.

The fraud health check survey was completed by the WCPP employees in the third quarter of the 2020/21 financial year. As in the previous financial year, this assisted in gaining a high-level understanding of the extent of employee awareness of fraud control. The results were used to inform the Ethics Management Strategy and Plan and Fraud Prevention Strategy and Implementation Plan for the 2021/22 financial year.

15. MINIMISING CONFLICT OF INTEREST

No conflict of interest was identified in the period under review.

16. CODE OF CONDUCT

Meetings

During the period under review the Conduct Committee met four times.

Code of Conduct

The Committee review the efficiency of the Code of Conduct and proposed amendments was adopted by the House on 4 December 2020.

Registrar of Members Interest

On 26 November the House took the following resolution, on a motion of the Deputy Chief Whip of the Majority Party, Honourable DG Mitchell: That the appointment of Advocate P Burgers as Registrar of Members' Interests, in terms of section 3 of the Members of the Western Cape Provincial Parliament Code of Conduct Act, 2002 (Act 3 of 2002), from 1 December 2020 to 30 November 2023, in accordance with the conditions in the advertisement, be confirmed. That the House further confirms that, in the event that Advocate Burgers does not accept the appointment or if the position of Registrar becomes vacant within six (6) months of the appointment, the recommendations of the interviewing panel be implemented.

Disclosure of Members' interests

The closing date for the disclosure of Members' interests was 30 April 2020. One Member failed to submit properly completed forms by the due date.

Complaints in terms of the Provincial Code of Conduct

One new complaint was registered on 23 March 2021 and is currently under consideration by the Conduct Committee.

Advice to Members on the Code of Conduct

The Registrar provided advice and assistance to nine Members on the proper completion of their disclosure forms.

Access to the public part of the disclosure forms

Two requests for access to the public section of disclosure forms were received.

17. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

17.1. Occupational Health and Safety

The Occupational Health and Safety Committee was strengthened with three additional occupational health and safety representatives. This was in response to the COVID-19 pandemic. The Serjeant-at-Arms was appointed as the 16.2 in terms of the Occupational Health and Safety Act.

The OHS Committee held four meetings in the period under review. The OHS Policy was revised to include our response to the pandemic and was approved by the Accounting Officer on 31 March 2021.

17.2. COVID-19

The Serjeant-at-Arms was appointed as the Chairperson of the COVID-19 Task Team. The task team held biweekly meetings in response to the COVID-19 pandemic. The task team consists of representatives from the various directorates, a representative from labour and a representative from the stakeholders. A COVID-19 Compliance Officer was appointed to inter alia, ensure that all venues, offices and meetings rooms complied with the regulations.

A number of public hearing and oversight visits took place during the year under review and the Compliance Officer was responsible for the sign-off of the in-person engagement forms. This ensured that all health and safety protocol were in place at each event and that it was safe for all Members of Parliament and employees to travel to these locations.

Personal protective equipment was issued to all employees and Members of Parliament. Social distancing measures at the office and the wearing of mask were compulsory. The COVID-19 cases that were reported were dealt with swiftly and were reported to the Department of Health, as well as the Department of Employment and Labour.

17.3. Business Continuity Plan (BCP)

The BCP was reviewed by the Serjeant-at-Arms unit and revised to include the new directorates established in terms of the functional enhancement process. All other details of service providers were updated in the document. The Secretary to the WCPP approved the BCP in March 2020.

The BCP was tested for its effectiveness and a formal test was conducted with all BCP role players during November 2020. A walk-through exercise was conducted as this allowed role players to go through the specific steps verbally as documented in the plan to confirm effectiveness, identify gaps, bottlenecks or other weaknesses. This test provides the opportunity to review a plan with a larger subset of people, allowing the BCP project manager to draw upon a correspondingly increased pool of knowledge and experiences. Employees should be familiar with procedures, equipment and off-site facilities.

18. RULES COMMITTEE

The Rules Committee met four times during the year under review: on 10 July, 12 August, 4 December 2020 and 23 March 2021. The Rules Committee also received reports from its subcommittees.

18.1. Subcommittees of Rules Committee

(a) Subcommittee on the Review of the Rules

During the period under review the Subcommittee met on 19 June, 28 July and 18 September 2020.

(b) Subcommittee on Physical Infrastructure and Internal Related Arrangements

The Subcommittee did not meet in the period under review.

(c) Subcommittee on Sexual Harassment Policy and Leave of Absence for Members

The Subcommittee did not meet in the period under review.

(d) Appointment of whips

The whips of the DA and ANC were subsequently finalised as follows:

DA:

Chief Whip – Ms M M Wenger (Chairperson)

Deputy Chief Whip – Mr D G Mitchell

Whip – Ms L J Botha

Whip – Ms W F Philander

Whip – Mr A P Van der Westhuizen

Whip – Ms D M Baartman

ANC:

Chief Whip - Ms P Z Lekker

Deputy Chief Whip - Mr M K Sayed

EFF:

Whip – Xego, M

SMALLER PARTIES:

Whip – Mr F C Christians (ACDP)

(e) Programming Authority

The membership of the Programming Authority would therefore be: DA - 6; ANC - 2; EFF - 1; and one further Member for the other smaller parties jointly, on an annual rotational basis.

During the period under review the Programme Authority held 22 meetings.

19. PARLIAMENTARY OVERSIGHT COMMITTEE (POC)

During the financial year under review the Parliamentary Oversight Committee conducted oversight mainly over the following information:

- The quarterly performance reports of the WCPP;
- The financial statement reports of the WCPP; and
- The Annual Report of the WCPP for the 2019/20 financial year.

19.1. The report of the POC on the 2019/20 Annual Report is printed below:



DRAFT REPORT OF THE PARLIAMENTARY OVERSIGHT COMMITTEE ON THE ANNUAL REPORT OF THE WESTERN CAPE PROVINCIAL PARLIAMENT FOR THE YEAR ENDED 31 MARCH 2020, DATED 8 DECEMBER 2020

1. Introduction

The Annual Report of the Western Cape Provincial Parliament (WCPP) was tabled for the 2019/20 financial year in terms of section 60(1) of the Financial Management of Parliament and Provincial Legislatures Act [Act No.10 of 2009], (FMPPLA) and referred to the Parliamentary Oversight Committee (POC) on Wednesday, 30 September 2020 (refer to "ATC 78-2020"). The Annual Report (AR) of WCPP serves to provide a record of the activities and performance of the administration of WCPP and to promote accountability for decisions made during the financial year under review. The performance of WCPP is measured against the performance targets and budget outlined in the WCPP Strategic Plan 2015/16 - 2019/20; including the Annual Performance Plan of WCPP for the 2019/20 financial year.

The purpose of FMPPLA is to regulate the performance and financial management of the legislatures in South Africa in a manner consistent with its status in terms of the Constitution; to ensure that all revenue, expenditure, assets and liabilities of Parliament and provincial legislatures are managed efficiently, effectively and transparently; to provide for the responsibilities of persons entrusted with financial management; and to provide for matters connected therewith. In compliance with the spirit of Section 4 of the Act, the Committee considered the AR of the WCPP to maintain oversight of the performance indicators and financial management of the WCPP for the specific financial year under review. In addition to regulating the financial management of the WCPP, the FMPPLA mandates the POC to conduct oversight over the performance information, governance and human resource functions of the Institution through its annual reports. Section 4(1)(b) of the FMPPLA provides the Committee with this mandate.

The members of POC deliberated on the various sections of the Annual Report of the WCPP for the 2019/20 financial year, as follows:

1. Part A: General Information,
2. Part B: Performance Information,
3. Part C: Governance,
4. Part D: Human Resource Management, and
5. Part E: Financial Information.

The Annual Report of the WCPP 2019/20 was tabled on time, according to Provincial Treasury and other prescripts. The Annual Report programme for the 2019/20 financial year was advertised in newspapers, inviting stakeholders and members of the public to attend and participate in the discussions.

2. Overview

The Committee met on 8 December 2020 at 08:00 where it was briefed by the Auditor-General of South Africa (AGSA) on the audit outcomes of the 2019/20 financial year for WCPP. After the briefing by the AGSA, the Committee was briefed by the Audit Committee (AC) whose role is to ensure that the WCPP functions according to good governance principles, complies with accounting and audit standards and monitors that appropriate risk management arrangements are in place. The AC also monitors the adequacy and reliability of the financial information provided by the WCPP.

The methodology of the Committee was to meet with these stakeholders to benefit from their findings and possible concerns with the aim of assisting the Committee to have a constructive oversight engagement with the WCPP.

The Committee met with WCPP and commenced with introductory comments made by the Speaker, Deputy Speaker and the Secretary of the WCPP.

A section by section oversight discussion ensued with the management of the WCPP on the aforementioned parts which comprise the AR of the Institution.

3. Audit Opinion

The Committee noted the audit opinion of the AGSA regarding the annual financial statements for the 2019/20 financial year of the Institution, having obtained a clean audit report. This audit opinion remains unchanged from the 2018/19 financial year.

The AGSA raised no findings with the Institution on compliance with laws and regulations, predetermined objectives nor internal control deficiencies.

4. Corporate Governance

4.1. Corporate Governance regulates the exercise of power within an Institution with the aim to ensure that the Institution's purpose is achieved, which encompasses:

4.1.1. the creation and ongoing monitoring of an appropriate and dynamic system of checks and balances to ensure the balanced exercise of power within a company;

4.1.2. the implementation of a system to ensure compliance with legal and regulatory obligations;

4.1.3. the implementation of a process to identify and manage risks to the sustainability of the company's business; and

4.1.4. the development of practices which make and keep the company accountable to the company's identified stakeholders and the broader society in which it operates.

4.2. During the 2019/20 financial year, the Audit Committee completed the following assurance engagements:

4.2.1. Security Management (Assurance),

4.2.2. Enterprise Resource Planning (Assurance),

4.2.3. Occupational Health and Safety (Assurance),

4.2.4. Human Resource Strategy (Assurance), and

4.2.5. Public Outreach and Education (Assurance).

4.3. The Institution settled two invoices outside of the required 30- day payment period. The value of the invoices amounted to R101 660,77. The delayed payments were due to the breakdown of internal controls in submitting the invoices timeously for payment. All invoices were paid within the financial year under review. The Institution provided an assurance that the root causes for both cases were investigated and identified. Remedial steps and additional controls were implemented to eliminate the reoccurrence of such future incidences.

4.4. The Institution has developed a Whistle-blowing Policy, which was approved on 16 March 2020.

4.5. No fraud and corruption activities were detected or reported during the 2019/20 financial year.

5. Performance Information

63 targets were planned for the 2019/20 financial year of which 45 of these targets were achieved (71%). In relation to 14 targets that were not achieved, 8 emanated from Programme 1: Governance, Leadership and Administration; while 2 emanated from Programme 2: Parliamentary Support Services; 3 occurred in Programme 3: Public Engagement; while 1 occurred in Programme 4: Members' Support. The reasons for the non-achievement of the targets are reflected under Section B: Performance Information of the 2019/20 Annual Report of the Institution. A further 4 targets were either not applicable or not achievable by the Institution (3 emanated from Programme 1: Governance, Leadership and Administration; while 1 emanated from Programme 4: Members' Support).

6. Financial Management

6.1. The Western Cape Provincial Parliament spent R145,7 million of an appropriated budget of R158,5 million. This resulted in an under-expenditure of R12,8 million (8% underspending). The under-expenditure of R12,750 million occurred under the following programmes:

- 6.1.1. Programme 1: Governance, Leadership & Administration (R6,106 million);
- 6.1.2. Programme 2: Parliamentary Support Services (R1,511 million);
- 6.1.3. Programme 3: Public Engagement (R1,435 million); and
- 6.1.4. Programme 4: Members Support (R3,698 million).

6.2. In addition, the Institution's total estimated revenue budget of R67 000 was over-collected by R540 000, which resulted in a departmental receipt of R607 000. The over-collection on revenue occurred under the following line items:

- 6.2.1. Sale of goods and services other than capital assets (R99 000);
- 6.2.2. Interest, dividends and rent on land (R408 000);
- 6.2.3. Sale of Capital Assets (R87 000); and
- 6.2.4. Financial Transactions in assets and liabilities (R13 000).

6.3. As reflected under Note 35 on page 191 of the WCPP's AR, the Institution incurred irregular expenditure of R3,415 million. The analysis of expenditure awaiting condonation, as well as the details of the irregular expenditure which has been condoned during the year under review is also included under Note 35.

6.4. The Institution did not incur any fruitless and/ or wasteful expenditure during the 2019/20 financial year.

7. Emerging Risks

7.1. New pronouncements

The Committee notes the inputs of the AGSA that new pronouncements were issued by the Accounting Standard Board which might be considered as emerging risks to the following standards of GRAP:

GRAP pronouncements	Effective date
GRAP 34 - Separate financial statements	1 April 2020
GRAP 35 - Consolidated financial statements	1 April 2020
GRAP 36 - Investments in associates and joint ventures	1 April 2020
GRAP 37 - Joint arrangements	1 April 2020
GRAP 38 - Disclosure of interests in other entities	1 April 2020
GRAP 104 on <i>Financial instruments</i> (revised)	To be determined
GRAP 110 - Living and non-living resources	1 April 2020
IGRAP 20 <i>Accounting for adjustments to revenue</i>	1 April 2020
Guideline on <i>Accounting for landfill sites</i>	To be determined
Guideline on <i>The application of materiality to financial statements</i>	Voluntary
Improvements to the Standards of GRAP (2020)	To be determined

8. Recommendations by the Committee

The Committee passed no recommendations to the Institution, based on the contents of its 2019/20 Annual Report, including the discussions the Committee had with the AGSA and AC.

9. Information requested from WCPP

9.1. The Committee REQUESTED that WCPP provide the Committee with the following information by 29 February 2021:

9.1.1. A detailed report on the work which has been done by WorkDynamics and the Assessment Toolbox during the 2019/20 financial year.

9.1.2. A Report on the vacancies, including all posts that were created and abolished during the 2019/20 financial year.

9.1.3. A Report on how the Deputy Secretary's post has been phased-out with the passing of Mr R Hindley.

9.1.4. A copy of the Ministerial Handbook which guides the Administration on the use of ministerial vehicles.

9.1.5. A copy of the recruitment policy of WCPP which was enacted during the 2019/20 financial year.

9.1.6. A Report on the members of WCPP who owe the Institution monies, including an action plan on how the monies will be recovered.

9.2 The Committee further RESOLVED that the WCPP supplies it with a bi-annual report on the compliance and action plans of the Institution in terms of the new GRAP Pronouncements which were made by the AGSA.

10. Inputs received from the public

Members of the public were provided an opportunity to pose questions or make oral submissions, based on the contents of the 2019/20 Annual Report of the WCPP. However, no members of the public were present in the meeting to pose questions or to make oral submissions.

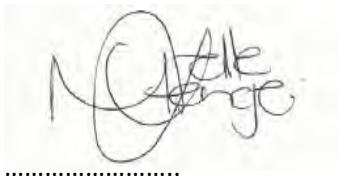
11. Conclusion

The Committee commends the WCPP for maintaining an unqualified audit with no findings on predetermined objectives nor compliance with laws and regulations.

The Committee will continue to engage with the Institution on its budget, performance indicators and the implementation of legal requirements and outstanding matters that were identified in the aforementioned sections, which contains the Committee's request for information, including any resolutions.

12. Acknowledgments

The Chairperson expressed the appreciation of the Committee for the inputs of the various role-players, such as the Auditor-General of South Africa and the Audit Committee, to enhance the oversight work of the Committee which relates to the Annual Report of the WCPP for the year ending 31 March 2020. In addition, the Committee thanked the presiding officers and the WCPP administration for their efforts and contributions in this regard.

A handwritten signature in black ink, appearing to read 'M Wenger', is shown above a dotted line.

MS M WENGER

CHAIRPERSON: PARLIAMENTARY OVERSIGHT COMMITTEE

19.2. Information requested by POC

The WCPP submitted all the information requested by the POC in accordance with paragraphs 9.1 and 9.2 of the report.

19.3. WCPP response to the POC recommendations

The Committee passed no recommendations to the institution based on the contents of its 2019/20 Annual Report, including the discussions the Committee had with the AGSA and AC. Refer to paragraph 8 of the report.

20. PRIOR MODIFICATION TO AUDIT REPORTS

There were no prior modifications to the audit report during the 2020/21 period.

21. COMPLIANCE WITH THE 30 DAY PERIOD

During 2020/21 seven invoices to the accumulated value of R168 571.77 were settled in more than 30 days. The reason for these cases related to the breakdown of internal controls in submitting the invoice timeously for payment.

The root causes for these cases were investigated and identified, remedial steps, consequence management (where required) and additional controls (where needed) were implemented to eliminate the reoccurrence of such cases.

22. FINANCIAL COMPLIANCE AND INTERNAL CONTROL

The Financial Compliance and Internal Control Unit focused on identifying control gaps through inspections and assisting in audit preparation through post-auditing all transactional documentation.

The following areas were completed during the year under review:

- Interpreter payments
- Interim financial statement disclosures
- Quotation processes
- Performance Information processes

Follow-up inspections were conducted on the previous year's findings to ensure progress and implementation where there were management action plans.

The unit also regularly followed up on management action plans stemming from the AGSA's findings in the previous year, as well as on internal-audit reports issued.

Loss control investigations are also dealt with by Financial Compliance and Internal Control. Once a thorough investigation is completed, recommendations are made to the Accounting Officer to write off or recoup a loss.

23. INTERNAL AUDIT AND AUDIT COMMITTEES

Internal Audit provides management with independent, objective assurance and consulting services designed to add value and to continuously improve the operations of the Provincial Parliament. It should assist the Provincial Parliament to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of Governance, Risk Management and Control processes. The following key activities are performed in this regard:

- Assess and make appropriate recommendations for improving the governance processes in achieving the Provincial Parliament's objectives;
- Evaluate the adequacy and effectiveness and contribute to the improvement of the risk management process;
- Assist the Accounting Officer in maintaining efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement.

Internal Audit work completed during the year under review for the Provincial Parliament included seven assurance engagements and eight follow-up areas. The details of these engagements are included in the Audit Committee report.

The Audit Committee is established as an oversight body, providing independent oversight over governance, risk management and control processes in the Provincial Parliament, which include oversight and review of the following:

- Internal Audit function;
- External Audit function (Auditor General of South Africa - AGSA);
- Accounting and reporting;
- Accounting Policies;
- AGSA management and audit report;
- In year Monitoring;
- Enterprise Risk Management;
- Internal Control;
- Pre-determined objectives;
- Ethics and Forensic Investigations.

The table below discloses relevant information on the audit committee members:

Name	Qualifications	Internal or external	If internal, position in the WCPP	Date appointed	Date Resigned	No. of Meetings attended
Mr Francois Barnard (Chairperson)	BProc; BCompt (Hons); CTA; Postgrad Diploma Auditing; MCom; CA (SA) MTP (SA)	External	N/A	01 January 2019 (1 st term)	N/A	7
Ms Merle Kinnes	BA; LLB; Higher Certificate in Forensics Examination; Attorney of the High Court	External	N/A	01 January 2019 (2 nd term)	N/a	7
Mr Mohamed Yaseen Ismail	BCom, PGDA, Certificate in Advanced Taxation, Certificate in Forensic and Investigative auditing, CA(SA), RA(SA), CFE	External	N/A	01 May 2019 (2 nd term)	30 June 2020	1
Mr Andrew Davids	BCom; Professional Post-Graduate Qualification: Company Secretarial and Governance Practice, ACG(CS)	External	N/A	01 January 2020 (1 st term)	N/A	7
Ms Crystal Abdoll	BCom; BCompt (Hons); Certificate in the Theory of Accounting; CA (SA); Post-graduate Diploma: Certified Internal Auditing	External	N/A	01 March 2021 (1 st term)	N/A	2

AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2021.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 48 of the Financial Management of Parliament and Provincial Legislatures Act (FMPPLA). The Audit Committee also reports that it has adopted an appropriate formal Terms of Reference, has regulated its affairs in compliance with these Terms and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

The Provincial Parliament is required to develop and maintain systems of internal control that would improve the likelihood of achieving its objectives, to adapt to changes in the environment it operates in and to promote efficiency and effectiveness of operations, supports reliable reporting and compliance with laws and regulations.

A risk-based Combined Assurance Plan was developed for the Provincial Parliament, facilitated by Internal Audit, who is also an independent assurance provider. Internal Audit provides the Audit Committee and Management with reasonable assurance that the internal controls are adequate and effective. This is achieved by an approved risk-based internal audit plan, Internal Audit assessing the adequacy of controls mitigating the risks and the Audit Committee monitoring implementation of corrective actions.

Assurance engagements:

- Enterprise Risk Management
- Contract Management
- Transfer Payments
- Stakeholder engagements
- Business Continuity and DRP
- Human resources
- Plenary Support

The areas for improvement, as noted by internal audit during performance of their work, were agreed to by management. The Audit Committee monitors the implementation of the agreed actions on a quarterly basis.

In-Year Management and Monthly/Quarterly Report

The Audit Committee is satisfied with the content and the quality of the quarterly in year management and performance reports issued during the year under review by the Accounting Officer of the Western Cape Provincial Parliament (WCPP) in terms of FMPPLA.

Evaluation of Financial Statements

The Audit Committee has:

- reviewed and discussed the Audited Annual Financial Statements to be included in the Annual Report, with the Auditor-General South Africa (AGSA) and the Accounting Officer;
- reviewed the AGSA's Management Report and Management's responses thereto;
- reviewed changes to accounting policies and practices as reported in the Annual Financial Statements;
- reviewed material adjustments resulting from the audit of the Institution.

Compliance

The Audit Committee has reviewed the WCPP's processes for compliance with legal and regulatory provisions. We note their responses.

Performance Information

The Audit Committee has reviewed the information on predetermined objectives as reported in the Annual Report.

Report of the Auditor-General South Africa

We have on a quarterly basis reviewed the Institution's implementation plan for audit issues raised in the prior year. The Audit Committee has met with the AGSA to ensure that there are no unresolved issues that emanated from the regulatory audit.

Corrective actions on the detailed findings raised by the AGSA will continue to be monitored by the Audit Committee on a quarterly basis.

The Audit Committee concurs and accepts the Auditor-General of South Africa's opinion regarding the Annual Financial Statements, and proposes that these Audited Annual Financial Statements be accepted and read together with their audit report.

The Audit Committee commends the Institution for maintaining an unqualified audit opinion with no material findings.



Mr Francois Barnard

Chairperson of the Governance and Administration Cluster Audit Committee

Western Cape Provincial Parliament

Date: 18 August 2021

24. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

Has the sphere of government or public entity or organ of state applied any relevant code of good practice (BBBEE certificate levels 1 to 8) with regard to the following:		
Criteria	Circle relevant answer	Attachment
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law	Not applicable	If Yes, please attach Qualification Criteria as well as the compliance report of implementation thereof in the Annual Report
Developing and implementing a preferential procurement policy	WCPP adheres to the requirements of PPPFA Regs in conjunction with BBEEA	If Yes, please attach Preferential Procurement Policy as well as the compliance report of implementation thereof in the Annual Report
Determining qualification criteria for the sale of state-owned enterprises	Not applicable	If Yes, please attach Qualification Criteria as well as the compliance report of implementation thereof in the Annual Report
Developing criteria for entering into partnerships with the private sector	Not applicable	If Yes, please attach Qualification Criteria as well as the compliance report of implementation thereof in the Annual Report
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment	Not applicable	If Yes, please attach Qualification Criteria as well as the compliance report of implementation thereof in the Annual Report



ROMEO ADAMS

SECRETARY TO THE PROVINCIAL PARLIAMENT

DATE: 31 August 2021

WESTERN CAPE PROVINCIAL PARLIAMENT



PART D HUMAN RESOURCE MANAGEMENT



Visitors to the Western Cape Provincial Parliament are received at the reception desk situated on the ground floor



A Public Education and Outreach official explains the principles of the constitution to community members

PART D: HUMAN RESOURCE MANAGEMENT

25. INTRODUCTION

The Section: Human Resources of the Annual Report provides in-depth information on the people-related activities of the WCPP for the year under review. While most of the information tends to be statistical, graphs and analyses are included to provide readers with a better sense of the impact or significance of the statistics reflected.

NOTE: Please note that in some statistical information provided the figures will relate to all employees who were employed for the entire financial year. Where it is expressly stated “As at 31 March 2021” or “1 April 2020” will the figures reflect the position on that particular day.

26. HUMAN RESOURCES

The financial year under review, 2020/21, was a year of significant disruption in the operating environment.

This disruption affected the Human Resources section directly in more than one way:

- Recruitment and selection activities were temporarily halted and staggered for filling during the second half of the year;
- Planned employee wellness activities had to be suspended; and
- Training and development initiatives had to be reassessed, since virtual training sessions became a new training requirement.

For the first time the WCPP conducted virtual interviews as part of the recruitment and selection process. This has resulted in ensuring progress continued to be made towards filling vacancies while reducing some of the traditional costs associated with recruitment and selection processes. The filling of some of the vacancies were challenging, especially in the Directorate: Parliamentary Support Services. The number of WCPP staff exits (2) has reduced significantly from the high of ten (10) in the 2019/20 financial year. This sadly included the passing away of a senior WCPP employee.

Despite ongoing efforts in 2019/20 to stabilise and optimise the ERP system to ensure accurate and timeous salary and benefit payments, and effective benefit administration for all employees, challenges persisted with the SAGE X3 People module. This, together with an announcement from the vendor that they would no longer be supporting the SAGE X3 People module in Africa, led to a decision to move to SAGE 300. The implementation of SAGE 300 is anticipated in the 2021/22 financial year.

Progress continued to be made towards meeting the new employment-equity numerical goals, which set out a strategy to correct the employment-equity figures for management and senior-management salary levels. The disparity between the remuneration for male and female employees is as a result of fewer women in management positions (see table 3.2.2). This is one of the key focus areas in strategically addressing employment equity in the WCPP. All the numerical goals in the Employment Equity Plan have been approved by the WCPP’s Accounting Officer.

Policies and procedures are a key driver in ensuring long-term professional benefits for the WCPP, as well as for its employees. A task team made up of representatives from the recognised union (NEHAWU), as well as nominated employees and managers from different directorates, reviewed the following policies:

- Overtime Policy
- Leave Policy
- Study Assistance Policy
- Working Hours Policy
- Reward and Incentives Policy
- Cellular and Mobile Internet Policy
- Working-from-home Policy

During the year under review nine employees were beneficiaries of the WCPP's Study Assistance Programme. The study programmes undertaken by these employees were Law (2), Information Technology (2), Public Administration (2), Professional Competency course for Chartered Accountants (1), Business Administration (1) and Communication Science (1). With the Study Assistance Policy review, the intention is to increase the number of beneficiaries and to encourage the ongoing professional development of employees. At the same time the policy intention also looked at broadening the base of the committee presiding over study assistance applications.

The HR Section has noticed a significant decline in the average number of sick leave days utilised during the 2020/21 period. The average is at a seven-year low of 1,91 average number of days' sick leave per employee. This can be an indication of general improved health because of the reduced risk of infections (other than COVID-19) because of strict hygiene measures and employees staying mostly indoors at home because of lockdown. It could also be an indication that employees who worked from home during the financial year would be able to keep working despite mild ailments, and not utilise sick leave. For the same ailments, under normal working at the office conditions, the assumption is that employees would have stayed at home and would have utilised sick leave.

On 1 December ICAS was appointed as the new employee-wellness service provider for a period of 24 months. Five information sessions were presented in December 2020 and January 2021 to introduce employees and managers to the services offered by ICAS. This included two sessions exclusively for managers and senior managers about the professional support and referral services offered to managers by ICAS. During March two sessions about parenting skills were presented as a webinar. The benefits of the 24-month contract opposed to the 12-month contracts of the past are:

- A higher level of continuity and consistency of services rendered;
- A longer period for employees to build a trusted relationship with the service provider; and
- A longer period to identify and address statistically valid employee wellness trends.

WCPP employees attended 18 different skills development interventions to enhance employees' competencies, ability and effectiveness. This included professional seminars, short courses and accredited skills programmes.

The Section: Human Resources administered and arranged for the long-service awards presentation to employees. These awards serve as a token of appreciation and recognition of employees for their commitment and loyalty to the WCPP and its mandate. The following long-service awards were presented during the financial year under review:

Long-service award category	Number of qualifying employees receiving awards during 2020/21	Nature of award
5 years of service	3	Certificate, additional vacation leave days
10 years of service	5	Certificate, additional vacation leave days, monetary award
15 years of service	1	Certificate, monetary award, corporate gift
20 years of service	2	Certificate, monetary award, corporate gift
25 years of service	2	Certificate, monetary award, corporate gift

Below is a tabular display of some indicators in human resources management and the organisational landscape over the past six years:

Indicator	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Personnel expenditure	49 million	53 million	57 million	63 million	67 million	71 million
Vacancy rate	4.8%	8.6%	3.7%	6.5%	12.82%	11.97%
Employee complement (as at 31 March)	99	96	103	107	102	103
Appointments	12	5	17	4	27	6
Exits	5	9	3	7	10	2
Average sick leave (days)	9	9.2	8.6	7.6	7.65	1.91
Study assistance (number of employees)	16	17	11	8	5	9

28. EXPENDITURE

The WCPP budgets in terms of clearly defined programmes. The following tables summarise final audited actual expenditure paid per programme (Table 28.1) and by salary bands (Table 28.2). In particular it provides an indication of the amounts spent on personnel costs in terms of each of the programmes or salary bands.

28.1. Personnel cost by programme, 2020/21

Programme	Personnel expenditure R'000	Total expenditure R'000	Training expenditure R'000	Personnel cost as a % of total expenditure	Average personnel cost per employee R'000	Number of employee per programme
Programme 1 Governance, Leadership and Administration	45 095	59 429	601	75,88%	705	64
Programme 2: Parliamentary Service Support	15 876	18 044	-	89,98%	610	26
Programme 3: Public Engagement	9 090	10 076	-	90, 21%	649	14
Programme 4: Members Support	1 346	55 488	-	2,43%	673	2
Total	71 407	143 036	601	49,92%	680	105

Note: This table refers to the number of employees remunerated for the period under review. This includes the Registrar and employees who have exited the institution during the period.

28.2. Personnel cost by salary band, 2020/21

Salary bands	Number of employees	Personnel expenditure R'000	Percentage of total personnel cost	Average personnel cost per employee R'000
Lower skilled (Band A1–B1)	2	817	1,14%	408
Skilled (Band B2–C3)	64	33 824	47,37%	528
Highly skilled production (Band C4–C5)	17	12 166	17,04%	715
Highly skilled supervision (Band D1–D3)	17	16 378	22,94%	963
Senior management (Band D4–E2)	5	8 222	11,51%	1 644
Total	105	71 407	100,00%	680

Note: The personnel expenditure in 28.1 and 28.2 corresponds, but due to different groupings and rounding of figures it reflects differently.

28.2.1. Personnel cost by population group, 2020/21

Demographic profile	Number of employees	Personnel cost by race R'000	Percentage of total personnel cost
African	25	14 412	20,18%
Indian	5	3 446	4,83%
Coloured	59	41 688	58,38%
White	16	11 861	16,61%
Total	105	71 407	100,00%

28.2.2. Personnel cost by gender, 2020/21

Demographic profile	Number of employees	Personnel cost by gender R'000	Percentage of total personnel cost
Male	51	38 978	54,59%
Female	54	32 429	45,41%
Total	105	71 407	100,00%

The following tables provide a summary per programme and salary bands as a percentage of total personnel cost. The tables further reflect the expenditure as a result of salaries, overtime, home owners' allowance and medical assistance. These tables exclude Interns and expenses such as pension contributions

28.3. Salaries, overtime, home owner's allowance and medical aid by programme, 2020/21

Programme	Salaries		Overtime		Home owner's allowance		Medical assistance	
	Amount R'000	Salaries as a % of personnel cost per programme	Amount R'000	Overtime as a % of personnel cost	Amount R'000	HOA as a % of personnel cost	Amount R'000	Medical assistance as a % of personnel cost
Programme 1	32 317	71,66%	19	0,04%	2 493	5,53%	364	0,81%
Programme 2	11 173	70,38%	1	0,01%	1 423	8,96%	211	1,34%
Programme 3	6 319	69,52%	1	0,01%	590	6,58%	97	1,08%
Programme 4	959	71,25%	-	-	135	10,06%	12	0,90%
Total	50 767	71,10%	21	0,03%	4 641	6,50%	684	0,96%

**28.4. Salaries, overtime, home owner's allowance and medical aid by salary bands, 2020/21
(percentage of the total personnel cost)**

Programme	Salaries		Overtime		Home owners allowance		Medical assistance	
	Amount R'000	Salaries as a % of personnel cost per salary band	Amount R'000	Overtime as a % of personnel cost per salary band	Amount R'000	HOA as a % of personnel cost per salary band	Amount R'000	Medical assistance as a % of personnel cost per salary band
Lower skilled (Band A1–B1)	487	0,68%	-	-	164	0,23%	-	-
Skilled (Band B2–C3)	24 299	34,03%	10	0,02%	3 452	4,83%	413	0,58%
Highly skilled production (Band C4–5)	8 877	12,43%	11	0,02%	1 025	1,44%	157	0,22%
Highly skilled supervision (Band D1–D3)	12 034	16,85%	-	-	-	-	77	0,11%
Senior management (Band D4–E2)	5 070	7,10%	-	-	-	-	37	0,05%
Total	50 767	71,10%	21	0,03%	4 641	6,50%	684	0,96%

29. EMPLOYMENT AND VACANCIES

The following tables summarise the number of posts, funded and unfunded, on the establishment, the number of employees and the vacancy rates. The information is presented in terms of three key variables, namely programme (Table 29.1), salary band (Table 29.2) and critical occupations (Table 29.3).

29.1. Employment and vacancies by programme, 31 March 2021

Programme	Number of posts	Number of funded posts	Number of filled posts	Additional to establishment	Vacancy rate	Percentage unfunded posts
Programme 1	71	71	62	-	12,68%	-
Programme 2	27	27	25	-	7,41%	-
Programme 3	16	16	14	-	12,50%	-
Programme 4	3	3	2	-	33,33%	-
Total	117	117	103	-	*11,97%	-

Note: *Figures are inclusive of the Registrar of Members' Interest.

29.2. Employment and vacancies by salary bands, 31 March 2021

Salary band	Number of posts	Number of funded posts	Number of posts filled	Additional to establishment	Vacancy rate	Percentage unfunded posts
Lower skilled (Band A1–B1)	3	3	3	-	-	-
Skilled (Band B2–C3)	65	65	60	-	7,69%	-
Highly skilled production (Band C4–5)	25	25	20	-	20,00%	-

Salary band	Number of posts	Number of funded posts	Number of posts filled	Additional to establishment	Vacancy rate	Percentage unfunded posts
Highly skilled supervision (Band D1–D3)	18	18	16	-	11,11%	-
Senior management (Band D4–E2)	6	6	4	-	33,33%	-
Total	117	117	103	-	11,97%	-

29.3. Employment and vacancies by critical occupation, 31 March 2021

The critical occupation that was identified at the beginning of the 2020/21 financial year was the Director: PSS and the Manager: Plenary Support.

30. SENIOR MANAGEMENT SERVICE INFORMATION

30.1. Filling of senior management service posts

The tables in this section provide information on employment and vacancies as it relates to senior management by salary level. It also provides information on advertising and filling of senior management posts. The stipulations of the Public Service Regulations do not apply to the WCPP and hence they cannot be reported on.

Senior management service post information as at 31 March 2021:

SMS level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
E2	1	1	100,00%	-	-
D4	5	3	60,00%	2	40,00%
Total	6	4	66,67%	2	33,33%

30.2. Advertising and filling of senior management service posts for the period 1 April 2020 and 31 March 2021

Two senior management positions became vacant due to the passing away of the previous incumbent, Mr Royston Hindley, and the other position was vacant from the previous financial year, 2019/20. The positions have been advertised and the recruitment process is underway.

31. JOB EVALUATION

Job evaluation refers to the grading of posts based on its complexity, scope of responsibility, independent decision-making, levels of organisational risk and resource responsibility. The WCPP has adopted the Paterson model of job grading. These refer to posts and not individual employees. The following five positions were evaluated in the 2020/21 financial year to determine the salary level and grade. These refer to posts and not individual employees.

Positions	Approved job grade
Director: Strategy and Institutional Oversight	D4
Administration Clerk: Precinct Management	B2
2 x Administration Clerk: Logistics	B2
Senior Officer: Digital Services and Knowledge Management	C4

Note: These positions have been identified as part of the new establishment applicable from 1 April 2019. Although this is outside the current reporting period, management proactively graded and advertised these positions with the aim of timeously filling the posts.

31.1. Profile of employees whose positions were upgraded due to their posts being upgraded

Occupation	Number of employees	Original level	Job evaluation level
-	-	-	-

The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

31.2. Employees with salary levels higher than those determined by job evaluation by occupation

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Administrative Clerk*	1	B3	B5	Historical grade creep
Percentage of total employed as at 31 March 2021				0,97%

Note: This employee is red-circled and specific principles apply to his/her remuneration.

The following table summarises the beneficiaries of the above in terms of race, gender, and disability.

31.3. Profile of employees who have salary levels higher than those determined by job evaluation:

Beneficiary	African	Asian	Coloured	White	Total
Female	-	-	1	-	1
Total	-	-	1	-	1
Employees with a disability	-	-	-	-	-

32. EMPLOYMENT CHANGES

This section provides information on changes in employment during the financial year. Turnover rates provide an indication of trends in the employment profile of the WCPP. The following tables provide a summary of turnover rates by salary band.

32.1. Annual turnover rates by salary band for the period 1 April 2020 to 31 March 2021

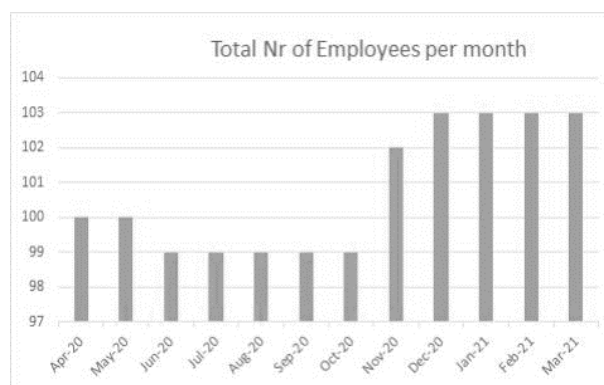
Salary band	Number of employees per band as at 1 April 2020	*Appointments and transfers into the WCPP		Terminations and transfers out of the WCPP	Turnover rate
		Internal	External		
Lower skilled (Band A1–B1)	3	-	-	-	-
Skilled (Band B2–C3)	62	1	1	-	-
Highly skilled production (Band C4–C5)	15	1	2	-	-
Highly skilled Supervision (Band D1–D3)	15	-	1	1	-
Senior management (Band D4–E2)	5	-	-	1	20,00%
Total number of employees	100	2	4	2	1,00%

Note: These appointments include the appointment of the Registrar of Members' Interests, as well as employees in posts additional to the establishment. The two internal appointments advanced the careers of these employees but did not have an impact on the vacancy rate.

32.1.1. WCPP appointment and resignation trends over the past six years

Item description	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Appointments	11	5	17	4	27	6
Resignations	5	9	3	7	5	0
Ratio	2.2:1	0.55:1	5.6:1	0.57:1	5.4:1	6:0

The staff complement of the WCPP increased during this financial year (see employee movement and stability graph). Six appointments were made. There were no resignations. The contract of one employee expired and there was one death in service.



32.2. Annual turnover rates by critical occupation for the period 1 April 2020 to 31 March 2021

None. Although no critical occupations were identified, the WCPP acknowledges that certain positions could be regarded as key positions. These include the Director: Parliamentary Support Services and the Manager: Plenary Support.

32.3. Reasons why staff are leaving the WCPP

Termination type	Number	Percentage of total
Resignation	-	-
Expiry of contract	1	50%
Dismissal – operational reasons	-	-
Dismissal – misconduct	-	-
Discharged due to ill-health	-	-
Retirement	-	-
Death in service	1	50%
Transfers to other public service departments	-	-
Total	2	100%
Total number of employees who exited as a percentage of the total employment, using 1 April 2020 as the baseline.		2,00%

32.4. Reasons for staff turnover at WCPP

Turnover at WCPP has been steadily declining with no resignations being recorded during the year. Turnover has been limited to one death in service and expiry of a contract.

32.5. Promotions by salary bands

The WCPP's Recruitment and Selection Policy does not make provision for promotion.

33. EMPLOYMENT EQUITY

33.1. Total number of employees (including employees with disabilities) in each of the following occupational bands as at 31 March 2021

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior management (Bands D4–E2)	-	2	-	-	-	1	-	1	4
Management and professionally qualified (Band D1–D3)	1	6	1	2	1	1	-	1	13
Experienced specialists and middle management (Band C4–C5)	2	4	1	2	2	3	-	1	15
Skilled technical and academically qualified workers, junior management, supervisors (Bands B2–C3)	4	13	2	2	12	23	-	3	59
Semi-skilled and discretionary decision-making (Band A1–B1)	-	3	-	-	-	-	-	-	3
Total	7	28	4	6	15	28	-	6	94
Contract employees (non-permanent employees)	1	1	-	3	-	1	-	2	8
Grand total	8	29	4	9	15	29	-	8	102
People with disabilities included in the statistics above: Experienced specialist and middle management (Band C4- C5)		-	-	1	-	-	-	-	1

Note: The role of Registrar is not assigned a grade and is accordingly not reflected in the above table.

33.2. Recruitment for the period 1 April 2020 to 31 March 2021

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior management (Band D4–E2)	-	-	-	-	-	-	-	-	-
Highly skilled supervision (Band D1–3)	-	-	-	-	-	-	1	-	1
Highly skilled production (Band C4–5)	1	1	1	-	2	-	-	-	5
Skilled (Band B2–C3)	-	-	-	-	-	-	-	-	-
Lower skilled (Band A1–B1)	-	-	-	-	-	-	-	-	-
Total	1	1	1	-	2	-	1	-	6
Employees with disabilities	-	-	-	-	-	-	-	-	-

33.3. Promotions for the period 1 April 2020 to 31 March 2021

The WCPP policies do not make provision for promotions.

33.4. Terminations for the period 1 April 2020 to 31 March 2021

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior management	-	1	-	-	-	-	-	-	1
Professionally qualified and experienced specialists and mid-management	-	-	-	1	-	-	-	-	1
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	-	-	-	-	-	-	-	-	-
Semi-skilled and discretionary decision-making	-	-	-	-	-	-	-	-	-
Total	-	1	-	1	-	-	-	-	2
Employees with disabilities	-	-	-	-	-	-	-	-	-

33.5. Disciplinary action for the period 1 April 2020 to 31 March 2021

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
	-	1	-	-	1	-	-	-	2

33.6. Skills development for the period 1 April 2020 to 31 March 2021

33.6.1. Training recipients

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	2	7	2	2	1	2	1	1	18
Professionals	-	-	-	-	-	-	-	-	-
Technicians and associate professionals	4	13	2	4	8	16	-	3	50
Clerks	1	2	-	-	6	6	-	-	15
Service workers	-	1	-	-	-	-	-	-	1
Total	7	23	4	6	15	24	1	4	84
Interns	-	-	-	-	-	-	-	-	-
Employees with disabilities	-	-	-	-	-	-	-	-	-

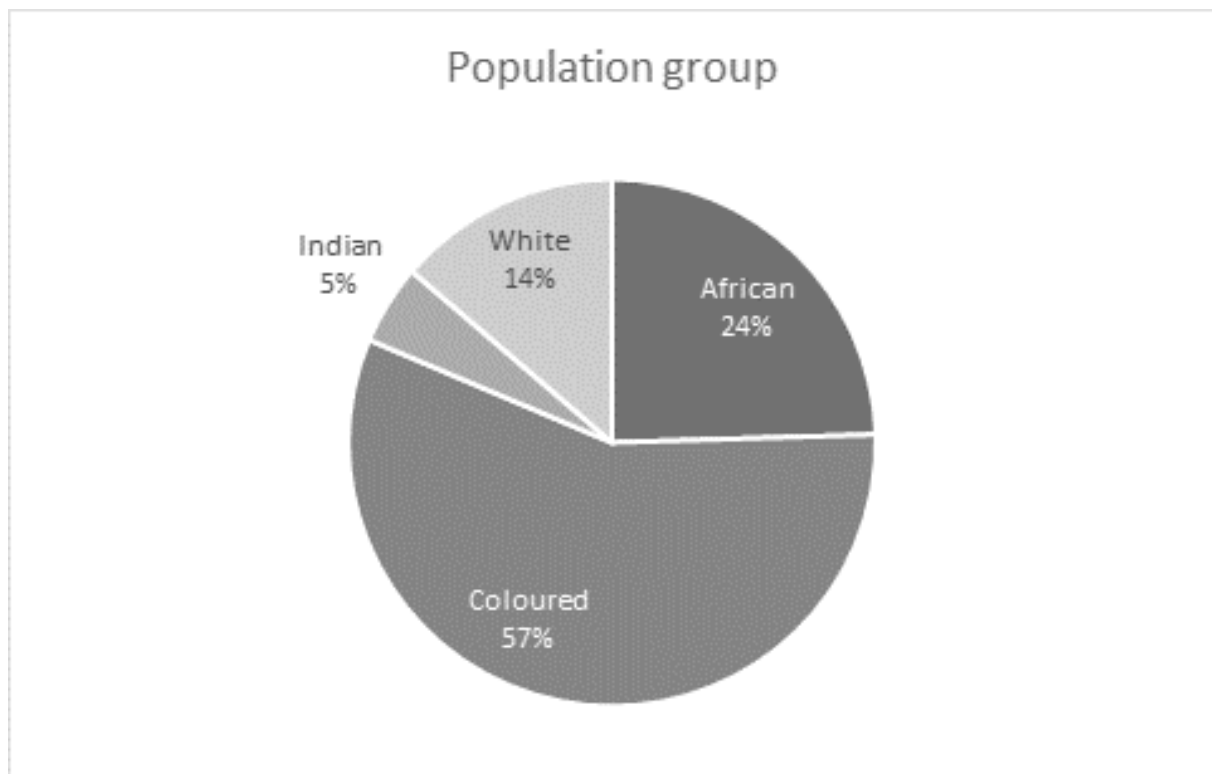
Note: Please note that this refers to individuals who attended training. Internal training programmes are included.

33.6.2. Study assistance provided for formal education

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	-	-	-	-	1	-	-	-	1
Professionals	-	-	-	-	-	-	-	-	-
Technicians and associate professionals	1	1	1	-	-	3	-	-	6
Clerks	-	-	-	-	-	2	-	-	2
Service workers	-	-	-	-	-	-	-	-	-
Total	1	1	1	-	1	5	-	-	9
Employees with disabilities	-	-	-	-	-	-	-	-	-

33.6.3. Skills development and capacity building trends for six years

Summary of interventions	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Skills development (training interventions)	169	339	86	185	79	84
Study assistance (number of employees)	12	17	6	8	5	9
Internships	1	3	3	-	-	-



33.7. Population group distribution as at 31 March 2021

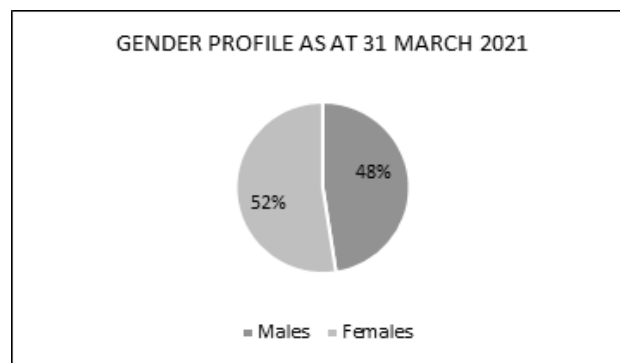
Demographic description	Employees as at 31 March 2021	WCPP	Western Cape*
African	25	24,51%	38,1%
Coloured	58	56,86%	45,5%
White	15	13,73%	15,1%
Indian	5	4,90%	1,3%
Total	103	100,00%	100%

Note: *Economically active population (Quarterly Labour Force Survey Q4, 2018; Statistics SA)

Demographic representation trend for the past six years:

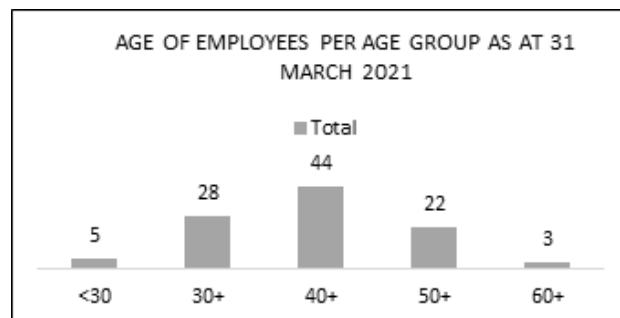
Demographic description	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Coloured	58%	60%	62%	62%	56,86%	56,86%
African	24%	21%	19%	21%	22,54%	24,51%
White	12%	14%	15%	13%	16,67%	13,73%
Indian	5%	5%	4%	4%	3,92%	4,90%

33.8. Gender composition



As at 31 March 2021, 54 of the 103 employees in the WCPP were women and 49 were men.

33.9. Age distribution



34. PERFORMANCE REWARDS

To encourage good performance the WCPP has granted the following performance rewards during the year under review. The information is presented as population group, gender, disability and salary bands. Please note that these rewards have been granted in respect of performance during the 2019/20 financial year.

34.1. Performance Increases by population group, gender and disability, 1 April 2020 to 31 March 2021 in respect of 2019/20 financial year

There were no performance increases awarded in respect of the 2019/20 financial year.

34.1.1. Pay progression:

85 employees received a 1% pay progression after having achieved a performance rating of at least 60%. (Please note that employees on probation, staff who have not completed a full performance cycle, underperformers and those who are remunerated outside of their salary level, do not qualify for pay progression.)

Salary bands	Number of employees (1 April 2020)	Number of beneficiaries	Africans		Coloured		Indian		White	
			Male	Female	Male	Female	Male	Female	Male	Female
Lower skilled (Band A1–B1)	3	1	-		1	-	-	-	-	-
Skilled (Band B2 – C3)	62	54	4	11	10	20	2	-	2	5
Highly skilled production (Band C4–5)	18	14	2	1	4	3	1	-	2	1
Highly skilled supervision (Band D1–D3)	15	12	2	1	5	1	1	-	2	-
Senior Management (Band D4–E2)	4	4	-	-	2	1	-	-	-	1
Total	102	85	8	13	22	25	4	-	6	7

34.1.2. A performance bonus was paid from 1 April 2020 to 31 March 2021 in respect of 2019/20 financial year to one individual only. The rounded value was R18, 000.

(Note: Demographical details cannot be provided as confidentiality can no longer be guaranteed.)

A three-year agreement was reached with NEHAWU to suspend performance bonuses for 2019/20, 2020/21 and 2021/22. This will be reviewed for the next MTEF period.)

Performance by critical occupations, 1 April 2019 to 31 March 2021:

34.2 Performance by critical occupations, 1 April 2019 to 31 March 2021

No critical occupations were identified for the period 1 April 2019 to 31 March 2020.

35. FOREIGN WORKERS

35.1. Foreign workers, 1 April 2020 to 31 March 2021, by salary band:

No foreign workers were appointed.

35.2. Foreign workers, 1 April 2020 to 31 March 2021, by major occupation

No foreign workers were appointed.

36. LEAVE UTILISATION

The following tables indicate the use of sick leave, with an estimated cost. The use of annual leave utilisation and payouts are also provided.

36.1. Sick leave, 1 April 2020 to 31 March 2021

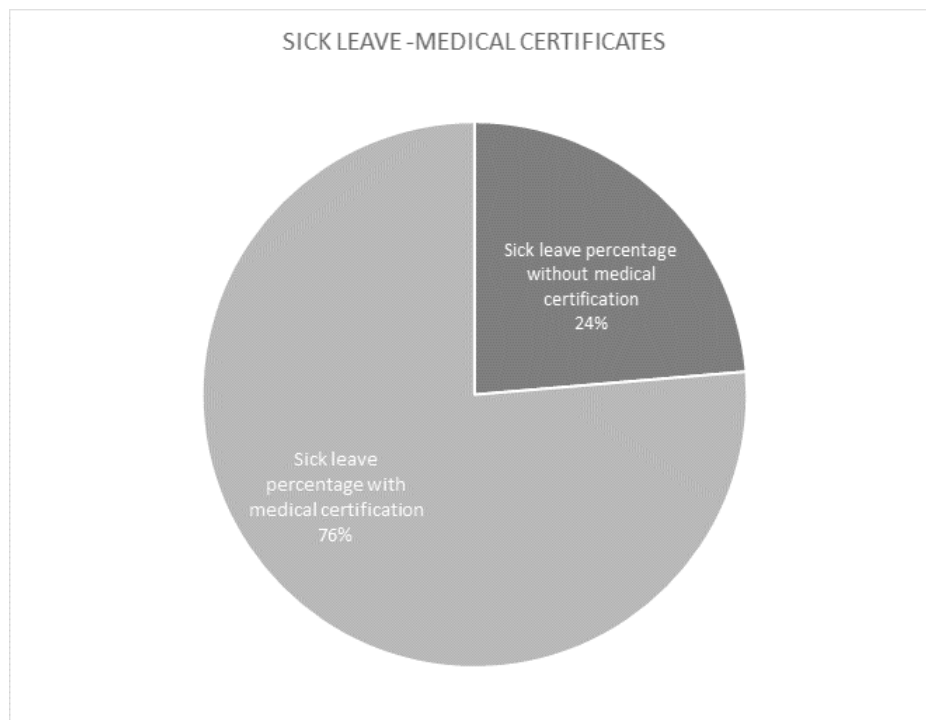
Salary band	Total qualifying employees	Total days	% of days with medical certification	Number of employees using sick leave	% of total employees per band using sick leave	Average days per employee*	Estimated cost (R'000) R'000
Lower skilled (Band A1–B1)	3	6	0,00	1	33,33	2,00	6
Skilled (Band B2–C3)	62	143,50	82,93	25	40,32	2,31	316
Highly skilled production (Band C4–5)	18	41,00	75,61	10	55,56	2,28	122
Highly skilled supervision (Band D1–D3)	15	4,00	0,0	3	20,00	0,27	17
Senior management (Band D4–E2)	5	2,00	0,00	1	20,00	0,4	14
Total	103*	196,50	76,34	40	38,83	1,91	475

Note: *Refers to all employees remunerated for the period.

36.2. Employees who were granted additional sick leave from 1 April 2020 to 31 March 2021

During this period one employees was granted additional sick leave.

Salary Band	Male	Female	Approval Category
Highly skilled supervision (Band D1–D3)	1	0	Chronic disease



36.3. Annual leave, 1 April 2020 to 31 March 2021

Salary bands	Total days taken	Average per employee
Lower skilled (Band A1–B1)	45,00	15,00
Skilled (Band B2–C3)	1 294,00	20,87
Highly skilled production (Band C4–5)	371,50	20,64
Highly skilled supervision (Band D1–D3)	249,50	16,63
Senior management (Band D4–E2)	96,00	19,20
Total	2 056,00	19,96

36.4. Leave payouts upon termination of employment for the period 1 April 2020 to 31 March 2021

Band	Total number of employees	Total costs R'000	Average cost per employee R'000
Lower skilled (Band A1–B1)	-	-	-
Skilled (Band B2–C3)	-	-	-
Highly skilled production (Band C4–5)	-	-	-
Highly skilled supervision (Band D1–D3)	1	31	31
Senior management (Band D4–E2)	1	881	881
Total	2	912	456
Interns	-	-	-

Note: This total includes one employee who exited during the 2019/20 financial year, but their leave payout was made during April 2020/21.

36.5. Capped leave, 1 April 2020 to 31 March 2021

No capped leave was utilised during this period.

37. WELLNESS PROMOTION PROGRAMMES

37.1. Steps taken to reduce the risk of occupational exposure to disease

As reported last year, Universal Infection Control measures are maintained.

37.2. Details of health and wellness promotion (2020/2021)

- Employee wellness activities for the 2020/21 financial year were conducted predominantly as online information sessions and webinars. To ensure provision of wellness support during the initial stages of the lockdown period, psycho-social counselling was done through online platforms. Limited face-to-face counselling sessions were able to resume in the third and fourth quarters of the financial year.
- The wellness promotions included six online information sessions where employees were made aware of the professional services offered to all employees and how to access these services. It also included a parenting webinar.
- Employees were frequently reminded of the contact details of the 24/7 employee wellness call centre.

38. LABOUR RELATIONS

38.1. Collective agreements, 1 April 2020 to 31 March 2021

Subject matter	Date
2020/21 salary agreement	11 August 2020

38.2. Misconduct and disciplinary hearings finalised, 1 April 2020 to 31 March 2021

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	-	-
Verbal warning	1	50%
Written warning	1	50%
Final written warning	-	-
Suspended without pay	-	-
Fine	-	-
Demotion	-	-
Dismissal	-	-
Not guilty	-	-
Case withdrawn	-	-
Total	2	100%

38.3. Types of misconduct addressed, 1 April 2020 to 31 March 2021

Type of misconduct	Number	% of total
Dereliction of duty	2	100%
Discriminatory or derogatory remarks	-	-
Inappropriate language	-	-
Poor performance	-	-
Negligently failing to adhere to WCPP procedures	-	-
Absenteeism	-	-
Timekeeping	-	-
Irregular expenditure	-	-
Fraudulently altering official documents	-	-
Insubordination	-	-
Misuse of Parliament's property	-	-
Total	2	100%

38.4. Grievances lodged for the period 1 April 2020 to 31 March 2021

One formal grievance was lodged during the year under review. This was related to performance management.

38.5. Disputes lodged with councils for the period 1 April 2020 to 31 March 2021

Disputes	Number	% of total
Number of disputes upheld	-	-
Number of disputes dismissed	-	-
Number of disputes resolved	-	-
Total number of disputes lodged	-	-

38.6. Strike actions for the period 1 April 2020 to 31 March 2021

No strike action was embarked upon during the period under review.

38.7. Precautionary suspensions for the period 1 April 2020 to 31 March 2021

None.

39. SKILLS DEVELOPMENT

39.1. Training needs identified, 1 April 2020 to 31 March 2021

Occupational categories	Gender	Training needs identified	Total training needs identified
Legislators, senior officials and managers	Female	9	42
	Male	33	
Technicians and associate professionals	Female	79	112
	Male	33	
Administrative workers and clerks	Female	18	23
	Male	4	
Service workers	Female	0	3
	Male	3	
Subtotal	Female	107	180
	Male	73	
Total		180	180

39.2. Training provided, 1 April 2020 to 31 March 2021

Occupational categories	Gender	Number of employees as at 31 March 2021	Skills programmes (including bursaries) and other short course	Total
Legislators, senior officials and managers (1)	Female	5	12	41
	Male	14	29	
Professionals (2)	Female	-	-	-
	Male	-	-	
Technicians and associate professionals (3)	Female	32	69	117
	Male	26	48	
Clerks (4)	Female	17	28	32
	Male	5	3	
Service workers (5)	Female	0	-	1
	Male	3	1	
Subtotal	Female	54	110	191
	Male	48	81	
Total		*102	191	191
Interns	Female	-	-	-
	Male	-	-	-

Note: * This figure excludes the Registrar of Members' Interests.

40. INJURY ON DUTY

40.1. Injury on duty, 1 April 2020 to 31 March 2021

Nature of injury on duty	Number	% of total
Required basic medical attention only	-	-
Temporary total disablement	-	-
Permanent disablement	-	-
Fatal	-	-
Total	-	-

Note: The totals were calculated against the number employees who have been employed for the period under review – 112.

41. UTILISATION OF CONSULTANTS

41.1. Report on consultant appointments using appropriated funds

Project title	Total number of consultants that worked on the project	BBBEE status	Duration: Work days	Contract value in Rand (R)
Recruitment assessment	Works Dynamics	Level 4	On request	-
Job evaluations	Works Dynamics	Level 4	On request	12,075.00
Employee wellness	Careways	Not available	On request	40,288.30
Employee wellness	Workforce Healthcare	Level 2	On request	33,010.30
Employee wellness	ICAS	Level 1	On request	29,421.12
Job evaluations	The Assessment Toolbox	Level 1	On request	6,325.00
Total number of projects	3		Varies	159,734.00

41.2. Analysis of consultant appointments using appropriated funds in terms of the Broad Base Black Economic Empowerment Act (BBBEE):

See Table 41.1.

41.3. Report on consultant appointments using donor funds:

None.

41.4. Analysis of consultant appointments using donor funds in terms of the Broad Base Black Economic Empowerment Act (BBBEE):

None.

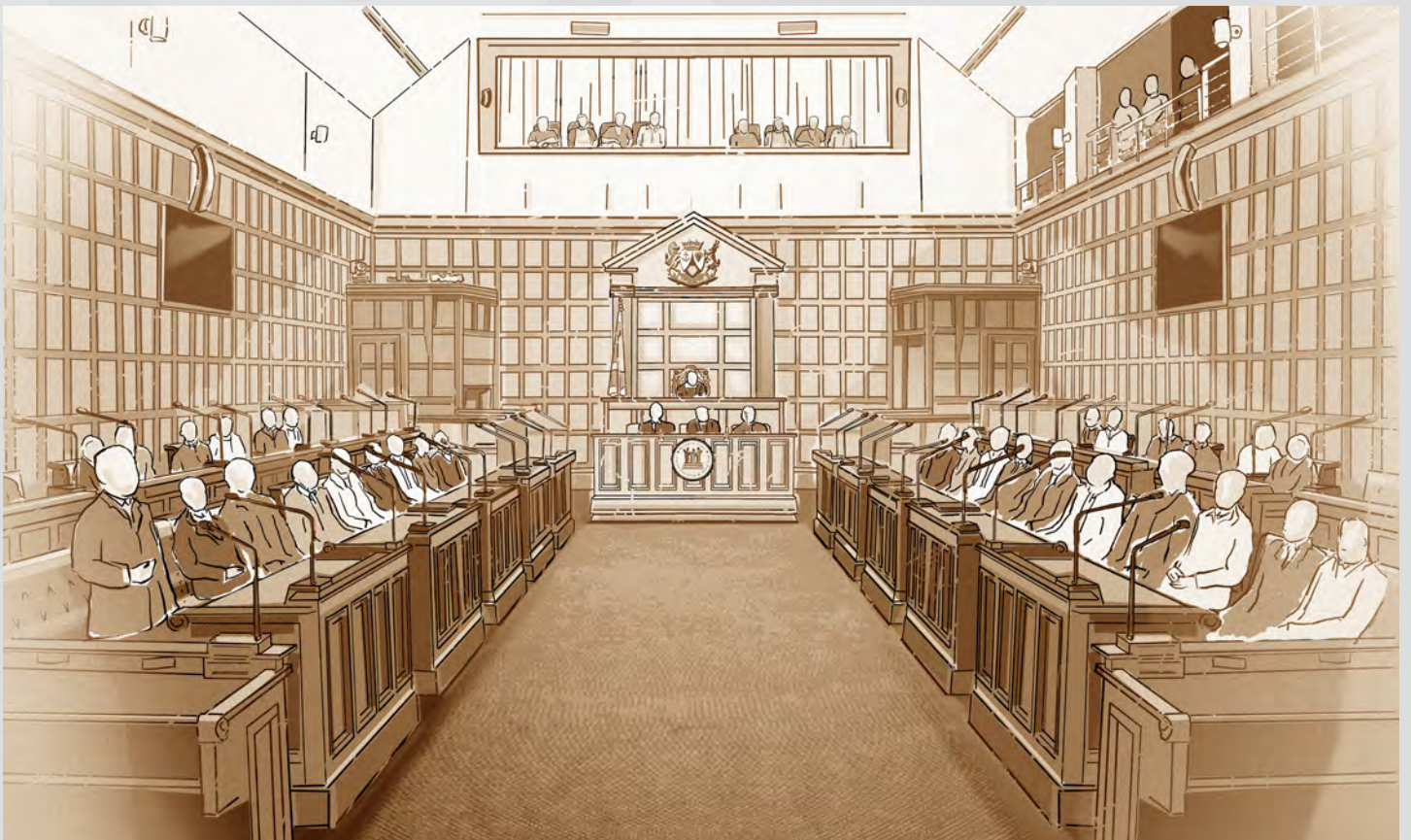
WESTERN CAPE PROVINCIAL PARLIAMENT



PART E FINANCIAL INFORMATION



The main entrance to the Western Cape Provincial Parliament is accessed from the concourse



Members of the Provincial Parliament sit facing each other with the government to the right of the Speaker, and the opposition to the left

PART E: FINANCIAL INFORMATION

REPORT OF THE AUDITOR-GENERAL TO WESTERN CAPE PROVINCIAL PARLIAMENT ON VOTE NO. 2: WESTERN CAPE PROVINCIAL PARLIAMENT

Report on the audit of the financial statements

Unqualified Opinion

1. I have audited the financial statements of the Western Cape Provincial Parliament set out on pages 107 to 157, which comprise the statement of financial position as at 31 March 2021, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Western Cape Provincial Parliament as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Financial Management of Parliament and Provincial Legislature Act 10 of 2009 (FMPPLA).

Basis for unqualified opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the provincial parliament in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Material underspending of the budget

7. As disclosed in the statement of comparison of budget and actual amounts, the legislature has materially underspent the budget on a comparable basis to the amount of R13 535 699.

Responsibilities of the accounting officer for the financial statements

8. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with GRAP and the requirements of the FMPPLA, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, the accounting officer is responsible for assessing the provincial parliament's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting, unless the appropriate governance structure either intends to liquidate the provincial parliament or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

12. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
13. My procedures address the usefulness and reliability of the reported performance information, which must be based on the provincial parliament's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the provincial parliament enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
14. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the provincial parliament's annual performance report for the year ended 31 March 2021:

Programme	Pages in the annual performance report
Programme 2 – parliamentary support services	40 – 48

15. I performed procedures to determine whether the reported performance information was consistent with the approved performance planning documents. I performed further procedures to assess the reliability of the reported performance information to determine whether it was valid, accurate and complete.
16. I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme:
- Programme 2 – parliamentary support services

Other matter

17. I draw attention to the matter below.

Achievement of planned targets.

18. Refer to the annual performance report on pages 40 to 48 for information on the achievement of planned targets for the year.

Report on the audit of compliance with legislation

Introduction and scope

19. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the provincial parliament's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
20. I did not identify any material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

Other information

21. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and the selected programme presented in the annual performance report that have been specifically reported in this auditor's report
22. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
23. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
24. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to

retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary

Internal control deficiencies

25. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. I did not identify any significant deficiencies in internal control.

Auditor General

Cape Town

31 July 2021



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general’s responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for the selected programme and on the provincial parliament’s compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor’s report, I also:
 - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the provincial parliament’s internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
 - Conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Western Cape Provincial Parliament to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a provincial parliament to cease operating as a going concern
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

General Information

Legal form of entity	Provincial Legislature
Nature of business and principal activities	The main services offered by the Western Cape Provincial Parliament are as follows: • Sustain a legislative process that produces good and just laws • Provide support for vigorous oversight of the Executive • Provide an enabling environment for Members to be effective • Effective, efficient and economical management of resources • Ensure good governance • Effective and meaningful public participation, education and awareness. The Administration of the Provincial Parliament, in support of this, provides an enabling environment for Members to achieve their constitutional objectives.
Speaker	Mnqasela, M
Deputy Speaker	Schäfer, B
Secretary	Adams, R
Deputy Secretary	Vacant
Chief Financial Officer	Petersen, NL
Director Institutional Enablement	Titus, V
Director Parliamentary Support Services	Vacant
Director Public Engagement	Fouche, SIJ
Business address	Provincial Legislature Building 7 Wale Street CAPE TOWN 8001
Postal address	PO Box 648 CAPE TOWN 8000
Bankers	Nedbank
Auditors	Auditor-General of South Africa

Index

The reports and statements set out below comprise the annual financial statements presented to the Parliamentary Oversight Committee:

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Cash Flow Statement	110
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Western Cape Provincial Parliament

Annual Financial Statements for the year ended 31 March 2021

Accounting Officer's Responsibilities and Approval

The accounting officer is required by the Financial Management of Parliament and Provincial Legislators Act No. 10 of 2009, to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the legislature as at the end of the financial year and the results of its operations and cash flows for the period then ended.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

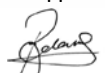
The accounting officer acknowledges that he is ultimately responsible for the system of internal financial control established by the legislature and places considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the accounting officer sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the legislature and all employees are required to maintain the highest ethical standards in ensuring the legislature's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the legislature is on identifying, assessing, managing and monitoring all known forms of risk across the legislature. While operating risk cannot be fully eliminated, the legislature endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The accounting officer has reviewed the legislature's cash flow forecast for the year to 31 March 2022 and, in the light of this review and the current financial position, he is satisfied that the legislature has or has access to adequate resources to continue in operational existence for the foreseeable future.

The legislature is wholly dependent on the equitable share for continued funding of operations. The annual financial statements are prepared on the basis that the legislature is a going concern and that Provincial Treasury has neither the intention nor the need to liquidate or materially curtail the scale of the legislature.

The annual financial statements set out on pages 107 to 157, which have been prepared on the going concern basis, were approved by the accounting officer on 31 May 2021.

 Digitally signed by
Romeo Adams
Date: 2021.07.31
13:07:32 +02'00'

ROMEO ADAMS
SECRETARY TO WESTERN CAPE PROVINCIAL PARLIAMENT

Western Cape Provincial Parliament

Annual Financial Statements for the year ended 31 March 2021

Statement of Financial Position as at 31 March 2021

Figures in Rand	Note(s)	2021	2020 Restated*
Assets			
Current Assets			
Cash and cash equivalents	3	14,119,065	16,058,241
Inventories	4	1,514,681	1,299,087
Receivables from non-exchange transactions	5	73,400	69,400
Receivables from exchange transactions	6	135,271	650,643
Prepayments	7	620,316	510,599
		16,462,733	18,587,970
Non-Current Assets			
Long term receivables from non-exchange transactions	8	8,341	10,741
Long term receivables from exchange transactions	9	10,415	-
Property, plant and equipment	10	11,839,212	14,014,519
Intangible assets	11	2,625,829	2,556,595
Heritage assets	12	4,588,300	4,732,002
		19,072,097	21,313,857
Total Assets		35,534,830	39,901,827
Liabilities			
Current Liabilities			
Payables from exchange transactions	13	1,234,227	1,371,028
Direct charge liability	14	4,643,843	2,414,018
Finance lease obligation	15	162,150	259,006
Employee benefit obligation	16	8,762,646	10,777,124
		14,802,866	14,821,176
Non-Current Liabilities			
Finance lease obligation	15	1,374,660	1,488,222
Employee benefit obligation	16	24,318,000	20,469,000
		25,692,660	21,957,222
Total Liabilities		40,495,526	36,778,398
Net (Liabilities)/Assets		(4,960,696)	3,123,429
Accumulated (deficit)/surplus		(4,960,696)	3,123,429

Western Cape Provincial Parliament

Annual Financial Statements for the year ended 31 March 2021

Statement of Financial Performance

Figures in Rand	Note(s)	2021	2020 Restated*
Revenue			
Revenue from exchange transactions			
Recoveries	17	115,042	12,844
Interest received	18	367,400	537,782
Other income	19	1,030	24,824
Total revenue from exchange transactions		483,472	575,450
Revenue from non-exchange transactions			
Transfer revenue			
Assets transferred in		-	28,014
Services in kind: Rental	37	9,195,210	9,842,760
Annual appropriation	20	138,607,053	152,554,407
Statutory appropriation	20	51,748,005	45,151,000
Total revenue from non-exchange transactions		199,550,268	207,576,181
Total revenue		200,033,740	208,151,631
Expenditure			
Employee related costs	21	(71,120,936)	(69,881,319)
Members remuneration	22	(50,423,207)	(42,717,242)
Depreciation, amortisation and impairments		(4,611,636)	(3,923,151)
Finance costs	23	(786,693)	(727,085)
Lease rentals on operating lease	24	(503,634)	(759,043)
Transfer payments	25	(48,597,834)	(45,046,843)
General expenses	26	(18,287,604)	(23,305,764)
Services in kind: Rental	37	(9,195,210)	(9,842,760)
Total expenditure		(203,526,754)	(196,203,207)
Operating (deficit) surplus		(3,493,014)	11,948,424
Gain/(Loss) on the disposal of assets		3,840	(109,509)
Actuarial (loss)/gain	16	798,892	151,806
		802,732	42,297
Surplus before funds surrendered		(2,690,282)	11,990,721
Transfer to direct charge liability		(4,643,843)	(2,414,018)
(Deficit) surplus for the year		(7,334,125)	9,576,703

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Statement of Changes in Net Assets

Figures in Rand	Accumulated (deficit)/surplus	Total net assets
Balance at 1 April 2019	(5,703,274)	(5,703,274)
Surplus for the year	9,576,703	9,576,703
Transfer of LSS funding	(750,000)	(750,000)
Restated* Balance at 1 April 2020	3,123,429	3,123,429
Deficit for the year	(7,334,125)	(7,334,125)
Transfer of LSS funding	(750,000)	(750,000)
Balance at 31 March 2021	(4,960,696)	(4,960,696)

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Cash Flow Statement

Figures in Rand	Note(s)	2021	2020 Restated*
Cash flows from operating activities			
Receipts			
Cash receipts from services		517,727	(430,440)
Cash receipts from appropriation		190,355,058	197,705,407
Interest income		367,400	537,782
		<u>191,240,185</u>	<u>197,812,749</u>
Payments			
Cash paid to employees and members		(118,910,729)	(112,861,446)
Cash paid to suppliers		(67,741,467)	(77,344,186)
Direct charge surrendered		(2,414,018)	(4,176,534)
Finance costs		(786,693)	(727,085)
		<u>(189,852,907)</u>	<u>(195,109,251)</u>
Net cash flows from operating activities	27	<u>1,387,278</u>	<u>2,703,498</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	10	(819,237)	(4,378,222)
Proceeds from sale of property, plant and equipment	10	7,742	161,172
Purchase of other intangible assets	11	(1,620,551)	(855,813)
(Increase)/Decrease in Long term receivables		(8,015)	2,400
Net cash flows from investing activities		<u>(2,440,061)</u>	<u>(5,070,463)</u>
Cash flows from financing activities			
Transfer of LSS funding		(750,000)	(750,000)
Finance lease obligation		(136,393)	(238,520)
Net cash flows from financing activities		<u>(886,393)</u>	<u>(988,520)</u>
Net (decrease) in cash and cash equivalents		<u>(1,939,176)</u>	<u>(3,355,485)</u>
Cash and cash equivalents at the beginning of the year		16,058,241	19,413,726
Cash and cash equivalents at the end of the year	3	<u>14,119,065</u>	<u>16,058,241</u>

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Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Recoveries	-	-	-	115,042	115,042	38.1
Other income	7,000	-	7,000	(3,175)	(10,175)	38.2
Interest received	64,000	-	64,000	293,814	229,814	38.3
Total revenue from exchange transactions	71,000	-	71,000	405,681	334,681	
Revenue from non-exchange transactions						
Transfer revenue						
Transfer received	750,000	-	750,000	-	(750,000)	
Annual appropriation	165,779,000	(14,672,005)	151,106,995	151,927,995	821,000	
Statutory appropriation	45,357,000	6,391,005	51,748,005	51,748,005	-	
Total revenue from non-exchange transactions	211,886,000	(8,281,000)	203,605,000	203,676,000	71,000	
Total revenue	211,957,000	(8,281,000)	203,676,000	204,081,681	405,681	
Expenditure						
Employee related costs	(84,535,000)	10,499,886	(74,035,114)	(71,441,019)	2,594,095	38.4
Members remuneration	(46,973,042)	(6,031,729)	(53,004,771)	(48,360,928)	4,643,843	38.5
Finance costs	(1,013,000)	39,310	(973,690)	(958,144)	15,546	
Lease rentals on operating lease	(540,868)	13,361	(527,507)	(414,591)	112,916	38.6
Transfer payments	(47,191,244)	(1,406,590)	(48,597,834)	(48,597,834)	-	
General expenses	(31,703,846)	5,166,762	(26,537,084)	(20,367,785)	6,169,299	38.7
Total expenditure	(211,957,000)	8,281,000	(203,676,000)	(190,140,301)	13,535,699	
Operating surplus	-	-	-	13,941,380	13,941,380	
Gain on disposal of assets and liabilities	-	-	-	7,743	7,743	
Surplus for the year	-	-	-	13,949,123	13,949,123	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	-	-	-	13,949,123	13,949,123	

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Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Reconciliation						
Basis difference						
LSS account movements				68,600		
Employee benefits				(1,834,522)		
Payover and revoting of funds				(17,964,785)		
Lease accounting				130,540		
Accrual adjustments				268,125		
Gain on disposal				(3,903)		
Depreciation				(4,611,636)		
Inventory adjustments				215,593		
Capitalising of assets				2,448,740		
Actual Amount in the Statement of Financial Performance				(7,334,125)		

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Annual Financial Statements for the year ended 31 March 2021

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 56 of the Financial Management of Parliament and Provincial Legislators Act No. 10 of 2009.

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand. All figures have been rounded to the nearest Rand.

A summary of the significant accounting policies are disclosed below.

These accounting policies are consistent with the previous period.

1.1 Going concern assumption

These annual financial statements have been prepared based on the expectation that the legislature will continue to operate as a going concern for at least the next 12 months.

1.2 Significant judgements

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Receivables

The legislature assesses its receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the legislature makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

Impairment testing

The recoverable amounts of individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

Value in use of non-cash generating assets:

The legislature reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that impairment may have occurred, the remaining service potential of the asset is determined. The most appropriate approach selected to determine the remaining service potential is dependent on the availability of data and the nature of the impairment.

Useful lives of property, plant and equipment and other assets

The legislature's management determines the estimated useful lives and related depreciation charges for the property, plant and equipment and other assets. This estimate is based on industry norm. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives.

Post retirement benefits

The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the present value include the discount rate, medical inflation and mortality rates. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 16.

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Annual Financial Statements for the year ended 31 March 2021

Accounting Policies

1.2 Significant judgements (continued)

Effective interest rate

The legislature used the government bond rate to discount future cash flows.

Allowance for impairment

On receivables an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

1.3 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the legislature; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and office equipment	Straight line	2 - 25 years
Other machinery and equipment	Straight line	2 - 23 years
Computer equipment	Straight line	2 - 20 years

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Accounting Policies

1.3 Property, plant and equipment (continued)

Finance lease assets - Vehicles	Straight line	4 - 7 years
Finance lease assets - cell phones	Straight line	2 - 5 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the legislature. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The legislature assesses at each reporting date whether there is any indication that the legislature expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the legislature revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.4 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the legislature or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the legislature; and
- the cost or fair value of the asset can be measured reliably.

The legislature assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Intangible assets are initially recognised at cost.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

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Accounting Policies

1.4 Intangible assets (continued)

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software	Straight line	1 – 10 years

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of intangible assets is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the intangible asset. Such a difference is recognised in surplus or deficit when the intangible asset is derecognised.

1.5 Heritage assets

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

Recognition

The legislature recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the legislature, and the cost or fair value of the asset can be measured reliably.

Where the legislature holds a heritage asset, but on initial recognition it does not meet the recognition criteria because it cannot be reliably measured, information on such a heritage asset is disclosed in note 12 Heritage assets.

Initial measurement

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

Impairment

The legislature assess at each reporting date whether there is an indication that a heritage asset may be impaired. If any such indication exists, the legislature estimates the recoverable amount or the recoverable service amount of the heritage asset.

Transfers

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset.

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

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Accounting Policies

1.5 Heritage assets (continued)

Derecognition

The legislature derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the heritage asset. Such a difference is recognised in surplus or deficit when the heritage asset is derecognised.

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Accounting Policies

1.6 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

Classification

The legislature has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Receivables from non-exchange transactions	Financial asset measured at amortised cost
Receivables from exchange transactions	Financial asset measured at amortised cost
Cash and cash equivalents	Financial asset measured at amortised cost

The legislature has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Payables from exchange transactions	Financial liability measured at amortised cost
Finance lease obligation	Financial liability measured at amortised cost
Bank overdraft	Financial liability measured at amortised cost

Initial recognition

The legislature recognises a financial asset or a financial liability in its statement of financial position when the legislature becomes a party to the contractual provisions of the instrument.

The legislature recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The legislature measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The legislature measures a financial asset and financial liability initially at its fair value [if subsequently measured at fair value].

Subsequent measurement of financial assets and financial liabilities

The legislature measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at amortised cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility in the case of a financial asset.

Impairment and uncollectibility of financial assets

The legislature assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly OR through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

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Accounting Policies

1.6 Financial instruments (continued)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Where financial assets are impaired through the use of an allowance account, the amount of the loss is recognised in surplus or deficit within operating expenses. When such financial assets are written off, the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

Derecognition

Financial assets

The legislature derecognises financial assets using trade date accounting.

The legislature derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the legislature transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the legislature, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the legislature :
 - derecognise the asset; and
 - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

Financial liabilities

The legislature removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another legislature by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

1.7 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

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Accounting Policies

1.7 Leases (continued)

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis over the lease term.

1.8 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the legislature incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the legislature.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.9 Impairment of non-cash-generating assets

Non-cash-generating assets are assets other than cash-generating assets.

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Accounting Policies

1.9 Impairment of non-cash-generating assets (continued)

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The legislature assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the legislature estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also tests a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating asset is determined using the following approach:

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the legislature would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset. Overdesigned assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

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1.9 Impairment of non-cash-generating assets (continued)

Reversal of an impairment loss

The legislature assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the legislature estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.10 Employee benefits

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences are due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cell phones) for current employees.

When an employee has rendered service to the legislature during a reporting period, the legislature recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the legislature recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The legislature measure the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The legislature recognise the expected cost of bonus, incentive and performance related payments when the legislature has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the legislature has no realistic alternative but to make the payments.

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1.10 Employee benefits (continued)

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which a legislature provides post-employment benefits for one or more employees.

Multi-employer plans are defined contribution plans (other than state plans and composite social security programmes) or defined benefit plans (other than state plans) that pool the assets contributed by various entities that are not under common control and use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned.

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1.10 Employee benefits (continued)

Post-employment benefits: Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and the effects of changes in actuarial assumptions. In measuring its defined benefit liability the legislature recognise actuarial gains and losses in surplus or deficit in the reporting period in which they occur.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

Interest cost is the increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement.

Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are changed so that the present value of the defined benefit obligation decreases). In measuring its defined benefit liability the entity recognise past service cost as an expense in the reporting period in which the plan is amended.

Plan assets comprise assets held by a long-term employee benefit fund and qualifying insurance policies.

The present value of a defined benefit obligation is the present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

The return on plan assets is interest, dividends or similar distributions and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less any costs of administering the plan (other than those included in the actuarial assumptions used to measure the defined benefit obligation) and less any tax payable by the plan itself.

The amount recognised as a defined benefit liability is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly;
- plus any liability that may arise as a result of a minimum funding requirement

The amount determined as a defined benefit liability may be negative (an asset). The legislature measures the resulting asset at the lower of:

- the amount determined above; and
- the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The present value of these economic benefits is determined using a discount rate which reflects the time value of money.

Any adjustments arising from the limit above is recognised in surplus or deficit.

The legislature determines the present value of defined benefit obligations and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the annual financial statements do not differ materially from the amounts that would be determined at the reporting date.

The legislature recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement rights;
- actuarial gains and losses;
- past service cost;
- the effect of any curtailments or settlements; and
- the effect of applying the limit on a defined benefit asset (negative defined benefit liability).

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Accounting Policies

1.10 Employee benefits (continued)

The legislature uses the Projected Unit Credit Method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost. The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

In determining the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost, a legislature shall attribute benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, a legislature shall attribute benefit on a straight-line basis from:

- the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service); until
- the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date.

The legislature recognises gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on a curtailment or settlement comprises:

- any resulting change in the present value of the defined benefit obligation; and
- any resulting change in the fair value of the plan assets.

Before determining the effect of a curtailment or settlement, the legislature re-measures the obligation (and the related plan assets, if any) using current actuarial assumptions (including current market interest rates and other current market prices).

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is presented as the net of the amount recognised for a reimbursement.

The legislature offsets an asset relating to one plan against a liability relating to another plan when the legislature has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan and intends either to settle the obligations on a net basis, or to realise the surplus in one plan and settle its obligation under the other plan simultaneously.

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
 - those changes were enacted before the reporting date; or
 - past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

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Accounting Policies

1.10 Employee benefits (continued)

Other long-term employee benefits

The legislature has an obligation to provide long-term service allowance benefits to all of its employees.

The legislature's liability is based on an actuarial valuation. The Projected Unit Credit Method is used to value the liabilities. Actuarial gains and losses on the long-term service awards are recognised in the statement of financial performance.

The amount recognised as a liability for other long-term employee benefits is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The legislature shall recognise the net total of the following amounts as expense or revenue, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement right recognised as an asset;
- actuarial gains and losses, which shall all be recognised immediately;
- past service cost, which shall all be recognised immediately; and
- the effect of any curtailments or settlements.

Termination benefits

The legislature recognises termination benefits as a liability and an expense when the entity is demonstrably committed to either:

- terminate the employment of an employee or group of employees before the normal retirement date; or
- provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The legislature is demonstrably committed to a termination when the entity has a detailed formal plan for the termination and is without realistic possibility of withdrawal. The detailed plan includes [as a minimum]:

- the location, function, and approximate number of employees whose services are to be terminated;
- the termination benefits for each job classification or function; and
- the time at which the plan will be implemented.

Implementation begins as soon as possible and the period of time to complete implementation is such that material changes to the plan are not likely.

Where termination benefits fall due more than 12 months after the reporting date, they are discounted using an appropriate discount rate. The rate used to discount the benefit reflects the time value of money.

In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits shall be based on the number of employees expected to accept the offer.

1.11 Provisions and contingencies

Provisions are recognised when:

- the legislature has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

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Accounting Policies

1.11 Provisions and contingencies (continued)

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the legislature settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating expenditure.

If a legislature has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

A constructive obligation to restructure arises only when an legislature:

- has a detailed formal plan for the restructuring, identifying at least:
 - the activity/operating unit or part of a activity/operating unit concerned;
 - the principal locations affected;
 - the location, function, and approximate number of employees who will be compensated for services being terminated;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the legislature

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly in the control of the legislature.

A contingent liability is:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the legislature; or
- a present obligation that arises from past events but is not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation;
 - the amount of the obligation cannot be measured with sufficient reliability.

1.12 Revenue from exchange transactions

An exchange transaction is one in which the legislature receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

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Accounting Policies

1.12 Revenue from exchange transactions (continued)

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the legislature has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the legislature retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the legislature; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the legislature;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by surveys of work performed.

Interest, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the legislature; and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

1.13 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by a legislature, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, a legislature either receives value from another legislature without directly giving approximately equal value in exchange, or gives value to another legislature without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting legislature.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

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Accounting Policies

1.13 Revenue from non-exchange transactions (continued)

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the legislature satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the entity has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the legislature.

When, as a result of a non-exchange transaction, the legislature recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Appropriated funds

Appropriated funds comprises of annual allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).

Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.

The net amount of any direct charges due to the relevant fund at the reporting date is recognised as a payable in the statement of financial position.

Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the legislature and the fair value of the assets can be measured reliably.

Services in-kind

Services in-kind are recognised.

The legislature recognise services in-kind that are significant to its operations and/or service delivery objectives as assets and recognise the related revenue when it is probable that the future economic benefits or service potential will flow to the legislature and the fair value of the assets can be measured reliably.

Where services in-kind are not significant to the legislature's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the legislature disclose the nature and type of services in-kind received during the reporting period.

1.14 Prepayments

Prepayments and advances are recognised in the statement of financial position when the legislature receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost.

1.15 Transfer payments

Transfer payments include all "non-exchange" payments made by the legislature. A payment is "non-exchange" if the legislature does not receive anything directly in return for the transfer to the other party. Transfer payments are expensed.

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Accounting Policies

1.16 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At each reporting date:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in surplus or deficit in the period in which they arise.

1.17 Comparative figures

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

1.18 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of Parliament's approved budget or a main division within that budget; and
- any expenditure from Parliament's approved budget or a main division within that budget for a purpose unrelated to the approved budget or main division, subject to section 72; and
- any expenditure of donor funds for a purpose not specified in the agreement with the donor.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.19 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.20 Irregular expenditure

The Financial Management of Parliament and Provincial Legislators Act No. 10 of 2009 defines irregular expenditure as expenditure, other than unauthorised expenditure, incurred in contravention of, or that is not in accordance with, a requirement of any applicable legislation, including -

- (a) this Act; or
- (b) any provincial legislation providing for procurement procedures in that provincial government.

All expenditure relating to irregular expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.21 Accumulated surplus

The accumulated surplus represents the net difference between the total assets and the total liabilities of the entity. Any surpluses and deficits realised during a specific financial year are credited/debited against accumulated surplus/deficit. Prior year adjustments, relating to income and expenditure, are debited/credited against accumulated surplus when retrospective adjustments are made.

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Accounting Policies

1.22 Commitments

Commitments are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the legislature will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.

1.23 Grants in aid

The legislature transfers money to individuals, organisations and other sectors of government from time to time. When making these transfers, the legislature does not:

- receive any goods or services directly in return, as would be expected in a purchase or sale transaction;
- expect to be repaid in future; or
- expect a financial return, as would be expected from an investment.

These transfers are recognised in the statement of financial performance as expenses in the period that the events giving rise to the transfer occurred.

1.24 Budget comparison

The statement of financial performance is on accrual basis, while the budget is on cash basis. Therefore the actual amounts as per the financial statements are adjusted to be compared to the budget on a cash basis.

The approved budget covers the fiscal period from 01-Apr-20 to 31-Mar-21.

The annual financial statements and the budget are not on the same basis of accounting therefore a reconciliation between the statement of financial performance and the budget have been included in the annual financial statements.

1.25 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Management are those persons responsible for planning, directing and controlling the activities of the legislature, including those charged with the governance of the legislature in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the legislature.

Transactions with related parties are disclosed.

1.26 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The legislature will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The legislature will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

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Notes to the Annual Financial Statements

2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

The legislature has not applied the following standards and interpretations, which have been published and are mandatory for the legislature's accounting periods beginning on or after 1 April 2021 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 104 Financial Instruments	To be determined	Unlikely there will be a material impact

3. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	6,045	5,790
Current bank account	14,108,188	13,836,281
Legislative Sector Support(LSS) bank account	4,832	2,216,170
	14,119,065	16,058,241

Cash equivalents are placed with a reputed financial institution. The exposure to credit risk is the carrying amount of each class of cash and cash equivalents.

Cash and cash equivalents pledged as collateral

No cash and cash equivalent balances are pledged as collateral.

The legislature had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	31 March 2021	31 March 2020	31 March 2019	31 March 2021	31 March 2020	31 March 2019
Nedbank - Current 1452045283	14,321,541	13,846,365	17,568,733	14,108,188	13,836,281	17,316,297
LSS Account Nedbank - Current 1452069212	4,832	2,216,170	2,091,424	4,832	2,216,170	2,091,424
Total	14,326,373	16,062,535	19,660,157	14,113,020	16,052,451	19,407,721

4. Inventories

Corporate store	1,499,456	1,284,423
Boutique	15,225	14,664
	1,514,681	1,299,087

Inventories recognised as an expense during the year 191,510 340,003

Inventory pledged as security

No inventory was pledged as security.

5. Receivables from non-exchange transactions

Recoverable expenditure	73,400	69,400
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Receivables from non-exchange transactions pledged as security

No receivables from non-exchange transactions were pledged as security.

Western Cape Provincial Parliament

Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements

	2021	2020 Restated*
5. Receivables from non-exchange transactions (continued)		
Credit quality of receivables from non-exchange transactions		
The credit quality of receivables from non-exchange transactions are neither past nor due nor impaired.		
Receivables from non-exchange transactions impaired		
As of 31 March 2021, receivables from non-exchange transactions were not impaired (2020: R Nil).		
6. Receivables from exchange transactions		
Recoverable expenditure	6,785	93,474
Staff debt	37,928	49,532
Other debtors	90,558	507,637
	135,271	650,643
Gross amount of exchange receivables		
Recoverable expenditure	6,785	93,474
Staff debt	37,928	49,532
Other debtors	90,558	507,637
	135,271	650,643
Impairment of exchange receivables		
Recoverable expenditure	-	-
Staff debt	-	-
Other debtors	-	-
	-	-
Net amount of exchange receivables		
Recoverable expenditure	6,785	93,474
Staff debt	37,928	49,532
Other debtors	90,558	507,637
	135,271	650,643
Recoverable expenditure		
Disallowance miscellaneous	6,785	93,474
Staff debt		
Salary overpayment	22,884	35,696
Staff debt	15,044	13,836
	37,928	49,532
Other debtors		
Ex members	16,998	16,998
Political party telephone debt	7,904	1,990
Supplier overpayment	26,776	12,377
ICPS refund	-	476,272
VIP accident debt	2,050	-
Legal costs reimbursement	36,830	-
	90,558	507,637

Western Cape Provincial Parliament

Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements

	2021	2020 Restated*
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6. Receivables from exchange transactions (continued)

Receivables from exchange transactions pledged as security

No receivables from exchange transactions were pledged as security.

Credit quality of receivables from exchange transactions

The credit quality of receivables from exchange transactions are neither past nor due nor impaired.

Receivables from exchange transactions impaired

As of 31 March 2021, receivables from exchange transactions, other debtors, of R Nil (2020: R Nil) were impaired and provided for.

The amount of the provision was R Nil as of 31 March 2021 (2020: R Nil).

Reconciliation of allowance for impairment

Opening balance	-	(4,800)
Provision for impairment	-	-
Amounts written off as uncollectible	-	4,800
	<u>-</u>	<u>-</u>

7. Prepayments

Parmed	142,674	161,016
Other prepayments	477,642	349,583
	<u>620,316</u>	<u>510,599</u>

The Parmed prepayment is for the expense relating to the month after financial year end.

8. Long term receivables from non-exchange transactions

Recoverable expenditure	<u>8,341</u>	<u>10,741</u>
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The long term receivables from non-exchange transactions relates to the same receivables under note 5 and consists of debt relating to accidents incurred that needs to be recovered from the respective party. The long term portion is determined based on repayment arrangements that are in place between the staff or member and the legislature.

Receivables from non-exchange transactions pledged as security:

No receivables from non-exchange transactions were pledged as security.

Credit quality of receivables from non-exchange transactions:

The credit quality of receivables from non-exchange transactions are neither past nor due nor impaired.

Receivables from non-exchange transactions impaired:

As of 31 March 2021, receivables from non-exchange transactions were not impaired (2019: R Nil).

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Notes to the Annual Financial Statements

	2021	2020 Restated*
9. Long term receivables from exchange transactions		
Staff debtors	10,415	-
Impairment provision	-	-
	10,415	-
Gross amount of exchange receivables		
Staff debtors	10,415	-
Impairment of exchange receivables		
Staff debtors	-	-
Net amount of exchange receivables		
Staff debtors	10,415	-
Staff Debtors		
Salary overpayments	89	-
Staff debt	10,326	-
	10,415	-

Receivables from exchange transactions pledged as security:

No receivables from exchange transactions were pledged as security.

Credit quality of receivables from exchange transactions:

The credit quality of other receivables from exchange transactions are neither past nor due nor impaired.

Receivables from exchange transactions impaired:

As of 31 March 2021, receivables from exchange transactions of R Nil (2020: R Nil) were impaired and provided for.

The amount of the provision was R Nil as of 31 March 2021 (2019: R Nil).

Reconciliation of impairment for exchange receivables

Opening balance	-	(4,880)
Provision for impairment	-	-
Reversal due to amounts collected	-	-
Bad debts written off	-	4,880
	-	-

The long term receivables from exchange transactions relates to the same receivables under note 6 and consists of staff debt and ex-members debt. The long term portion is determined based on repayment arrangements that are in place between the staff or member and the legislature.

Western Cape Provincial Parliament

Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements

Figures in Rand

10. Property, plant and equipment

	2021		2020	
	Cost / Valuation	Accumulated depreciation and impairment	Cost / Valuation	Accumulated depreciation and impairment
Furniture and office equipment	4,752,761	(3,051,114)	1,701,647	(2,697,887)
Other machinery and equipment	8,958,240	(5,208,048)	3,750,192	(4,275,038)
Computer equipment	11,395,356	(6,385,372)	5,009,984	(5,001,162)
Finance lease assets - vehicles	2,141,515	(764,126)	1,377,389	(754,296)
Total	27,247,872	(15,408,660)	11,839,212	(12,728,383)

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Total
Furniture and office equipment	2,052,233	7,560	(246)	(357,900)	-	1,701,647
Other machinery and equipment	4,541,568	143,134	(75)	(934,435)	-	3,750,192
Computer equipment	5,909,521	668,543	(11,544)	(1,554,332)	(2,204)	5,009,984
Finance lease assets - vehicles	1,511,197	-	(75,016)	(58,792)	-	1,377,389
Total	14,014,519	819,237	(86,881)	(2,905,459)	(2,204)	11,839,212

Reconciliation of property, plant and equipment - 2020

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Total
Furniture and office equipment	2,195,815	334,292	(79,746)	(395,483)	(2,645)	2,052,233
Other machinery and equipment	4,634,688	811,342	(48,501)	(855,961)	-	4,541,568
Computer equipment	4,113,725	3,260,602	(122,826)	(1,322,542)	(19,438)	5,909,521
Finance lease assets - vehicles	1,477,683	202,509	(75,828)	(93,167)	-	1,511,197
Finance lease assets - cell phones	8,831	-	(7,788)	(1,043)	-	-
Total	12,430,742	4,608,745	(334,689)	(2,668,196)	(22,083)	14,014,519

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Notes to the Annual Financial Statements

	2021	2020 Restated*
10. Property, plant and equipment (continued)		
Pledged as security		
No property, plant and equipment was pledged as security.		
Assets subject to finance lease		
Finance lease assets - vehicles	1,377,389	1,511,197
Expenditure incurred to repair and maintain property, plant and equipment		
Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance		
General expenses	135,825	167,311

The repairs and maintenance on the property, plant and equipment incurred as follows in the categories, Computer equipment R 2,068 (2020: R 13,335), Furniture and office equipment R Nil (2020: R 31,486) and Other machinery and equipment R 133,757 (2020: R 122,489).

Western Cape Provincial Parliament

Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements

	2021	2020 Restated*
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11. Intangible assets

	2021			2020		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	4,922,044	(2,296,215)	2,625,829	4,222,849	(1,666,254)	2,556,595

Reconciliation of intangible assets - 2021

	Opening balance	Additions	Disposals	Amortisation	Total
Computer software	2,556,595	1,629,503	-	(1,560,269)	2,625,829

Reconciliation of intangible assets - 2020

	Opening balance	Additions	Disposals	Amortisation	Total
Computer software	2,933,654	855,813	-	(1,232,872)	2,556,595

Pledged as security

No intangible asset was pledged as security.

Intangibles subject to finance leases

The Y-software for the photocopiers is accounted for as a finance lease, refer to note 15 for the finance lease obligation. The carrying value of the intangible asset is as follows:

Y-Software	5,986	21,783
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Other information

During the current financial year intangible assets which have expired with a cost of R 930,310 (2020: R 626,468) and accumulated amortisation of R 930,310 (2020: R 626,468) have been removed from the asset register.

Western Cape Provincial Parliament

Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements

	2021	2020 Restated*
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12. Heritage assets

	2021			2020		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Paintings, sculptures and ornaments	4,732,002	(143,702)	4,588,300	4,732,002	-	4,732,002

Reconciliation of heritage assets 2021

	Opening balance	Additions	Disposals	Impairment losses recognised	Total
Paintings, sculptures and ornaments	4,732,002	-	-	(143,702)	4,588,300

Reconciliation of heritage assets 2020

	Opening balance	Additions	Disposals	Impairment losses recognised	Total
Paintings, sculptures and ornaments	4,732,002	-	-	-	4,732,002

Pledged as security

No heritage asset was pledged as security.

13. Payables from exchange transactions

Accruals	1,107,071	456,869
Other payables	127,155	914,159
	1,234,227	1,371,028

Other payables

Creditors	50,392	-
Income tax - members back pay	-	296,812
Pension fund - members back pay	-	161,832
Net pay - members back pay	-	426,737
Department of Transport and Public works	-	4,280
Salary control account	76,763	24,498
	127,155	914,159

14. Direct charge liability

Direct charge due to the Revenue Fund:

Transfer from the statement of financial performance	4,643,843	2,414,018
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Movement during the year

Balance at the beginning of the year	2,414,018	4,176,534
Transfer from the statement of financial performance	4,643,843	2,414,018
Payment during the year	(2,414,018)	(4,176,534)
	4,643,843	2,414,018

* See Note 42

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Notes to the Annual Financial Statements

	2021	2020 Restated*
15. Finance lease obligation		
Minimum lease payments due		
- within one year	878,434	951,803
- in second to fifth year inclusive	1,628,621	1,760,551
	<u>2,507,055</u>	<u>2,712,354</u>
less: future finance charges	(970,246)	(965,127)
Present value of minimum lease payments	<u>1,536,809</u>	<u>1,747,227</u>
Present value of minimum lease payments due		
- within one year	162,150	259,006
- in second to fifth year inclusive	1,374,660	1,488,222
	<u>1,536,810</u>	<u>1,747,228</u>
Non-current liabilities	1,374,660	1,488,222
Current liabilities	162,150	259,006
	<u>1,536,810</u>	<u>1,747,228</u>

Finance Leases relate to vehicles with lease terms of between 5 to 9 years. The effective annual interest rate on the Finance Lease payables is between 34% and 77%.

Interest on finance lease payables are charged by Government Motor Transport to replace vehicles at the end of their useful lives and to recoup operating expenditure such as tracking, insurance and Government Motor Transport overhead expenditure.

Ownership of the leased vehicle is transferred to Government Motor Transport at the conclusion of the lease agreements.

A software licence with a lease term of 1 year and the effective borrowing rate of 7% has been entered into.

None of our lease agreements have any restrictions imposed on these arrangements.

Western Cape Provincial Parliament

Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements

16. Employee benefit obligations

Reconciliation of employee benefits - 2021

	Opening balance	Movement	Total
Leave entitlement (Employees)	3,559,096	205,953	3,765,049
Service bonus (Employees)	1,318,540	60,864	1,379,404
Service bonus (Members)	672,253	28,426	700,679
Performance bonus (Employees)	1,563,186	(1,563,186)	-
Time-off hours (Employees)	1,017,049	64,465	1,081,514
Long service awards (Employees)	6,580,000	446,000	7,026,000
Once-off gratuity (Members)	6,876,000	2,738,000	9,614,000
Medical aid benefits (Members)	9,660,000	(146,000)	9,514,000
	31,246,124	1,834,522	33,080,646

Reconciliation of employee benefits - 2020

	Opening balance	Movement	Total
Leave entitlement (Employees)	2,972,056	587,040	3,559,096
Service bonus (Employees)	1,263,001	55,539	1,318,540
Service bonus (Members)	437,718	234,535	672,253
Performance bonus (Employees)	1,438,166	125,020	1,563,186
Time-off hours (Employees)	1,092,874	(75,825)	1,017,049
Long service awards (Employees)	5,835,000	745,000	6,580,000
Once-off gratuity (Members)	8,585,000	(1,709,000)	6,876,000
Medical aid benefits (Members)	10,037,000	(377,000)	9,660,000
	31,660,815	(414,691)	31,246,124

	2021	2020
Non-current employee benefits		
Long service awards (Employees)	6,397,000	5,244,000
Once-off gratuity (Members)	9,614,000	6,876,000
Medical aid benefits (Members)	8,307,000	8,349,000
	24,318,000	20,469,000

Current employee benefits		
Leave entitlement (Employees)	3,765,049	3,559,096
Service bonus (Employees)	1,379,404	1,318,540
Service bonus (Members)	700,679	672,253
Performance bonus (Employees)	-	1,563,186
Time-off hours (Employees)	1,081,514	1,017,049
Long service awards (Employees)	629,000	1,336,000
Medical aid benefits (Members)	1,207,000	1,311,000
	8,762,646	10,777,124

Long service awards: Movements

Opening balance	6,580,000	5,835,000
Benefits paid	(895,000)	(45,000)
Net expense recognised	1,341,000	790,000
	7,026,000	6,580,000

Long service awards: Net expense recognised

Current service cost	1,002,000	783,000
Interest cost	829,000	528,000
Actuarial loss/(gain)	(490,000)	(521,000)
	1,341,000	790,000

Western Cape Provincial Parliament

Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements

16. Employee benefit obligations (continued)

Once-off gratuity: Movements

Opening balance	6,876,000	8,585,000
Benefits paid	-	(4,517,000)
Net expense recognised	2,738,000	2,808,000
	9,614,000	6,876,000

Once-off gratuity: Net expense recognised

Current service cost	2,378,000	1,488,000
Interest cost	687,000	910,000
Actuarial loss/(gain)	(327,000)	410,000
	2,738,000	2,808,000

Medical aid benefits: Movements

Opening balance	9,660,000	10,037,000
Benefits paid	(1,275,108)	(1,270,194)
Net expense recognised	1,129,108	893,194
	9,514,000	9,660,000

Medical aid benefits: Net expense recognised

Interest cost	1,111,000	934,000
Actuarial loss/(gain)	18,108	(40,806)
	1,129,108	893,194

Defined benefit plan

Post retirement medical aid plan

The legislature offers continuation members (pensioners) the opportunity of belonging to one of several medical aid schemes, most of which offer a range of options pertaining to levels of cover. Upon retirement, a member may continue membership of the medical aid scheme. Upon a member's death-in-service or death-in-retirement, the surviving dependants may continue membership of the medical aid scheme.

Members contribute according to tables of contribution rates which differentiate between them on the type and number of dependants. Some options also differentiate on the basis of income.

The legislature has agreed to subsidise the medical aid contributions of retired members in the following way:

Members of the legislature will receive medical aid subsidies at retirement. The legislature will provide a 67% subsidy of the main member (and dependants) subsidies at retirement. However, these members need to be part of the PARMED medical aid scheme.

As at the valuation date, the medical aid liability was unfunded as no dedicated assets have been set aside to meet this liability.

Gratuity awards

Gratuity payments are awarded in terms of the Government Gazette No 31597 dated 12 November 2008. A member of Provincial Legislature who has served more than 5 years and whose term of office has ended should be entitled to a once-off gratuity equal to 4 months pensionable salary for every 5 years of service or a pro-rata part of the 5 year period.

Long service awards

All permanent employees are entitled to long service benefits which are awarded in the form of leave days and a percentage of salary.

In 2021: 103 (2020: 100) of the employees qualified for long service awards.

Western Cape Provincial Parliament

Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements

16. Employee benefit obligations (continued)

Key assumptions used

The legislature made use of an independent firm to perform the valuation of post-retirement medical aid benefits, long service awards and once-off gratuity liability. Julian van der Spuy B.Comm. (CERA)(FIA) and Charles Liebenberg B.Comm. (Actuarial Science)), from ZAQEN Consultants and Actuaries were the experts for the valuation. The key assumptions used by the experts are listed below for the last valuation on 31 March 2021:

Post-Retirement medical aid benefit: Discount rates -	Yield curve rate
Post-Retirement medical aid benefit: Medical aid contribution inflation -	CPI+1%
Long service awards: Discount rates -	Yield curve rate
Long service awards: Salary inflation -	CPI+2%
Once-off gratuity: Discount rates -	Yield curve rate
Once-off gratuity: Salary inflation -	CPI+2%

The CPI (Consumer Price Index) is calculated based on the difference between the nominal and yield curves.

Sensitivity analysis

Deviations from the assumed level of mortality experience of the current employees and the continuation members (pensioners) will have a large impact on the actual cost to the Western Cape Provincial Parliament. If the actual rates of mortality turns out higher than the rates assumed in the valuation basis, the cost to the Western Cape Provincial Parliament in the form of subsidies will reduce and vice versa.

The effect is as follows by increasing and decreasing the mortality rates by 20%:

	One percentage point increase	One percentage point decrease
Effect on the aggregate of the service cost and interest cost	954,000	1,206,000
Effect on defined benefit obligation	8,600,000	10,709,000

The cost of the subsidy after retirement is dependent on the increase in the contributions to the medical aid scheme before and after retirement. The rate at which these contributions increase will thus have a direct effect on the liability of future retirees.

The effect is as follows for a 1% p.a. change in the medical aid inflation assumption:

	One percentage point increase	One percentage point decrease
Effect on the aggregate of the service cost and interest cost	1,128,000	1,004,000
Effect on defined benefit obligation	10,053,000	9,019,000

Deviations from the assumed level of withdrawal experience of the eligible employees will have a large impact on the actual cost to the Western Cape Provincial Parliament. If the actual rates of withdrawal turns out to be higher than the rates assumed in the valuation basis, then the cost to the Western Cape Provincial Parliament in the form of benefits will reduce and vice versa.

The effect is as follows by increasing and decreasing the withdrawal rates by 20%:

	One percentage point increase	One percentage point decrease
Effect on the aggregate of the service cost and interest cost	1,784,000	1,954,000
Effect on defined benefit obligation	6,773,000	7,300,000

Western Cape Provincial Parliament

Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements

16. Employee benefit obligations (continued)

The cost of the long service leave is dependent on the increase in the annual salaries paid to employees. The rate at which salaries increase will thus have a direct effect on the liability.

The effect is as follows for a 1% p.a. change in the Normal Salary inflation assumption:

	One percentage point increase	One percentage point decrease
Effect on the aggregate of the service cost and interest cost	2,087,000	1,834,000
Effect on defined benefit obligation	7,760,000	6,877,000

Amounts for the medical aid obligation for the current and previous four years are as follows:

	2021 R	2020 R	2019 R	2018 R	2017 R
Defined benefit obligation	9,514,000	9,660,000	10,037,000	10,099,000	11,569,000

Contributions to pension funds

The Government Employees Pension Fund (GEPF)

Retirement benefits are provided by membership of the Government Employees Pension Fund which is a defined benefit fund. Parliament's responsibility regarding the funding of the shortfall of the pension fund is limited to the current contributions made on behalf of its employees. The obligation of the fund is guaranteed by the National Revenue Fund and not by the individual government departments and entities. This responsibility is governed by the Government Employees Pension Law, Proclamation 21 of 1996.

Contribution to the GEPF for the reporting period	5,959,714	5,575,140
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These contributions are included in surplus or deficit for the reporting period.

An actuarial valuation of the GEPF is conducted at least every three years as prescribed in section 17(3) of the GEP Law. The latest actuarial valuation of the GEPF was performed on 31 March 2018. This valuation indicates that the plan is in a sound financial position. The estimated liabilities of the fund are R 1 663 million which are adequately funded by assets of R 1 800 million as at 31 March 2018.

The Pension Scheme for Officers of Parliament (PSOP)

The Pension Scheme for Officers of Parliament (PSOP) is a defined benefit plan. The obligation of the fund is guaranteed by the National Revenue Fund. This responsibility is governed by the General Pensions Act 29 of 1979.

The Political Office-Bearers Pension Fund (POBF)

The Political Office-Bearers Pension Fund has a defined contribution and a defined benefit section in terms of which the basis of funding of retirement benefits is on a defined benefit basis through additional service and equalisation benefits provided by National Treasury, and on a defined contribution basis through the utilisation of member credits accumulated. This responsibility is governed by the Members of Parliament and Political Office bearers Pension Scheme Act, 1984 (Act No. 112 of 1984) as amended in 1992. Parliament's responsibility regarding the funding of the shortfall of the pension fund is limited to the current contributions made on behalf of its employees.

Contribution to the POBF for the reporting period	5,383,571	5,292,790
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17. Recoveries

Recoverable revenue	115,042	12,844
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Western Cape Provincial Parliament

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Notes to the Annual Financial Statements

18. Interest received

Interest revenue

Bank	291,168	405,830
Interest on receivables	2,646	1,749
LSS bank account	73,586	130,203
	367,400	537,782

19. Other income

Boutique sales	255	9,899
Income from access to information requests	-	105
Refreshments	775	5,750
Rental of parking	-	9,070
	1,030	24,824

20. Appropriation

Annual appropriation	138,607,053	152,554,407
Statutory appropriation	51,748,005	45,151,000
	190,355,058	197,705,407
Funds rolled over from prior year	13,320,942	5,908,593
	203,676,000	203,614,000

Appropriation

Current-year receipts	190,355,058	197,705,407
Funds rolled over from prior year	13,320,942	5,908,593
Actual expenditure	(190,140,301)	(188,485,460)
Direct charge liability	(4,643,843)	(2,414,018)
Unspent appropriated funds carried over to next year	8,891,856	12,714,523
Departmental revenue carried over to next year	413,424	606,419
	9,305,279	13,320,942

For the Direct charge liability refer to note 14.

Western Cape Provincial Parliament

Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements

21. Employee related costs

Acting allowances	-	29,262
Basic salary	50,767,689	47,097,152
Bonus	2,914,357	3,064,002
Contribution to employee benefits	(295,904)	1,957,774
Employee benefits paid out	1,045,989	31,640
Housing allowances	4,642,873	4,347,048
Leave payout	52,500	365,215
Medical aid - employer contributions	684,450	670,493
Other non-pensionable allowances	4,915,777	4,636,233
Overtime payments	6,621	239,613
Pension - employer contributions	5,959,714	5,575,140
Performance bonus	17,771	833,503
Periodic payments	228,858	852,362
Unemployment Insurance Fund	180,241	181,882
	71,120,936	69,881,319

Remuneration of the Secretary

Basic salary	1,387,143	1,320,586
Contributions to UIF, Medical and Pension Funds	182,083	173,461
Other non-pensionable allowances	414,161	394,289
	1,983,387	1,888,336

Remuneration of the Deputy Secretary

Basic salary	616,273	1,284,929
Bonus	-	110,049
Contributions to UIF, Medical and Pension Funds	81,008	168,825
Gratuity payment	1,023,489	-
Other non-pensionable allowances	132,646	327,504
	1,853,416	1,891,307

This post is vacant as of 30 September 2020.

Remuneration of the Chief Financial Officer

Basic salary	1,083,379	1,031,398
Bonus	90,282	85,950
Contributions to UIF, Medical and Pension Funds	154,792	148,034
Other non-pensionable allowances	221,017	209,828
	1,549,470	1,475,210

Remuneration of the Director Institutional Enablement

Basic salary	991,447	943,875
Bonus	82,621	45,883
Contributions to UIF, Medical and Pension Funds	142,877	136,656
Other non-pensionable allowances	201,229	192,004
	1,418,174	1,318,418

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Notes to the Annual Financial Statements

	2021	2020 Restated*
21. Employee related costs (continued)		
Remuneration of the Director Parliamentary Support Services		
Basic salary	-	329,258
Bonus	-	64,978
Contributions to UIF, Medical and Pension Funds	-	43,696
Leave payout	-	144,223
Other non-pensionable allowances	-	70,869
	-	653,024
This post is vacant as of 1 October 2019.		
Remuneration of the Director Public Engagement		
Basic salary	991,447	943,875
Bonus	82,621	78,656
Contributions to UIF, Medical and Pension Funds	142,877	136,656
Other non-pensionable allowances	201,229	190,990
	1,418,174	1,350,177
22. Members remuneration		
Basic salary	23,926,982	23,523,606
Contributions to employee benefits	2,929,318	(2,220,659)
Housing allowance	160,000	83,048
Medical aid contributions	178,586	300,986
Other non-pensionable allowances	9,126,788	9,117,785
Pension contributions	5,383,571	5,292,790
Retirement benefits paid out	7,666,490	5,832,092
Service bonus	1,051,472	787,594
	50,423,207	42,717,242
Remuneration of the Speaker		
Basic salary	1,186,677	1,119,692
Other non-pensionable allowances	520,288	491,007
Subsistence and travel	-	41,246
Pension contributions	267,002	251,931
Medical aid contributions	3,828	3,729
	1,977,795	1,907,605
Remuneration of the Deputy Speaker		
Basic salary	960,280	906,075
Other non-pensionable allowances	346,444	333,106
Service bonus	70,023	42,973
Subsistence and travel	-	46,187
Pension contributions	216,063	203,867
Medical aid contributions	7,656	7,458
	1,600,466	1,539,666
23. Finance costs		
Finance leases	786,693	727,085

* See Note 42

Western Cape Provincial Parliament

Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements

	2021	2020 Restated*
24. Operating lease rentals		
Operating lease rental payments		
Motor vehicles	181,185	326,781
Photocopiers	322,449	432,262
	503,634	759,043

Motor Vehicles:

This rental is classified as a contingent rental due to uncertain lease periods and fluctuating tariff increases. The operating lease payments are therefore not subject to straight-lining. It is therefore impracticable to disclose the future minimum lease payments expected to be received for each of the following periods as required by GRAP 13:

- no later than one year.
- later than one year and not later than five years; and
- later than five years.

Photocopiers:

Refer to note 29 for details relating to the photocopiers operating leases.

None of our lease agreements have any restrictions imposed on these arrangements.

25. Transfer payments

Political Parties		
Democratic Alliance	26,523,965	24,831,017
African National Congress	13,532,316	12,762,047
African Christian Democratic Party	1,494,747	1,404,009
Economic Freedom Fighters	2,563,201	2,285,727
Freedom Front Plus	1,494,535	1,254,681
GOOD	1,494,535	1,254,681
Al Jama-ah	1,494,535	1,254,681
	48,597,834	45,046,843

* See Note 42

Western Cape Provincial Parliament

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Notes to the Annual Financial Statements

	2021	2020 Restated*
26. General expenses		
Advertising	1,186,896	956,524
Auditors remuneration	3,627,271	3,649,689
Bad debts written off	-	177
Bank charges	12,590	18,198
Bursaries	72,259	78,149
Catering events	607,165	2,220,372
Computer services	2,222,074	1,395,565
Consulting and professional fees	1,561,887	1,922,108
Consumables	547,212	925,122
Contracted services	799,870	2,220,010
Fleet services	463,173	443,910
Insurance	425,898	346,692
Laundry services	-	8,620
Other expenses	903,544	483,792
Outsourced services	56,331	120,691
Postage and courier	196	207
Printing and publications	451,762	505,301
Registration fees	44,474	125,941
Rentals of facilities and equipment	216,356	223,047
SITA computer expenses	31,677	69,439
Subscriptions and membership fees	447,629	315,714
Telephone and fax	185,828	323,961
Training	595,069	797,972
Travel - local	3,825,219	4,678,310
Travel - overseas	3,224	1,476,253
	18,287,604	23,305,764

The main reason for the reduction in expenses from the prior year is due to, reduced activity during the COVID-19 lockdown.

Other expenses includes expenditure for resettlement costs, data and airtime costs and TV licences.

27. Cash flow from operating activities

(Deficit) surplus	(7,334,125)	9,576,703
Adjustments for:		
Depreciation and amortisation	4,611,636	3,923,151
(Gain)/Loss on sale of assets and liabilities	(3,840)	109,509
Transfer to direct charge liability	4,643,843	2,414,018
Contribution to employee benefits	2,633,414	(262,885)
Actuarial gain	(798,892)	(151,806)
Asset transferred in	-	(28,014)
Bad debts written off	-	177
Changes in working capital:		
Inventories	(215,594)	(229,175)
Receivables from non-exchange transactions	(4,000)	(3,000)
Receivables from exchange transactions	515,372	(511,354)
Prepayments	(109,717)	46,246
Payables from exchange transactions	(136,801)	51,451
Payables from non-exchange transactions	-	(8,054,989)
Direct charge liability	(2,414,018)	(4,176,534)
	1,387,278	2,703,498

28. Auditors' remuneration

Fees	3,627,271	3,649,689
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* See Note 42

Western Cape Provincial Parliament

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Notes to the Annual Financial Statements

	2021	2020 Restated*
29. Commitments		
Authorised capital expenditure		
Already contracted for but not provided for		
• Property, plant and equipment	59,168	200,838
• Intangible assets	112,844	-
	172,012	200,838
Total capital commitments		
Already contracted for but not provided for	172,012	200,838
This committed expenditure relates to property, plant and equipment and intangible assets and will be financed through funding received from Provincial Treasury.		
Operating leases - as lessee (expense)		
Minimum lease payments due		
- within one year	75,942	301,124

Operating lease payments represent rentals payable by the legislature for the rental of photocopy machines to Minolco (Pty) Ltd.

30. Contingencies

Contingent Liabilities

Cloete vs CCMA and Provincial Parliament

The applicant is currently in dispute with the CCMA and legislature regarding a labour/recruitment matter. The estimated expenditure is R 90,000.

Legal opinion of outcome of investigation for Fruitless and Wasteful Expenditure

A process is currently underway with legal representation to determine liability, if any, for Fruitless and Wasteful Expenditure. The estimated legal costs are R 138,000.

Contingent assets

Investigation for Fruitless and Wasteful Expenditure

A process is currently underway with legal representation to determine liability, if any, for Fruitless and Wasteful Expenditure. The estimated recoverable amount is R 158,289.

* See Note 42

Western Cape Provincial Parliament

Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements

31. Financial instruments disclosure

Categories of financial instruments

2021

Financial assets

	At amortised cost	Total
Cash and cash equivalents	14,119,065	14,119,065
Receivables from non-exchange transactions	73,400	73,400
Receivables from exchange transactions	135,271	135,271
Long term receivables from non-exchange transactions	8,341	8,341
Long term receivables from exchange transactions	10,415	10,415
	14,346,492	14,346,492

Financial liabilities

	At amortised cost	Total
Payables from exchange transactions	1,234,227	1,234,227
Finance lease obligation	1,536,809	1,536,809
	2,771,036	2,771,036

2020

Financial assets

	At amortised cost	Total
Cash and cash equivalents	16,058,241	16,058,241
Receivables from non-exchange transactions	69,400	69,400
Receivables from exchange transactions	650,643	650,643
Long term receivables from non-exchange transactions	10,741	10,741
Long term receivables from exchange transactions	-	-
	16,789,025	16,789,025

Financial liabilities

	At amortised cost	Total
Payables from exchange transactions	1,371,028	1,371,028
Finance lease obligation	1,747,228	1,747,228
	3,118,256	3,118,256

Western Cape Provincial Parliament

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Notes to the Annual Financial Statements

32. Risk management

Financial risk management

The legislature's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

Liquidity risk

The legislature's risk to liquidity is a result of the funds available to cover future commitments. The legislature manages liquidity risk through an ongoing review of future commitments and credit facilities. This is further managed by the fact that the legislature receives its funding via the equitable share.

The table below analyses the legislature's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 31 March 2021	Within 1 year	Between 2 and 5 years
Payables from exchange transactions	1,234,227	-
Finance lease obligation	878,434	1,628,621
	2,112,661	1,628,621
At 31 March 2020	Within 1 year	Between 2 and 5 years
Payables from exchange transactions	1,371,028	-
Finance lease obligation	951,803	1,760,551
	2,322,831	1,760,551

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents and receivables. The legislature only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Receivables comprise a widespread customer base. Management evaluated credit risk relating to receivables on an ongoing basis. If receivables are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the receivable, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the management.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	2021	2020
Cash and cash equivalents	14,119,065	16,058,241
Receivables from non-exchange transactions	73,400	69,400
Receivables from exchange transactions	135,271	650,643
Long term receivables from non-exchange transactions	8,341	10,741
Long term receivables from exchange transactions	10,415	-

Market risk

Interest rate risk

As the legislature has no significant interest-bearing assets, the legislature's income and operating cash flows are substantially independent of changes in market interest rates.

33. Unauthorised expenditure

No unauthorised expenditure was incurred during the current financial period ended 31 March 2021.

Western Cape Provincial Parliament

Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements

34. Fruitless and wasteful expenditure

Add: Fruitless and wasteful expenditure - Current year	4,300	3,967
Add: Fruitless and wasteful expenditure - Prior year	158,289	-
Less: Amounts recovered	(4,300)	(3,967)
	158,289	-

Fruitless and wasteful expenditure for the current year incurred due to non attendance of training that was confirmed. This expenditure is being recovered.

Fruitless and wasteful expenditure for the prior year incurred due to the use of a vehicle by WCPP which is currently still under investigation to determine responsibility.

35. Irregular expenditure

Opening balance	3,415,077	-
Add: Irregular Expenditure - current year	772,104	3,458,099
Less: Amounts condoned	(3,493,390)	(43,022)
	693,791	3,415,077

Analysis of expenditure awaiting condonation

Contract expired for photocopier machine, payments were however processed subsequent to the expiry.	1,978	-
Declaration of interest submitted after award was made	554,313	-
BBBEE level of the subcontracted supplier not considered	137,500	-
Extension of internet and DR services contract as an emergency	-	1,030,156
Inappropriate award due to not calculating PPPFA preference points	-	1,155,428
Inappropriate award due to BAC decision to disregard bid received	-	1,229,493
	693,791	3,415,077

Details of irregular expenditure condoned in current year

No proper procurement process followed.	30,875	-
No proper procurement process followed.	47,438	-
Extension of internet and DR services contract as an emergency.	1,030,156	-
Inappropriate award due to not calculating PPPFA preference points.	1,155,428	-
Inappropriate award due to BAC decision to disregard bid received.	1,229,493	-
Prior year: Z Cornelissen: No prior approval obtained for services rendered.	-	17,100
Prior year: M Ngumbela: Expenditure incurred without approval of delegation 12	-	9,000
Prior year: Greenlight Catering: No approval obtained for catering	-	5,600
Prior year: Sam's CT Subs: No pre-approval obtained for new service provider	-	7,722
Prior year: Langley's Catering: Non-completion of supporting documentation	-	3,600
	3,493,390	43,022

Western Cape Provincial Parliament

Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements

36. Related parties

During the year the Western Cape Provincial Parliament received services from the following parties that are related as indicated:

Department of Transport and Public Works	Occupation of the building free of charge managed by the Department of Transport and Public Works. Refer to note 37 for the rental value which is accounted for as a service in-kind. Parking spaces are also provided for government officials at an approved fee that is not market related. Refer below for transaction detail. Security services in the Legislature building Internal Audit services Audit Committee services Primary funding. Refer to note 20. Management of government motor vehicles. This relationship is based on an arm's length transaction in terms of the approved tariffs. Refer below for transaction and balance detail Refer to note 21&22
Department of Community Safety Department of the Premier - Corporate Services Centre	
Provincial Treasury Government Motor Transport (GMT)	
Key Management and Members	

Related party transactions and balances

Government Motor Transport (GMT)

Finance Costs	785,762	717,942
Finance lease liability payment	109,435	203,538
Operating leases	181,185	326,781
Outstanding finance lease liability balance	2,500,857	2,687,563

Department of Transport and Public Works

Parking fees	4,205	(9,070)
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37. Services in-kind

The Department of Public Works provides office area to the Western Cape Provincial Parliament at no cost to the legislature. The providing of this services in kind is recognised as revenue and expenditure to the fair value of R 9,195,210 (2020: R 9,842,760).

The South African Police Services provides National Key Point access control services to Western Cape Provincial Parliament at no cost to the legislature. These services were provided for the entire reporting period.

National Parliament provided services in the form of training to the Members of Western Cape Provincial Parliament within the financial year to the value of R 483,040 (2020: R Nil). These services were provided to the Members with no cost to the legislature. We do not see this as a significant impact on the operations of the legislature.

38. Budget differences

Material differences between budget and actual amounts

38.1 Recoveries

The variance is as a result of income received in terms of previous years expenditure.

38.2 Other income

The variance is as a result of payment for parking spaces which exceeded the collection revenue due to staff working from home for the majority of the financial year.

38.3 Interest received

The variance is as a result of interest on bank account as well as interest on debts which was more than the appropriated budget amount.

Western Cape Provincial Parliament

Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements

38. Budget differences (continued)

38.4 Employee costs

The variance is due to vacant posts which were not filled as anticipated.

38.5 Members remuneration

The variance is due to lower than anticipated members increase received for the current year as well as lower than anticipated payouts of retirement benefits.

38.6 Lease rentals on operating lease

The variance is as a result of a reduced monthly rental payment after the conclusion of the photo copiers leases.

38.7 General expenses

The variance is mainly due to expenses which were less than expected due to the impact of COVID-19.

Differences between budget and actual amounts basis of preparation and presentation

Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	13,949,123
Basis difference - Operating cash flows	
Receivables	436,357
Payables	122,876
Direct charge	(2,414,018)
Interest received	73,586
Annual appropriation	(13,253,942)
General expenses	(103,158)
Basis difference - Financing cash flows	
LSS transfer	(750,000)
Actual amount in the Cash Flow Statement	(1,939,176)

Changes from the approved budget to the final budget

The changes between the approved budget for provincial expenditure and the budget comparison statement for the expenditure items is as a result of the change in classification between the approved budget and the budget comparison in order to meet the requirements of GRAP.

The adjustments incurred between the approved budget and the final budget occurred due to the adjustment budget as well as shifts within expenditure items. These adjustments are as follows:

Expenditure	Approved budget	Adjustment	Shifts	Virements	Final budget
Employee related costs	84,535,000	(10,056,939)	(159,218)	(283,729)	74,035,114
Members remuneration	46,973,042	6,206,775	(175,046)	-	53,004,771
Finance costs	1,013,000	(53,763)	14,453	-	973,690
Lease rentals on operating lease	540,868	(13,361)	-	-	527,507
Transfer payments	47,191,244	1,429,000	(22,410)	-	48,597,834
General expenditure	31,703,846	(5,792,712)	342,221	283,729	26,537,084
	211,957,000	(8,281,000)	-	-	203,676,000

Western Cape Provincial Parliament

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Notes to the Annual Financial Statements

39. Change in estimate

Property, plant and equipment

Property, plant and equipment: A review of useful lives was done on assets, during which, certain items of property, plant and equipment were identified which required an adjustment. The Western Cape Provincial Parliament's management considered how to account for the change in the estimated useful lives. The effect of a change in accounting estimate is required to be recognised prospectively by including it in surplus or deficit in the period of the change, if the change affects that period only, or the period of the change in future periods, if the change affects both. Management concluded that it should apply the change in estimate prospectively from the start of 2020/21 and therefore the depreciation charge was applied prospectively from 1 April 2020 over the remaining useful life of these assets.

	2020/2021	2021/2022
Increase/(Decrease) in Depreciation on Computer equipment	23,351	57,919
Increase/(Decrease) in Depreciation on Furniture and office equipment	4,321	12,928
Increase/(Decrease) in Depreciation on Other machinery and equipment	5,384	13,822
	33,056	84,669

The effect on the current year is to decrease the carrying amount of property, plant and equipment by R 33,056 and increase the depreciation expense by R 33,056.

40. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

41. Events after the reporting date

No adjusting events have occurred after the reporting date.

WCPP has taken note of the COVID-19 pandemic and any associated risks linked here to.

Western Cape Provincial Parliament

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Notes to the Annual Financial Statements

42. Prior period error

During the preparation of the annual financial statements for the current year the following errors were identified.

Transfer of LSS funding

During the period ended 31 March 2021, it was identified that the transfer of LSS funding was incorrectly classified under general expenses and therefore required a reclassification.

Decrease in General expenses: Transfer of LSS funding	750,000
Increase in the Statement of Changes in Equity	(750,000)
	-

Statement of Financial Performance

General expenses	750,000
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Statement of Changes in Net Assets

Transfer of LSS funding	(750,000)
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