KWAZULU-NATAL LEGISLATURE

AN ACTIVIST, PEOPLE-CENTRED LEGISLATURE

ANNUAL REPORT 2022/23

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AN ACTIVIST, PEOPLE-CENTRED LEGISLATURE

Honourable
Nontembeko Nothemba Boyce
(MPL)

Speaker of the
KwaZulu-Natal Legislature

Honourable
Richard Themba Mthembu
(MPL)

Deputy Speaker of the
KwaZulu-Natal Legislature

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ABBREVIATIONS

Abbreviation	Full Description
AGSA	Auditor-General of South Africa
AIDS	Acquired Immunodeficiency Virus
ANC	African National Congress
AOP	Annual Oversight Plan
APP	Annual performance plan
Arco	Audit and Risk Committee
BranCo	Branch Committee
CAE	Chief Audit Executive
CBOs	Community-based organisations
COGTA	Cooperative Governance and Traditional Affairs
CPA	Commonwealth Parliamentary Association
CPFs	Community Policing Forums
DA	Democratic Alliance
Dirco	Department of International Relations and Co-operation
DoPW	Department of Public Works
DoRA	Division of Revenue Act
EFF	Economic Freedom Fighters
ERP	Enterprise Resource Planning
ExCo	Executive Committee
FISs	Focused Intervention Studies
FMPPLA	Financial Management of Parliament and Provincial Legislatures
GRAP	Generally Recognised Accounting Practise
HIV	Human Immunodeficiency Virus
IA	internal Audit
ICT	Information Communication Technology
IDPs	Individual Development Plans
IESBA	International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants
IFP	Inkatha Freedom Party
IGR	Inter-Governmental Relations
IPRS	Indicator Protocol Reference Sheets
IR	International Relations
ISAs	International Standards on Auditing
KZNPL	KwaZulu-Natal Provincial Legislature
STACOV	Standing Committee on Oversight

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FOREWORD

Honourable Ms Nontembeko Nothemba Boyce

Speaker of the KwaZulu-Natal Legislature

As we take pride in tabling the 2022/23 Annual Report for the KwaZulu-Natal Legislature, we do so by paying homage to the first ever Speaker of the National Assembly in 1994 as we entered the democratic era. This feminist leader was an outstanding woman who became a beacon of hope for women parliamentarians in our country. She was never a religious fundamentalist but a true revolutionary democrat of Muslim faith. The late Speaker Frene Ginwala, a woman that we are because she was. May her legacy live forever through parliamentarians of fortitude. This softspoken woman, in spite of her relatively better social standing in the apatheid era, chose to stand up and align herself with a life of being chased by the police as she in her efforts in support of the emancipation of all South Africans. This woman was deeply rooted in her belief that feminism is the only way to emancipate women from patriarchy and that will be led by women who are members of the African National Congress. Her spirit, in concert with all living and parted revolutionary heroes remain our constant motivation as we pursue a better life for all citizens of the KwaZulu-Natal Province.

While we closed the year 2022/23 having achieved most of our annual performance plan targets, it must be noted that it took a lot of balancing acts to contend with the effects of the budget cuts on the Legislature's Baseline. The goal on insourcing of internal audit and cleaning services continues as a priority that should be achieved through improved efficiencies as we move towards the end of this term. The impact of Covid-19, the 2021 July unrests and 2022 April floods did not only harm government's operations, but also put citizens on their backfoot. Although the Legislature is not a service delivery institution, through its Speaker's Social Responsibility Programme, citizens of this Province, especially the vulnerable groups were assisted as they battled to contend with the harsh national and global economic situation.

We are proud to report that during the year under review, in spite of their differing political persuasions, political parties and the administration co-operated in a manner that ensured a third clean audit outcome in a row. In the face of a strong war against corruption, maladministration and poor service delivery, clean audit outcomes by the Legislature are one of the effective weapons required to build the electorate's confidence in this ANC led government. As we move in this good trajectory of clean audits, our target has fast moved onto seeking means of converting theses clean audits into improved service delivery for our citizens. It is pleasing to report that our efforts towards Outcomes-Based Oversight saw the University of KwaZulu-Natal (UKZN) participating in our strategy review session wherein the concept of Outcomes-Based Oversight Indicators was discussed. Furthermore, an MOU with this University has since been signed through which, amongst other areas, our Research capacity especially for Committees of the House will be enhanced.

To strengthen oversight work and outcomes, it is pleasing to report that the Customisation of the Sector Oversight Model (SOM) project has been concluded. Training programmes for both elected Members of the Legislature and staff will be rolled-out as part of the implementation process in the ensuing year. Amongst other programmes captured in the customised SOM are the Functionality Programmes. These have become effective tools of monitoring implementation outcomes of the National Development Plan (NDP) through the Provincial Growth Development Plan (PGDP). It is a pleasure to report that all planned Functionality Programmes for the year 2022/23 were successfully executed. This year also saw the Legislature conducting Section 132 and MSA Section 47 Hearings on Municipality Annual Reports for those Municipalities that got poor audit outcomes. These Hearings are set to be part of the Legislature Programme going forward to improve performance at local government level.

The continuous work on digitisation as we modernise the Legislature means the project of amending our Standing Rules remains an on-going process. Targeted workshops for different structures of the Legislature on Rules are to be expected to ensure better understanding, compliance and impactful implementation. It is one of the reasons that in the year under review, the Office of the Chairperson of Committees saw to it that Committees do table their reports in terms of the Standings Rules and the Sector Oversight Model (SOM).

In the interest of ensuring that the laws passed by the Legislature have an impact, our intention of evaluating at least one of the passed and implemented laws remains in our radar. Through the MOU with UKZN as well as partnerships with Chapter 9 & 10 institutions, this project will be pursued to be concluded in the ensuing year. Related to strengthening the Legislature's oversight mandate, the commitment to pass an Amendment of Money Bills Act before the end the term remains intact.

To enhance public participation and involvement in legislative work, the Legislature continued to run public/civic education for schools, public and organised community organisations. All planned Sector Parliaments and Symposia were successfully held. Considering the upcoming 2024 National and Provincial Elections, the Legislature has planned to run voter education programme in partnership with the Independent Electoral Commission (IEC) in the year 2023/24.

A professional and outcomes driven Legislature must not only be supported with tools of trade, systems and structures but with appropriate office accommodation as well. The current Parliamentary Council Chamber, originally built in 1887 for 30 Members of the colonial government of Natal has been outgrown by the work of the 80 Members it now houses. Some offices of Elected Members are leased buildings with roof leaks. Constant attempts at refurbishment through the landlord have become a continuous shifting target. Furthermore, our democracy requires adequate space for the public parking, bigger public gallery etc. It is for these reasons that a new Legislature precinct remains a noble objective work our efforts.

As we put our hands on the plough into 2023/24, we are confident that our unity in action will mobilise all our strategic stakeholders as we continue to pursue new and higher performance horizons.

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The Honourable Ms N. N. Boyce

Speaker of the KwaZulu-Natal Legislature

SUBMISSION OF THE ANNUAL REPORT TO THE EXECUTIVE AUTHORITY BY THE ACCOUNTING OFFICER

I have the honour of submitting the Annual Report of the KwaZulu-Natal Provincial Legislature for the year 2022/23 to the Executive Authority in terms of the Financial Management of Parliament and Provincial Legislatures Act, Act no 10 of 2009.

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Ms N Naidoo
Secretary to the KwaZulu-Natal Provincial Legislature

INTRODUCTION BY THE SECRETARY

Ms Nerusha Naidoo

Accounting Officer: KwaZulu-Natal Legislature

Through its constitutional mandate, the KwaZulu-Natal One of the Legislature's objectives for this sixth term was to improve its governance through enhancing internal controls. This is an objective that has been achieved as the Auditor-General gave the Legislature its third clean audit outcome in a row. The quarterly meetings with the Speakership to review matters of performance, compliance and execution of Legislature Programme remained strategic. The work of the Risk and Internal Audit Committee has been of enormous value while the oversight role of the Standing Committee on Oversight (Stacov) continued to provide both feedback and encouragement to improve our controls. It is our objective to work even closer with the risk and audit processes especially on the value – add audits on the work of Committees.

Beyond the clean audit opinions given by the Auditor-General, the Legislature is fully aware that there is always room for improvement. Each audit season is viewed as an opportunity to reflect and focus on new horizons as we pursue value for money within the institution and improve quality life for the citizens of this Province.

As we pursue Outcomes, the administrative arm of the Legislature has been hard at work pursuing projects linked to modernisation. Through the ICT and Finance Divisions, the year under review saw the Legislature respond to budget cuts through introducing a number of ICT solutions including, piloting a Digital Voting, Digital Attendance Register, launching E-Library and introduction of a Digital Records Management Systems is expected early in the upcoming year. Digital Performance Reporting is also expected to be rolled-out in the year 2023/24. As the life-cycle of our ERP system is approaching its end, the Legislature began a process that may set a new trend within the sector wherein Legislatures and utilise universal contracts to ensure harmonisation as we pursue savings and efficiencies. In the area of public participation, social media has been harnessed to widen our outreach to cater for those that are not able to physically participate in our processes. Reverse-Billing has further widened our encashment area particularly for those who can't afford the cost of data. As was reported in 2022/23 annual report, the mapping of business processes was done and in the ensuing year, these processes will be used to conduct efficiency analysis to ensure further economic utilisation of institutional resources. Having rolled out Remote-Working, the Legislature is now in a position to review its Office Allocation to address office accommodation inadequacy. However, the broader inadequacy of the Legislature precinct remains a going concern.

In an effort to ensure continued stability and effectiveness of the administrative arm of the Legislature, especially in the context digitisation, the need to review institutional policies has become an ongoing issue. The Legislature continued to work closely with organised labour in this regard. This was due to the fact that the labour-management structures remained effective to ensure compliance with the applicable labour prescripts including running targeted capacity building and wellness workshops/programmes for both staff and Members of the Legislature. The year saw, amongst others, staff members providing direct support to Committees and the House being trained on amended Rules of the House. More of such training will be done in the upcoming year for other staff members in the corporate wing of the administration. In this vein, this year saw a number of Committees embarking on their International Empowerment Programme.

At a sector level, the Legislature continued to participate through the National Speakers' Forum of South Africa, Secretaries' Forum and in various sector task-teams. During the course of the year, the Secretaries' Forum resolved to resuscitate the erstwhile Sector Forums in a redesigned format. It is important to state that because of vast experience in sector matters, this Legislature is represented in the newly established Parliamentary Institute. Furthermore, relevant activities of the Commonwealth Parliamentary Association (CPA) were effectively attended.

As the sixth term approaches its end, the upcoming year will amongst other constitutionally mandated activities, the Legislature will focus on close-out reports, end of term activities and drafting an induction programme for the new Members of the Legislature to be sown-in in 2024.

It is against this background that as the Accounting Officer of the Legislature, I forward the KwaZulu-Natal Legislature's 2022/23 annual report.

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Ms N Naidoo

Secretary to the KwaZulu-Natal Provincial Legislature

VISION STATEMENT

An Activist, People-Centred Legislature

MISSION STATEMENT

To deepen democracy in KwaZulu-Natal through robust oversight, effective public involvement, progressive and efficient law-making

STRATEGIC OBJECTIVE

STRATEGIC OBJECTIVES: CORE BUSINESS

OVERSIGHT

The NDP, Provincial Growth and Development Plan (PGDP) and Medium-Term Expenditure Framework (MTSF) targets and priorities of Government inform the oversight approach for the current five- year strategy. This includes focusing effectively on the achievement of outcomes of government programmes. This is a research dependent type of oversight that has to be provided in context of struggling economic environment. Efficiencies of government processes need to be overseen to ensure optimum utilization of government resources. It is for this reason that the Legislature adopted the following oversight strategic objective:

Provide an efficiency and research-driven oversight

PUBLIC PARTICIPATION

As an activist institution and in terms of its constitutional mandate, the Legislature seeks to improve its partnership with communities as well as to become more visible and responsive to the needs of citizens. This is why the current strategy places a strong emphasis on public education and engagements with marginalized sectors of our communities. It is for this reason that the Legislature adopted the following public participation strategic objective:

Provide formidable and strategic partnerships with citizens, communities and civil society organisations

LAW-MAKING

On law-making, the Legislature seeks to ensure that it enacts provincial laws that are not only compliant with the Republic of South Africa's constitutional provisions and requirements but are also consulted as well as transformative. Further, the Legislature seeks to create adequate technical capacity to develop draft bills and evaluate impact process them into Acts. To achieve this, the Legislature adopted the following strategic objectives:

To provide an impact-based and consultative law-making process

STRATEGIC OBJECTIVES : GOVERNANCE AND LEADERSHIP

To improve governance and leadership, the Legislature adopted the following five Strategic Objectives:

i. *Improved institutional performance management;*

ii. Improved institutional fiscal discipline and implementation of financial and supply chain prescripts;

iii. Improved corporate (Human Capital, Communications, Security & Facilities) management services;

iv. Good governance, internal controls and integrity management;

v. Improved intergovernmental and international relations (IGR), and

vi. Enhanced Legislature efficiencies through utilisation of digital platforms and provision of Information Communication Technology services

CORE VALUES

In an effort to continuously improve institutional culture and climate, the Legislature adopted the following institutional values :-

i. Ethical behaviour: To act honestly and with integrity

ii. Discipline: To act in accordance with established rules, norms and standards

iii. Excellence: Continuous improvement in performance and quality/standards

iv. Professionalism: Demonstrating competence, decisiveness and proficiency acting within professional norms and standards

v. Transparency: Being straightforward, accountable, sincere and candid

vi. Caring: Feeling and exhibiting concern and empathy for others

vii. Altruism: A deliberate pursuit of the welfare of others

viii. Respect of Diversity: Promoting diversity in all its forms

MANDATE

Constitutional Mandates

The mandate and authority of the Legislature is set out in Chapter 6 of the Constitution of the Republic of South Africa, Act No. 108 of 1996, as amended. The Legislature, among other issues, is given a mandate to:

- Consider, amend, pass or reject provincial laws;
- Consider, reject and or approve budgets for Provincial departments;
- Conduct oversight over the Provincial Executive Council; and
- Facilitate public participation in its legislative processes.

Legislative Mandates

The legislative obligations of the KwaZulu-Natal Legislature are clearly set out in the legislation identified below:

- Financial Management of Parliament and Provincial Legislatures Act, Act No. 10 of 2009 as amended;
- Promotion of Access to Information Act, Act No. 2 of 2000;
- Labour Relations Act, Act No. 66 of 1995 as amended;
- Basic Conditions of Employment Act, Act No.75 of 1997;
- Skills Development Act, Act No. 78 of 1998;
- Employment Equity Act, Act No. 55 of 1998;
- Preferential Procurement Policy Framework Act, Act No. 5 of 2000;
- Broad Based Black Economic Empowerment Act, Act No. 53 of 2002;
- State Information Technology Agency Act, Act No. 38 of 2002 (SITA Act);
- Public Finance Management Act; and
- Municipal Finance Management Act.

Policy Mandates

The functions of the Provincial Legislature are governed mainly by the following policies and regulations:

- The Standing Rules of the Legislature;
- Resolutions of the Standing Committee on Oversight of the Legislature and the House;
- KZN Legislature Conditions of Employment;
- KZN Supply Chain Management Policy Framework;
- Applicable Treasury Regulations;
- Supply Chain Management Regulations.

RELEVANT COURT RULINGS

Judgement CCT 73/22 Constance Mogale and Others vs Speaker of National Assembly wherein the Speaker of the KwaZulu-Natal Provincial Legislature is identified as the sixth Respondent.

PART 1:

GENERAL INFORMATION

The KwaZulu-Natal Legislature executed the following projects and/or activities during the 2022/23 financial year:

1. PUBLIC PARTICIPATION

In terms of Section 118 of the Constitution of the Republic of South Africa, the main objectives of Public Participation, Involvement and Petitions include the following:

i. Improved citizen engagement and participation in legislative processes; and
ii. Improved public and civic education programmes to empower the citizens of KwaZulu-Natal.

To fulfil this constitutional mandate during the 2022/23 financial year, the Legislature embarked on a series of activities that encouraged public participation, which included the following main programmes:

1.1. Sector Parliaments, Symposia, TLtP and Official Opening of the Legislature

Sector Parliaments can be viewed as important mechanisms for enhancing public participation and deepening democracy through the involvement of targeted groups of youth, women, workers, faith formations, senior citizens and people with disabilities. These public engagements were held as indicated in Table 1 below.

Table 1

<table>
<tr><th colspan="2">Event</th><th>Venue (District Municipality)</th><th>Dates</th></tr>
<tr><td colspan="2">Inter-Faith Symposium</td><td>Amajuba</td><td>16 November 2022</td></tr>
<tr><td colspan="2">LGBTQI+ Symposium</td><td>eThekwini Metro</td><td>29 June 2022</td></tr>
<tr><td colspan="2">Workers' Parliament</td><td>King Cetshwayo</td><td>27-28 May 2022</td></tr>
<tr><td colspan="2">Sex Work Symposium</td><td>eThekwini Metro</td><td>15 July 2022</td></tr>
<tr><td colspan="2">Children's Parliament</td><td>Zululand</td><td>25 May 2022</td></tr>
<tr><td colspan="2">Youth Parliament</td><td>uMkhanyakude</td><td>17 June 2022</td></tr>
<tr><td colspan="2">Young Women's Symposium</td><td>Ilembe</td><td>07 October 2022</td></tr>
<tr><td colspan="2">Women's Parliament</td><td>uMgungundlovu</td><td>10 August 2022</td></tr>
<tr><td colspan="2">Senior Citizens' Parliament</td><td>uMzinyathi</td><td>30 September 2022</td></tr>
<tr><td colspan="2">Taking Legislature to the People (TLtP)</td><td>Harry Gwala</td><td>01-02 November 2022</td></tr>
<tr><td colspan="2">People with Disabilities' Parliament</td><td>uThukela</td><td>02 December 2022</td></tr>
<tr><td rowspan="2">Official Opening of the Legislature</td><td>Address by the Monarch</td><td>uMgungundlovu</td><td>23 February 2023</td></tr>
<tr><td>State of the Province Address</td><td></td><td>24 February 2023</td></tr>
</table>

The above targeted public participation events were established to coincide with the national days of recognition. Such sessions provide for representative structures to convene and run pseudo parliaments, assuming roles of parliamentarians to raise real issues of concern. The programme for these parliaments involves setting up of commissions, which deliberate on issues raised during the sitting and formulate resolutions for adoption by respective sector parliament sittings. The resolutions that were taken by these Sector Parliament Sittings were forwarded to Provincial Government Departments for consideration and action. Respective Portfolio and Standing Committees then drive oversight activities to ensure the implementation of the said resolutions.

In this term, the Legislature adopted a strategic objective on public participation that seeks to create closer partnership with communities as well as to become even more visible in communities. The drive towards fourth industrial revolution concepts continues to seek to overhaul public participation approaches especially in a bid to reach-out to a majority of those that have already migrated onto digital platforms. The annual evaluation of public participation programmes that was planned for the year under-review was not completed but will be concluded in the 2022/23. A draft report was however provided before the end of March 2022.

1.2 Public Education

The Legislature has a critical constitutional obligation of facilitating public involvement in legislative matters in line with Section 118 of the Constitution. In this regard, the Legislature persistently endeavoured to enhance the knowledge of ordinary citizens about legislative matters, processes and their right to information. The revised strategy on civic education was implemented. The reviewed strategy was necessitated by the need to comply with the stringent Covid-19 Lockdown protocols during the year under review. Through this programme, the Legislature has planned to run voter education campaigns to support the 2024 National and Provincial Government Elections. This is an area that remains critical in the Legislature's efforts to deepen democracy in the Province. While all citizens are targeted for civic and public education, focus will target areas with the bulk of unregistered, voters on the move and first voter groups. Working with the IEC and STATSSA in the Province, the Voters' Roll and available population statistics will be used to decide on which towns, villages, schools, colleges and universities will be targeted.

1.3 Public Hearings

Public hearings remain one of the strategic public involvement requirements in the processing of bills and amongst other means, through their constituencies, members of the public continued to have a right to make their inputs.

2. COMMUNICATIONS

To enhance the public profile of the work of the Legislature, especially that of its committees, the Legislature maintained its allocation of Communication Officers to Committees. During the year under review, Communications continued to work closely with the Public Participation & Petitions Division to ensure dissemination of legislature information to all in living in the Province. Efforts to improve and make the Legislature's website more accessible, educational and informative continue. Utilising social media platforms, the Legislature streamed all Legislature Sittings, Sector Parliaments, Multi-Party & Public Hearings, including Oversight Visits and Functionality Programmes. While Covid-19 and its lockdown protocols had a negative impact to operations of the Legislature and social life in general, it however helped to Fastrack digitalisation in the communication space within the Legislature. The Legislature, however, continued to make use of radio slots and print media in communicating the work of the Legislature.

3. COMMITTEES AND OVERSIGHT

3.1 Partnerships with Chapter 9 and 10 Institutions

Chapter 9 and 10 institutions continued to be strategic partners with the Legislature particularly in making presentations at Sector Parliaments and briefings to Committees. They have always played a role in strategy review sessions of the Legislature especially Statistics South Africa, the Public Service Commission and the Auditor-General. Their participation has influenced priorities and resource allocations within the Legislature. They also played a role during the strategic planning sessions and in sector parliament sessions. Based on the mid-term strategy review session, in the 2022/23 financial year, a consultative platform is yet to be established to explore and improve on areas of partnership between the Legislature and these institutions particularly on research related areas. One of the strategic areas targeted for partnership improvement is on the development and management of a provincial service delivery baseline information on NDP/ PGDP. Such a baseline is required to enhance oversight work of the Legislature. Institutions of higher learning and research bodies within the Province will also be targeted for participation in the envisaged platform.

As already indicated above, the Independent Electoral Commission (IEC) was invited to present both at the strategy and annual performance planning session as well as to Members of potential changes to the electoral act in preparation for the 2024 National and Provincial elections.

3.2 Sector Oversight Model Implementation

To enhance implementation of the Sector Oversight Model by the Legislature, a process of customisation was rolled out during the year under review. A service provider with a wealth of experience in the legislative sector was appointed to facilitate the customisation consultation sessions and workshops. Linked to the customisation of SOM, was the development of the research framework for the Legislature. These two processes are a precursor to the business process mapping project aimed at developing a new Business Operating Model (BOM) for the Legislature. Although the Business Process Mapping project did not conclude before the year end, enough was covered to ensure that the new process maps can be implemented in the ensuing year. The customised SOM was not only aimed at Committee work but the whole oversight, public participation and law-making value chain which includes House Operations. A completed and approved customised SOM is now set to be implemented in the 2023/24 financial year.

3.3 Sector Audit

In its efforts to improve service delivery, the Auditor-General (AG) continued with the new sector audits which were started in 2021/22. In the year under review, the AG was invited to address the Chairperson of Committees on the importance of this new audit area. Furthermore, administration ran workshops on the new Standing Rules to ensure that these are better understood and effectively implemented as part of addressing some of the sector findings. This saw the Legislature run section 32 Hearings on Annual Reports of Municipalities that received poor audit findings in 2021/22. Plans are underway to ensure that Chairpersons of Committees will in future be directly involved in the Sector Audits.

3.4 Functionality Monitoring Programme

During the course of the year, the Legislature continued with its Functionality Monitoring Programme. Education and Health remained central and as such, the functionality programme was structured in a manner that it focused on the implementation of NDP/PGDP. As was indicated last year, all Functionality Monitoring Programmes are now direct instruments of strengthening oversight over the implementation of the NDP/PGDP.

4. RESEARCH

4.1 Focused Intervention Studies (FISes) & Oversight Visits

As part of implementing SOM, the Legislature continued to conduct FISes, and an emphasis on tabling of the FIS reports in the House became a point of monitoring by the Office of the Chairperson of Committees. As we focus on NDP/PGDP implementation, FIS will join Functionality Monitoring Programme as another instrument of conducting oversight in this regard.

Committees continued to undertake oversight visits in terms of their AOP targets, with the primary purpose of conducting verifications and on-site observations on identified projects, establishments and communities to ascertain levels of service delivery by organs of State. Such visits provide an opportunity to exercise robust oversight over departments' projects and to develop resolutions on how to improve the situation and even enforce remedial actions where necessary and applicable.

While the target on quarterly reports on oversight visits in terms of SOM were met, Committees without dedicated research capacity continued to lag behind. While there is willingness to address this matter, budget constraints especially on Cost of Employment (COE) has not improved but communication with Treasury and reprioritisation will not be slackened. It is also important to state that while oversight visits are strategic, an evaluation of their impact did begin initially by monitoring their distribution across the Province. At quarterly meetings of the Committee of Chairpersons, a report is now being tabled indicating which Committee went to which District. In the ensuing year, an analysis report will be tabled to inform a review of this SOM mechanism.

4.2 Oversight Analysis Reports

Supported by the Researchers and Economic and Content Analysts, Committees were able to conduct oversight on the work of the Provincial Executive in terms of SOM. It is also important to state that not all Committees have dedicated Researchers, which is a state of affairs that compromises quality of oversight for some Committees. Even so, it is encouraging to report that the targeted number of Annual and Quarter Analysis reports for the year under review were met and surpassed. This was because a Researcher for a Standing Committee (that is not required to conduct oversight analysis of Departmental performance & financial reports) was reallocated to a Portfolio Committee. This meant more analysis reports were produced and the Hearings Report on Municipal Annual Reports contributed to this overachievement. These reports are provided as advisory notes to strengthen the oversight work of Committees. As indicated above, the Office of Chairperson of Committees has pushed for the tabling of these reports in the House. Such tablings improve the chances of these reports being debated in the House.

As indicated above, the role of Chapter 9 & 10 institutions as well as academic and research institutions will continue to be utilised in the oversight work of the Legislature as well as in the determination of Committee Annual Oversight Plans (AOPs) priorities. Committee Annual Oversight Plans draw their priorities from NDP/PGDP as well as draft APPs and Budgets of departments. An MOU with University of KwaZulu-Natal is to be signed and implemented during the incoming financial year as a means of enhancing research capacity of the Legislature.

4.3 Capacity Building; Committee Performance and Budget Monitoring

The performance and quality of work outputs of Committees largely depends on the effectiveness and capacity of Committee Chairpersons. Focussed capacity building workshops for Chairpersons of Committees continued. These are primarily driven by an economic transformation agenda. It remains the objective of the Office of the Chairperson of Committees to empower Committee Chairpersons to drive economic transformation in the Province through decisions, resolutions taken by Committees. The intention is to capacitate Committee Chairpersons in both ensuring that the priorities of their Committee AOPs are both driving transformation through inputs into government APPs/Budgets and that such priorities inform Committee resolutions. As informed by the Sector Audits, the need to enhance Committee Resolution monitoring and tracking cannot be overemphasised.

Linked to the above, capacity building programmes were meant to help in the management and monitoring of Committee budgets and expenditure and the Committee AOPs are central in this regard. Supported by their Committee Support staff, Chairpersons are to present Quarterly Committee Expenditure and Performance reports on the implementation of their Committee AOPs at the Chairpersons' Committee. This will enhance the Committee Chairpersons' responsibilities as effective managers of their Committee state of performance and delivery.

This positive development has further clarified the role of the administration as a support function to Committees. It has also put the Office of the Chairperson of Committees in a better space of driving accountability in the management of Committee performance. Going forward, it is anticipated that this approach will continue to enable the Office of the Chairperson of Committees to implement early interventions especially regarding Committees that are overspending as well as underspending ones.

In anticipation of the end of the sixth Legislature, the 2023/24 Committee AOPs include compilation of *End of Term* Committee reports. These are expected to start trickling in as from the third quarter of 2023/24.

4.4 International Empowerment Programme

This is one Programme that continued to feel the negative impact of Covid-19 restrictions that rendered it impossible to execute effective international empowerment travels. As was report last year, over the year under review, a number of Committee began undertaking international travels under this programme. Despite the fact that the Programme is on full swing, it is anticipated that the impact of the National and Provincial elections in 2024 may result in some Committees failing to execute their part of this Programme. This will therefore be a matter to be decided upon by the political leadership of the Legislature in the incoming financial year.

4.5 Library Services

The Legislature's library continued to service and respond to the needs of the Members and staff of the Legislature through allowing access to useful and empowering information relevant to their work and personal development. To ensure a continued service, the library successfully renewed all its online library subscriptions which included: South African Institute of Race Relations, Juta Law, Sabinet and EBSCO Host. It continued to liaise with external agencies for updating library systems and to consistently scan, store and disseminate newspaper articles to all Committees and staff members on topical issues affecting all spheres of government.

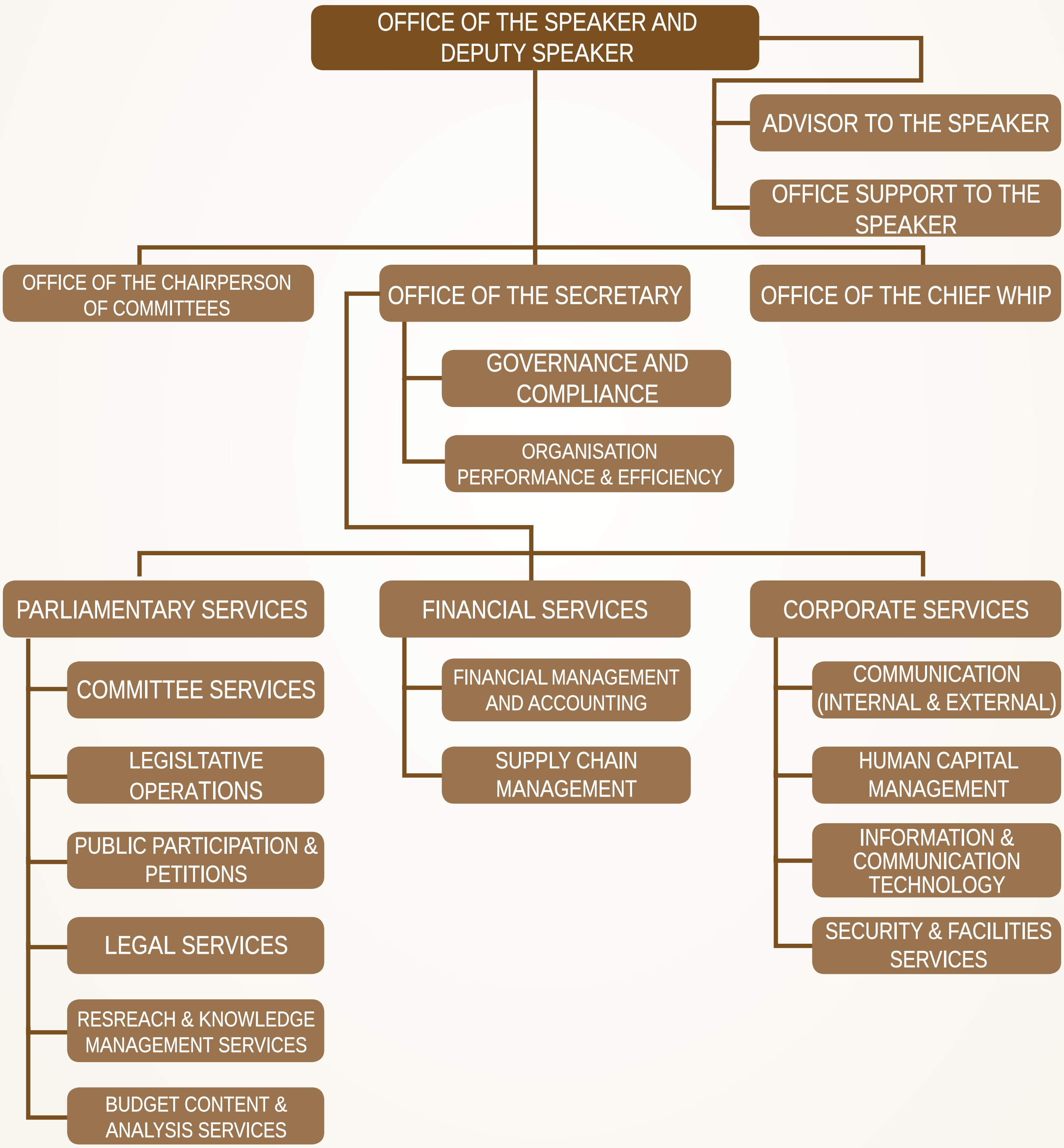
Furthermore, in keeping up with the digitisation agenda, the Legislature's PressReader services continued to afford Members of the Legislature with easy access to newspapers online using their smart phones and gadgets. Having launched a digital records management system, even reading library books online will soon be a culture within the Legislature.

5. ORGANISATIONAL ARRANGEMENTS AND HUMAN RESOURCE MANAGEMENT

5.1 Organogram Implementation

During the year under review, the Legislature operated as per the 2018/19 organisational structure (see Fig 1 below). The decision to implement in-sourcing of cleaning and internal auditing services meant that some adjustments to the organogram be made, however, because of financial constraints, this could not be achieved in the year 2022/23, however, the principle has not been reversed and through digitisation, it is hoped that funding will be identified to fund this noble objective.

Fig 1 ORGANISATION AND ESTABLISHMENT KZN LEGISLATURE



As was reported last year (2021/22), by their very nature, the process that led to the above organogram gave rise to CCMA cases and at the close of 2021/22 two cases were still on the bench. Of the two, one was completed during the year under review and the other is hopefully to be concluded in the upcoming financial year.

6.2 Review and Implementation of Policies

The review of institutional policies is an on-going activity and update reports were made consistently at the quarterly meetings of the risk and audit committee. The most important policy that was developed through the leadership of the Legislative Sector was the Members' Handbook. This is an equivalent instrument to the Ministerial Handbook utilised by the Executive to regulate matters in the Offices of Political Heads. Otherwise all other policies were updates required to improve institutional controls.

7. LAW-MAKING

7.1 Finalisation of Regulations to FMPPLA

The process of finalizing FMPPLA Regulations remained on the agenda of the Legislative sector and the Legislature continued to push for the finalisation of this process. It is important to reiterate that while the Legislature participates in this process, this is a process driven at a National Parliament level and as such the Legislature awaits to be led at that level on the way forward. This is also true with regards to the passing of the Legislative Sector Bill.

7.2 Money Amendment Bills

The Legislature continued in its efforts to enact legislation to enable it to amend Money Bills. Although this was not attained in the year 2022/23, this has remain a target in the 2023/24 financial year and is aimed to be part of the *End of Term* achievements of the sixth Legislature.

7.2 Laws and Bills

The Legislature remained committed to delivering on its mandate of law-making, and during the 2021/22 financial year a total of 4 bills were passed (see table 2 below).

Table 2

FIRST QUARTER	KZN Appropriations Bill, 2022
SECOND QUARTER	Nil
THIRD QUARTER	KwaZulu-Natal Adjustments Appropriation Bill 2022
FOURTH QUARTER	Nil

In terms of the 2022/23 Annual Performance Plan, the Legislature had planned to do an impact assessment on at least one law passed by the Legislature. This target again remained unachieved, however, the methodology was discussed by the Speaker's Office and will be considered by political leadership for implementation in the 2023/24 financial year.

PART 2:

ANNUAL PERFORMANCE REPORT

PROGRAMME PERFORMANCE

DRAFT ANNUAL INSTITUTIONAL PERFORMANCE REPORT: 2022/23 (APRIL 2022 – MARCH 2023)

The services and performance targets in the 2022/23 Annual Performance Plan for the KwaZulu-Natal Legislature are organised and budgeted for under Programme 1 (Administration) and Programme 2 (Parliamentary Business). The actual performance against each indicator is contained in the table below.

SUMMARY

1. Out of a total of **25** Annual Performance Plan (APP) targets {**nine (9**) in Programme 1 and **sixteen (16)** in Programme 2}, **twenty-two (22**) were achieved which translates to **88%.**

   Discussion

2. As indicated above, **Programme 1** has **nine (9)** targets which were all achieved as indicated in the Table below as ***Indicators 1.1 to 1.9.*** These are the administrative targets responsible for driving planning and performance reporting against the Legislature's APP; Budget reporting & compliance matters especially with FMPPLA; internal audit & risk management; rendering of Communications Services; Speaker's Social Responsibility Programme and Provincial Speakers' Forum. It is through these indicators that the Legislature manages its strategies to ensure good governance and maintenance of good audit outcomes.

3. Of the **sixteen (16)** targets in Programme 2, **thirteen (13)** were achieved and the following missed targets were :-

(i) **indicator 2.2** in the table below (an assessment of public participation programme). In 2021/22, an assessment of the Sector Parliament Programme was done but its report was only processed during 2022/23. This meant the 2022/23 assessment could not be done as it was to be informed by the recommendations of the 2021/22 report which is yet to be referred to at least the Quality of Life and Public Participation Standing Committees for implementation. Unfortunately, the Legislature's 2023/24 Programme is structured to accommodate the upcoming 2024 national and provincial elections. This means this project will best be considered in 2024/25 financial year after the elections.

(ii) **indicator 2.15** in the table below (impact of laws passed by the Legislature). The process of developing and approval of the methodology took longer than expected especially because budget would be required. The methodology was developed and discussed at senior management (ExCo) level as well as with the Office of the Speaker, it is now set to be presented before the political leadership for approval and implementation in 2023/24 financial year.

(iii) **indicator 2.7** may appear as an underachievement because Sports & Recreation is no longer a Vote on its own but part of the Arts & Culture Vote that includes Amafa as an Entity. Therefore, instead of producing two analysis reports, only one.

4. There was, however, an overachievement against **indicator 2.8** in the table below (Analysis reports on Departmental Quarter & Annual Performance Reports) because the Committee on Cogta conducted section 132 and MSA section 47 Hearings on Municipality Annual Reports. These Hearings were not part of the original annual target. Secondly, re-allocating a Researcher servicing a Standing Committee (which does not process Departmental Performance Reports) to a Portfolio Committee meant more performance reports were analysed.

   Annual Performance

5. Out of the **25 APP** targets, **22** were achieved which translates to **88%** achievement. Were it not for 3(iii) above**,** performance would have been **92%.** This is a **16,57%** improvement against the **71.43%** achievement in 2020/21 on **23 APP** targets.

Strategic Objective/Output (Measurable Objective) Performance Indicator	Annual Target	Challenges (Reason for Variance)	Service Delivery Improvements
Programme 1: Administration			
Strategic Objective: Good governance internal controls and integrity management			
Output (Measurable Objective) 1.1 Achieved clean audit by 2022/23 **Performance Indicator** Quarterly reports on follow-up audits on management efforts towards achieving a clean audit **Service Delivery** Annual target – 4 Actual performance – 4	4		
Strategic Objective: Improved institutional performance management			
Output (Measurable Objective) 1.2 Improved Institutional performance, planning, monitoring, reporting and evaluation **Performance Indicator** Quarterly reports detailing implementation of 2022/23 APP and Annual Oversight Plan (AOP) targets, as well as progress in the development of the 2023/24 APP, AOP in compliance with FMPPLA and SOM and the clearing of applicable audit & risk issues. **Service Delivery** Annual target – 5 Actual performance – 5	5		
Strategic Objective: Improved Institutional fiscal discipline and implementation of financial and supply chain prescripts**.**			
Output (Measurable Objective) 1.3 Improved management of the Legislature's budget and expenditure **Performance Indicator** Quarterly budget performance reports detailing implementation of 2022/23 budget as well as progress in the development of the 2023/24 budget in compliance with FMPLA and the clearing of applicable audit and risk issues. **Service Delivery** Annual target – 4 Actual performance – 4	4		

Strategic Objective/Output (Measurable Objective) Performance Indicator	Annual Target	Challenges (Reason for Variance)	Service Delivery Improvements
Strategic Objective: Improved institutional fiscal discipline and implementation of financial and supply chain prescripts			
Output (Measurable Objective) 1.4 An implemented Procurement Plan aligned to the Legislature's Budget **Performance Indicator** Quarterly reports on the implementation of the Procurement Plan in compliance with SCM prescripts as well as clearing of applicable audit and risk issues **Service Delivery** Annual target – 4 Actual performance – 4	4		
Strategic Objective: Improved corporate (Human capital, Communications, Security & Facilities management services).			
Output (Measurable Objective) 1.5 Improved human resources management and development **Performance Indicator** Quarterly reports on the provision of Human Capital management services and clearing of applicable audit and risk issues **Service Delivery** Annual target – 4 Actual performance – 4	4		
Output (Measurable Objective) 1.6 Improved provision of Security and Facilities Services **Performance Indicator** Quarterly reports on the provision of Security and Facilities Services and clearing of applicable risk matters **Service Delivery** Annual target – 4 Actual performance – 4	4		
Strategic Objective: Enhanced legislature efficiencies through utilisation of digital platforms and provision of information and communication technology services.			

Strategic Objective/Output (Measurable Objective) Performance Indicator	Annual Target	Challenges (Reason for Variance)	Service Delivery Improvements
Output (Measurable Objective) 1.7 Improved ICT management, services and support **Performance Indicator** Quarterly reports on the digitisation of the Legislature in terms of the ICT plan and clearing of applicable audit and risk issues. **Service Delivery** Annual target – 4 Actual performance – 4	4		
Strategic Objective: Improved corporate (Human capital, Communications, Security & Facilities management services).			
Output (Measurable Objective) 1.8 Improved Communication Services **Performance Indicator** Quarterly reports on the implementation of the Communication strategy and plan **Service Delivery** Annual target – 4 Actual performance – 4	4		
Strategic Objective: Improved intergovernmental and international relations services			
Output (Measurable Objective) 1.9 Improved management of the Speaker's office **Performance Indicator** Quarterly reports on the implementation of the Provincial Speakers' Forum, Speaker's Social Responsibility Programme, as well as the work of the Rules and Programming Committees **Service Delivery** Annual target – 4 Actual performance – 4	4		
Programme 2: Parliamentary Business			
Strategic Objective: Provide formidable and strategic partnerships with citizens, communities and civil society organizations			

Strategic Objective/Output (Measurable Objective) Performance Indicator	Annual Target	Challenges (Reason for Variance)	Service Delivery Improvements
Output (Measurable Objective) 2.1. Improved provision of public participation and petitions services **Performance Indicator** Quarterly Reports on the implementation of the public/civic education strategy **Service Delivery** Annual target – 4 Actual performance – 4	4		
Output (Measurable Objective) 2.2 Improved provision of public participation and petitions services **Performance Indicator** Number of review reports on the implementation of the KZN Legislature Public Participation Framework **Service Delivery** Annual target – 1 Actual performance – 0	1	In 2021/22, an assessment of the Sector Parliament Programme was done, however, the processing of the report by different structures of the Legislature took longer than was expected. It is yet to be forwarded to the Quality of Life and Public Participation Standing Committees for implementation of final recommendations. The 2022/23 assessment was meant to be informed by the recommendations of the 2021/22 assessment report. Therefore, the late adoption of the said report meant the 2022/23 assessment report could not start.	The year 2023/24 is an electioneering year, and there won't be adequate time and resources to start a new review and as such the project will be in abeyance until after the 2024 National & Provincial elections.
Strategic Objective: Provide an efficiency and research- driven oversight			
Output (Measurable Objective) 2.3 Enhanced oversight, law-making and accountability **Performance Indicator** Quarterly reports on House sittings and resolution tracking **Service Delivery** Annual target – 4 Actual performance – 4	4		
Strategic Objective: Provide an efficiency and research- driven oversight			
Output (Measurable Objective) 2.4. Improved tracking of implementation of resolutions and answers to questions **Performance Indicator** Quarterly progress reports on implementation of Committee Resolutions **Service Delivery** Annual target – 4 Actual performance – 4	4		

Strategic Objective/Output (Measurable Objective) Performance Indicator	Annual Target	Challenges (Reason for Variance)	Service Delivery Improvements
Strategic Objective: Provide an efficiency and research - driven oversight			
Output (Measurable Objective) 2.5. Improved oversight over departmental and committee planning.	2		
Performance Indicator Number of reports on the development and adoption of committee 2023/24 AOPs and Committee Quarter Operational Plans (CAOPs)			
Service Delivery Annual target – 2 Actual performance – 2			
Strategic Objective: Provide an efficiency and research- driven oversight			
Output (Measurable Objective) 2.6. Improved oversight over the implementation of the NDP/PGDP by provincial departments	3		
Performance Indicator No. of oversight reports on achievements in the implementation of NDP/PGDP (Electoral mandate) tabled in the House.			
Service Delivery Annual target – 3 Actual performance – 3			
Strategic Objective: Provide an efficiency and research- driven oversight			
Output (Measurable Objective) 2.7. Improved input by the committees into the departmental APPs and Budgets	15	Initially, Sports & Recreation was a stand-alone Vote which was later integrated with Arts & Culture which had Amafa as an Entity. The applicable Draft Budget for these was done as one Vote.	Going-forward, Amafa, like other Entities will be analysed as a standalone.
Performance Indicator No. of analysis reports on the consideration of 2023/24 departmental draft APPs and Budgets tabled at committee meetings			
Service Delivery Annual target – 15 Actual performance – 14			
Strategic Objective: Provide an efficiency and research- driven oversight			

Strategic Objective/Output (Measurable Objective) Performance Indicator	Annual Target	Challenges (Reason for Variance)	Service Delivery Improvements
Output (Measurable Objective) 2.8 Improved oversight over the departments' performance against their APPs and budgets **Performance Indicator** No. of analysis reports on departmental quarterly and annual reports **Service Delivery** Annual target – 60 Actual performance – 63	60	There are two reasons for the over-achievements: - (i) In its efforts to enhance oversight on Local Government, the Committee on Cogta conducted MFMA section 132 and MSA section 47 report Hearings in the third quarter. The report, which was not part of the annual target, was tabled within the financial year under review. (ii) Re-allocating of a Researcher servicing a Standing Committee (which does not process Departmental Performance Reports) to a Portfolio Committee.	Going-forward, considerations will be made to increase the annual target for this indicator to include the MFMA section 132 and MSA section 47 Hearings.
Strategic Objective: Provide an efficiency and research- driven oversight			
Output (Measurable Objective) 2.9. Improved oversight over financial management and performance of departments and public entities **Performance Indicator** No. of reports on Finance Committee hearings conducted **Service Delivery** Cumulative target – 3 Actual performance – 3	3		
Strategic Objective: Provide an efficiency and research – driven oversight			
Output (Measurable Objective) 2.10. Improved oversight over departments and public entities in respect of the attainment of clean audit reports **Performance Indicator** No. of reports on Scopa hearings conducted **Service Delivery** Annual target – 2 Actual performance – 2	2		
Strategic Objective: Provide an efficiency and research- driven oversight			

Strategic Objective/Output (Measurable Objective) Performance Indicator	Annual Target	Challenges (Reason for Variance)	Service Delivery Improvements
Output (Measurable Objective) 2.11. Enhanced oversight through focused intervention studies (FIS) and oversight visits **Performance Indicator** Quarterly progress reports on FIS conducted and adoption of reports thereof. **Service Delivery** Annual target – 4 Actual performance – 4	4		
Strategic Objective: Provide an efficiency and research- driven oversight			
Output (Measurable Objective) 2.12 Enhanced oversight through focused intervention studies (FIS) and oversight visits **Performance Indicator** No. of quarterly reports on oversight visits conducted **Service Delivery** Annual target – 4 Actual performance – 4	4		
Strategic Objective: Provide an efficiency and research – driven oversight			
Output (Measurable Objective) 2.13 Empowered Committees to perform oversight **Performance Indicator** No. of quarterly reports on study tours **Service Delivery** Annual target – 4 Actual performance – 4	4		
Strategic Objective: Provide an impact based and consultative law-making process			
Output (Measurable Objective) 2.14. Improved processing of bills and Standing Rules amendments **Performance Indicator** Quarterly reports on processing of bills and Standing Rules amendments **Service Delivery** Annual target – 4 Actual performance – 4	4		

Strategic Objective/Output (Measurable Objective) Performance Indicator	Annual Target	Challenges (Reason for Variance)	Service Delivery Improvements
Output (Measurable Objective) 2.15 Improved processing of bills and Standing Rules amendments **Performance Indicator** Number of assessment reports on the impact made by Provincial Laws. **Service Delivery** Annual target – 1 Actual performance – 0	1	The process of developing and approval of the methodology took longer than expected especially because budget would be required. The methodology was developed and discussed at senior management (ExCo) as well as with Office of the Speaker, it is now set to be presented before strategic leadership for final approval and directives.	This project has been carried over into 2023/24 and will be part of the Legislature's End Term Reports.
Strategic Objective: Provide formidable and strategic partnerships with citizens, communities, and civil society organisations			
Output (Measurable Objective) 2.16 Enhanced Legislature visibility (in communities) through Constituency Offices **Performance Indicator** Bi-Annual reports on the implementation of the initiatives aimed at enhancing public interaction with the Legislature through Constituency offices **Service Delivery** Annual target – 2 Actual performance – 2	2		

PART 3:

Accounting Officer's Report

GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

1. FINANCIAL MANAGEMENT FRAMEWORK

In recent years, there was ongoing uncertainty regarding the issue of separate legislation for the financial management of provincial legislatures. After the 2014 elections, Parliament completed its processes of ensuring that all legislatures were subject to the national financial management regime.

As indicated above, after the 2014 elections, Parliament passed the Financial Management of Parliament Amendment Bill, which was signed into law by the President as the Financial Management of Parliament Amendment Act (No 34 of 2014). Section 24 of the Act states that this Act is called the Financial Management of Parliament and Provincial Legislatures Act, 2014.

The Speaker of the National Assembly and the Chairperson of the National Council of Provinces, after consultation with the Speakers of Provincial Legislatures, collectively recommended to the President the fixed date for operation as 1 April 2015. The President signed a proclamation and determined the recommended date as the effective date on which the Act would come into operation.

An implementation plan has already been developed and progress in this regard is regularly reported to the Speaker as Executive Authority.

1.1 Budgeting Process

The MTEF budget was prepared to ensure effective implementation of the priorities as contained in the Legislature's 2020-2025 Strategic Plan and 2022/23 Annual Performance Plan (APP) of the KZN Legislature. Although the Legislature is not regulated by the PFMA, the guidelines given by Provincial Treasury are considered to facilitate the preparation of the MTEF budget submission. In addition, responsibility managers develop priorities in terms of their respective areas of jurisdiction and costed procurement plans. Therefore, the priorities, budget requests and inputs from various units were used to inform the overall budget for the KZN Legislature through the Budget Committee.

The budget inputs were interrogated and evaluated by the Finance and the Planning units to ensure alignment with the APP. These are then tabled before the Standing Committee on Oversight (Stacov). Furthermore, funding constraints and their effects on allocations were considered through the budget reprioritisation process with a view to fund part of the initiatives from within the baseline budget.

1.2 Budget Allocation

The final budget for KwaZulu-Natal Legislature for 2022/23 was R751m, made up as follows:

- Main appropriation of the Legislature was R644.3m in 2022/23, including the statutory Members' remuneration (direct charge) of R89.8m;
- During the 2022/23 mid-year budget adjustment the following amounts were re-appropriated to the legislature increasing the main appropriation from R644 million to R751 million an increase of R107 million:
  - R85.1m savings carried over from the 2021/22 financial year;
  - R5.7m Own revenue over-collection from 2021/22 financial year;
  - R5.2m towards 3% salary increases for Members and re-imbursement for exit gratuities paid;
  - R7.0m for 3% 2022/23 provisional wage increment; and
  - R3.6m for carry-through of 2021/22 wage agreement.

Table 4: Summary of Expenditure Analysis by Programme

Description (R'000)	Budget	Actual	Available	% Spent
Administration	282 385	257 109	25 276	91%
Parliamentary Business	373 743	372 814	929	99.8%
Members Remuneration (Direct Charge)	95 015	96 122	(1 107)	101%
Total	751 143	726 045	25 098	97%

Table 5: Summary of Expenditure Analysis by Economic Classification

Description (R'000)	Budget	Actual	Available	% Spent
Members Remuneration	95 015	96 122	(1 107)	101%
Compensation of Employees	275 241	273 958	1 283	99%
Goods and Services	240 764	227 028	13 736	94%
Transfer and subsidies	125 787	125 669	118	99.9%
Payments for Capital Assets	14 336	3 268	11 068	22%
Total	751 143	726 045	25 098	97%

1.3 Expenditure Analysis

In exercising its constitutional obligations, the KZN Legislature spent a total of R726 million or 97% of its final budget in the financial year under review. The major cost drivers for goods and services were as follows:

- Public participation programmes and taking Legislature to the People, which cover wide and remote rural areas of the KwaZulu-Natal province;
- Standing and Portfolio Committee meetings and related costs; and
- Operational costs such as IT services, maintenance and repairs, rent and municipal services, security services and cleaning services.

1.4 Expenditure vs Final Appropriation

The Legislature 2022/23 Annual Financial Statements (AFS) were reported on an accrual basis in line with the Financial Management of Parliament and Legislatures Act, 2009 (Act No. 10 of 2009). In the above tables, the year-end position is reflected on a cash basis. Accordingly, Tables 4 and 5 above reflect a comparison of the actual expenditure against the final budget with an under-expenditure of R25.1m equating to 3% of the total allocated budget.

Spending in respect of economic classification is summarised as follows:

(i) Compensation of employees was underspent by R1.3m, with spending at 99%. The spending was lower because of posts that remained vacant as at year-end.

(ii) Goods and services were underspent by R13.7m, with spending at 94% against final appropriation mainly due to delays in the implementation of Public Works projects and savings realised on the use of consultants.

(iii) Members' remuneration was overspent by R1.1m, with spending at 101%, mainly due exit gratuity payouts and 3% increase that was not adequately funded by Provincial Treasury. The overspending is recoverable from Provincial Treasury in terms of section 23(4) of FMPPLA.

(iv) Transfers and subsidies expenditure was at 99.9% against final appropriation.

(v) Payments for capital assets expenditure was at 22%, mainly due to replacement of assets that was suspended, reduced demand for office equipment due to employees working from home and funds provided for the ERP system that was not implemented during the year.

1.5 Political Parties Funding

Section 236 of the Constitution promotes multiparty democracy and funding of political parties participating in provincial legislatures on an equitable and proportional basis.

The KZN Legislature holds onto the belief that an election is only fair if the electorate can make an informed choice. Hence, the need for public funding of political parties is an essential component of deepening our democracy.

It is envisaged that enhanced party funding in the Provincial Legislature will help to deepen democracy. This will also help counter any tendencies of distancing political leaders from the electorate and entrench a people-centred democracy. Political parties are vital public institutions to enhance citizens' participation in their own governance and in democracy.

A total amount of R113.4m was transferred to political parties. Details of transfers to parties as at the end of the year are reflected in Table 6 below:

Table 6: Party Funding from the Legislature

Allowance (R'000)	ANC	IFP	DA	EFF	NFP	MF	ACDP	ATM	Total
Research	6 227	2 335	1 557	1557	778	778	778	778	14 788
Secretarial	5 736	2 151	1 434	1 434	717	717	717	717	13 623
Constituency	53 273	15 740	13 318	9 686	1 211	1 211	1 211	1 211	96 861
Total	**65 236**	**20 226**	**16 309**	**12 677**	**2 706**	**3 486**	**2 935**	**2 739**	**125 272**

1.6 Enhanced Financial Management

The planning and budget units continued to meet with the responsibility managers and provides guidance on business planning and budget implementation. Responsibility managers were also regularly provided with expenditure reports showing budget and payments made to date. The expenditure projections are updated monthly and reasons for any deviations are provided together with remedial actions. Budget analysts meet with responsibility managers on a regular basis to discuss the spending trends of the respective business units. This process allowed managers to identify gaps timeously and institute the necessary plans to achieve the identified objectives. ExCo and Office of the Speaker met quarterly to discuss amongst other ExCo reports, the financials of the institution.

Good financial reporting practices were also applied throughout. A report on actual expenditure and projections was submitted to the Executive Authority and Provincial Treasury within fifteen days after the end of each month. These reports were also tabled at the Oversight structures (e.g.Stacov and Arco).

2. SUPPLY CHAIN MANAGEMENT PRACTICES

Since the promulgation of Supply Chain Management regulations applicable to the Legislative Sector, the KZN Legislature has constantly monitored and reviewed its SCM policies to ensure alignment and coherence in supply chain management practices in keeping with the ethos of the regulations. In ternal controls are continually introduced to ensure compliance with all SCM prescripts and elimination of any possible irregular expenditure. The KZN Legislature remains committed to the broader achievement of socio-economic goals through applicable procurement prescripts.

2.2 Asset Management

The KZN Legislature continued to strengthen its Asset Management improvements plans developed in 2020/21 in its efforts to ensure amongst other governance objectives, maintenance of positive audit outcomes. Such plans were also aimed at ensuring GRAP compliance and included, but not limited to, ensuring that all assets within the Legislature are physically verified through asset count exercises and the clearing of any disposal backlogs that could have accumulated. The outcome of physical count is reconciled to accounting records to ensure completeness and accuracy. The review of useful lives and valuation of assets is done to ensure compliance with the relevant standards.

3. CONSTRAINTS

As part of the Legislature's digitalization agenda, the provision of ERP remains in the centre of its ICT initiatives. The utilisation of SAP remained in the review process with a possibility of either renewing or replacing SAP. Progress in this area will be reported at the end of the 2023/24 financial year.

4. GOOD GOVERNANCE

The KZN Legislature is committed to entrenching the highest levels of good governance and continues to make significant progress in implementing structures, policies and procedures aimed at strengthening good governance. The KZN Legislature strives to adhere rigorously to the principles of good governance and in the year under review, a significant improvement in its audit outcome was realised.

4.1 Standing Committee on Oversight (Stacov)

Regardless of the Covid-19 pandemic, the Stacov did its best to ensure oversight over the Legislature during this difficult time. Through Stacov, the philosophy of ethical leadership continues to provide a strong foundation for values, which are central to the way business of the Legislature is conducted. Table 7 below indicates the number of times Stacov met to review the Legislature's pursuit of its financial and non-financial performance objectives.

Table 7: Number of Meetings held by Stacov

1st Quarter (Apr-Jun 2022)	2nd Quarter (Jul – Sep 2022)	3rd Quarter (Oct – Dec 2022)	4th Quarter (Jan – Mar 2023)
16 March 2022	01 September 2022	11 November 2022	01 March 2023

4.2 Audit and Risk Committee

The Audit and Risk Committee (ARCO) continued to operate in terms of its charter, to ensure transparency and consistency in the appointment, membership and roles and responsibilities of all Audit Committee members. ARCO continued to review the effectiveness of internal control systems, the effectiveness of the internal audit function and the risk areas of operations of the Legislature. ARCO did its best to ensure adequacy, reliability and accuracy of financial and non-financial information produced by the Legislature in its bid to enhance accountability based on issues identified by internal and external audits.

The committee is independent, reports to the Accounting Officer and is accountable to the Executive Authority. Both internal and external auditors have unrestricted access to the committee, which ensures that their independence is in no way impaired. Members of the Executive Committee (ExCo) of the Legislature do attend ARCO meetings to support the Secretary of the Legislature in her capacity as the Accounting Officer. In turn, ARCO provides valuable support to the Office of the Secretary in relation to financial management and accountability. The ARCO advises the KZN Legislature on risk management and independently monitors the effectiveness of the system of risk management.

The Legislature has a Risk Management Committee whose mandate is to oversee and co-ordinate the risk management process of the KZN Legislature. The Committee consists of heads of divisions who are responsible for the identification, assessment and management of risks. The committee ensures that the Risk Management Plan is widely disseminated throughout the Legislature and integrated as part of its day-to-day activities. The Risk Management Committee continuously advises management and staff on the overall system of risk management, especially the mitigation of unacceptable levels of risk and the progress made in reducing risks to the accepted tolerance level.

Continued integration of risk management into key decision-making processes was pursued through explicit inclusion of risk management principles into strategic and business planning processes. All business plans have risks explicitly articulated as part of the plans documented in the strategic and operational risk registers. The KZN Legislature further recognises risk management as part of responsible management and has, therefore, adopted a comprehensive approach to the management of risks. The features of this process are outlined in the Risk Management Framework, which further provides a framework for governing and managing the affairs of the KZN Legislature to identify, manage, control, reduce or eliminate business, financial and operational risks that may adversely affect performance. Risk management was consolidated and amplified throughout the various programmes and levels via the combined assurance plan, which also took into account the work of Internal and External Audit. All risks identified in operations were captured on the specific operational risk registers for each division. The risk register was updated in line with the outcome of the high-level risks based on strategic priorities, which informed the development of the annual internal audit plan.

4.3 Internal Audit

The out-sourced internal audit function of the KZN Legislature is made up of an in-house Chief Audit Executive (CAE) and a panel of 5 outsourced service providers who have continued to operate in line with the approved terms of reference and associated service level agreement. Internal audits are performed on critical risk areas as reflected in the approved internal audit three-year rolling plan and annual plan to determine the adequacy of the system of internal control within the organisation. The results of internal audit reviews are regularly reported to management, Exco, the Risk Management Committee and the Audit and Risk Committee. Follow-ups were also made on the implementation of IA and AG findings by management including monthly meetings to track progress made in resolution of these findings. The year 2022/23 has seen a marked improvement in this regard as well as an overall improvement in the control environment. The internal audit function provided objective and independent assurance to management and the Audit and Risk Committee on the adequacy and effectiveness of internal controls, risk management and governance processes.

4.4 Fraud Prevention Plan

The KZN Legislature acknowledges that fraud prevention is imperative for the responsible management of public funds to ensure effective protection of public interest and maintenance of public trust. A Fraud Prevention Plan aligned to the risk management strategy is in place. Fraud prevention activities get carried out during the year. As part of the fraud prevention activities, the whistleblowing hotline introduced in 2014 remains a key part of the plan. All matters reported are investigated by the CAE and a forensic service provider and results of investigations get reported to ARCO and the Accounting Authority.

Matters relating to fraud prevention were considered as part of the standing item at Risk Management Committee meetings. The coordination of financial disclosure has gained momentum each year and key management personnel are actively responding to their legal and ethical obligations of disclosing interests.

Through Human Capital Management, employees of the KZN Legislature submit their financial disclosure forms as KZN Legislature officials are required to disclose their interest in any contract as part of the Legislature's transparent procurement bidding processes.

5. PERFORMANCE INFORMATION

To ensure effective management of performance information, the current procedure manual on reporting performance information clearly states and elaborates on the following:

i. Reporting templates/formats;

ii. Reporting dates/times;

iii. Roles of each line function/division manager;

iv. The coordination and checking responsibilities of branch heads;

v. The facilitation and collation of planning and performance information functions of the Organisational Performance & Efficiency Unit;

vi. The discussion of the quarterly reports at Executive Committee (ExCo) meetings, and

vii. The approval of reports by the Secretary and submission of such to the Office of the Speaker.

To ensure that performance reporting is based on targets stated in the Legislature's APP, Unit Operational Plans (uAOPs) are developed at unit level while Committee AOPs are developed at Committee level with the support of Committee Cluster Managers. Monthly/Quarterly reports are submitted to the Organisational Performance & Efficiency Unit in terms of the applicable prescripts.

6. POLICY DECISIONS AND STRATEGIC ISSUES

The post Covid-19 pandemic continues to push the Legislature to move even faster in the direction of its digitalization agenda. Virtual Committee meetings and House Sittings are fast becoming a new normal and as such, operations of the Legislature are being forced to adapt. The ICT, Communications and Public Participation strategies have come into the center stage and as such reprioritization in this area remains on the cards. The House Rules continued to be adapted and reviewed to accommodate virtual and hybrid meetings. Linked to this is the work from home concepts that are currently being implemented through the policy on remote working. A number of institutional policies will continue to be reviewed especially to respond to digitisation. Some of the policy decisions and strategic issues that the institution had to attend to in the year under review included the following:

6.1 Procurement of Office Accommodation for the Legislature

The need to build a new precinct for the Legislature remains strategic goal as the current one continues to be outgrown by the Legislature's growing operations. Office accommodation particularly for political parties. Housed in Greenes Chambers are in a bad state due to roof leaks. Constant attempts at refurbishment through the landlord has become a continuous shifting target. Furthermore, challenges in trying to transform and digitise the current old buildings is exacerbated by the tedious requirements by Amafa regarding heritage buildings. The Legislature literally and figuratively continued to 'hit a brick wall' in this area. The project of building a new precinct has remained in abeyance especially due to the Province's financial constraints. During the year under review, the MEC for Public Works continued to engage with the Legislature and Treasury in pursuit of an amicable funding and implementation approach for this dream to come true. This is a long-term project whose progress will be annually reported on accordingly. It is, however, encouraging that having passed and implemented a 'remote working policy', some of the Office Space pressure has been absorbed.

6.2 Performance Management and Development System (PMDs)

While the approved Performance Management and Development System (PMDS) policy was workshopped as part of preparing for the final roll-out for all employees of the Legislature, the incentives matter has remained unresolved. This left the policy being implemented only at management level and deliberations remain underway.

6.3 Public Involvement: TLtP; Sector Parliaments; Stakeholder Engagements & Symposia

As an activist Legislature, public participation and involvement remained a pivotal instrument of maintaining principles of democracy in the Province. As a means of engaging with the Legislature and the Provincial Executive, sector parliaments and a symposium were maintained to provide debate forums for the:

i Religious communities (Inter-faith)

ii Taking Legislature to the People (TLtP)

iii Youth

iv Women

v People with disabilities

vi Senior citizens

vii Stakeholder engagement (Participants were drawn from secondary schools across the Province)

viii LGBTQ+

ix Children .

The Sector Parliaments Programme has provided for representative structures to convene pseudo parliamentary sessions, where representatives assume roles of parliamentarians to raise real issues of concern in particular sectors of the community. In a bid to improve these, a change has since been introduced to strengthen participation by Members of the Executive Council by inviting them to attend commissions structured to mirror the five clusters of the Executive Council. The commissions receive briefings on government programmes by MECs or departmental officials, allowing delegates to ask questions and/or make inputs on government programmes as delegates gain a better understanding of these programmes.

Commissions come up with resolutions, which are consolidated, tabled and adopted at plenary. Reports of all sector parliaments are adopted by relevant committees and tabled in the House for debate. The House adopts the resolutions and refers them to relevant committees for tracking as part of their normal oversight role. On dates when the reports are debated, representatives from the sector are invited to attend the sitting to listen and witness their matters being debated.

The Quality-of-Life Standing Committee and the Public Participation Standing Committees receives reports from appropriate committees on responses to the resolutions from government departments. This new approach has further enriched these public participation initiatives. In its efforts to improve Sector Parliaments, the Legislature conducted an assessment of this programme through a service provider. The assessment report was processed by the leadership of the Legislature and is yet to be referred to the relevant Committees to develop implementation of applicable recommendations.

Table 8 indicates where and when symposia, sector parliaments, Taking Legislature to the People and the Official Opening of the Legislature were held.

Table 8

<table>
<tr><th colspan="2">Event</th><th>Venue (District Municipality)</th><th>Dates</th></tr>
<tr><td colspan="2">Inter-Faith Symposium</td><td>Amajuba District</td><td>16 November 2022</td></tr>
<tr><td colspan="2">LGBTQI+ Symposium</td><td>eThekwini Metro</td><td>29 June 2022</td></tr>
<tr><td colspan="2">Workers' Parliament</td><td>King Cetshwayo</td><td>27-28 May 2022</td></tr>
<tr><td colspan="2">Sex Work Symposium</td><td>eThekwini Metro</td><td>15 July 2022</td></tr>
<tr><td colspan="2">Children's Parliament</td><td>Zululand DistriMunicipality</td><td>25 May 2022</td></tr>
<tr><td colspan="2">Youth Parliament</td><td>uMkhanyakude</td><td>17 June 2022</td></tr>
<tr><td colspan="2">Young Women's Symposium</td><td>Ilembe</td><td>07 October 2022</td></tr>
<tr><td colspan="2">Women's Parliament</td><td>uMgungundlovu</td><td>10 August 2022</td></tr>
<tr><td colspan="2">Senior Citizens' Parliament</td><td>uMzinyathi</td><td>30 September 2022</td></tr>
<tr><td colspan="2">Taking Legislature to the People (TLtP)</td><td>Harry Gwala</td><td>01-02 November 2022</td></tr>
<tr><td colspan="2">People with Disabilities' Parliament</td><td>uThukela</td><td>02 December 2022</td></tr>
<tr><td rowspan="2">Official Opening of the Legislature</td><td>Address by the Monarch</td><td rowspan="2">uMgungundlovu</td><td>23 February 2023</td></tr>
<tr><td>State of the Province Address</td><td>24 February 2023</td></tr>
</table>

Public Involvement and Consultation

In terms of Section 118 of the Constitution of the Republic of South Africa, Act No. 108 of 1996 as amended, public consultations/hearings were conducted as part of the process of processing of bills by the Legislature. Table 9 below indicates bills that were processed in 2023/24.

Table 9

FIRST QUARTER	KZN Appropriations Bill, 2022
SECOND QUARTER	Nil
THIRD QUARTER	KwaZulu-Natal Adjustments Appropriation Bill 2022
FOURTH QUARTER	Nil

Taking Legislature to the People (TLtP)

The Legislature successfully held one TLtP, that was held in Harry Gwala This Programme is used as a means of monitoring the implementation of NDP/PGDP and was further tweaked to save costs and improve effectiveness. The revised approach to the TLtP is now focussed on providing feedback to communities on issues raised during earlier TLtP sittings and the multiparty visits. The amended approach follows the following process:

i. Develop a project plan five months before the feedback session;

ii. Approach the Legislature Speaker's Office to arrange a political leadership meeting between the Speaker and identified district's political leadership to secure buy-in for the programme;

iii. Planning Team to start addressing logistical arrangements four months before the feedback session;

iv. Research team to analyse multiparty delegation reports to identify issues to follow up three months before the feedback session;

v. Based on the reports, the Research Team to do preliminary visits to check on the identified projects two months before the feedback session;

vi. Community Readiness and Awareness Workshop, whose sole purpose is to sensitise and educate community leaders about the impending Legislature programme, to be held two-to-three months before the feedback session.

vii. Instead of multiparty visits, oversight teams comprising six MPLs each to be organised. The number of teams is equal to the number of local municipalities under the district to be visited. Oversight visits are conducted where the teams visit projects and areas identified by the researchers. A Chairperson will lead each team and all oversight visits will take place on the same day across the district. Oversight visits will take place 1-2 months before the feedback session.

viii. Each team will then compile a report that the chairpersons/leaders of oversight teams will send to the Executive and municipalities one month before the feedback session for them to start preparing responses and progress reports to be tabled at the feedback session.

ix. A month after the reports have been sent to the Executive and municipalities, only a single day will be earmarked for the TLtP feedback session.

The feedback session no longer takes the form of a sitting; it now has the following programme:

i. Each oversight team leader will table the report;

ii. The Executive and municipalities will be given a chance to respond; and

iii. Lastly, the public will be given a chance to further interrogate, until all locals are covered.

Speaker's Social Responsibility Programme (SSR)

SPEAKER'S SOCIAL RESPONSIBILITY PROGRAMME

The Speaker's Social Responsibility Programme has continued to impact positively the lives of various vulnerable groups and in promoting care for environment as well as education. On Education, the Programme has provided laptops and computer laboratory furniture to Mabomvini Combined School in an area with poor connectivity. In partnership with MTN, this Programme has improved signal strength for the said school as well as for the whole surrounding community.

There are University students whose laptops were stolen but replaced through this Programme. Further 310 sets of uniforms were donated to deserving students as well as uniforms, school bags and 22 laptops to schools across the Province. Our 2023 Matric Excellence Awards saw learners who excelled in the 2023 matric examinations receiving laptops, trophies, data and airtime worth R500 each. This has assisted them in preparing for their tertiary studies.

The Programme further donated a borehole to Khayalethu Home of Love and Care in the Ugu District. This has improved the quality of care services rendered to more than 30 children with disabilities housed in this home in an area with persistent water challenges. The care givers can now spend more time on care giving instead of going around with 20 litre containers searching for water.

Donations of furniture and other essentials were made to Sinalo Cerebral Palsy Centre in Mhlathuze Local Municipality. This is a Home for 20 children with disabilities.

As a caring institution, Members and Staff of the Legislature participated in this Programme through donating blankets, clothing items, sanitary towels, nappies and toiletries. These were donated to the Provincial

Disaster Management Center for flood victims. We will always be thankful for your willingness to assist.

7. SERVICES RENDERED BY THE LEGISLATURE

7.1 Deliverables

The services rendered by the Legislature are reported and shown in Part 2 of this report, which deals with performance information. It is important to state, however, that the Legislature does not render services directly to the public. The core functions of this Institution are to:

- Consider, pass, amend or reject legislation referred to the Provincial Legislature;

- Maintain oversight over the Provincial Executive Authority, including the implementation of legislation;and
- Involve the public in the legislative processes at the Legislature.

7.2 Tariff Policy

The Legislature renders services based on its constitutional mandate and as such does not have a tariff policy.

7.3 Free Services

The nature of services rendered by the Legislature may not be sold nor attract a fee.

8. TRADING AND PUBLIC ENTITIES

The Legislature does not have trading and or public entities.

9. APPLICATION OF GRAP

The AFS have been prepared in accordance with the effective standards of GRAP, including any interpretations, guidelines and directives issued by the Accounting Standards Board. The AFS have, therefore, been prepared on an accrual basis, which necessitated adoption of accounting policies consistent with GRAP. Introduction of new standards, where applicable, have been stated in the notes to the AFS. The accounting policies for the year under review are consistent to the previous financial year.

10. EVENTS AFTER THE REPORTING DATE

There are no post-reporting date events that have a significant impact on the AFS, as reported.

11. OTHER

There were no other factors or circumstances that may have an effect on the KZN Legislature’s financial state of affairs.

12. DONOR FUNDING

Not applicable

13. APPROVAL

The AFS set out in Part 7 on pages 60 to 91 and the Annual Performance Report in Part 2 on pages 20 to 28 of this annual report were approved by the Accounting Officer

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MS NERUSHA NAIDOO
ACCOUNTING OFFICER: KWAZULU-NATAL LEGISLATURE

PART 4:

REPORT OF THE AUDIT AND RISK COMMITTEE

REPORT OF THE AUDIT AND RISK COMMITTEE
For the year ended 31 March 2023

REPORT OF THE AUDIT AND RISK COMMITTEE TO THE ACCOUNTING OFFICER OF THE LEGISLATURE OF KWAZULU-NATAL

We are pleased to present our Audit and Risk Committee (ARC) report for the financial year ended 31 March 2023.

OBJECTIVE

The Audit and Risk Committee serves as an independent body to assist the Accounting Officer with its responsibility for safeguarding assets, maintaining effective and efficient internal controls, risk management, reviewing the financial information and overseeing the preparation of the financial statements amongst other tasks.

ATTENDANCE AND MEMBERSHIP

The Audit and Risk Committee consisted of the members listed below. All members are independent and non-executive. In the 2022/23 financial year the Committee held four (4) meetings in line with the Audit and Risk Committee Charter. The table below shows members and attendance:

NAMES	Total Meetings Held	Number of meetings attended
Mr. S Hlophe – Chairperson	4	4
Mrs. A Badimo	4	4
Ms. P Ngubane	4	4
Mrs NZ Qunta*	4	2
Ms Pumla Mzizi**	4	2

*Mrs Qunta's contract with the Legislature ended at the end of August 2022 after serving the maximum allowed term of 6 years.

**Ms Mzizi joined the KZN Legislatures Audit Committee on the 1 December 2022.

AUDIT AND RISK COMMITTEE RESPONSIBILITY

The Committee is pleased to report that it has complied with its responsibilities arising from section 48 (1)(c) of the FMPPLA. The ARC also reports that it has adopted appropriate formal terms of reference as its Charter and has managed and regulated its affairs in compliance with this charter.

In the conduct of its duties and as mandated in compliance with section 48 (1) (c) the committee hereby reports as follows:

REVIEW OF ANNUAL FINANCIAL STATEMENTS AND ANNUAL PERFORMANCE REPORT

The Audit and Risk Committee has reviewed the Annual Financial Statements and Annual Performance Report before submission to the Auditor General on 31 May 2023 and made recommendations. The Committee further reviewed the audited Annual Financial Statements and Performance Report for inclusion in the Annual Report.

We are pleased with the clean audit outcome that has been maintained for three years in a row and commend management on the strengthening of the internal control environment and management of risks. We are particularly pleased with the improvement in the SCM and Asset Management areas which have attracted no findings during the annual audit.

The Audit and Risk Committee concurs with and accepts the conclusion of the Auditor-General on the Annual Financial Statements and Annual Performance Report.

During the financial year, the committee reviewed and assessed the adequacy, reliability and integrity of management's reports, including operational and financial information, through quarterly presentation on its meetings.

THE EFFECTIVENESS OF INTERNAL CONTROL AND INTERNAL AUDIT

The system of internal control employed by the entity to financial and risk management is effective, efficient and transparent as per King IV recommendations. The Committee observes this through various reports from internal audit and Auditor General.

Internal Audit:

The objective of the internal audit function of the Legislature is to provide management with independent, objective assurance and consulting services designed to add value and to continuously improve the operations of the KZN Legislature (KZNL). It assists KZNL to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management and control processes.

The key activities of internal audit function are to evaluate whether the Legislatures system of governance, risk management and internal control, as designed by management, is adequate and functioning in a manner that ensures, amongst others, that:

- Risks are appropriately identified and managed.
- Significant financial, managerial, and operational information is accurate, reliable, and timely.
- There is compliance with policies, standards, procedures, and applicable laws and regulations.
- Significant legislative or regulatory issues impacting the Legislature are recognized and addressed appropriately.

The Audit and Risk Committee approved the internal audit strategic, operational, and annual coverage plans at the beginning of the 2022/2023 financial year. The Internal Audit Annual Coverage Plan was comprehensively implemented and consulting work emanating from top management and audit committee resolutions was also completed.

The Audit and Risk Committee is satisfied with the work of internal audit.

RISK MANAGEMENT

During the year, the Audit and Risk Committee provided assurance regarding the development and review of Enterprise Risk Management (ERM) Policies, Strategies and Plans. The Committee also reviewed the Strategic Risk register and monitored the implementation of risk mitigation plans on a quarterly basis. Risk Management is a standing agenda item in all Audit Committee meetings, and this also cover the review of the Ethics and Anti-Fraud and Anti-Corruption matters.

ICT GOVERNANCE

Information and Communication technology (ICT) governance remains a key focus for the Legislature as part of its digitalisation drive and the Committee is responsible for ICT governance.

The Senior Manager ICT is responsible for executing on ICT governance. The Committee reviews his report, which includes the results of all reviews and testing conducted by management and internal audit, at each meeting.

Cyber security is a key component of ICT governance and forms part of the Legislatures ICT governance and risk agenda.

CONCLUSION

The Audit and Risk Committee remains committed in supporting the Accounting Officer and Management in pursuit of its mandate and in maintaining a clean administration. The Audit and Risk Committee expresses its sincere appreciation to the Honorable Speaker, the Secretary, Management, Internal Audit, and the AGSA for their co-operation in enabling the Committee to fulfil its responsibilities.

Mr Silas Hlophe
Chairperson of the Audit and Risk Committee
KZN Legislature

PART 5:

REPORT OF THE AUDITOR-GENERAL

Report of the auditor-general to the KwaZulu-Natal Provincial Legislature on vote no. 2: KwaZulu-Natal Legislature

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the KwaZulu-Natal Legislature set out on pages 60 to 91, which comprise the statement of financial position as at 31 March 2023, 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 KwaZulu-Natal Legislature as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Financial Management of Parliament and Provincial Legislatures Act of South Africa No.10 of 2009 (FMPPLA).

Basis for 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 responsibilities of the auditor-general for the audit of the financial statements section of my report.

4. I am independent of the legislature 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.

Underspending of the budget

7. As disclosed in the statement of comparison of budget and actual amounts and in note 32 to the financial statements, the legislature materially underspent its budget by a total amount of R25,10 million on both the administration and the parliamentary business programmes. This was mainly due to the delays in the planned infrastructural upgrades, Enterprise resource planning system, procurement of motor vehicles as well as savings realised on compensation of employees, attributed to vacancies.

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 SA Standards of GRAP and the requirements of 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 legislature'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 legislature or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general 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

12. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programme presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

13. I selected the following programme presented in the annual performance report for the year ended 31 March 2023 for auditing. The programme measures the legislature's performance on its primary mandated functions and that is of significant provincial, community or public interest.

Programme	Page numbers	Objectives /services
Parliamentary business	19-21	• Law-making: To pass effective and relevant laws in the province. This programme also incorporates the functions of House Proceedings, Hansard & Language Services and to provide NCOP liaison services • Oversight: To execute and conduct effective oversight of the Executive Committees, and to provide research and legal services • Public participation: To address complaints through the petitions' system, and to create awareness of legislative processes through public education and the promotion of public involvement

14. I evaluated the reported performance information for the selected programme against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the legislature's planning and delivery on its mandate and objectives.

15. I performed procedures to test whether:

    - the indicators and targets reported on in the annual performance report are the same as what was committed to in the approved initial or revised planning documents
    - there is adequate supporting evidence for the achievements reported.

16. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion.

17. I did not identify any material findings on the reported performance information of the selected programme.

Other matter

18. I draw attention to the matter below.

Achievement of planned targets

19. The annual performance report includes information on the reported achievements against planned targets and provides explanations for over- and underachievements.

Report on compliance with legislation

20. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the legislature's compliance with legislation.

21. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

22. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the legislature, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

23. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

24. The accounting officer is responsible for the other information. The other information referred to 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 on in this auditor's report.

25. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

26. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

27. 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

28. I considered internal control relevant to my audit of the financial statements, annual performance report 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

Pietermaritzburg

25 July 2023

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- the auditor-general's responsibility for the audit
- the selected legislative requirements for compliance testing.

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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 legislature's compliance with selected requirements in key legislation.

Financial statements

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 legislature's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the 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 legislature 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 legislature 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

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.

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.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Financial Management of Parliament and Provincial Legislatures Act No. 10 of 2009	Sections 7(a & b); 7(e) Sections 20(5); 21(2); 22(2) Sections 33(2)(a & b); 33(2)(e); 35(1)(a & b); 36(a) Sections 41(b); 44; 46 Sections 56(1); 57(a) Sections 67(2)(a & b); 68(2)(a & b)
Prevention and Combating of Corrupt Activities Act No.12 of 2004 (PRECCA)	Section 34(1)
Financial Management of Parliament Act - SCM Regulation	Regulations 4(2)(b); 4(3)(a, b & c) Regulation 5(2) Regulations 6(1)(c); 6(2); 6(3)e; 6(6)(a)(i-ii); 6(6)(a)(v); 6(7)(a)(i-iii); 6(7)(b)(iii), 6(7)(c)(v); 6(8)(a)(i-ii); 6(8)(b)(ii-iii); 6(8)(a)(ix); 6(8)(f)(iv); 6(9)(a)(i-iv); 6(11)(b); 6(11)(i-iii); 6(11)(d) (i-vii) Regulations 7(3) & 7(4) Regulations 7(7)(a)(i-ii); 7(7)(a)(ix); 7(7)(d-e); 7(8)(a); 7(9)(a)(vi); 7(9)(c)(i) Regulations 8; 8(1); 8(2) Regulation 9 Regulations 11(1)(b); 11(2); 11(3)
PPPFA	Sections 1(i); 2.1(a); 2.1(f)
PPR 2017	Paragraphs 4.1; 4.2 Paragraphs 5.1; 5.3; 5.6; 5.7 Paragraphs 6.2; 6.3; 6.5; 6.6; 6.8 Paragraphs 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Paragraphs 8.2; 8.5 Paragraphs 9.1; 9.2 Paragraphs 10.1; 10.2 Paragraphs 11.1; 11.2
PPR 2022	Paragraph 3.1 Paragraphs 4.1; 4.2; 4.3; 4.4 Paragraphs 5.1; 5.2; 5.3; 5.4

PART 6

HUMAN REPORCE MANAGEMENT

Table 10: Total Personnel expenditure by Programme

Programme	Total Budget (R'000)	Expenditure (R'000)	Expenditure as a % of personnel budget by programme	Training Expenditure (R'000)	Average cost per employee (R'000)
Support Services	140 373	139 729	99.5%	623	1 344
Core Services	134 868	134 250	99.5%	598	1 291
Total:	**275 241**	**273 979**	**100%**	**1 221**	**1 317**

Table 11: Personnel costs by salary band

Salary Band	Personnel Expenditure (R' 000)	% of Total Personnel Cost	Number of Employees	Average Personnel Cost per Employee (R'000)
A1 - A3	0	0%	0	0
B1 - B5	11 492	4%	28	410
C1 - C5	172 356	63%	149	1 157
D1 - D5	81 972	30%	42	1 952
E1 - E4	8 160	3%	3	2 720
Total:	**273 979**	**100%**	**222**	**5 949**

Table 12: Salaries, Overtime, Housing Allowance and Medical Aid by programme

Programme	Basic Salary		Overtime		Homeowners Allowance		Medical Aid	
	Amount – R'000	Basic as a % of Person-nel Costs	Amount – R'000	Overtime as a % of Personnel Costs	Amount – R'000	Homeowner Allowance as a % of Personnel Costs	Amount – R'000	Medical aid as a % of Personnel Costs
Support Services	88 543	74%	25	0.00	7 641	5%	7 145	5%
Core Service	85 070	72%	20	0.00	6 621	5%	6 277	5%
Total :	**173 613**	**73%**	**45**	**0,0%**	**14 262**	**5%**	**13 422**	**5%**

Table 13: Salaries, Overtime, Housing Allowance and Medical Aid by Salary bands

Salary Bands	Basic Salary		Overtime		Homeowners Allowance		Medical Aid	
	Amount – R'000	Basic as a % of personnel costs	Amount – R'000	Overtime as % of personnel cost	Amount – R'000	Home Owners Allowance as a % of personnel costs	Amount – R'000	Medical Aid as a % of personnel costs
A1 - A3	0		0		0		0	
B1 - B5	7 522	65%	12	0%	851	7%	709	6%
C1 - C5	114 000	66%	33	0%	10 298	6%	9 152	5%
D1 - D5	47 392	58%	0	0%	2 907	4%	3 411	4%
E1 - E4	4 699	58%	0	0%	206	3%	150	2%
	173 613	**63%**	**45**	**0%**	**14 262**	**5%**	**13 422**	**5%**

Table 14: Employment and vacancies by programme

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
Staff	294	208	29%	-
Total:	**294**	**208**	**29%**	

Table 15: Employment and vacancies by salary band

Salary Band	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
A1 - A3	0	0	0%	-
B1 - B5	31	20	35%	-
C1 - C5	202	144	29%	-
D1 - D5	57	42	26%	-
E1 - E4	4	3	25%	-
Total:	**294**	**209**	**29%**	

Table 16: Employment and vacancies by critical occupations

Directorate	Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
1. Office of the Secretary	Secretary of the Legislature	1	1	0%	-
2. Financial Governance	Chief Financial Officer	1	1	0%	-
3. Office of the Chief Operations Officer	Chief Operations Officer	1	1	0%	-
5.Research and Committees	Researchers, Budget and Content Analysts	25	20	20%	-
	Committee Cluster Manager	5	5	0%	-
	Committee Coordinator	21	20	5%	-
	Senior Managers	2	2	0%	-
6. Legal Services	Senior Legal Advisor	8	4	50%	-
	Senior Manager Legal Services	1	1	0%	-
7. Public Participation	Manager Public Participation	1	1	0%	-
	Public Participation Officer	4	3	25%	-
	Senior Public Participation Facilitator	5	4	25%	-
8.Legislative Operations	Manager Legislative Operations	1	0	100%	-
	Procedural Officer	1	1	0%	-
	Senior Manager Legislative Operations	1	1	0%	-
9.Hansard & Language Services	Control Editor	2	2	0%	-
	Manager Hansard & Language	2	2	0%	-
	Senior Language Practitioner	8	3	63%	-
	Transcriber	6	4	33%	-
	Total:	**96**	**76**	**23%**	

Table 17: Job Evaluation by Salary band

Salary Band	Number of posts on approved establishment	Number of jobs evaluated	% of posts evaluated by salary bands	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
A1 - A3	0						
B1 - B5	31						
C1 - C5	202						
D1 - D5	57						
E1 - E4	4						
Total :	**294**						

Table 18: Staff Turnover rates by salary band

Salary Band	Number of employees at the beginning of period	Appointments	Terminations	Turnover rate
A1 - A3	0	0	0	0,0%
B1 - B5	19	10	8	13,3%
C1 - C5	147	1	4	15,8%
D1 - D5	41			0,0%
E1 - E4	3		0	0,0%
Total :	**210**	**11**	**12**	**1%**

Table 19: Annual turnover rates by critical occupation

Directorate	Critical occupation	Number of employees at the beginning of the period	Appointments	Terminations	Turnover rate
1. Office of the Secretary	Secretary of the Legislature	1	0	0	0,0%
2. Financial Governance	Chief Financial Officer	1	0	0	0,0%
3. Office of the Chief Operations Officer	Chief Operations Officer	1	0	0	0,0%
5.Reasearch and Committees	Senior Manager Committees	1	0	0	0,0%
	Committee Cluster Manager	5	0	0	0,0%
	Researchers, Budget and Content Analyst	20	0	0	0,0%
	Committee Coordinator	21	0	0	0,0%
6. Legal Services	Senior Manager Legal Services	1	0	0	0,0%
	Senior Legal Advisor	4	0	0	0,0%
7. Public Participation	Senior Manager Public Participation	1	0	0	0,0%
	Senior Public Participation Facilitator	5	0	0	0,0%
	Public Participation Officer	3	0	0	0,0%
8.Legislative Operations	Senior Manager Legislative Operations	1	0	0	0,0%
	Manager Legislative Operations	0	0	0	0,0%
	Procedural Officer	1	0	0	0,0%
9.Hansard & Language Services	Manager Hansard & Language	2	0	0	0,0%
	Senior Language Practitioner	3	0	0	0,0%
	Control Editor	3	0	0	0,0%
	Transcriber	4	0	1	25,0%
	Total:	**77**	**0**	**1**	**1,3%**

Table 20: Reasons why employees left the Legislature

Termination Type	Number	% Of Employees Who Left Employment
Dismissal	1	8,3%
Expiry of Contract	0	0%
Resignation	10	83,3%
Death	1	8,3%
Retirement	0	0%
Operational Req.	0	0%
Total:	**12**	**100%**

Table 21: Promotions by salary band

Salary Band	Employees as at beginning of the period	% Days promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
A1 - A3	0	0%	0%		0%
B1 - B5	15	0%	0%		0%
C1 - C5	144	0%	0%		0%
D1 - D5	39	0%	0%		0%
E1 - E4	3	0%	0%		0%
Total:	**201**	**0%**	**0%**		**0%**

PART 7 :

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

KWAZULU-NATAL LEGISLATURE

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

KwaZulu-Natal Legislature
Annual Financial Statements for the year ended 31 March 2023

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Oversight, law-making and public participation
Accounting officer	Ms. N. Naidoo
Registered office	244 Langalibalele Street Albertina Sisulu Building Pietermaritzburg 3201
Business address	244 Langalibalele Street Albertina Sisulu Building Pietermaritzburg 3201
Postal address	Private Bag X9112 Pietermaritzburg 3201
Bankers	Standard Bank of South Africa Limited
Auditors	Auditor-General of South Africa

KwaZulu-Natal Legislature

Annual Financial Statements for the year ended 31 March 2023

Index

The reports and statements set out below comprise the annual financial statements presented to the provincial legislature:

KwaZulu-Natal Legislature
Annual Financial Statements for the year ended 31 March 2023

Accounting Officer's Responsibilities and Approval

The Accounting Officer (the Secretary) is required by the Financial Management of Parliament and Provincial Legislatures Act (10 of 2009) (FMPPLA), 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 Secretary to ensure that the annual financial statements fairly present the state of affairs of the Legislature as at the end of the reporting period and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and were given unrestricted access to all financial records and related data.

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 Secretary acknowledges that she is ultimately responsible for the system of internal financial control established by the Legislature and place considerable importance on maintaining a strong control environment. To enable the Secretary to meet these responsibilities, the Secretary 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 Secretary 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 Secretary has reviewed the Legislature's cash flow forecast for the year to 31 March 2024 and, in the light of this review and the current financial position, she is satisfied that the Legislature has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements set out on page 60 to 91, which have been prepared on the going concern basis, were approved and signed by the Secretary on behalf of the Legislature.

KwaZulu-Natal Legislature

Annual Financial Statements for the year ended 31 March 2023

Statement of Financial Position as at 31 March 2023

	Note(s)	2023 '000	2022 Restated* '000
Assets			
Current Assets			
Cash and cash equivalents	3	27 167	90 164
Receivables from exchange transactions	4	4 267	3 865
Receivables from non-exchange transactions	5	466	467
Statutory receivables	6	2 048	941
Inventories	7	449	557
		34 397	**95 994**
Non-Current Assets			
Property, plant and equipment	8	19 166	21 537
Intangible assets	9	4 448	5 459
		23 614	**26 996**
Total Assets		**58 011**	**122 990**
Liabilities			
Current Liabilities			
Payables from exchange transactions	10	10 539	11 835
Employees and members benefits obligation	11	22 821	25 117
Finance lease obligation	12	1 539	1 516
Operating lease liability		104	240
		35 003	**38 708**
Non-Current Liabilities			
Employees and members benefits obligation	11	1 814	1 670
Finance lease obligation	12	492	604
		2 306	**2 274**
Total Liabilities		**37 309**	**40 982**
Net Assets		**20 702**	**82 008**
Accumulated surplus		20 702	82 008
Total Net Assets		**20 702**	**82 008**

KwaZulu-Natal Legislature

Annual Financial Statements for the year ended 31 March 2023

Statement of Financial Performance

	Note(s)	2023 '000	2022 Restated* '000
Revenue			
Revenue from exchange transactions			
Interest received - bank		3 275	4 460
Gain on disposal of assets		-	192
Other income		711	240
Total revenue from exchange transactions		**3 986**	**4 892**
Revenue from non-exchange transactions			
Transfer revenue			
Annual appropriation	13	564 116	541 714
Statutory appropriation	14	96 122	89 003
Service received in-kind: use of office building	23	13 605	12 957
Other revenue			
Unknown deposits prescribed		-	268
Total revenue from non-exchange transactions		**673 843**	**643 942**
Total revenue		**677 829**	**648 834**
Expenditure			
Remuneration of employees	15	(273 979)	(260 713)
Remuneration of members of the legislature	16	(93 564)	(91 448)
Transfers and subsidies	17	(125 273)	(119 560)
Travel and accommodation	18	(71 559)	(32 535)
Public events	19	(33 088)	(20 163)
Depreciation and amortisation	20	(8 238)	(17 468)
Operating lease and rentals	21	(17 161)	(16 085)
General expenses	22	(116 273)	(101 296)
Total expenditure		**(739 135)**	**(659 268)**
Deficit for the year		**(61 306)**	**(10 434)**

KwaZulu-Natal Legislature

Annual Financial Statements for the year ended 31 March 2023

Statement of Changes in Net Assets

	Accumulated surplus '000	Total net assets '000
Balance at 01 April 2021	**92 442**	**92 442**
Changes in net assets		
Deficit for the period as previously reported	(9 026)	(9 026)
Correction of errors (see note 25)	(1 408)	(1 408)
Total changes	(10 434)	(10 434)
Restated* Balance at 01 April 2022	**82 008**	**82 008**
Changes in net assets		
Deficit for the year	(61 306)	(61 306)
Total changes	(61 306)	(61 306)
Balance at 31 March 2023	**20 702**	**20 702**

KwaZulu-Natal Legislature

Annual Financial Statements for the year ended 31 March 2023

Cash Flow Statement

	Note(s)	2023 '000	2022 Restated* '000
Cash flows from operating activities			
Receipts			
Appropriation received		659 131	629 776
Interest income		3 275	4 460
Other receipts		284	75
		662 690	634 311
Payments			
Employee costs		(273 565)	(264 136)
Remuneration of members of the legislature		(96 103)	(88 908)
Payment to suppliers		(225 558)	(205 745)
Transfers and subsidies		(125 273)	(119 560)
		(720 499)	(678 349)
Net cash flows from operating activities	24	**(57 809)**	**(44 038)**
Cash flows from investing activities			
Purchase of property, plant and equipment		(3 278)	(3 007)
Proceeds from sale of property, plant and equipment		71	1 850
Purchase of other intangible assets	9	-	(2 039)
Net cash flows from investing activities		**(3 207)**	**(3 196)**
Cash flows from financing activities			
Finance lease payments		(1 981)	(2 045)
Net increase/(decrease) in cash and cash equivalents		**(62 997)**	**(49 279)**
Cash and cash equivalents at the beginning of the year		90 164	139 443
Cash and cash equivalents at the end of the year	3	**27 167**	**90 164**

KwaZulu-Natal Legislature
Annual Financial Statements for the year ended 31 March 2023

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Last published budget '000	Adjustments (virements/shifts) '000	Final Budget '000	Actual amounts on comparable basis '000	Difference between final budget and actual '000	Notes
Budget and actual information presented by programme						
Administration	291 173	(8 788)	**282 385**	(257 109)	**25 276**	32
Parliamentary business	364 955	8 788	**373 743**	(372 814)	**929**	32
Direct charge on Provincial Revenue Fund (compensation of members)	95 015	-	**95 015**	(96 122)	**(1 107)**	32
	751 143	**-**	**751 143**	**(726 045)**	**25 098**	
Budget and actual information presented by economic classification						
Compensation of employees	275 241	-	**275 241**	(273 958)	**1 283**	32
Goods and services	240 764	-	**240 764**	(227 028)	**13 736**	32
Transfers/subsidies to Provinces and Municipalities	52	-	**52**	(5)	**47**	
Transfers/subsidies to foreign governments and international	300	86	**386**	(386)	**-**	
Transfers/subsidies to private enterprises	38	-	**38**	(6)	**32**	
Transfers/subsidies to non-profit institutions	125 273	-	**125 273**	(125 272)	**1**	
Transfers/subsidies to households	124	(86)	**38**	-	**38**	
Payments for capital assets: machinery and equipment	6 730	-	**6 730**	(3 227)	**3 503**	32
Payments for capital assets: software and other intangible assets	7 606	-	**7 606**	(41)	**7 565**	32
Direct charge on Provincial Revenue Fund	95 015	-	**95 015**	(96 122)	**(1 107)**	
	751 143	**-**	**751 143**	**(726 045)**	**25 098**	
Reconciliation of budget to cash flow						
Surplus						
Surplus per budget statement				25 098		
Basis differences						
Appropriation receivable				(941)		
Revenue overcollection				3 502		
Other				(492)		
Actual amount in the cash flow statement				**27 167**		

KwaZulu-Natal Legislature
Annual Financial Statements for the year ended 31 March 2023

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of GRAP, issued by the Accounting Standards Board in accordance with section 56(1) of the FMPPLA.

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.

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

A summary of the significant accounting policies, which have been applied in the preparation of these annual financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the Legislature and rounded off to the nearest thousand.

1.2 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. This is because the operations of the Legislature are funded from appropriations from provincial revenue fund and total assets exceed total liabilities by R20.702 million, therefore there is no doubt regarding the funding of the future operations of the entity and the ability to realise its assets and settle its liabilities.

1.3 Significant judgements and sources of estimation uncertainty

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 judgements 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:

Allowance for doubtful debts

The allowance for doubtful debts is calculated as the difference between the recoverable amount and the original debt. The recoverable amount is the estimated amount that is still recoverable based on payment history of individual debtors or class of debtors with similar economic characters.

Useful lives of property, plant, equipment and intangible assets

Management determines the estimated useful lives and related depreciation charges for property, plant and equipment and software. This estimate is based on pattern in which an asset's future economic benefits or services potential are expected to be consumed by the entity. Refer to note 1.4 for details of useful lives.

1.4 Property, plant and equipment

Property, plant and equipment are tangible non-current assets that are used 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.

KwaZulu-Natal Legislature

Annual Financial Statements for the year ended 31 March 2023

Accounting Policies

1.4 Property, plant and equipment (continued)

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.

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

Property, plant and equipment is 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	Useful life (years)
Furniture and fixtures	Straight line	3 - 19
Motor vehicles	Straight line	5 - 12
Office equipment	Straight line	3 - 19
Computer equipment	Straight line	2 - 18
Audio visual equipment	Straight line	2 - 19
Security equipment	Straight line	3 - 18
Leased assets	Straight line	2
Kitchen equipment	Straight line	3 - 19

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.

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.

1.5 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance. An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an Legislature and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the Legislature 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.

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.

Intangible assets are recognised at cost.

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.

KwaZulu-Natal Legislature

Annual Financial Statements for the year ended 31 March 2023

Accounting Policies

1.5 Intangible assets (continued)

Intangible assets with definite useful life are carried at cost less any accumulated amortisation and any impairment loss. Intangible assets with an indefinite useful life are carried at cost and reassessed for impairment at every reporting date.

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

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

Item	Useful life (years)
Computer software	8 - 11

1.6 Financial instruments

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

A financial asset is:

- cash;
- a contractual right to:
  - receive cash or another financial asset from another entity; or
  - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the Legislature.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the Legislature.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the Legislature designates at fair value at initial recognition; or
- are held for trading.

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
Cash	Financial asset measured at amortised cost
Receivables	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 liabilities	Financial liability measured at amortised cost
Employee benefits obligation	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.

Accounting Policies

1.6 Financial instruments (continued)

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.

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, are subject to an impairment review.

Gains and losses

For financial assets and financial liabilities measured at amortised cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Impairment and uncollectability of financial assets

The Legislature assesses 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 such as poor payment history and debtor's financial difficulty indicating 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 through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

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.

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.

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.

Presentation

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the Legislature currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Accounting Policies

1.6 Financial instruments (continued)

Composition and description of receivables

Receivables from non-exchange transactions

Recoveries

These debtors are recovery of losses suffered by the Legislature.

Receivables from exchange transactions

Prepayments to suppliers

Goods and services paid for in advance based on contractual arrangements.

Government debtors

Receivables from other organs of state.

Staff and members debtors

Receivables from staff and members of the Legislature for various advances for acquisition of tools of trade

1.7 Statutory receivables

Statutory receivables consists of appropriation in terms of KwaZulu-Natal Appropriations Act and require settlement by the Provincial Revenue Fund (PRF) in cash.

The Legislature initially measures statutory receivables at the appropriated amount.

The Legislature measures appropriation receivable after initial recognition to reflect any impairment losses and amounts settled. This debt is less likely to be impaired as PRF has history of paying all appropriated funds.

The Legislature derecognises appropriation receivable when the rights to the cash flows from the receivable are settled.

1.8 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.

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.

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.

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. Operating lease payments for the remaining period of lease arrangementsacc policy are disclosed as commitments in the notes to financial statements.

1.9 Inventories

Inventories are held for use on day to day business of the Legislature.

Inventories are initially measured at cost.

Accounting Policies

1.9 Inventories (continued)

Subsequently inventories are measured at the lower of cost and current replacement cost.

The cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories is assigned using the weighted average cost formula.

Expenses are recognised when the goods are distributed.

1.10 Impairment of non-cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset’s future economic benefits or service potential through depreciation (amortisation).

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.

1.11 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets.

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.

Interest on positive bank balances

Interest is recognised, in surplus or deficit, using the effective interest rate method.

1.12 Revenue from non-exchange transactions

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, Legislature either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity 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 entity.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

KwaZulu-Natal Legislature

Annual Financial Statements for the year ended 31 March 2023

Accounting Policies

1.12 Revenue from non-exchange transactions (continued)

Appropriated funds

Annual appropriation

Annual appropriation is appropriated by the Legislature to cover operational and capital expenditure included in the budget of that particular period. There are no stipulations imposed on this appropriation. The amount appropriated is recognised in the statement financial performance when the appropriation bill is enacted.

Statutory appropriation

Statutory appropriation is specifically appropriated for the remuneration of members of the Legislature. This appropriation is a direct charge against the Provincial Revenue Fund. Revenue from this funding is recognised as and when conditions are met i.e. expenditure for remuneration of the members is incurred.

Services in-kind

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.

Estimated value for use of office buildings and chamber owned by the KwaZulu-Natal Department of Public Works for no rental payment is recognised as revenue and expenditure in the period service is received. All other services received in-kind are not significant to Legislature's operations therefore only disclosed in the notes.

1.13 Employee benefits

Employee benefits are all forms of consideration given by the Legislature in exchange for service rendered by employees.

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
- service bonus.

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 measures the expected cost of accumulating compensated absences as the additional amount that the Legislature expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Legislature recognises the expected cost of service bonus 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.

Long service award

The Legislature provides leave and monetary award to employees who have completed 10 and 20 years of service. The award is as follows:

- five leave days for 10 years of service; or
- seven leave days and R10 899 for 20 years of service.

The Projected Unit Credit method has been used to value this liability.

Accounting Policies

1.13 Employee benefits (continued)

Contribution to defined contribution plan

Retirement benefits are provided by membership of the Government Employees Pension Fund and Political Office Bearers Pension Fund which are defined benefit funds. The Legislature's responsibility regarding the funding of the pension funds is limited to the current contributions made on behalf of its employees. The obligation of the fund is guaranteed by the National Revenue Fund.

1.14 Transfers and subsidies

Transfers and subsidies represent allowances to represented political parties. Amounts paid are determined in line with the requirements of the policies for allowances to the political parties.

1.15 Contingent assets and liabilities

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 within 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 entity; 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 or the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 27.

1.16 Comparative figures

Comparative figures have been restated where applicable.

1.17 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

Fruitless and wasteful expenditure identified is disclosed in the financial statements. The disclosure note is updated for any fruitless and wasteful expenditure written-off, recovered, transferred to debt account or confirmed not to be fruitless and wasteful upon further investigation.

1.18 Irregular expenditure

Irregular expenditure as defined in section 1 of the FMPPLA is expenditure, other than unauthorised expenditure, incurred in contravention of, or that is not in accordance with, a requirement of this Act or any other applicable legislation.

Irregular expenditure identified is disclosed in the financial statements. The disclosure note is updated for any irregular expenditure written-off, recovered, transferred to debt account or confirmed not to be irregular upon further investigation.

1.19 Budget information

The approved budget is prepared on a cash basis and presented by programmes and economic classification linked to performance objectives.

The approved budget covers the fiscal period from 1 April 2022 to 31 March 2023.

The budget is for the Legislature only.

Reasons for variances above R500 000 of the final budget are provided.

Accounting Policies

1.20 Related party transactions

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.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Related party transaction is a transfer of resources, services or obligations between the Legislature and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

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.

The Legislature discloses all transactions, balances and commitments it incurred during the year from its dealings with its related parties.

1.21 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.

KwaZulu-Natal Legislature

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Notes to the Annual Financial Statements

	2023 '000	2022 '000

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 01 April 2023 or later periods:

Standard:	Effective date: Years beginning on or after	Expected impact:
• GRAP 104 on Financial Instruments	01 April 2025	Unlikely there will be a material impact
• GRAP 25 on Employee Benefits	01 April 2023	Unlikely there will be a material impact

3. Cash and cash equivalents

Cash and cash equivalents consist of:

	2023	2022
Cash on hand	5	5
Bank balances	27 162	90 159
	27 167	**90 164**

The Legislature had the following bank balances

Account number / description	Bank statement balances 31 March 2023	31 March 2022	31 March 2021
Standard Bank business current account (252681797)	1 194	2 466	4 205
Standard Bank retail deposit account (358479355001)	25 968	87 693	135 233
Total	**27 162**	**90 159**	**139 438**

The reduction in bank balances in the period ended 31 March 2023 compared to previous periods is as a result of increase in physical events, foreign study tours and return to normal operations after lifting of COVID-19 restrictions.

4. Receivables from exchange transactions

	2023	2022
Prepayments to suppliers	3 464	3 149
Government debtors	-	640
Staff and members debtors	803	76
	4 267	**3 865**

Increase in staff and members debtors is mainly funds advanced to members during the year to procure laptops for business purposes. Recovery of these monies is ongoing.

Financial assets included in receivables from exchange transaction

	2023	2022
Government debtors	-	640
Staff and members debtors	803	76
	803	**716**

Credit quality of financial assets included in receivables from non-exchange transactions

The credit quality of trade receivables that are neither past due nor impaired can be assessed as good based on historical rate of recovery.

KwaZulu-Natal Legislature

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Notes to the Annual Financial Statements

	2023 '000	2022 '000

4. Receivables from exchange transactions (continued)

Financial assets that are past due but not impaired

At 31 March 2023,R803 (2022:R716) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

	2023	2022
One to two months past due	38	444
More than three months past due	765	272
	803	**716**

5. Receivables from non-exchange transactions

	2023	2022
Recoveries	2 064	1 947
Other receivables	1	1
Allowance for irrecoverable debts	(1 599)	(1 481)
	466	**467**

Reconciliation of allowance for irrecoverable debts

	2023	2022
Opening balance	1 481	1 481
Provision for impairment	118	-
	1 599	**1 481**

6. Statutory receivables

	2023	2022
Statutory appropriation receivable (remuneration of members)	2 048	941

Comparative figures have been restated, refer to note 25.

7. Inventories

	2023	2022
Consumable stores	449	557
Inventories recognised as an expense during the period	3 204	3 621

8. Property, plant and equipment

	2023			2022		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
IT equipment	32 502	(25 889)	6 613	30 932	(24 923)	6 009
Audio visual equipment	18 360	(14 026)	4 334	18 182	(12 743)	5 439
Motor vehicles	7 837	(5 768)	2 069	7 837	(5 104)	2 733
Security equipment	15 403	(13 318)	2 085	15 724	(13 316)	2 408
Furniture and fixtures	10 828	(9 150)	1 678	11 216	(9 018)	2 198
Leased assets: cell phones	4 051	(2 067)	1 984	3 776	(1 670)	2 106
Kitchen equipment	2 327	(2 016)	311	2 336	(1 819)	517
Office equipment	446	(354)	92	455	(328)	127
Total	**91 754**	**(72 588)**	**19 166**	**90 458**	**(68 921)**	**21 537**

KwaZulu-Natal Legislature

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Notes to the Annual Financial Statements

	2023 '000	2022 '000

8. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Disposals	Depreciation	Total
IT equipment	6 009	3 081	(227)	(2 250)	6 613
Audio visual equipment	5 439	188	(3)	(1 290)	4 334
Motor vehicles	2 733	-	-	(664)	2 069
Security equipment	2 408	-	(25)	(298)	2 085
Furniture and fixtures	2 198	9	(52)	(477)	1 678
Leased assets: cell phones	2 106	1 892	-	(2 014)	1 984
Office equipment	127	-	(3)	(32)	92
Kitchen equipment	517	-	(3)	(203)	311
	21 537	**5 170**	**(313)**	**(7 228)**	**19 166**

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Disposals	Depreciation	Total
IT equipment	11 587	800	(125)	(6 253)	6 009
Audio visual equipment	8 313	138	(22)	(2 990)	5 439
Motor vehicles	4 089	1 321	(1 327)	(1 350)	2 733
Security equipment	3 148	157	-	(897)	2 408
Furniture and fixtures	2 920	504	(184)	(1 042)	2 198
Leased assets: cell phones	1 873	2 203	-	(1 970)	2 106
Office equipment	102	82	-	(57)	127
Kitchen equipment	773	5	-	(261)	517
	32 805	**5 210**	**(1 658)**	**(14 820)**	**21 537**

Other information

Expenditure incurred to repair and maintain property, plant and equipment: contracted services	2023	2022
IT equipment	104	145
Audio visual equipment	192	554
	296	**699**

Contractual commitments for the acquisition of property, plant and equipment	2023	2022
Office Equipment	32	-
IT Equipment	741	187
	773	**187**

9. Intangible assets

	2023			2022		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	28 111	(23 663)	4 448	28 111	(22 652)	5 459

KwaZulu-Natal Legislature
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Notes to the Annual Financial Statements

	2023 '000	2022 '000

9. Intangible assets (continued)

Reconciliation of intangible assets - 2023

	Opening balance	Additions	Amortisation	Total
Computer software	5 459	-	(1 011)	4 448

Reconciliation of intangible assets - 2022

	Opening balance	Additions	Amortisation	Total
Computer software	6 067	2 039	(2 647)	5 459

10. Payables from exchange transactions

	2023	2022
Trade payables	10 539	11 835

Comparative figures have been restated. Refer to note 25.

11. Employees and members benefits obligations

2023

	Current	Non-current	Total
Service bonus	6 078	-	6 078
Leave pay	16 630	-	16 630
Long service award	113	1 814	1 927
	22 821	**1 814**	**24 635**

2022

	Current	Non-current	Total
Service bonus	6 124	-	6 124
Leave pay	16 060	-	16 060
Long service award	394	1 670	2 064
Salaries and other benefits	2 539	-	2 539
	25 117	**1 670**	**26 787**

Reconciliation of the obligation- 31 March 2023

	Opening balance	Additions	Settlement/reduction	Closing balance
Service bonus	6 123	14 264	(14 309)	6 078
Leave pay	16 060	13 319	(12 749)	16 630
Long service award	2 064	-	(137)	1 927
Salaries and other benefits	2 539	-	(2 539)	-
	26 786	**27 583**	**(29 734)**	**24 635**

KwaZulu-Natal Legislature

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Notes to the Annual Financial Statements

	2023 '000	2022 '000

11. Employees and members benefits obligations (continued)

Reconciliation of the obligation- 31 March 2022

	Opening balance	Additions	Settlement/reduction	Closing balance
Service bonus	6 215	13 846	(13 937)	6 124
Leave pay	18 693	9 786	(12 419)	16 060
Long service award	2 229	-	(165)	2 064
Salaries and other benefits	529	2 539	(529)	2 539
	27 666	**26 171**	**(27 050)**	**26 787**

Expenses recognised and actuarial assumptions applied in valuing the long service award obligation

Net expense recognised in the statement of financial performance

	2023 '000	2022 '000
Current service cost	224	256
Interest cost	190	203
Actuarial (gains) losses	(551)	(623)
	(137)	**(164)**

Key assumptions used

	2023	2022
Discount rate	10.05 %	10.19 %
General earnings inflation rate (long-term)	6.03 %	7.03 %
Net-of-earnings-inflation discount rate	3.79 %	2.95 %
CPI inflation rate (long-term)	5.03 %	5.53 %
Net-of-CPI-inflation discount rate	4.42 %	4.78 %

Contribution to defined contribution plan

Retirement benefits are provided by membership of the Government Employees' Pension Fund and Political Office Bearers' Pension Fund which are defined benefit funds. The Legislature's responsibility regarding the funding of the pension funds is limited to the current contributions made on behalf of its employees and members. The obligation of the fund is guaranteed by the National Revenue Fund. Contributions paid during the year amounted to:

	2023 '000	2022 '000
Government Employees' Pension Fund	22 819	21 472
Public Office Bearers' Pension Fund	11 642	11 720
	34 461	**33 192**

12. Finance lease obligation

Present value of minimum lease payments due	2023 '000	2022 '000
- within one year	1 539	1 516
- in second to fifth year inclusive	492	604
	2 031	**2 120**

	2023 '000	2022 '000
Current liabilities	1 539	1 516
Non-current liabilities	492	604
	2 031	**2 120**

The Legislature leases cellphones under finance leases. The lease term was 2 years.

KwaZulu-Natal Legislature
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Notes to the Annual Financial Statements

	2023 '000	2022 '000

13. Annual appropriation

Annual appropriation	564 116	541 714

14. Statutory appropriation

Statutory appropriation (members remuneration)	96 122	89 003

Comparative figures have been restated. Refer to note 25.

15. Employee related costs

Basic	173 613	167 496
Social contributions	36 684	34 585
Leave pay	13 320	9 787
Overtime payments	180	259
Service bonus	14 264	13 845
Housing allowance	14 263	13 868
Other allowances (car allowance and others)	21 655	20 873
	273 979	**260 713**

Remuneration of the Accounting Officer (Ms N. Naidoo)

Basic salary	1 832	1 753
Car allowance	470	450
Service bonus	153	146
Housing allowance	69	66
Leave encashment	163	156
Secretary's allowance	276	264
Employer contributions to unemployment insurance, medical and pension funds	240	230
	3 203	**3 065**

Remuneration of the Executive Manager: Financial Services (Mr. MR. Nkopane)

Basic salary	1 433	1 371
Car allowance	437	419
Service bonus	119	114
Housing allowance	69	66
Leave encashment	113	108
Employer contributions to unemployment insurance, medical and pension funds	275	263
	2 446	**2 341**

Remuneration of Executive Manager: Parliamentary Services (Mr. ZN. Memela)

Basic salary	1 433	1 371
Car allowance	437	419
Service bonus	119	114
Housing allowance	69	66
Leave encashment	124	119
Employer contributions to unemployment insurance, medical and pension funds	252	260
	2 434	**2 349**

KwaZulu-Natal Legislature

Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

	2023 '000	2022 '000

16. Remuneration of members of the Legislature

Basic salary	51 716	52 089
Non-pensionable salary	34 726	35 039
Tools of trade allowances	3 011	2 582
Loss of office gratuity	4 111	1 738
	93 564	**91 448**

Remuneration of the Executive Authority and her deputy

The Speaker (Hon. N.N. Boyce)

Basic salary	1 223	1 223
Non-pensionable salary	854	815
	2 077	**2 038**

The Deputy Speaker (Hon. R.T. Mthembu)

Basic salary	989	989
Non-pensionable salary	659	659
	1 648	**1 648**

17. Transfers and subsidies

Constituency allowance to political parties	96 859	92 442
Secretariat and research assistance to political parties	28 414	27 118
	125 273	**119 560**

18. Travel and accommodation

Accommodation and flights	43 516	15 006
Reimbursed road travel expenses	21 917	15 331
Incidental and daily allowances	6 126	2 198
	71 559	**32 535**

Increase in travel and accommodation costs is due to increase in physical events requiring travel by members and staff and foreign study tours after relaxation of COVID-19 lock down restrictions.

19. Public events

Hire of venues and facilities	8 901	7 171
Hire of equipment and other services	13 896	11 301
Catering	10 291	1 691
	33 088	**20 163**

Increase in public events costs is due to increase in physical events after relaxation of COVID-19 lock down restrictions.

20. Depreciation and amortisation

Property, plant and equipment	7 228	14 820
Intangible assets	1 010	2 648
	8 238	**17 468**

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Notes to the Annual Financial Statements

	2023 '000	2022 '000

21. Operating lease rentals

Operating lease and rentals	3 556	3 128
Consumption of service received in-kind: rental	13 605	12 957
	17 161	**16 085**

22. General expenses

Repairs and maintenance	18 040	13 461
Advertising	19 772	18 475
Consulting and professional fees	19 616	12 437
Internet and connectivity costs	17 840	17 810
Security	9 148	6 569
Auditors remuneration	5 284	4 953
Consumables	3 204	3 621
Donations	3 866	3 306
Training, development and wellness	5 053	4 013
Fleet maintanance	2 028	1 787
Cleaning and municipal services	7 004	6 464
Other admnistrative expenses	5 418	8 400
	116 273	**101 296**

Sub-classes of the general expenses note were reclassified considerng the significance and materiality of the items in line with GRAP1, Presentation of Financial Statements, requirements in order to improve the presentation of the annual financial statements. Comparative figures have been restated, refer to note 25.

23. Services received in-kind

KwaZulu-Natal Legislature occupies three buildings from Department of Public Works at no fee, estimated rental for year is R13 605 million (2022: R12 957 million). Furthermore, KwaZulu-Natal Legislature received protection services from South African Police Services and training of members and staff from South African Legislative Sector at a nominal fee.

24. Net cash flows from operating activities

(Deficit)/surplus	(61 306)	(10 434)
Adjustments for:		
Depreciation and amortisation	8 238	17 468
Loss/(gain) on sale of assets and liabilities	242	(192)
Non-cash items included in deficit	-	(117)
Increase in debt impairment	-	114
Movements in operating lease accrual	(136)	153
Movements in employee benefit obligation	(2 152)	(878)
Changes in working capital:		
Inventories	110	23
Receivables from non-exchange transactions	1	(255)
Receivables from exchange transactions	(402)	(1 976)
Statutory receivables	(1 107)	(941)
Payables from exchange transactions	(1 297)	(7 411)
Payables from non-exchange transactions	-	(39 592)
	(57 809)	**(44 038)**

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Notes to the Annual Financial Statements

	2023 '000	2022 '000

25. Prior period adjustments

Prior period errors identified during the year were corrected. The correction results in adjustments as follows:

Statement of financial position	Notes	Balance previously reported	Correction of errors	Reclassification	Restated balance
Payables from exchange transactions	10	(9 485)	(2 349)	-	(11 834)
Statutory receivables	6	-	941	-	941
Net assets		(83 417)	1 408	-	(82 009)
		(92 902)	**-**	**-**	**(92 902)**

Statement of financial performance	Notes	Total previously reported	Correction of errors	Reclassification	Restated total
General expenditure	22	98 833	2 349	114	101 296
Statutory appropriation	14	(88 062)	(941)	-	(89 003)
Debt impairment		114	-	(114)	-
Deficit for the period		(9 026)	(1 408)	-	(10 434)
		1 859	**-**	**-**	**1 859**

Disclosures	Notes	Disclosure previously reported	Correction of errors	Reclassification	Restated disclosure
Financial instruments risk management: payables from exchange transactions	29	9 485	2 349	-	11 834
Financial instruments risk management: employee benefits obligation	29	26 787	(26 787)	-	-
Related parties: appropriation receivable	28	-	941	-	941
		36 272	**(23 497)**	**-**	**12 775**

- Invoices relating to financial period ended 31 March 2022 were submitted by the service providers and recorded in financial period ended 31 March 2023.
- Employee benefits obligation was incorrectly included in the disclosure of financial instruments risk management. This has been corrected by removing this obligation from this disclosure in line with requirements of GRAP 104, Financial Instruments.
- Statutory receivable relating to direct charge on Provincial Revenue Fund for remuneration of members in the period ended 31 March 2022 was confirmed by Provincial Treasury and recorded in the period ending 31 March 2023.

26. Operating lease commitments

Minimum lease payments due	2023	2022
- within one year	1 500	3 857
- in second to fifth year inclusive	-	3 277
	1 500	**7 134**

Operating lease payments represent rentals payable by the Legislature for certain of its office properties. Leases are negotiated for an average term of three years and rentals are escalating at average of 8% with the option to renew. No contingent rent is payable.

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	2023 '000	2022 '000

27. Contingencies

Contingent liabilities

	2023 '000	2022 '000
Labour dispute: job grading	9 685	24 638
Public office bearers' salary increases	2 588	-
Disputed supplier accounts	-	1 440
Claim for damages	127	127
	12 400	**26 205**

Job grading disputes relate to formal unresolved dispute lodged with the Commission for Conciliation, Mediation and Arbitration by a group of employees regarding outcomes of the job evaluation. There were two matters before arbitration as at 31 March 2022. One of those matters was finalised in favour of the Legislature during the reporting period ended 31 March 2023 and one matter is still outstanding.

The President of the Republic of South Africa has, in terms of proclamation 129 of 2023, determined the revised upper limit of salaries of the members of the Provincial Legislatures from 1 April 2022. As at 31 March 2023 the Premier of KwaZulu-Natal had not published a notice in the provincial gazette to put this determination into effect as required by the Remuneration of Public Office Bearers Act, 1998.

Disputed accounts related to claim by the Department of International Relations and Co-operation that the Legislature owes this amount for expenses incurred for international business travel. No supporting documents have been provided to support this claim and has prescribed.

Claim for damages arises from motor vehicle collision. The claimant alleges that driver of the Legislature's motor vehicle was at fault. The matter is ongoing and expected to be heard in court in the next financial period.

Contingent assets

	2023 '000	2022 '000
Claim against other organ of state	-	300
Claims against employees/members for travel expenses	-	24
	-	**324**

Claim against other organ of state relate to action for negligent loss of legislature vehicle from South African Police Service impound. A settlement agreement was reached in period ending 31 March 2023.

28. Related parties

Relationships

Legislative & oversight responsibility	All KwaZulu-Natal provincial departments and public entities

Related party transactions, balances and commitments

	2023 '000	2022 '000
KwaZulu-Natal Treasury/Revenue Fund		
Annual and statutory appropriation	(659 131)	(629 776)
Appropriation receivable	2 048	941
KwaZulu-Natal Department of Transport		
Motor vehicle purchases/expenses	12	1 340
KwaZulu-Natal Department of Public Works		
Property expenses	15 387	11 374
Services received in-kind (rental)	(13 605)	(12 957)
Consumption of services received in-kind(rental)	13 605	12 957
KwaZulu-Natal Department of Health		
Medical services	49	70

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	2023 '000	2022 '000

28. Related parties (continued)

KwaZulu-Natal Office of the Premier		
Shared expenses recovered	(2 030)	(700)
Shared expenses receivable	-	640

Remuneration of executive authority and management is disclosed in note 16 and 15 respectively.

29. Financial instruments risk management

Financial risk management

The Legislature's exposure to financial risk is minimal due to its nature of activities which are wholly funded from the provincial budget. The Legislature is not allowed to borrow funds and issue guarantees

Liquidity risk

The Legislature's risk to liquidity as a result of the funds unavailable to cover future commitments is minimal. The Legislature manages liquidity risk through an ongoing review of future commitments and matching of its commitments to transfers from the Provincial Revenue Fund thereby ensuring that when liabilities fall due there are funds available to settle.

The composition and maturity dates of the Legislature's financial liabilities are set out below:

Composition of financial liabilities		
Payables from exchange transactions	10 539	11 834
Finance lease obligation	2 031	2 120
	12 570	**13 954**

Maturity		
Due in 1 to 3 months	10 539	11 834
Due later than 3 months	2 031	2 120
	12 570	**13 954**

Credit risk

Credit risk consists mainly of cash deposits and other debtors. The Legislature only deposits cash with major banks with high quality credit standing.

Receivables comprises of staff and members and government debt which are not subject to major credit risks.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	2023	2022
Cash and cash equivalents	27 167	90 164
Receivables	803	716

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	2023 '000	2022 '000

30. Fruitless and wasteful expenditure

	2023 '000	2022 '000
Opening balance	56	39
Add: Fruitless and wasteful expenditure identified - current	54	17
Less: amount written-off	(11)	-
Closing balance	**99**	**56**

Details of fruitless and wasteful expenditure

	Disciplinary steps taken/criminal proceedings	2023 '000	2022 '000
Penalty for late cancellation of accommodation	Under investigation	54	17

31. Irregular expenditure

	2023 '000	2022 '000
Opening balance as previously reported	885	2 601
Correction of prior period error	-	(1 667)
Opening balance	**885**	**934**
Less: amount condoned	(817)	(49)
Less: amount written-off	(68)	-
Closing balance	**-**	**885**

32. Budget differences

Material differences between budget and actual amounts by programme

Administration

The underspending was mainly due to delays in the implementation of public works projects, ERP system and procurement of motor vehicles.

Parliamentary business

The underspending was mainly due to savings realised on compensation of employees, attributed to vacancies.

Direct charge (members' remuneration)

The overspending was due to exit gratuity payouts and 3% increase that was not adequately funded by Provincial Treasury. The overspending is recoverable from Provincial Treasury in terms of section 23(4) of FMPPLA.

Material differences between budgeted and actual amounts by economic classification

Compensation of employees

The underspending was mainly due to vacant funded posts.

Goods and services

The underspending was mainly due to delays in the implementation of public works projects plus savings on the use of Consultants.

Payments for capital assets: machinery and equipment

The underspending was mainly due to replacement of motor vehicle that was suspended and reduced demand for replacement of office equipment.

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	2023 '000	2022 '000

32. Budget differences (continued)

Payments for capital assets: software and other intangible assets

Underspending was mainly due to the planned ERP project that was not implementd during the period under reveiew.

33. Events after the reporting date

There are no material events that took place between reporting period and authorisation of financial statement for issue that requires adjustment or disclosure in the financial statements.

MEMBERS OF THE 6th KZN LEGISLATURE

HON. NN BOYCE
Speaker

HON. RT MTHEMBU
Deputy Speaker

MEMBERS OF THE EXECUTIVE

HON. N DUBE-NCUBE
Premier

HON. SA DUMA
MEC Economic Development, Tourism & Environmental Affairs

HON. BN SITHOLE-MOLOI
MEC Co-Operative Governance & Traditional Affairs

HON. N SIMELANE
MEC Health

HON. NP NKONYENI
MEC Finance

HON. NM KHOZA
MEC Social Development

HON. SE HLOMUKA
MEC Transport, Community Safety and Liaison

HON. BM ZUMA
MEC Agriculture & Rural Devevelopment

HON. SC NKOSI
MEC Public Works and Human Settlement

HON. MC FRAZER
MEC Education

HON. NNG MAHLABA
MEC Sports & Recreation Arts & Culture

OFFICE OF THE CHIEF WHIP

HON. JS NXUMALO
Chief Whip

HON. VP CALUZA
Deputy Chief Whip

OFFICE OF THE CHAIRPERSONS OF COMMITEES

HON. HGS MAVIMBELA
Chairperson of Committees

HON. MA ZULU
Deputy Chairperson of Committees

ANC WHIPS

HON. ZRT GUMEDE
ANC Whip

HON. NPF MAVUSO
ANC Whip

HON. JN CELE
ANC Whip

CHAIRPERSONS OF COMMITTEES

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Chair: Transport

HON. MPP ZUNGU
Chair: Public Works

HON. CQ MADLOPHA
Chair: Premier & Multiparty Women's Caucus

HON. MA CHILIZA
Chair: Community Safety

HON. NN SIBHIDLA-SAPHETHA
Chair: Agriculture and Rural Development

HON. M DLUNGWANE
Chair: Human Settlement

HON. BN MTHETHWA
Chair: Sports and Recreation

HON. N NTOMBELA
Chair: Economic Development & Tourism

HON. SM SONJICA
Chair: Education

HON. GN SWARTBOOI-NTOMBELA
Chair: Social Development

HON. NR MAJOLA
Chair: Health

HON. PH MBATHA-CELE
Chair: Quality of Life

HON. SW MSHENGU
Chair: Conservation and Environmental Affairs

HON. ZLI CELE
Chair: COGTA

HON. M GOVENDER
Chair: SCOPA

HON. TV XULU
Chair: Finance

HON. LXH HLONGWA-MADLALA
Chair: STACOV

HON. RZP ZULU
Chair: Public Participation & Petitions

ORDINARY MEMBERS OF THE MAJORITY PARTY

HON. AG MAPENA

HON. LD NGUBANE

HON. TS MTSHALI

HON. HS DLAMINI

INKATHA FREEDOM PARTY

HON. VF HLABISA
Leader of the Official Opposition

WHIPS

HON. MB GWALA
Chief Whip of the Official Opposition

HON. OB KUNENE
IFP Whip

ORDINARY MEMBERS

HON. PATN BUTHELEZI

HON. LJ DE KLERK

HON. P GOVENDER

HON. TJ GUMEDE

HON. M KHAWULA

Hon S Bhanprakash

HON. S MOODLEY

HON. PN MSIMANGO

HON. TP MTHETHWA

HON. NJ NKWANYANA

DEMOCRATIC ALLIANCE

HON. FA RODGERS
Leader of the DA

WHIP

HON. DR. I KEEKA
DA Whip

ORDINARY MEMBERS

HON. HU DE BOER

HON. S HOOSEN

HON. HS GUMBI

HON. LM MEYER

HON. N NAIR

HON. M TEMBE

HON. E RABE

HON. B SINGH

HON. E BAPTIE

ECONOMIC FREEDOM FIGHTERS

HON. MW TWALA
Leader of the EFF

WHIP

HON. NN NGUBANE
EFF Whip

ORDINARY MEMBERS

HON. GF MTSHALI

HON. HP CHILLIZA

HON. N DLAMINI

HON. NL MPAYIPHELI

HON. PP HARRICKS

HON. T NKOSI

AFRICAN CHRISTIAN DEMOCRATIC PARTY

HON. SE MANQELE
Leader of the ACDP & Whip of Minority Parties

MINORITY FRONT

HON. S THAKUR RAJBANSI
Leader of the MF

NATIONAL FREEDOM PARTY

HON. M SHINGA
Leader of the NFP

AFRICAN TRANSFORMATION MOVEMENT

HON. ME PHAKATHI
Leader of the ATM

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KWAZULU-NATAL LEGISLATURE

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