THE NORTHERN CAPE PROVINCIAL LEGISLATURE

ANNUAL PERFOMANCE REPORT (APR)

REFLECTING PERFORMANCE AGAINST

PREDETERMINED OBJECTIVES

FOR THE FINANCIAL YEAR

01 APRIL 2022 TO 31 MARCH 2023

Northern Cape
Provincial Legislature

"VIGILANT ALWAYS FOR OUR PEOPLE"

NORTHERN CAPE PROVINCIAL LEGISLATURE: VOTE 2

Northern Cape
Provincial Legislature

ANNUAL REPORT 2022/2023

SUBMISSION OF ANNUAL REPORT TO THE SPEAKER:

Hon. N. Klaaste

SPEAKER TO THE NORTHERN CAPE PROVINCIAL LEGISLATURE

I have the honour of submitting the Annual Report of the Northern Cape Provincial Legislature for the period 1 April 2022 to 31 March 2023 to the Executive Authority in terms of Section 59 of the Financial Management of Parliament and Provincial Legislatures Act, Act No. 10 of 2009.

MR. P.B. MOOPELWA
SECRETARY TO THE LEGISLATURE
31 MAY 2023

NORTHERN CAPE PROVINCIAL LEGISLATURE

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Northern Cape
Provincial Legislature

OFFICE BEARERS

PRESIDING OFFICERS

Hon. N. Klaaste, MPL (ANC)
Speaker - Northern Cape Provincial Legislature

Hon. M. Matika, MPL (ANC)
Deputy Speaker- Northern Cape Provincial Legislature

Hon. G. van Staden, MPL (ANC)
Chair of Chairs- Northern Cape Provincial Legislature

Hon. L. Koloi, MPL (ANC)
Deputy Chair of Chairs- Northern Cape Provincial Legislature

CHAIRPERSONS OF STANDING AND PORTFOLIO COMMITTEES

Hon. N. Klaaste, MPL (ANC)
NCPL Standing Committee on Rules

Hon. F. Rhoda, MPL (DA)
NCPL Standing Committee on Public Accounts

Hon. S. Tities, MPL (ANC)
NCPL Standing Committee on Gender, Women, Children and Persons With Disabilities

Portfolio Committee on Health (Vote 10) And Social Development (Vote 11)

Hon. N. Maneng, MPL (ANC) (Chief Whip)
NCPL Standing Committee on Premier & Legislature

Portfolio Committee on Finance (Vote 8), Economic Development And Tourism (Vote 6)

Hon. L. Koloi, MPL (ANC)
Portfolio Committees on Cooperative Governance, Human Settlements And Traditional Affairs (Vote 9)

Hon. L. Senye, MPL (ANC)
Portfolio Committee on Transport, Safety And Liason (Vote 3), Roads And Public Works (Vote 5)

Hon. G van Staden MPL (ANC)
Portfolio Committee on Agriculture, Environmental Affairs, Rural Development And Land Reform (Vote 12)

Hon. W. Dichaba, MPL (ANC)
NCPL Standing Committees: Constitutional Affairs, Petitions & Public Participation

Portfolio Committees on Education (Vote 4), Sport, Arts and Culture (Vote 7) (resigned 31 October 2022)

LEADERS OF OPPOSITION PARTIES

Hon. H. McGluwa,
Leader of the Official Opposition Party: DA

Hon. S. Tlhaole
Leader of the EFF

Hon. D. Coetzee
Leader of the FF Plus

MEMBERS OF THE PROVINCIAL LEGISLATURE

Hon. I.C.C. Fritz
(Whip DA)

Hon. G.A. Steenkamp
(DA)

Hon. M. Kaars
(DA)

Hon. P.S.J. Isaacs
(DA)

Hon. O. Mokae
(DA)

Hon. R. Liebenberg
(DA)

Hon. G. Lepolesa
(Whip EFF)

Hon. M.K. Konote
(EFF)

Hon. N. Baartman
(EFF)
(resigned 05 October 2022)

MANCOM

Mr. P.B. Moopelwa
Secretary to the Legislature

Mr. E. Matolweni
Head of Staff

Mr. G.R. Botha
Chief Financial Officer

Adv. H.J. Botha
Executive Manager: Legal, NCOP & Proceedings & Hansard Services

Mrs. N.H. Borchard
Acting Executive Manager: Comittees, Research & Information Services, Public Education and Communication

Ms. F.P. Ntsiko
Acting Executive Manager: Corporate Services

EXTENDED MANCOM

Ms. E. Fransman
Acting Manager: Risk, Monitoring and Evaluation

Mr. T.V. Cogang
Manager: Risk, Monitoring and Evaluation (Resigned 28 February 2023)

Mr. J. Franks
Manager: Deputy Speaker

Mr. T. Sekoto
Manager: Finance

Mrs. R. Andrews
Manager: Supply Chain Management

Mr. A. Alexander
Manager: Information Technology (Resigned 31 March 2023)

Mr. S.P. Mdibe
Senior Legal Advisor

Mr. C. Haas
Manager: NCOP & Proceedings

Mr. A.L. Katz
Manager: Hansard Services

Mr. G. Isaka
Acting Manager: Hansard Services

Mrs. I. Koegelenberg
Manager: Committees

Mr. R. Motingwe
Acting Manager: Research and Information Services

Mrs. C.L. Gopane
Manager: Public Education and Communication

Ms. I.K. Mophule
Acting Manager: Human Capital

Mr. M.F. Muller
Manager: Security, Records and Facilities

Mrs. E.A. Van Wyk
Manager: Members Affairs

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LIST OF ABBREVIATIONS

Abbreviation	Full Description
APP	Annual Performance Plan
AFROPAC	Symposium of the African Organisation of Public Accounts Committee
AGSA	Auditor General South Africa
ERP	Electronic Resource Planning
EU	European Union
FMPPLA	Financial Management of Parliament and Provincial Legislatures Act, 2009
HC	Human Capital
HR	Human Resources
ICT	Information and Communication Technology
MANCOM	Management Committee
M&E	Monitoring and Evaluation
MEC	Member of the Executive Council
MTEF	Medium Term Expenditure Framework
MPL	Member of the Provincial Legislature
NCOP	National Council of Provinces
NCPL	Northern Cape Provincial Legislature
NCPL-OM	Northern Cape Provincial Legislature Oversight Model
PC	Portfolio Committee
PGDP	Provincial Growth and Development Plan
PPF	Political Party Fund
PP	Public Participation
PSC	Public Service Commission
SADCOPAC	Southern Africa Development Community Organisation of Public Accounts Committees
SAHRC	South African Human Right Commissions
SALGA	South African Local Government Association
SALSA	Secretaries Association of Legislatures of South Africa
SALS	South African Legislative Sector
SDG	Sustainable Development Goals
SC	Standing Committee
SMART	Specific, Measurable, Attainable, Realistic and Time-bound
SOM	Sector Oversight Model
SWOT	Strengths, Weaknesses, Opportunities and Threats
TID	Technical Indicator Descriptions
TOR	Terms of Reference

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PART A:
GENERAL INFORMATION

FOREWORD BY THE SPEAKER

HON. N. KLAASTE- SPEAKER OF THE LEGISLATURE

It gives me great pleasure to present the Annual Report for the 2022/2023 financial year on behalf of the Northern Cape Provincial Legislature and its Presiding Officers, to the people of the Northern Cape and our country at large.

As the Legislature we are proud for attaining a clean audit in the 2022/23 financial year; this demonstrates a legislative authority that strives to lead by example, while we play an oversight role over the executive and municipalities.

Considering the limited budget allocated for this period; we have managed to achieve much more with less, while keeping to the prescripts of good governance. A concerted effort from all Members of the Provincial Legislature as well as the administrative support, has certainly yielded the audit outcome that we are celebrating.

Our commitment of adhering to our policy priorities developed at the inception of the 6th legislative term, which involves fulfilling the legislative mandates of Law-making, Oversight and Public Participation on an equal footing, without prioritising one over the other, remains prominent to us as legislators.

Apart from the vast distances in our Province, our committees have made tremendous progress in conducting oversight, even to the furthest point, regardless of the challenges of resource constraint. Communities utilising our regional offices, based in all five regions of the province, continue to enjoy the benefits of a Legislature that strives to be closer to its communities. Our House sittings through the length and breadth of our Province have become a norm that our communities have grown accustomed to.

In alignment with our vision, that of building a modern, inspirational, responsive, proactive, and activist Legislature that advances the aspirations of the people of the Northern Cape, we table this annual report commitment to fulfilling our vision.

HON. N. KLAASTE
SPEAKER- NORTHERN CAPE PROVINCIAL LEGISLATURE

STATEMENT BY THE DEPUTY SPEAKER

HON. O.M. MATIKA- DEPUTY SPEAKER OF THE LEGISLATURE

The 2022/23 financial year represented the last financial year for accounting by the 6th Legislature. We will be exiting and handing over to the 7th Legislature in 2024; and while it has been a turbulent term of office; it also provided the opportunity for creative and innovative thinking and actions in realising our Constitutional Mandates of Oversight, Law-Making and Public Involvement in the law-making process.

This Annual report provides an account of the performance against the Annual Performance Plan (APP) 2022/23. It must be stated from the onset that the Northern Cape Provincial Legislature (NCPL) continues to focus on modernising its operations as envisioned at the commencement of the 6th Legislature term in 2019. Our vision of ***"a modern, inspirational, responsive, proactive and activist Legislature that advances the aspirations of the people of the Northern Cape"*** remains our goal and motivation.

The achievements, in terms of targets speaks to a Legislature at work with only 5% of targets not achieved against a decreasing budget due to reprioritisation. We however, strive for full achievement as it demonstrates our resolve in changing the lives of our people.

The modernisation projects continued unabated in this reporting period with the redesign of an interactive website which provides for online petitioning to the Legislature. Through this platform we are expanding our reach to receive Petitions for our communities.

Furthermore, the NCPL has been pro-active in developing a customised Public Participation as well as a Communication Strategy. All these projects were funded through the Legislative Support Service (LSS), utilising European Union (EU) donor funding. This demonstrates our intention to be responsive to our people and advancing their aspirations.

The Auditor-General of South Africa (AGSA) expressed an unqualified audit (Clean) opinion on the financial affairs and performance of the NCPL. This is further testimony to the collective effort of Members of the Provincial Legislature (MPLs) and the Administration who worked diligently and collectively to account for expenditure and performance.

We commend the Speaker; Honourable Klaaste; for leading the NCPL on various international outbound missions, that is, Commonwealth Parliamentary Association (CPA) initiatives in Sierra Leone and Canada in 2022 - which further aims to position the Northern Cape amongst Legislators globally. Not forgetting Members who also represented the NCPL at the SADCOPAC and AFROPAC conferences in Botswana and Liberia respectively.

On law making and public involvement we witnessed the Constitutional Count Judgement finding against Parliament and Provincial Legislatures for failing ***"to fulfil their constitutional obligations to facilitate reasonable public involvement in the passing of the Traditional and Khoi-San Leadership Act 3 of 2019"***. As an evolving institution we remain committed to correct past mistakes and improve our system for inclusive law making.

On Oversight we have been actively working on improving oversight system as well as the resolution tracking. We promise to leave a system that will ease future oversight and resolution tracking.

We commit ourselves, with Speaker Newrene Klaaste and Secretary Patrick Moopelwa to build and Activist Legislature "serving the people of the Northern Cape by building a modern, developmental institution for effective law making, accountability, public participation, and oversight over the executive, municipalities and public entities, whilst partaking in international engagement and co-operative government".

HON. O.M. MATIKA
DEPUTY SPEAKER- NORTHERN CAPE PROVINCIAL LEGISLATURE

REPORT OF THE ACCOUNTING OFFICER

MR. P.B. MOOPELWA - SECRETARY TO THE LEGISLATURE

1. OVERVIEW OF THE OPERATIONS OF THE NORTHERN CAPE PROVINCIAL LEGISLATURE

Entering into the fourth year of the sixth (6^{th}) Legislature, the role and ultimate objective remains to be *vigilant always for our people*, through the representation of the people of the Northern Cape as depicted by the Constitution through effective law-making, intensive oversight and inclusive public participation.

Amidst the country's poor economic outlook and adverse fiscal position, which certainly affected the legislature's budget we continue to do more quality work with less resources as the allocated equitable share put severe constraints on the Administration's ability to support the Members of the Provincial Legislature in discharging their constitutional mandate.

The strategic plan for the sixth Legislature encapsulate the vision of an activist legislature that champions democracy by translating it to an effective strategy and operational practices. The 6^{th} Legislature has thorough out this term of office, explicitly prioritised oversight.

As the Accounting Officer of the Northern Cape Provincial Legislature, I am pleased to report that despite these budgetary constraints, the institution through effective financial discipline achieved more than 63% of its performance targets which are in line with the new Strategic Plan of the sixth Legislature. It is worth mentioning that 32% of the performance targets were partially achieved and only 5% was not achieved at all.

The following table (***Table 1***) lists the number of planned programme performance indicators and planned targets for the 2022/2023 financial year and whether it was achieved, partially achieved or not achieved. The reasons for the deviations from targets can be found in Part B: Performance Information of this report.

Table 1:

PROGRAMME	NUMBER OF PERFORMANCE INDICATORS (2022/2023 APP)	ACHIEVED	PARTIALLY ACHIEVED	NOT ACHIEVED
Programme 1: Administration	37	23	12	2
Programme 2: Political Party Support and Members Affairs	4	4	-	-
Programme 3: Parliamentary Business	35	12	21	2
Total	**76**	**48 (63%)**	**24 (32%)**	**4 (5%)**

I can also report that the following institutional projects funded through European Union (EU) donor funding are in an advance stage of completion, i.e. the Legislature website, Communication Strategy, Public Participation Strategy and Customized NCPL Oversight Model.

During the period under review, in an attempt to build strong international relationships and to foster co-operative governance the Legislature actively participated in the following international activities, 14th Southern Africa Development Community Organisation of Public Accounts Committees (SADCOPAC) Annual Conference and 18th AGM in Gabarone, Botswana from 23 to 29 October 2022; 4th General Meeting and Symposium of the African Organisation of Public Accounts Committee (AFROPAC), Monrovia, Liberia from 31 October to 04 November 2022; Commonwealth Parliamentary Association (CPA) Africa Regional Conference and Annual General Meeting in Freetown, Sierra Leone from 03 to 09 JUNE 2022, and the Commonwealth Parliamentary Association (CPA) conference in Halifax, Canada from 20 to 26 August 2022.

The capacity challenges within the NCPL remain one of our biggest challenges. The Legislature continue to be plagued with a high vacancy rate. For the 2022/23 financial year the vacancy rate stood at 36%, which impacts on the stability within the Legislature, especially at management level. To this effect Human Capital Unit already developed and submitted a time-bound recruitment and selection plan for implementation during the 2023/2024 financial year. In order to align functions and to maximise organisational efficiency the Legislature embarked on a job review process which is anticipated to be concluded during the 2023/2024 financial year.

In conclusion, I am pleased to report that the Northern Cape Provincial Legislature has obtained a clean audit. This audit opinion creates hope and believe that we are on a right track. In order to sustain this audit opinion management will continue to develop an institutional audit action plan of which the implementation will be monitored on a regular basis and reported on a quarterly basis to ensure that all findings as raised by the Auditor General South Africa (AGSA) are actioned.

2. OVERVIEW OF THE FINANCIAL RESULTS OF THE NORTHERN CAPE PROVINCIAL LEGISLATURE

2.1 NCPL RECEIPTS

Departmental receipts	2022/2023			2021/2022		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	267	-	267	255	-	255
Interest, dividends and rent on land	3 575	941	2 634	3 411	377	3 034
Total	**3 842**	**941**	**2 901**	**3 666**	**377**	**3 289**

The Legislature does not pursue objectives of revenue collection, and trend is dependent on market forces, outside of the control of the Legislature. The major sources of revenue for the NCPL relates to interest on positive bank balances, commission on insurance and transactions in financial assets relating to debts and other miscellaneous items.

Revenue collection for the 2022/23 financial year amounts to R0.941 million or 24.5 per cent of the adjusted budget of R3.842 million. The low revenue collection is mainly associated with higher spending pattern and low bank balance.

In terms of Section 22 (1) (a) of the Public Finance Management Act (Act 1 of 1999) (PFMA), revenue collected by the Provincial Legislature is excluded from the Provincial Revenue Fund, further section 25(3) of the FMPPLA directs that a bank account of Provincial Legislature does not form part of Provincial Revenue Fund. Section 25(1) (a) of the FMPPLA directs that money received by a Provincial Legislature must be paid into an account opened by the Legislature.

2.2 PROGRAMME EXPENDITURE

Programme Name	2022/2023			2021/2022		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	91 986	77 731	14 255	75 509	73 479	2030
Facilities and benefits for members and political parties	76 471	73 576	2 895	73 999	71 635	2 364
Parliamentary services	58 724	53 516	5 208	53 881	43 957	9 924
Statutory	28 303	29 058	(755)	26 771	25 450	1 321
Total	**255 484**	**233 881**	**21 603**	**230 160**	**214 521**	**15 639**

The Northern Cape Provincial Legislature spent 92% of its final budget for the 2022/23 financial year.

The underspending was mainly driven by uncertainty in the procurement environment regarding the Constitution Court order that the Preferential Procurement Policy Framework regulation where invalid, of which the order came into effect in January 2023. Most procurement had to be put on hold pending the drafting and approval of an internal policy. This is the major reason for not being able to spend 100% of the budget.

2.2.1 ROLLOVERS

NCPL does not surrender unspent voted funds, therefore does not apply rollovers.

2.2.2 VIREMENTS

No Virement was applied subsequent the 2022 adjustment budget.

2.2.3 IRREGULAR, FRUITLESS AND WASTEFUL AND UNAUTHORISED EXPENDITURE

No irregular or unauthorised expenditure was incurred during the year under review.

Fruitless and wasteful expenditure of R 5 447, which is less than 0.01% of the final budget of R 255 484 000, was incurred. This was incurred on interest on overdue payments. Currently the amount is under investigation for possible consequence management. This has been disclosed in note 9 of the Annual Financial Statements for 2022/23 financial year.

2.3 SUPPLY CHAIN AND ASSET MANAGEMENT

No unsolicited bid proposals were received or concluded in the 2022/2023 financial year.

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

The contractual administration function resides within SCM. The section manages and monitors contracts for compliance and performance.

Impact of court ruling of the Constitutional Court, finding that clause 3(b), 4 and 9 of the Preferential Procurement Policy Framework Act (PPPFA) Regulations promulgated in 2017 to be unlawful. NCPL drafted and approved its Preferential Procurement Policy.

SCM further facilitates the management of public assets and its subsequent disposal, if required, while maintaining norms and standards as prescribed. All assets are valued in terms of the in preparation of a GRAP-compliant asset register and financial statement disclosure.

2.4 GIFT AND DONATIONS RECEIVED IN KIND FROM NON-RELATED PARTIES

No material gifts and donations in kind were received by the Legislature from unrelated parties. Services received in kind from other organs of state has been disclosed in the Annual Financial Statements

2.5 EVENTS AFTER THE REPORTING DATE

No material events after the reporting date occurred.

MR. P.B. MOOPELWA
SECRETARY TO THE LEGISLATURE

STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY OF THE ANNUAL REPORT

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

All information and amounts disclosed throughout the annual report are consistent.

The annual report is complete, accurate and is free from any omissions.

The Annual Financial Statements (Part E) have been prepared in accordance with GRAP and the applicable frameworks and guidelines.

The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The Accounting Officer is responsible for establishing, and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Northern Cape Provincial Legislature for the financial year ended 31 March 2023.

Yours faithfully

MR. P.B. MOOPELWA
SECRETARY TO THE LEGISLATURE
DATE: 31 AUGUST 2023

STRATEGIC OVERVIEW

VISION

"A modern, inspirational, responsive, proactive and activist Legislature advancing the aspirations of the people of the Northern Cape".

MISSION

"To serve the people of the Northern Cape by building a modern, developmental institution for effective law making, accountability, public participation, and oversight over the executive and municipalities, whilst partaking in international engagement and co-operative government".

MOTTO

"Vigilant always for our people"

VALUES

VALUE	VALUE DEFINITION
Selflessness	We are people-centered in all our intentions and actions.
Integrity	We are truthful, ethical, open, honest and transparent in all we do.
Accountability	We are responsible, reliable and answerable for our actions.
Professionalism	Consistent service excellence in performance delivery and execution of our mandate/ roles both of support and oversight.
Transparency	We are always open to scrutiny.
Responsiveness	We value our stakeholders and are considerate, caring and timely.
Innovation	We promote and embrace change and new ideas.

2. LEGISLATIVE AND OTHER MANDATES

2.1. The Northern Cape Provincial Legislature derives its mandate from the following Legislations:

2.1.1. The Constitution of the Republic of South Africa, Act No. 108 of 1996;

2.1.2. Northern Cape Provincial Legislature Service Act, No. 2 of 2011;

2.1.3. Powers, Privileges and Immunities of Parliaments and Provincial Legislatures Act, No.4 of 2004;

2.1.4. Northern Cape Petitions Act, No. 8 of 2009;

2.1.5. Northern Cape Party Political Fund Act, No. 7 of 2009;

2.1.6. Northern Cape Legislature Witness Act, No. 3 of 2013.

2.1.7. Financial Management of Parliament Act, No. 10 of 2009 as amended by Act 34 of 2014.

2.1.8. Labour Relations Act, No. 66 of 1995 and other related labour legislation;

2.1.9. Remuneration of Public Office Bearers Act, No. 92 of 1997;

2.2. Legislature's Mandate in terms of the Supreme Law of the Country: Constitution of the Republic of South Africa

The Constitution of the Republic of South Africa, 1996, Chapter 6 section 114 (1) and (2) which states that:

In exercising its legislative power, a Provincial Legislature may-

a) Consider, pass, amend or reject any Bill before the Legislature; and
b) Initiate or prepare legislation, except a money Bill.

A Provincial Legislature must provide for mechanisms-

a) To ensure that all Provincial Executive organs of State in the province are accountable to it;
b) To maintain oversight over-
    i. The exercise of Provincial Executive Authority of the Province, including the implementation of Legislation; and
    ii. Any Provincial Organ of State.

Section 118(1) and (2) mandates the legislature to ensure public access to and involvement in all processes of the legislature.

2.3. Rules, Codes and Manuals of the Northern Cape Provincial Legislature:

The Legislature also abides by the following:

2.3.1 Standing Rules;

2.3.2 Code for Financial Administration;

2.3.3 Northern Cape Provincial Legislature: Performance Information Policy 2016; and

2.3.4 Policies of the Legislature.

2.4. New policy mandates during the 6th Legislature:

2.4.1 Supply Chain Management regulations promulgated in terms of the Financial Management of Parliament and Provincial Legislatures Act, Act No 10 of 2009.

2.4.2 The Preferential Procurement Regulations, 2022 promulgated in terms of section 5, read with section 2(1)(b)(i) and (ii) and 2(1)(c), of the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000), and with effect from 16 January 2023.

2.5. Relevant court rulings in the 6th Legislature:

2.5.1 The Preferential Procurement Regulations, 2022 promulgated in terms of section 5, read with section 2(1)(b)(i) and (ii) and 2(1)(c), of the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000), and with effect from 16 January 2023.

2.5.2 Poverty Alleviation Network and Others v President of the Republic of South Africa and Others. CCT/86/08 - Decided 24 February 2010;

2.5.3 Doctors for Life International vs The Speaker of the National Assembly and Others. CCT/12/05 – Decided 17 August 2006; and

2.5.4 Land Access Movement of South Africa v The Chairperson of the National Council of Provinces and Others. CCT/40/15 – Decided 27 July 2016

2.6. Planned policy initiatives:

The review of institutional policies is a priority on-going activity and finds expression in the 2022/ 2023 financial year Annual Performance Plan as a key performance indicator (KPI) within the Office of the Secretary. This is to address the inconsistencies between new legislations and the institutions outdated policies in order to align it with new legislations and best practices. Under normal circumstance and in line with best practices, policies are reviewed after every three (3) years or as and when the need arise. For the period under review the Office of the Secretary had a target of reviewing and recommending eight (8) institutional policies for approval by the Executive Authority.

In the execution of this performance target the following policies, amongst others where prioritised for development and review:

2.6.1. Declaration of Interest Policy;

2.6.2. Sexual Harassment Policy;

2.6.3. Performance Management Policy;

2.6.4. Communications Policy,

2.6.5. Conditions of Employment for NCPL employees;

2.6.6. Knowledge Management Policy;

2.6.7. Remote Working Policy;

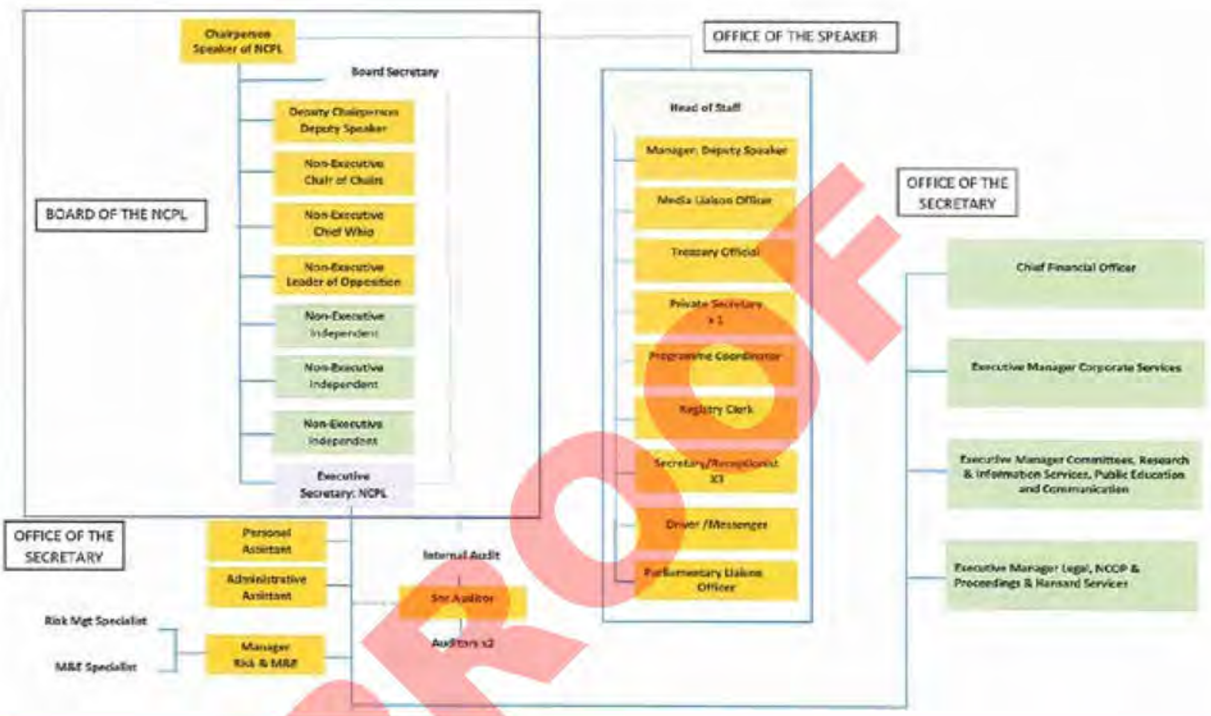
2.6.8. Disaster Management and Business Continuity Plan; and

2.6.9. Code of Conduct;

3. ORGANISATIONAL STRUCTURE

While during the 2022/23 financial year, the Legislature operated as per the organisational structure which was approved in the 2016/2017 financial year (see Fig. 1 below). During the 2022/2023 financial year the Legislature commenced with the process of job evaluations, it is anticipated that process will be concluded during the 2023/2024 financial year.

Fig. 1 – NCPL APPROVED ORGANISATIONAL STRUCTURE



PART B:
PERFORMANCE INFORMATION

1. OVERVIEW OF LEGISLATURE PERFORMANCE

1.1 SITUATIONAL ANALYSIS

At the commencement of the 2022/2023 financial year, on 04 April 2022, the National State of Disaster was terminated.

Service Delivery Environment

The Northern Cape Provincial Legislature is established in terms of Chapter 6 of the Constitution of the Republic of South Africa, 1996. The Northern Cape Provincial Legislature's clearly articulated mandate are derived from the Constitution of the Republic of South Africa.

These mandated responsibilities as enshrined in the Constitution can be articulated as follows:

Section 114(1) confers the power to make laws on provincial legislatures. The Standing Rules of the NCPL articulate the role the House and committees in the legislative process.

Section 114(2) provides that legislatures must provide for mechanisms–

a) to ensure that all provincial executive organs of state in the province are accountable to it; and

b) to maintain oversight of the exercise of –

   i. executive authority in the province, including the implementation of legislation; and

   ii. any provincial organ of state.

Section 115 provides, among other things, for a provincial legislature or any of its committees to summon any person to appear before it and to give evidence; to require any person or provincial institution to report to it, and to receive petitions, representations or submissions from any interested persons or institutions.

Section 116(1) provides that a provincial legislature may –

a) determine and control their internal arrangements, proceedings and procedures; and

b) make rules and orders concerning their business with due regard to representative and participatory democracy, accountability, transparency and public involvement.

Section 117 elaborates on the privileges and immunities that Members of a provincial legislature enjoy. This section provides further that salaries, allowances and benefits payable to Members of a provincial legislature are a direct charge against the Provincial Revenue Fund. The powers and privileges of Members have been codified in the Powers, Privileges and Immunities of Parliament and Provincial Legislatures Act, 2004 (Act 4 of 2004).

Section 118 places an obligation on the provincial parliament to facilitate public involvement in the legislative and other processes of the provincial parliament and its committees, and to conduct its business in an open manner. The NCPL involves the public in its law-making, oversight and petitions.

The Northern Cape Provincial Legislature functions in accordance and align with various sector frameworks in an efforts to enhance performance and become more acute in the delivery of services as planned. One of these frameworks is the Integrated Strategic Management Framework for the South African Legislative Sector (April, 2018).

The NCPL oversight model is the overarching strategy that drives oversight processes. The Legislature is currently in the process of developing its customised Public Participation Framework, Communication Strategy and reviewing the customised NCPL oversight model. Part of the performance targets is the review of institutional policies in line with the ever-changing dynamics within the workplace.

1.2 PERFORMANCE ENVIRONMENT

On the 15th of June 2022, the Honourable Speaker of the Northern Cape Provincial Legislature, Hon. N. Klaaste presented the 2022/2023 Annual Performance Plan (APP) of the institution to the House in line provincial legislature rules and the Sector Oversight Model (SOM). This APP was tabled by the Accounting Officer in line section 52 of the Financial Management of Parliament and Provincial Legislatures Act, 2009 (FMPPLA). The APP as would be envisaged, it is compiled on the basis of the five (5) year Strategic Plan of the Legislature as adopted at the commencement of the sixth Legislature.

Pursuant to the institution's set policy priorities and while not neglecting others, three (3) of the six (6) policy priorities that the Legislature will focus on for the 2022/2023 financial year are policy number one (1), two (2) and four (4) and they are:

1. *To enhance public involvement to deepen and entrench people centred democracy;*
2. *To Enhance the impact of laws passed to improve the achievement of state policy outcomes; and*
4. *To Modernize and enhance the effectiveness and efficiency of frameworks, systems, mechanisms, policies, processes and services for optimal functional of the Legislature;*

The Legislature's commitment as articulated by the Speaker of the Legislature to its constitution mandate "***We have entered just the fourth year of our 6th Legislative, our role and ultimate objective remains the representation of the people of the Northern Cape. As depicted by the Constitution; effective law-making, intensive oversight and inclusive public participation."***

To this end, the Provincial Legislature has committed its continuous efforts to advance and promote constitutional democracy and to ascertain that the people of the Northern Cape as well as all stakeholders of this province are empowered will in order to enhance their contribution in the work of the Legislature.

To this extend the Legislature entered into a Memorandum of Understanding with the National Radio Forum in the Northern Cape. Through the power of radio, the work of the various Committees and processes of the provincial legislature became known to citizens of the Northern Cape. This is not only to enhance public involvement, but to first and foremost educate the public and to keep them informed on the business of the Legislature.

During the year under review the Legislature took the Legislature to the people by way of conducting external House Sittings in all five districts in the provinces, as well as committee meetings. The State of the Province Address was held in the Namakwa District. These House Sittings were livestreamed and broadcast using all eight community radio stations. It is important to highlight that members of the public were afforded an opportunity to participate and relate with how the Legislature undertake in roles and responsibilities as vested upon it by the Constitution of the Republic. The Legislature further hosted a hybrid Women's Parliament from 30-13 August 2022 in Colesberg, Pixley ke Seme District, hybrid Youth Parliament in Kuruman on 27 June 2022 in John Taolo Gaetsewe District. The Legislature further participated in the Civic Education programme with Hon. N. Mkhatshwa, Chairperson of the PC on Higher Education, Science and Innovation.

During the period under review various NCOP (Section 76) Bills were processed and final mandates were referred to the NCOP, i.e. Division of Revenue Bill [B6-2022], Sectional Titles Amendment Bill. [B31-2020], Children's Amendment Bill [B18B-2020] and the Division of Revenue Bill Amendment Bill [B22-2022]. The following provincial laws were processed and passed in the House, i.e. the Northern Cape Main Appropriation Bill, 200 (Act no.1 of 2022), The Northern Cape Adjustment Appropriation Act, 2022 (Act No. 2 of 2022) and the Northern Cape Second Adjustment Appropriation Bill, 2023 (Act No. 3 of 2023). During these law-making processes hybrid, virtual and physical Public Hearings were held in different districts.

To illustrate the Legislature's commitment to explicitly prioritise oversight, the Legislature during the year under review embarked on various oversight visits amongst others oversight was conducted at the R31 road, Robert Sobukwe Provincial Hospital (Kimberley), Harry Surtie Hospital (Upington), Blucoso Agricultural Primary Cooperative (Keimoes), Boegoebay Harbour, Nababeep and Springbok Hospital, Springbok Traffic department – Weighbridge and the Ritchie Sewerage Plant.

The Standing Committee on Public Accounts (SCOPA) requested the Auditor General of South Africa (AGSA) to conduct a training on the material irregularity process, specifically focusing on the role of SCOPA in the accounting ecosystem further focussing on matters that will impact and change the lives of ordinary citizens.

It can therefore be reported that the NCPL went above and beyond realising its objective for the 2022/2023 financial year in representing the people of the Northern Cape.

1.3 ORGANISATIONAL ENVIRONMENT

Between the Fifth and Sixth Legislature, the organizational environment of the Northern Cape Provincial Legislature has fairly remained the same. The institution's headquarters is located in the province's capital city, Kimberley. In the context of enhancing our accessibility, the Legislature further established five (5) regional offices throughout the Northern Cape Province and one NCOP Office in Cape Town. In each regional office, the Legislature appointed one (1) Regional Liaison Officer. With the organizational structure being fully implemented, there will be an additional human resources to the regions so as to boast efficiencies in interface between the people of the province and the institution. Also, The National Council of Provinces (NCOP) office in Cape Town supports the Northern Cape's permanent and special delegates in their official business in and around Cape Town as well as in the country as determined by the NCOP's programme from time to time.

Section 105 of the Constitution of the Republic of South Africa provides that throughout the country all Provincial Legislatures will have a minimum of 30 seats and a maximum of 80 seats of the Members of Legislature. These seats are allocated in accordance with population ratio of the province. Given that the Northern Cape is the smallest in terms of its population, the seat allocation to the Northern Cape Provincial Legislature is thirty (30). Therefore, there are thirty (30) Members of Provincial Legislature (MPLs).

In this total number of the MPLs, the Premier, Speaker, Deputy Speaker were elected by the House and of the remaining Members of Provincial Legislature, nine (9) were appointed by the Premier to be Members of Provincial Legislature (MECs). The remainder of the MPLs were also assigned different roles as chairpersons and members of different Standing and Portfolio Committee of the Legislature.

The tables below demonstrate how members are allocated to committees and the role they play in the 6th Legislature

PORTFOLIO COMMITTEES	
COMMITTEE	**CHAIRPERSON AND MEMBERS**
1. AGRICULTURE, ENVIRONMENTAL AFFAIRS, RURAL DEVELOPMENT AND LAND REFORM (VOTE 12)	Hon G van Staden (ANC) **(Chairperson)** Hon S Tities (ANC) Hon L Senye (ANC) Hon R Liebenburg (DA) (alt. Hon G Steenkamp) Hon S Tlhaole (EFF) Hon D Coetzee (FF+)
2. EDUCATION (VOTE 4), SPORT, ARTS AND CULTURE (VOTE 7)	Hon L Koloi (ANC) Hon N Maneng (ANC) Hon G van Staden(ANC) Hon P Isaacs (DA) (alt. Hon O Mokae) – **Vote 4** Hon O Mokae (DA) (alt. Hon G Steenkamp) **Vote 7** Hon G Lepolesa (EFF) Hon D Coetzee (FF+)
3. FINANCE (VOTE 8), ECONOMIC DEVELOPMENT AND TOURISM (VOTE 6)	Hon N Maneng (ANC) **(Chairperson)** Hon G van Staden (ANC) Hon L Senye (ANC) Hon L Koloi (ANC) Hon F Rhoda (DA) (alt. Hon R Liebenberg) Hon LS Tlhoale (EFF) Hon D Coetzee (FF+)
4. HEALTH (VOTE 10) AND SOCIAL DEVELOPMENT (VOTE 11)	Hon S Tities (ANC) **(Chairperson)** Hon M Matika ANC Hon N Maneng (ANC) Hon L Senye (ANC) Hon I Fritz (DA) (alt. Hon M Kaars) – **Vote 10** Hon P Isaacs (DA) (alt. Hon O Mokae) – **Vote 11** Hon G Lepolesa (EFF)/ Hon MK Konote (EFF) Hon D Coetzee (FF+)
5. COOPERATIVE GOVERNANCE, HUMAN SETTLEMENTS AND TRADITIONAL AFFAIRS (VOTE 9)	Hon L Koloi (ANC) **(Chairperson)** Hon M Matika (ANC) Hon S Tities (ANC) Hon G van Staden (ANC) Hon M Kaars (DA) (alt. Hon G Steenkamp) Hon S Tlhaole (EFF) Hon D Coetzee (FF+)

6. TRANSPORT, SAFETY AND LIASON (VOTE 3), ROADS AND PUBLIC WORKS (VOTE 5)	Hon L Senye (ANC) **(Chairperson)** Hon S Tities (ANC) Hon L Koloi (ANC) Hon O Mokae (DA) (alt Hon G Steenkamp) **(Vote 3)** Hon G Steenkamp (DA) (alt. Hon R Liebenberg) **(Vote 5)** Hon G Lepolesa (EFF) / Mr MK Konote Hon D Coetzee (FF+)
STANDING COMMITTEES	
COMMITTEE	**CHAIRPERSON AND MEMBERS**
1. RULES	Hon N Klaaste (ANC) (Chairperson) Hon OM Matika (ANC) Hon N Maneng (ANC) Hon van Staden (ANC) Hon L Koloi (ANC) Hon H McGluwa (DA) (alt. Hon I Fritz) Hon LS Tlhoale (EFF) Hon D Coetzee (FF+)
2. PUBLIC ACCOUNTS	Hon. F Rhoda (Chairperson) Hon. G van Staden (ANC) Hon L Senye (ANC) Hon M Matika (ANC) Hon L Koloi (ANC) Hon LS Tlhoale (EFF) Hon D Coetzee (FF+)
3. GENDER, WOMEN, CHILDREN AND PERSONS WITH DISABILITIES	Hon S Tities (ANC) (Chairperson) Hon L Koloi (ANC) Hon N Maneng (ANC) Hon P Isaacs (DA) (alt. Hon O Mokae) Hon G Lepolesa (EFF) Hon D Coetzee (FF+)
4. PREMIER & LEGISLATURE	Hon N Maneng (ANC) (Chairperson) Hon G van Staden (ANC) Hon L Koloi (ANC) Hon H McGluwa (DA) (alt. Hon I Fritz) Hon MK Konote (EFF) Hon D Coetzee (FF+)
5. CONSTITUTIONAL AFFAIRS, PETITIONS & PUBLIC PARTICIPATION	Hon N Maneng (ANC) Hon L Senye (ANC) Hon S Tities (ANC) Hon R Liebenburg (DA) (alt. Hon P Isaacs) Hon LS Tlhoale (EFF) Hon D Coetzee (FF+)

As part of the organizational arrangement in the institution, the Northern Cape Provincial Legislature adopted the below three programme performance and budget structure. The budget and programme structure for the 6th term which also reflect key personnel in the institution:

Programme (Appropriation Level)	Sub-programme (Appropriation Level) and Key Employees	Sub–Sub–Programme (Administrative Level) and Key Employees
Programme 1: Administration	Office of the Speaker • Head Of Staff	Office of the Speaker • Head Of Staff
		Office of the Deputy Speaker
		Office of the Chair of Chairs
	Office of the Secretary • Secretary to the Legislature	Office of the Secretary
		Strategic Planning & Risk Management • Manager: Risk, M & E
		Internal Audit
	Corporate Services • Executive Manager: CS	Executive Manager Support
		Human Capital • Manager: HC
		Security and Records Management • Manager: SRF
	Financial Management & ITC • Chief Financial Officer	CFO Support
		Financial Management • Manager: Finance
		Supply Chain Management • Manager: SCM
		Information Technology • Manager: IT
Programme 2: Political Party Support and Members Affairs	Members Affairs and Political Parties Support	Members Affairs • Manager: Members Affairs
Programme 3: Parliamentary Business	Law making & House Business • Executive Manager: L-M & HB	Executive Manager Support
		Legal Services • Manager: LS
		House Proceedings & NCOP • Manager: NCOP & Proceedings
		Hansard Services • Manager: HS
	Public Participation & Oversight • Executive Manager: PP and Oversight	Executive Manager Support
		Committee Support Services Manager: Committees
		Public Participation & Communication • Manager: PP & Comm.
		Research and Information Services • Manager: Research & IS

2. POLICY PRIORITIES OF THE 6TH LEGISLATURE

2.1 Enhance public involvement to deepen and entrench people centred democracy;

Informed by the necessity to not just involve 'the public' but to ensure participants can make maximum use of the opportunities provided (including through empowerment) and that Committees take views on board in their deliberations, with proof thereof reflected in the oversight and allied reports. (Process informed by the public participation spectrum of the www.iap2.org).

2.2 Enhance the impact of laws passed to improve the achievement of state policy outcomes;

This policy priority ensures that the outcomes and impact of laws, in the service of policy priorities, is determined and adjustments made, going forward. This shifts the focus from output (e.g. number of laws) to their driving societal change.

2.3 Strengthen the oversight role of the Legislature over the executive to ensure implementation of the NDP, radical economic transformation and improved service delivery;

This policy priority is premised on the SOM and internal efficacy indicators (see Technical Indicator Description – TID in the APP), in order to strengthen oversight deliberations and report recommendations in a manner that will secure accountability for NDP aligned service delivery outcomes and impacts.

2.4 Modernize and enhance the effectiveness and efficiency of frameworks, systems, mechanisms, policies, processes and services for optimal functional of the Legislature;

Policy priority informed by the 4th industrial revolution (digitization across the entire value change) so as to improve the effectiveness and efficiency of systems in pursuit of the Legislature's business and societal changes.

2.5 Deepen international engagement (national);

Policy priority serves to ensure facilitation by the NCPL of national initiatives in pursuit of international engagement.

2.6 Strengthen co-operative government (national).

The sector's effectiveness depends on its interrelationships (sector specific and with the various spheres of govt. – executive).

NDP impact indicators for 2030:

- **Eliminate income poverty** – reduce the proportion of households with a monthly income below R419 per person from 39 percent to zero, (2009 prices) and
- **Reduce inequality** – the Gini coefficient should fall from 0.69 to 0.6.

3. PROGRAMME PERFORMANCE

3.1. PROGRAMME 1: ADMINISTRATION

3.1.1. **Purpose**: To establish effective Legislature governance structure that will ensure the institution operates optimally. The programme aims to provide effective leadership, financial, human resources, administrative and technological support services and systems to the entire Legislature as well as leading in terms of the strategic management of the administration.

3.1.2. **Strategic Objectives**:

OUTCOME ORIENTATED GOAL 1.1: A modernized administration, which provides professional, ethical, economical, efficient and effective support services to MPLs underpinned by good governance, compliance with laws, regulations and being exemplary to the other arms of state.	
STRATEGIC OUTCOMES GOAL STATEMENT 1.1: **Governance (Leadership) and Administration,** To ensure that the administration of the Legislature is capacitated in order to provide support services to MPLs to optimally execute the institution's constitutional mandate in a modernized, economical, efficient and effective manner. This will be achieved through the advancement of professionalism, ethical conduct across the institution and compliance with relevant laws and regulations governing the sector. The Legislature's systems of operation must be digitally enhanced through the development of knowledge management systems and core business workflow system for better planning and execution, commencing in April 2020. To this end, automated institutional operating procedures must be developed and maintained.	
STRATEGIC OBJECTIVE STATEMENT 1.1.1	To achieve a high level of professionalism in the workforce of the Legislature and ensuring that the support services offered to MPLs by the administration are efficient, effective and economical. This will be achieved through an employer-driven targeted skills development approach towards

	capacity building to fill the skills gaps identified and boost employee morale in order to achieve the strategic goals of the Legislature.
STRATEGIC OBJECTIVE 1.1.2	To provide effective, progressive, innovative support services and systems enhanced through modern advanced technology to both MPLs and the administration of the Legislature.
STRATEGIC OBJECTIVE 1.1.3	To create effective management systems (SCM, PMS) and governance structures that will ensure that the Legislature is accountable through effective leadership, financial and administrative policies. Efficiency in spending and promoting financial responsibility across the legislature are resultant outcomes.

OUTCOME ORIENTATED GOAL TITLE 1.2	Building strong links of co-operative governance to contribute to parliamentary development at local, continental and global level.
STRATEGIC OUTCOMES GOAL STATEMENT 1.2:	To ensure that the Legislature executes its constitutional mandate in collaboration with Chapter 9 and 10 institutions as well as other institutions supporting democracy at the local, continental and global level. The Legislature will work closely with other spheres of government to promote democracy and the rule of law. It will furthermore seek rrepresentation and meaningful participation in international engagements in support of parliamentary efforts against measurable outcomes and impacts that strengthens the attainment of the sector agenda.
STRATEGIC OBJECTIVE 1.2.1 STATEMENT	*International/continental:* Representation and meaningful participation in international engagements in support of Parliamentary efforts against measurable outcomes and impacts that strengthens the attainment of the sector agenda.
STRATEGIC OBJECTIVE 1.2.2 STATEMENT (SMART) (WRITTEN AS OUTPUT)	*Local:* To promote co-operative relations between government in all spheres and traditional authorities and its leadership, including in relation to economic development and land use management, against measurable outcomes and impacts.

ANNUAL PERFORMANCE TARGETS: PROGRAMME 1

PROGRAMME 1: GOVERNANCE (LEADERSHIP) AND ADMINISTRATION						
Indicator No.	Performance Indicator	Actual Performance 2021/2022	Actual Performance against planned target		Variance	Reasons for deviation
			Planned Target 2022/2023	Actual Achievement 2022/2023		
SUB-PROGRAMME: OFFICE OF THE SPEAKER						
P1.1	Quarterly Expenditure reports considered by the Rules Committee.	3 quarterly expenditure reports considered by the Rules Committee	4 quarterly expenditure reports considered by the Rules Committee	4 quarterly expenditure reports considered by the Rules Committee	None	
P1.2	An annual committee schedule developed	1 Annual committee schedule developed	1 Annual committee schedule developed	1 Annual committee schedule developed	None	
P1.3	Quarterly meetings of the Chairpersons Committee to plan and oversee the performance of the Committee.	4 Quarterly meetings of the Chairpersons Committee to plan and oversee the performance of the Committees	4 Quarterly meetings of the Chairpersons Committee to plan and oversee the performance of the Committees	4 Quarterly meetings of the Chairpersons Committee to plan and oversee the performance of the Committees	None	
P1.4	Quarterly Programme Schedules developed.	4 quarterly programme schedules developed	4 quarterly programme schedules developed	4 quarterly programme schedules developed	None	
P1.5	Quarterly performance reports on committees developed by the Office of the Chair-of-chairs	3 quarterly committee performance analysis reports developed	4 quarterly committee performance analysis reports developed by the Office of the Chair-of-chairs	3 quarterly committee performance analysis reports developed by the Office of the Chair-of-chairs	Underperformed with 1 quarterly committee performance analysis reports developed by the Office of the Chair-of-chairs.	The unit was not appropriately staffed for the first two quarters of the financial year, after the most part of the financial year due to the passing away of the Programme Coordinator. The current incumbent

PROGRAMME 1: GOVERNANCE (LEADERSHIP) AND ADMINISTRATION

Indicator No.	Performance Indicator	Actual Performance 2021/2022	Actual Performance against planned target		Variance	Reasons for deviation
			Planned Target 2022/2023	Actual Achievement 2022/2023		
						only commenced with employment on 01 September 2022.
P1.6	Quarterly reports on the implementation of House resolutions developed	2 reports on the implementation of House Resolutions developed	4 Quarterly reports on the implementation of House Resolutions developed	2 Quarterly reports on the implementation of House Resolutions developed	Underperformed with 2 quarterly reports on the implementation of House Resolutions developed	The unit was not appropriately staffed for the first two quarters of the financial year, after the most part of the financial year due to the passing away of the Programme Coordinator. The current incumbent only commenced with employment on 01 September 2022.
P1.7	Number of Resolution Assessment Reports to evaluate responses from executive on aggregate of resolutions open vs closed against total resolutions by each committee.	1 Resolution Assessment Reports on aggregate of resolutions open vs closed against total resolutions by each committee, measure quality & quantity.	2 Resolution Assessment Reports on aggregate of resolutions open vs closed against total resolutions by each committee, measure quality & quantity.	2 Resolution Assessment Reports on aggregate of resolutions open vs closed against total resolutions by each committee, measure quality & quantity.	None	
P1.8	Facilitate Treasury consultation meetings with the MEC for Finance	0 Treasury consultation meetings facilitated.	2 Facilitated treasury consultation meetings with the MEC for Finance	1 Facilitated treasury consultation meetings with the MEC for Finance	Underperformed with 1 facilitated treasury consultation meeting with the MEC for Finance.	The bi-lateral meetings with the MEC on the adjustment appropriations took place late in the financial year. The scheduled bi-lateral

PROOF

PROGRAMME 1: GOVERNANCE (LEADERSHIP) AND ADMINISTRATION

Indicator No.	Performance Indicator	Actual Performance 2021/2022	Actual Performance against planned target		Variance	Reasons for deviation
			Planned Target 2022/2023	Actual Achievement 2022/2023		
						meeting therefore discussed both the adjustment appropriation and the MTEF.
P1.9	Number of Bi-annual reports on the coordination of Legislature events, campaigns, benchmarking and all other protocol activities.	2 consolidated Reports on Protocol activities undertaken	2 Bi-annual reports on the coordination of Legislature events, campaigns, benchmarking and all other protocol activities.	2 Bi-annual reports on the coordination of Legislature events, campaigns, benchmarking and all other protocol activities.	None	
P1.10	Number of Reports on National and Provincial Speakers Forums Resolutions to Rules Committee	0 Reports on National and Provincial Speakers Forums Resolutions to Rules Committee	2 Reports on National and Provincial Speakers Forums Resolutions to Rules Committee	2 Reports on National and Provincial Speakers Forums Resolutions to Rules Committee	None	
P1.11	Number of initiatives/ programmes coordinated on the Speaker's engagements with stakeholders (provincial/ national and international) towards fostering co-operative government.	2 Initiatives / programmes coordinated on the Speaker's engagements with stakeholders (provincial/ national and international) towards fostering co-operative government.	4 Initiatives / programmes coordinated on the Speaker's engagements with stakeholders (provincial/ national and international) towards fostering co-operative government.	3 Initiatives / programmes coordinated on the Speaker's engagements with stakeholders (provincial/ national and international) towards fostering co-operative government.	Underperformed with 1 initiative/ programme coordinated on the Speaker's engagements with stakeholders (provincial/ national and international) towards fostering co-operative government.	There were no activities during the quarter, this is mainly due to the strenuous Legislature Programme during the first quarter.

Indicator No.	Performance Indicator	Actual Performance 2021/2022	Actual Performance against planned target		Variance	Reasons for deviation
			Planned Target 2022/2023	Actual Achievement 2022/2023		
SUB-PROGRAMME: OFFICE OF THE SECRETARY						
P1.12	Number of Institutional policies reviewed and recommended for approval by the Executive Authority.	4 policies reviewed and recommended for approval to the Executive Authority	8 policies reviewed and recommended for approval to the Executive Authority	3 policies reviewed and recommended for approval to the Executive Authority	Underperformed with 5 policies reviewed and recommended for approval to the Executive Authority.	The internal policy consultations with the union and all employees prolonged beyond the anticipated period.
P1.13	Number of Audit Committee meetings held.	2 Audit Committee meetings held.	4 Audit Committee meetings held.	2 Audit Committee meetings held	Underperformed with 2 audit committee meetings held	The term of the past audit committee had ended and the appointment of the new audit committee took longer than anticipated.
P1.14	Number of audits Completed by Internal Audit	8 Audits Completed by Internal Audit	4 audits completed by internal audit	2 audits completed by internal audit	Underperformed with 2 audit completed by internal audit.	The vacancy rate is 100% after the incumbent appointed as Internal Auditor resigned, with last day at work being 23 January 2023. Prior to the resignation the incumbent was on extended sick leave. Two of the three positions as per the institutional organisational structure is vacant and unfunded.
P1.15	Compilation and submission of Annual Performance Plan and Annual Report in line with the legislation.	1 Annual Performance Plan and 1 Annual Report	1 Annual Performance Plan and 1 Annual Report	1 Annual Performance Plan and 1 Annual Report	None	

Indicator No.	Performance Indicator	Actual Performance 2021/2022	Actual Performance against planned target		Variance	Reasons for deviation
			Planned Target 2022/2023	Actual Achievement 2022/2023		
P1.16	Number of risk management reports.	4 risk management reports.	4 risk management reports.	4 risk management reports.	None	
P1.17	Number of quarterly reports to the Speaker in line with the legislation.	4 submissions of QPR to Speaker.	4 performance reports to the Speaker in line with the legislation.	4 performance reports to the Speaker in line with the legislation.	None	
P1.18	Number of Mid-Term Assessment Reports	New indicator	1 Mid-Terms Assessment Report	1 Mid-Terms Assessment Report	None	

Indicator No.	Performance Indicator	Actual Performance 2021/2022	Actual Performance against planned target		Variance	Reasons for deviation
			Planned Target 2022/2023	Actual Achievement 2022/2023		
SUB-PROGRAMME: FINANCIAL MANAGEMENT & ICT						
P1.19	Number of Reviewed Standard Operating Procedures on key functions	1 Reviewed Standard Operating Procedure on key functions (Finance, IT and SCM) submitted.	3 Reviewed Standard Operating Procedure on key functions.	2 Reviewed Standard Operating Procedure on key functions.	Underperformed with 1 reviewed standard operating procedure on key functions	Lack of supervision to ensure that quarterly targets are met.
P1.20	Percentage implementation of the ICT Governance Framework.	100% of the ICT Governance Framework implemented	100% implementation of the ICT Governance Framework	100% implementation of the ICT Governance Framework	None	
P1.21	Number of Reviewed ICT Framework by ICT Steering Committee	2 Reviews of ICT Framework by ICT Steering Committee	2 Reviews of ICT Framework by ICT Steering Committee	2 Reviews of ICT Framework by ICT Steering Committee	None	
P1.22	Number of Reports on the development and implementation of the Audit Action Plan.	4 Reports on the implementation of the Audit Action Plan.	4 Reports on the implementation of the Audit Action Plan.	4 Reports on the implementation of the Audit Action Plan.	None	
P1.23	Number of Quarterly financial reports presented to the Executive Management.	4 Quarterly financial reports presented to the Executive Management.	4 Quarterly financial reports presented to the Executive Management.	4 Quarterly financial reports presented to the Executive Management.	None	
P1.24	Number of a GRAP compliant Asset register submitted.	1 GRAP compliant Asset register submitted.	1 GRAP compliant Asset register submitted.	1 GRAP compliant Asset register submitted.	None	
P1.25	Number of consolidated Demand Management	2 consolidated Demand Management Plans	2 consolidated Demand Management Plans	2 consolidated Demand Management Plans	None	

Indicator No.	Performance Indicator	Actual Performance 2021/2022	Actual Performance against planned target		Variance	Reasons for deviation
			Planned Target 2022/2023	Actual Achievement 2022/2023		
	Plans submitted to the Executive Management	submitted to the Executive Management.	submitted to the Executive Management.	submitted to the Executive Management.		
P1.26	Number of reports on the maintenance and update of the NCPL Suppliers Database	2 reports on the maintenance and update of the NCPL Suppliers Database	1 reports on the maintenance and update of the NCPL Suppliers Database	0 reports on the maintenance and update of the NCPL Suppliers Database	Total deviation	Lack of supervision to ensure that quarterly targets are met.
P1.27	Number of reports on the maintenance and update of the NCPL Contracts Register.	1 report on the maintenance and update of the NCPL Contracts Register.	1 report on the maintenance and update of the NCPL Contracts Register.	0 report on the maintenance and update of the NCPL Contracts Register	Total deviation	Lack of supervision to ensure that quarterly targets are met.

Indicator No.	Performance Indicator	Actual Performance 2021/2022	Actual Performance against planned target		Variance	Reasons for deviation
			Planned Target 2022/2023	Actual Achievement 2022/2023		
SUB-PROGRAMME: CORPORATE SERVICES						
P1.28	Number of Accredited learning and Development Programmes implemented.	2 Accredited learning and Development Programmes implemented.	4 Accredited learning and Development Programmes implemented.	4 Accredited learning and Development Programmes implemented.	None	
P1.29	Number of Administration of Bursary Reports on NCPL Employee Bursaries Scheme.	2 Progress Reports on NCPL Employee Bursaries Scheme.	2 Administration of Bursary Reports on NCPL Employee Bursaries Scheme.	3 Administration of Bursary Reports on NCPL Employee Bursaries Scheme.	Target exceeded with 1 administration of Bursary Reports on NCPL Employee Bursaries Scheme.	1 Bursary report was submitted to highlight the role of the institution in staff development through the provision of tuition assistance (bursaries).
P1.30	Number of Reports on Employee Wellness Programmes held.	2 Employee Wellness Programmes held.	2 Reports on Employee Wellness Programmes held.	3 Reports on Employee Wellness Programmes held.	Target exceeded with 1 report on Employee Wellness Programmes held.	Research studies have shown an increase in mental health matters amongst employees of the Legislature. To this effect the unit has engaged the stakeholders (Employee Wellness Programme) to develop topical talks on mental health in order to create a mental health friendly workplace. This will directly impact positively on staff morale and staff motivation levels, which impacts directly on work

Indicator No.	Performance Indicator	Actual Performance 2021/2022	Actual Performance against planned target		Variance	Reasons for deviation
			Planned Target 2022/2023	Actual Achievement 2022/2023		
						performance and creates a positive work environment and positive culture within the institution.
P1.31	Number of plans and reports on Implementation of the Security Joint Planning Committee (JPC) Resolutions pertaining to the Critical Infrastructure Protection Act (8 of 2019)	New indicator	Submission of 2 Implementation Plans and 1 NKP Evaluation Report.	Submission of Implementation Plans and 1 NKP Evaluation Report.	Underperformed with submission of 1 implementation plan.	Lack of competency to compile proper specifications due to capacity constraints. Prolonged SCM processes due to approved Preferential Procurement Policy not being in place.
P1.32	Number of status reports on the infrastructure and maintenance of the Legislature facilities.	2 NCPL Precinct Maintenance Reports	Submission of 2 quarterly status reports outlining repairs, renovations and maintenance of the facility	Submission of 2 quarterly status reports outlining repairs, renovations and maintenance of the facility	None	
P1.33	Compliance Report on the implementation of the Registry Manual	New indicator	Submission of 4 quarterly reports on the implementation of the Registry Manual	Submission of 3 quarterly reports on the implementation of the Registry Manual	Underperformed with submission of 1 quarterly reports on the implementation of the Registry Manual	Lack of capacity at Registry within quarter 1. An acting appointment (supervisor at registry) was made during the second quarter, which greatly assist with implementation and monitoring in the 2nd quarter, going forward.

Indicator No.	Performance Indicator	Actual Performance 2021/2022	Actual Performance against planned target		Variance	Reasons for deviation
			Planned Target 2022/2023	Actual Achievement 2022/2023		
P1.34	Number of Occupational Health and Safety (OHS) Reports	New indicator	Submission of 2 Occupational Health and Safety (OHS) Reports	Submission of 1 Occupational Health and Safety (OHS) Reports	Underperformed with submission of 1 Occupational Health and Safety (OHS) Reports	Poor performance.
P1.35	Number of Reports on Labor Relations Database on Litigation Cases, Grievances and related matters dealt with.	4 Reports Submitted on Labor Relations Database on Litigation Cases, Grievances and related matters dealt with.	4 Reports on Labor Relations Database on Litigation Cases, Grievances and related matters dealt with.	4 Reports on Labor Relations Database on Litigation Cases, Grievances and related matters dealt with.	None	
P1.35	Number of Employee Empowerment Forums held on Labor Legislations, OHS, Finance, SCM and related matters.	4 Employee Empowerment Forums held on Labor Legislations, OHS, Finance, SCM and related matters held.	4 Employee Empowerment Forums held on Labor Legislations, OHS, Finance, SCM and related matters.	3 Employee Empowerment Forums held on Labor Legislations, OHS, Finance, SCM and related matters.	Underperformed with 1 Employee Empowerment Forums held on Labor Legislations, OHS, Finance, SCM and related matters.	The Employee Empowerment session scheduled for the third quarter was cancelled after an unfortunate accident occurred.
P1.36	Number of Reviewed Standard Operating Procedure on key functions	2 Reviewed Standard Operating Procedure on key functions (leave & Claims, Facilities, Employee Development & Wellness Support Services).	3 Reviewed Standard Operating Procedure on key functions.	4 Reviewed Standard Operating Procedure on key functions.	Target exceeded with 1 Reviewed Standard Operating Procedure on key functions.	In order to achieve efficiency, quality output, and uniformity of performance, while reducing failure to comply with job requirements more reviewed standard operating procedures were produced.

3.1.3. Strategy to overcome areas of under performance

P1.5: Quarterly performance reports on committees developed by the Office of the Chair-of-chairs & P1.6: Quarterly reports on the implementation of House resolutions developed

The capacitation of the Office of the Chair of chairs addressed the underperformance.

P1.8: Facilitate Treasury consultation meetings with the MEC for Finance

The problem has been addressed in the 2023/2024 Annual Performance Plan.

P1.11: Number of initiatives/ programmes coordinated on the Speaker's engagements with stakeholders (provincial/ national and international) towards fostering co-operative government.

The Office of the Speaker developed a quarterly programme schedule for the Speaker's engagements, which addressed the underperformance in the outer quarters of the 2022/2023 financial year.

P1.12 Number of Institutional policies reviewed and recommended for approval by the Executive Authority.

The Office of the Secretary developed and published a Policy Development and Review Process Flow, however the policy consultation process remains a challenge. The Office of the Secretary developed a policy review schedule with clear timelines, which will be communicated to Management and all stakeholders, a progressive approach will be introduced concerning policy consultation.

P1.13 Number of Audit Committee meetings held

The last meeting of the Audit Committee was on 03 August 2022 and subsequently there was a meeting between Speaker, Secretary and Chairperson of the Audit Committee to discuss improvement of support to the Audit Committee. The appointment of the Chairperson of the Audit Committee will be prioritised to ensure that quarterly meetings takes place during 2023/2024 financial year.

P1.14 Number of audits completed by Internal Audit.

Interim solution: The funded position of Internal Auditor was advertised internally. The applicant did not meet the requirements. An advert was placed for a 6 months fixed-term contract appointment. The recruitment and selection process was conducted (shortlisting and interviews) and the panel made the recommendation for the suitable candidate. Appointment will be made immediately after the Human Capital unit concluded the security and qualification vetting of the applicants.

MANCOM Resolution: A feasibility analysis must be conducted to assist MANCOM in providing a permanent solution to the Speaker of the Legislature on whether to completely outsource the function of Internal Audit in the absence of an organisational review to ensure segregation of duties and serious budget constraints pertaining to personnel budget.

P1.19: Number of Reviewed Standard Operating Procedures on key functions

The Executive Manager (CFO) will perform a root cause analyses to identify the root of the problem in order to address the lack of achievement and to ensure that it does not repeat itself.

P1.26: Number of reports on the maintenance and update of the NCPL Suppliers Database

The Executive Manager (CFO) will perform a root cause analyses to identify the root of the problem in order to address the lack of achievement and to ensure that it does not repeat itself.

P1.27: Number of reports on the maintenance and update of the NCPL Contracts Register

The Executive Manager (CFO) will perform a root cause analyses to identify the root of the problem in order to address the lack of achievement and to ensure that it does not repeat itself.

P1.31: Number of plans and reports on Implementation of the Security Joint Planning Committee (JPC) Resolutions pertaining to the Critical Infrastructure Protection Act (8 of 2019)

Corporate Services (Security, Records and Facilities Management Unit) will develop an annual plan outlining the planned activities for the implementation of the Security Joint Planning Committee (JPC) Resolutions pertaining to the Critical Infrastructure Protection Act (8 of 2019) for the 2023/2024 financial year. Monthly meetings will be conducted between the unit and Supply Chain Management Unit to discuss the progress on the procurement and to identify and address any deviations (problems) immediately as it occurs.

P1.33: Compliance Report on the implementation of the Registry Manual

The temporary capacitation through the acting appointment addressed the underperformance in the first quarter. This will be further addressed by the permanent appointment of the Registry Officer during the 2023/2024 financial year.

P1.34: Number of Occupational Health and Safety (OHS) Reports

Consequence management will be implemented for the non-achievement of the performance target. Corporate Services will further develop an annual plan outlining the planned activities of Occupational Health and Safety within the institution for the 2023/2024 financial year.

P1.35: Number of Employee Empowerment Forums held on Labor Legislations, OHS, Finance, SCM and related matters.

Corporate Services (Human Capital unit) will developed an annual plan outlining the planned activities pertaining to Employee Empowerment Forums. Quarterly employee empowerment forums will be scheduled during the first month of the quarter in order to provide for timeous rescheduling during the second or third month of the quarter should any unforeseen circumstances arise.

3.1.4. Linking performance to budget

PROGRAMME 1: Administration	Expenditure YTD	Budget	Available Budget	% Expenditure on
	R'000	R'000	R'000	Budget
Office of the Speaker	12 487	16 955	4 468	74%
Office of the Secretary	8 282	10 287	2 005	81%
Corporate Services	28 594	34 574	5 980	83%
Financial Management	28 368	30 170	1 802	94%
TOTALS	**77 731**	**91 986**	**14 255**	**85%**

PROGRAMME 1: Administration	Expenditure YTD	Budget	Available Budget	% Expenditure on
ECONOMIC CLASSIFICATION	R'000	R'000	R'000	**Budget** (rounded)
Compensation of Employees	54 765	57 353	2 588	95%
Goods and Services	20 377	24 921	4 544	82%
Transfers and Subsidies	836	707	-129	118%
Payment for Capital Assets	1 753	9 005	7 252	19%
TOTALS	**77 731**	**91 986**	**14 255**	**85%**

3.2. PROGRAMME 2: POLITICAL PARTY SUPPORT AND MEMBERS AFFAIRS

3.2.1. **Purpose of the Programme:** To provide financial support to Members of the Provincial Legislature in order to perform their constitutional obligations/mandate.

3.2.2. **Strategic Objective**:

OUTCOME ORIENTATED GOAL TITLE 2	A Legislature that financially and administratively supports members and all political parties represented at the Northern Cape Provincial Legislature in line with the provisions of the Constitution of South Africa 1996 and other applicable legislation.
GOAL STATEMENT 2.1:	Financial and administrative support to political parties to ascertain the achievement of relevant strategic goals related to the mandate of the NCPL.
STRATEGIC OBJECTIVE 2.1.1 TITLE	To provide financial support in terms of political party funding and members facilities to represented political parties.
STRATEGIC OBJECTIVE 2.1.2 STATEMENT	To ensure financial and administrative support to all political parties through the Party Political Funding, Members facilities, and administration of capacity building initiatives and programmes in order to attain the constitutional mandate of the Northern Cape Provincial Legislature.

ANNUAL PERFORMANCE TARGETS: PROGRAMME 2

PROGRAMME 2: POLITICAL PARTY SUPPORT AND MEMBERS AFFAIRS						
Indicator No.	Performance Indicator	Actual Performance 2021/2022	Actual Performance against planned target		Variance	Reasons for deviation
			Planned Target 2022/2023	Actual Achievement 2022/2023		
SUB-PROGRAMME: Political Party Support and Members Affairs						
P2.1	Number of Reviewed Standard Operating Procedure on key functions.	1 Reviewed Standard Operating Procedures on key functions (Members Support Services) submitted.	1 Reviewed Standard Operating Procedures on key functions.	1 Reviewed Standard Operating Procedures on key functions.	None	
P2.2	Number of payments made in line with the law, policy and regulations	16 payments made in line with policy and legislation.	16 payments made in line with policy and legislation.	16 payments made in line with policy and legislation	None	
P2.3	Number of Annual Financial Statement by Political Parties	4 AFS submitted	4 AFS submitted	4 AFS submitted	None	
P2.4	Number of Reports on Coordination of Members Capacity Building Programmes	2 Reports on Coordination of Members Capacity Building Programme	2 Reports on Coordination of Members Capacity Building Programme	2 Reports on Coordination of Members Capacity Building Programme	None	

3.2.3. Strategy to overcome areas of under performance

There were no deviations to the planned targets, good management controls resulted in all targets being achieved.

3.2.4. Linking performance with budget

PROGRAMME 2: Members Facilities	Expenditure YTD	Budget	Available Budget	% Expenditure on
	R'000	R'000	R'000	**Budget** (rounded)
Members Facilities	6 879	7 369	490	**93%**
Party Political Support	66 697	69 102	2 405	**97%**
TOTALS	**73 576**	**76 471**	**2 895**	**96%**

PROGRAMME 2: Members Facilities	Expenditure YTD	Budget	Available Budget	% Expenditure on
ECONOMIC CLASSIFICATION	R'000	R'000	R'000	**Budget** (rounded)
Compensation of Employees	13 675	13 026	-649	**105%**
Goods and Services	6 879	7 369	490	**93%**
Transfers and Subsidies	53 022	56 076	3 054	**95%**
TOTALS	**73 576**	**76 471**	**2 895**	**96%**

3.3 PROGRAMME 3: PARLIAMENTARY BUSINESS

3.3.1 **Purpose:** To provide the House, Committees and Members with Procedural, Research, Information and Hansard Services in the execution of their Constitutional mandate as well as other functions delegated by the House.

3.3.2 **Strategic Objectives**:

• **OVERSIGHT**	
OUTCOME ORIENTATED GOAL 3.1 TITLE	Strengthened oversight and accountability
GOAL STATEMENT 3.1:	Measurably effective oversight, against international efficacy indicators, that secures accountability in a way that attains NDP, GDS, SDG, PGDP, High level panel report and Agenda 2063 outcomes and impacts, nationally and in the Northern Cape.
STRATEGIC OBJECTIVE 3.1.1 TITLE	Effective oversight that secures accountability for service delivery.
STRATEGIC OBJECTIVE STATEMENT	Effective, efficient and impactful oversight that meets the NCPL Oversight Model and SOM requirements across the budget cycle and in accordance with the Public Service Oversight Model (PSOM) and that would measurably have secured effective executive accountability and the resultant attainment of the NDP, GDS, SDG, High level panel report, PGDP and Agenda 2063 outcomes and impacts.

• **PUBLIC PARTICIPATION**	
OUTCOME ORIENTATED GOAL 3.2 TITLE	Meaningful involvement of the public in the work of the Legislature.
GOAL STATEMENT 3.2:	Meaningful and impactful involvement of communities, civil society and stakeholders in the decision-making of the NCPL that reflects the highest tiers of international and sector benchmarks.
STRATEGIC OBJECTIVE 3.2.1. TITLE	Targeted, enhanced, meaningful and impactful involvement and empowerment of the public.
STRATEGIC OBJECTIVE 3.2.1 STATEMENT	Enhanced involvement and empowerment (social, educational, psychological, political and economical) by the public and stakeholders in the decision-making of the legislature in respect of oversight across the budget cycle, and in law making that is verifiable against international and sector best practice (www.iap2.org spectrum).

• **LAW-MAKING**	
OUTCOME ORIENTATED GOAL 3.3 TITLE	Laws that are processed and passed to drive the agenda of the developmental state.
GOAL STATEMENT 3.3:	Impactful laws that are drafted, implemented, amended and assessed to have driven the agenda of the developmental state.
STRATEGIC OBJECTIVE 3.3.1 TITLE	Draft, implement, amend and assess laws.
STRATEGIC OBJECTIVE 3.3.1 STATEMENT	Compliance to all legal process before passing of legislation.
STRATEGIC OBJECTIVE 3.3.2 STATEMENT	Develop process for Legislature's scrutiny of subordinate legislation.

ANNUAL TARGETS: PROGRAMME THREE

PROGRAMME 3: CORE BUSINESS: OVERSIGHT, PUBLIC PARTICIPATION AND LAW-MAKING						
Indicator No.	Performance Indicator	Actual Performance 2021/2022	Actual Performance Target Against Planned Target		Variance	Reasons for deviation
			Planned Target 2022/2023	Actual Achievement 2022/2023		
SUB PROGRAMME: OVERSIGHT – IMPLEMENTATION OF SOM						
P3.1.1	Number of Reviewed Standard Operating Procedure on key functions	1 Reviewed Standard Operating Procedures on key functions	2 Reviewed Standard Operating Procedures on key functions (1 for Committees and 1 for Research Services)	2 Reviewed Standard Operating Procedures on key functions (1 for Committees and 1 for Research Services)	None	
P3.1.2	1 Oversight Report per Committee (incl. Entities where relevant) per Budget Vote and tabled for adoption by the House.	12 oversight reports on the APP/ Budget (Indicator)	12 oversight reports on the APP/ Budget.	12 oversight reports on the APP/ Budget	None	
P3.1.3	Number of draft SOM contracts developed and presented to relevant Committees.	16 draft SOM contracts developed and presented to the relevant Committees.	12 SOM contracts presented to the committee and signed between Legislature and Executive.	12 SOM contracts presented to the committee, but only 11 signed between the Legislature and Executive.	Underperformed with 1 SOM contracts not being signed between the Legislature and Executive.	1 SOM contract not signed.
P3.1.4	Number of Quarterly Reports produced by all oversight Committees on all votes on QPR submitted.	24 Quarterly Reports produced by all oversight Committees on all Votes on QPR submitted to NCPL.	24 Quarterly Reports produced by all oversight Committees on all votes on QPR submitted to NCPL.	21 Quarterly Reports produced by all oversight Committees on all votes on QPR submitted to NCPL.	Underperformed with 3 Quarterly Reports produced by all oversight Committees on all votes on QPR submitted to NCPL.	During the presentation of the QPR by the Executives to the oversight Committees, the MECs for Vote 3 and 5 submitted apologies, stating that they will be part of a presidential visit in the Pixley-Ka-Seme district on 21

PROGRAMME 3: CORE BUSINESS: OVERSIGHT, PUBLIC PARTICIPATION AND LAW-MAKING						
Indicator No.	Performance Indicator	Actual Performance 2021/2022	Actual Performance Target Against Planned Target		Variance	Reasons for deviation
			Planned Target 2022/2023	Actual Achievement 2022/2023		
						March 2023, followed by an EXCO outreach programme on 22 and 23 March 2023. Vote 11 presentation meeting was initiated, but due to technical difficulties could not continue and the meeting was cancelled.
P3.1.5	Number of FIS Reports produced by Committee and tabled for adoption by the House	0 FIS report produced by Committee and adopted by the House.	1 FIS report produced by Committee and adopted by the House.	0 FIS reports produced by Committee and adopted by the House.	Total deviation	The PC on Agriculture, Land Reform, Rural Development, Environment and Nature Conservation visited the Ritchie Wastewater and Sewer plant during the third quarter. The PC intended to have an additional follow-up visit during the fourth quarter, however such did not take place. The preliminary draft report re. the initial visit could not be completed in order for the PC to consider the draft report and table the report for adoption in the House.
P3.1.6	Number of oversights visit reports produced per Committee following the oversight visit(s) and tabled for adoption by the House.	1 oversight report produced per Committee following the oversight visit(s).	2 Oversights Reports following the oversight visit(s).	1 Oversight report following the oversight visit.	Underperformed with 1 Oversight report following the oversight visit.	Due to time constraints the oversight visit could not take place.

PROGRAMME 3: CORE BUSINESS: OVERSIGHT, PUBLIC PARTICIPATION AND LAW-MAKING

Indicator No.	Performance Indicator	Actual Performance 2021/2022	Actual Performance Target Against Planned Target		Variance	Reasons for deviation
			Planned Target 2022/2023	Actual Achievement 2022/2023		
P3.1.7	Number of Committee Oversight Reports per Committee per Dept. (incl. Entities, where relevant) on the APR submitted to NCPL.	11 Committee Oversight Reports per Committee per Dept. (incl. Entities, where relevant) on APR submitted to NCPL.	12 Committee Oversight Reports per Committee per Dept. (incl. Entities, where relevant) on the APR submitted to NCPL.	12 Committee Oversight Reports per Committee per Dept. (incl. Entities, where relevant) on the APR submitted to NCPL.	None	
P3.1.8	Number of committee reports indicating that the relevant Portfolio Committee considered the annual section 47 report tabled and presented by the responsible MEC.	1 Committee report of the PC on COGSHTA that considered the annual section 47 report tabled and presented by the MEC tabled to the House within 7 days after being adopted by the Portfolio Committee.	1 Committee report of the PC on COGSHTA that considered the annual section 47 report tabled and presented by the MEC tabled to the House within 7 days after being adopted by the Portfolio Committee.	2 Committee reports of the PC on COGSHTA that considered the annual section 47 report tabled and presented by the MEC tabled to the House within 7 days after being adopted by the Portfolio Committee.	Target exceeded with 1 Committee report of the PC on COGSHTA that considered the annual section 47 report tabled and presented by the MEC tabled to the House within 7 days after being adopted by the Portfolio Committee.	COGSHTA (Department) submitted the 2019/2020 Sec 47 report at the end of the 4th quarter of the 2021/2022 financial year, after the Legislature's business was concluded. The PC on COGSHTA scheduled the presentation meeting for the first quarter of the 2022/2023 financial year to deal with the sec 47 report.
P3.1.9	Number of SCOPA meetings that considered specific AG reports and matters identified by the Committee as recorded.	20 SCOPA meetings held	18 SCOPA meetings held.	21 SCOPA meetings held	Target exceeded with 3 SCOPA meetings held.	The role of SCOPA is to exercise oversight over Provincial and Local Government, on behalf of the Northern Cape Provincial Legislature, to ensure accountable utilization of resources and prudent financial management and to make recommendations to the Legislature. This role is

PROGRAMME 3: CORE BUSINESS: OVERSIGHT, PUBLIC PARTICIPATION AND LAW-MAKING						
Indicator No.	Performance Indicator	Actual Performance 2021/2022	Actual Performance Target Against Planned Target		Variance	Reasons for deviation
			Planned Target 2022/2023	Actual Achievement 2022/2023		
						complemented by the Auditor-General, whose mandate is to conduct audits of National and Provincial state departments, Local Government and other public sector bodies, and to submit reports to the Legislature, as per the requirements of the Public Audit Act, 2004 (Act No. 25 of 2004) and the Constitution of RSA. More engagements were held in order to effectively execute this role.
P3.1.10	Number of Standing Committee on Rules meetings that considered sub-committees minutes as well as matters presented to the Committee	5 Standing Committee on Ruled meetings held.	4 Standing Committee on Rules meetings held.	4 Standing Committee on Rules meetings held.	None	
P3.1.11	Number of Programme Technical Committee meetings held to prepare for the Programme Committee of the NCPL.	12 Programme Technical meeting held to prepare for the Programme Committee of the NCPL.	20 Programme Technical Committee meeting held to prepare for the Programme Committee of the NCPL.	14 Programme Technical Committee meeting held to prepare for the Programme Committee of the NCPL.	Underperformed with 6 Programme Technical Committee meeting held to prepare for the Programme Committee of the NCPL.	The need for Programme Technical Committee meetings were in the mean necessitated by the scheduling of the SC on Programme meetings. In between final legislature programmes the previous programmes were mainly amended through issuing a notice of amendment of the legislature programme.

PROGRAMME 3: CORE BUSINESS: OVERSIGHT, PUBLIC PARTICIPATION AND LAW-MAKING

Indicator No.	Performance Indicator	Actual Performance 2021/2022	Actual Performance Target Against Planned Target		Variance	Reasons for deviation
			Planned Target 2022/2023	Actual Achievement 2022/2023		
P3.1.12	Number of Standing Committee on Constitutional Affairs, Petitions and Public Participation meetings that considered the quarterly petitions report.	3 Standing Committee on Constitutional Affairs, Petitions and Public Participation meetings.	4 Standing Committee on Constitutional Affairs, Petitions and Public Participation meetings.	3 Standing Committee on Constitutional Affairs, Petitions and Public Participation meetings.	Underperformed with 1 Standing Committee on Constitutional Affairs, Petitions and Public Participation meetings that considered the quarterly petitions report	The Chairperson for the SC on Constitutional Affairs, Petitions and Public Participation, Hon Dichaba resigned at the end of 2nd quarter of the 2022/2023 financial year. A new chairperson has not yet been appointed. No meetings for this committee therefore took place during quarter 3 hence no report was developed and tabled in the House.
P3.1.13	Number of reports produced after meetings held outside the Legislature (report depends on nature of meeting).	3 Committee meetings facilitated outside the legislature Precinct, where practicable, in two of the 5 districts	5 Committee meetings facilitated outside the Legislature precinct, where practicable, in three of the 5 districts.	8 Committee meetings facilitated outside the Legislature precinct, where practicable, in three of the 5 districts where 10 reports were produced.	Target exceeded with 5 reports produced after meetings held outside the Legislature.	More external committee meetings were held to create awareness and educate the citizens on the business of the Legislature.
P3.1.14	Percentage of House Resolutions communicated to executive and the Legislature within 7 days after being tabled and adopted at a House Sitting.	91% of House Resolutions communicated to executive and the Legislature within 7 after the House Sitting	100% of House Resolutions communicated to Executive and the Legislature within 7 days after the House Sitting	98% of House Resolutions communicated to Executive and the Legislature within 7 days after the House Sitting	Underperformed with 2% of House Resolutions communicated to Executive and the Legislature within 7 days after the House Sitting	The Committee Coordinators responsible for Vote 10 and Vote 12 failed to communicate the resolutions timeously to the Executive. The Manager: Committees instituted disciplinary action against the employees and no

PROGRAMME 3: CORE BUSINESS: OVERSIGHT, PUBLIC PARTICIPATION AND LAW-MAKING

Indicator No.	Performance Indicator	Actual Performance 2021/2022	Actual Performance Target Against Planned Target		Variance	Reasons for deviation
			Planned Target 2022/2023	Actual Achievement 2022/2023		
						underperformed occurred subsequently.
P3.1.15	Number of Research Reports (Analyses) produced and submitted to immediate line manager.	52 of Research Reports (Analyses) produced and submitted to immediate line manager.	60 Research Reports (Analyses) produced and submitted to immediate line manager.	58 Research Reports (Analyses) produced and submitted to immediate line manager.	Underperformed with 2 Research Reports (analyses) produced and submitted to the immediate line manager.	The Researcher responsible for the analyses of Vote 3 and 5 was newly transferred to the Research Unit. He was indicted on the operations of the Research unit, but after the first quarter APP/Budget analyses were done it was evidence that the researcher failed to understand the process on compliance. The Acting Manager: Research & Information Services took the researchers step-by-step through the SOP.
P3.1.16	Percentage of Research Reports (Analyses) made available 2 days prior to the meeting as scheduled.	94% of research Report (Analyses) made available 2 days prior to the meeting.	100% Research Reports (Analyses) made available 2 days prior to the committee meeting as scheduled.	97% Research Report (Analyses) made available 2 days prior to the meeting.	Underperformed with 3% Research Reports (Analyses) made available 2 days prior to the meeting.	The Researcher responsible for the analyses of Vote 3 and 5 was newly transferred to the Research Unit. He was indicted on the operations of the Research unit, but after the first quarter APP/Budget analyses were done it was evidence that the researcher failed to understand the process on compliance. The Acting Manager: Research &

PROGRAMME 3: CORE BUSINESS: OVERSIGHT, PUBLIC PARTICIPATION AND LAW-MAKING

Indicator No.	Performance Indicator	Actual Performance 2021/2022	Actual Performance Target Against Planned Target		Variance	Reasons for deviation
			Planned Target 2022/2023	Actual Achievement 2022/2023		
						Information Services took the researchers step-by-step through the SOP.
P3.1.17	Percentage of information requests processed	100% of information requests processed	100% of information requests processed.	100% of information requests processed.	None	

PROGRAMME 3: CORE BUSINESS: OVERSIGHT, PUBLIC PARTICIPATION AND LAW-MAKING

Indicator No.	Performance Indicator	Actual Performance 2021/2022	Actual Performance Target Against Planned Target		Variance	Reasons for deviation
			Planned Target 2022/2023	Actual Achievement 2022/2023		
SUB-PROGRAMME: PUBLIC PARTICIPATION						
P3.2.1	Number of Reviewed Standard Operating Procedure on key functions	1 Reviewed Standard Operating Procedures on key function (Petitions Systems).	2 Reviewed Standard Operating Procedures on key function (Petitions System)	2 Reviewed Standard Operating Procedures on key function (Petitions System)	None	
P3.2.2	Number of adopted customised framework on public participation.	0 Customised PP Framework	1 Customised PP Framework	0 Customised PP Framework	Total deviation	The Service Provider was only appointed in January 2023 through EU funding. The consultants is currently busy finalising the draft customised framework on public participation and will submit the final draft in the first quarter of the 2023/2024 financial year.
P3.2.3	Number of customised sector communication framework developed.	0 Customised sector communication framework	1 Customised sector communication framework.	1 Customised sector communication framework	None	
P3.2.4	Number of reports prepared by the Public Participation section that indicates evidence of all public submissions to the NCPL.	4 reports that show evidence of public submissions made to the NCPL.	4 reports that show evidence of public submissions made to the NCPL.	4 reports that show evidence of public submissions made to the NCPL.	None	
P3.2.5	Number of public education programmes held in all the districts.	59 public education programmes held	60 Public Education programmes held	36 Public Education programmes held	Underperformed with 14 Public Education programmes held	Evidence not meeting the requirements of the technical indicator descriptor.
P3.2.6	Number of public educational tours to the NCPL building	0 public educational tours to the NCPL building	2 public educational tours to the NCPL building	11 public educational tours to the NCPL building	Target exceeded with 9 public educational tours to the NCPL.	There were more interest in tours to the NCPL building.

PROGRAMME 3: CORE BUSINESS: OVERSIGHT, PUBLIC PARTICIPATION AND LAW-MAKING

Indicator No.	Performance Indicator	Actual Performance 2021/2022	Actual Performance Target Against Planned Target		Variance	Reasons for deviation
			Planned Target 2022/2023	Actual Achievement 2022/2023		
P3.2.7	Number of Communications and educational Products produced in line with the communication framework.	34 communication products	20 communication products.	31 communication products.	Target exceeded with 11 communication products	More communication products were produced in order to create greater awareness and educate the citizens on the business of the Legislature.
P3.2.8	Number of reports submitted on the Progress of all Petitions submitted to NCPL.	4 reports submitted to Standing Committee on Constitutional Affairs, Public Participation and Petitions.	4 reports submitted on the Progress of all Petitions submitted to NCPL.	3 reports submitted on the Progress of all Petitions submitted to the NCPL	Underperformed with 1 report submitted on the Progress of all Petitions submitted to the NCPL	Progress on petitions not incorporated in the report.

PROGRAMME 3: CORE BUSINESS: OVERSIGHT, PUBLIC PARTICIPATION AND LAW-MAKING

Indicator No.	Performance Indicator	Actual Performance 2021/2022	Actual Performance Target Against Planned Target		Variance	Reasons for deviation
			Planned Target 2022/2023	Actual Achievement 2022/2023		
SUB PROGRAMME: LAW MAKING AND HOUSE BUSINESS						
SUB-SUB-PROGRAMME: LEGAL SERVICES						
P3.3.1	Number of Reviewed Standard Operating Procedures on key functions	1 Reviewed Standard Operating Procedures on key functions	2 Reviewed Standard Operating Procedures on key functions.	2 Reviewed Standard Operating Procedures on key functions.	None	
P3.3.2	Number of legislation summaries produced	8 legislation summaries produced	8 legislation summaries produced	8 legislation summaries produced	None	
P3.3.3	Percentage of legal advice and opinions provided within 14 working days.	100% legal advice and opinions provided within 14 working days.	100% of legal advice and opinions provided within 14 working days.	100% of legal advice and opinions provided within 14 working days.	None	
P3.3.4	Number of reports on audits and assessment of subordinate legislation: Phase 1-4	4 reports on audits and assessment of subordinate legislation: Phase 1-4.	4 reports on audits and assessment of subordinate legislation: Phase 1-4	4 reports on audits and assessment of subordinate legislation: Phase 1-4	None	
P3.3.5	Percentage of provincial laws processed and passed in the house.	100% of Provincial laws processed and passes in the house.	100% of Provincial laws processed and passed in the house.	100% of Provincial laws processed and passed in the house.	None	
SUB-SUB-PROGRAMME: NCOP & PROCEEDINGS						
P3.3.6	Number of house sittings held outside the Legislature precinct (Legislature Complex).	2 house sittings held outside the Legislature precinct (Legislature Complex).	3 house sittings held outside the Legislature precinct (Legislature Complex).	5 house sittings held outside the Legislature precinct (Legislature Complex).	Target exceeded with 2 house sittings held outside the Legislature Precinct.	Given the need to make the Legislature more visible and in order to advance the strategic objective of taking the legislature to the people, the Legislature was taken to the four districts outside the seat of the Legislature.

PROGRAMME 3: CORE BUSINESS: OVERSIGHT, PUBLIC PARTICIPATION AND LAW-MAKING

Indicator No.	Performance Indicator	Actual Performance 2021/2022	Actual Performance Target Against Planned Target		Variance	Reasons for deviation
			Planned Target 2022/2023	Actual Achievement 2022/2023		
SUB PROGRAMME: LAW MAKING AND HOUSE BUSINESS						
P3.3.7	Percentage of mandates submitted on national legislation (sec 76) NCOP.	100% of mandates submitted on national legislation (sec 76) NCOP.	100% of mandates submitted on national legislation (sec 76) NCOP.	100% of mandates submitted on national legislation (sec 76) NCOP.	None	
P3.3.8	Number of House Sitting held where opportunities to pose questions to the Premier and Executive by MPLs is created	A minimum of 3 opportunities are created to pose questions to the Executive.	A minimum of 6 opportunities are created to pose questions to the Executive.	A minimum of 7 opportunities are created to pose questions to the Executive.	Target exceeded with 1 opportunity created to pose questions to the Executive	In an attempt to hold the Premier and Executives accountable through question more opportunities had to be created. This is also mainly due to the unavailability of the Premier and Executives during House Sittings.
SUB-SUB-PROGRAMME: HANSARD SERVICES						
P3.3.9	Percentage of electronic transcripts of House debates available within 5 working days after the House Debate.	79% of electronic transcripts of House Sittings available within 5 working days after the House Debate.	90% of electronic transcripts of House Sittings available within 5 working days after the House Debate.	76% of electronic transcripts of House Sittings available within 5 working days after the House Debate	Underperformed with 14% of electronic transcripts of House Sittings available within 5 working days after the House Debate	House Sittings were long, and externally held on successive days in June and transcription jobs could not be distributed timeously due to travelling with the recording device back to the Legislature.
P3.3.10	Number of multilingual documents produced timeously.	0 multilingual documents produced.	20 multilingual documents produced.	16 multilingual documents produced.	Underperformed with 4 multilingual documents produced.	During the first quarter only one request was received for the translation of a document into a multilingual document.

3.3.3 Strategy to overcome areas of under performance

SUB-PROGRAMME: OVERSIGHT – IMPLEMENTATION OF SOM

P3.1.3 : Number of draft SOM contracts developed and presented to relevant Committees.

The following process will be implemented to ensure that all SOM contract developed and presented to relevant Committees (Portfolio and Standing) are signed between the Legislature and Executive:

A standard operating procedure will be developed that states the following:

Internal Procedure

- Committee Coordinator presents the draft contract to the committee during the internal briefing
- Members make input to the 1st Draft at the internal briefing meeting
- The 2nd Draft contract gets presented to the department at the presentation (of the APP) meeting to enable the department to respond to the content of the draft contract resulting in a 3rd draft
- The 3rd draft contract is presented to MPLs during the consideration meeting and it is finalized. The chair signs off final contract at the consideration meeting or shortly thereafter.
- The contract signed off by the chair is tabled in the house together with the Committee Reports.
- The final contract with the committee resolutions is communicated to the Departments (by the committee coordinator) within 7 days of the house sitting.
- The department is provided with 10 working days in which to sign off and return the contract.
- Failure to submit the signed off contract, the committee coordinators must follow up within 14 days after tabling and every 7 days thereafter, until 30 days have passed.
- After 30 days the signed contracts received are ATC for everyone to see who returned the contract and who did not.

P3.1.4 : Number of Quarterly Reports produced by all oversight Committees on all votes on QPR submitted.

The Chair of Chairpersons must issue a directive on the active participation in committee meetings by Members of the Executive Council when required to report to the Legislature in terms of section 115 (b) of the Constitution of the Republic of South Africa.

P3.1.5 : Number of FIS Reports produced by Committee and tabled for adoption by the House & P3.1.6 : Number of oversights visit reports produced per Committee following the oversight visit(s) and tabled for adoption by the House.

The committee coordinator together Programme Technical Committee will emphasise on a continuous basis the importance of achieving the set performance targets within the correct period. This will also find reflection in the committee plans. The Manager: Committees must ensure the proactive development of FIS and oversight reports for tabling and adoption in House.

P3.1.11: Number of Programme Technical Committee meetings held to prepare for the Programme Committee of the NCPL.

This indicator has been reallocated to the Office of the Deputy Speaker, who is also the Chairperson of the Standing Committee on Programme for the 2023/2024 financial year to ensure better control over the key performance indicator.

P3.1.12: Number of Standing Committee on Constitutional Affairs, Petitions and Public Participation meetings that considered the quarterly petitions report.

The Chairperson of Committees is currently serving as the interim Chairperson for the SC.

P3.1.15: Number of Research Reports (Analyses) produced and submitted to immediate line manager. & P3.1.16: Percentage of Research Reports (Analyses) made available 2 days prior to the meeting as scheduled.

The Research and Information Services Unit reviewed the standard operating procedure (SOP) for the research analyses. It is evident that the new SOP proved effective as no underperformance occurred for the remainder of the financial year. Consequence management will be implemented for any deviation that might occur.

SUB-PROGRAMME: PUBLIC PARTICIPATION

P3.2.2: Number of adopted customised framework on public participation.

The final draft customised framework on public participation will be submitted by the consultants during the first quarter of the 2023/2024 financial year. The customised framework will be circulated to stakeholders for input and consultation, where after it will be adopted and subsequently implemented.

P3.2.5: Number of public education programmes held in all the districts.

The unit will designed standard templates for this indicator and all Regional Liaison Officer will be workshopped to ensure that the evidence submitted meets the requirements of the technical indicator descriptor.

P3.2.8: Number of reports submitted on the Progress of all Petitions submitted to NCPL.

The Manager: Public Education and Communication will ensure that progress of petitions are updated regularly after each petitions hearing conducted by the SC on Constitutional Affairs, Petitions and Public Participation.

SUB-SUB-PROGRAMME: HANSARD

P3.3.9: Percentage of electronic transcripts of House debates available within 5 working days after the House Debate.

The Programme Technical Committee will sensitise the Standing Committee on Programme at the Programme level with regards to the impact the scheduling of House Sittings have on the achievement of this objective.

P3.3.10: Percentage of Production of multilingual documents.

This indicator is dependent on the request made by other units for e.g. Legal Services (legal summaries), Public Education and Communication (bills).

3.3.4 Linking performance with budget

PROGRAMME 3: Parliamentary Services	Expenditure YTD	Budget	Available Budget	% Expenditure on Budget
	R'000	R'000	R'000	
Law Making & House Business	15 863	18 830	2 967	84%
Public Participation & Oversight	37 653	39 894	2 241	94%
TOTALS	**53 516**	**58 724**	**5 208**	**91%**

PROGRAMME 2: Members Facilities	Expenditure YTD	Budget	Available Budget	% Expenditure on Budget (rounded)
ECONOMIC CLASSIFICATION	R'000	R'000	R'000	
Compensation of Employees	41 000	44 012	3 012	93%
Goods and Services	12 273	12 811	538	96%
Payment for Capital Assets	243	1 901	1 658	13%
TOTALS	**53 516**	**58 724**	**5 208**	**91%**

3.3. Institutional Performance Overview per Programme and Sub-Programme

PROGRAMME	SUB-PROGRAMME	TOTAL INDICATORS SET FOR THE YEAR	TOTAL NUMBER OF INDICATORS PARTIALLY ACHIEVED FOR THE YEAR	TOTAL NUMBER OF INDICATORS ACHIEVED FOR THE YEAR	% ACHIEVED FOR THE YEAR
PROGRAMME ONE	Office of the Speaker	11	4	7	64%
	Office of the Secretary	7	3	4	57%
	Financial Management and ICT	9	1	6	67%
	Corporate Services	10	4	6	60%
TOTAL FOR THE PROGRAMME		**37**	**12**	**23**	**62%**
PROGRAMME TWO	MPL and Party Support	4	-	4	100%
TOTAL FOR THE PROGRAMME		**4**	**-**	**4**	**100%**
PROGRAMME THREE	Oversight	17	8	8	47%
	Public Participation	8	2	5	63%
	Law Making and House Business	10	2	8	80%
TOTAL FOR THE PROGRAMME		**35**	**12**	**21**	**60%**
OVERALL INSTITUTIONAL PERFORMANCE TARGETS AND ACHIEVEMENT FOR THE 2022/2023 FY					**63%**

Notes to consider on the performance analysis of the institutional targets:

- Targets that are partially achieved are not factored-in due even though they carry budget implications.
- **Simple Formula applied:**

  Targets set: targets achieved- targets not achieved = actual performance
- It must be noted that the targets exceeded are left outside the formula even though they ultimately have a retrospective implication on the institutional budget and annual performance projection.

Conclusion

Discounting the partial achievement of targets that are not factored-in, the actual overall performance is based on the simple count of the institutional targets that are achieved and those that are not achieved. The formula applied does not place much emphasis on the targets that are exceeded during the quarter or the improvement of the previous quarter's performance. On this note it suffice to conclude that the actual performance of the institution on average is **63%** for the 2022/2023 financial year in terms of the performance targets as set in the 2022/2023 Annual Performance Plan.

PART C: CORPORATE GOVERNANCE

1. INTRODUCTION

In this chapter, the Northern Cape Provincial Legislature provides a brief overview of the mechanism in place which are aimed at fostering good governance at the institution.

2. RISK MANAGEMENT

The Financial Management of Parliament and Provincial Legislature Act, Act 10 of 2009 (FMPPLA), in terms of Section 7(c) provides a basis for a function of risk management at the Legislature. The Accounting Officer (Secretary to the Legislature) is expected to ensure that the institution has and maintains effective, efficient and transparent systems of financial management, risk management and internal control and Internal Audit. In 2016 with approval of the new organizational structure, the Risk Management Unit resides in the office of the Accounting Officer. As per the organisational structure, the Unit comprises of Manager and a Risk Specialist.

3. CONFLICT OF INTEREST

In line with the best practices and the policy provisions of the Legislature, all employees are compelled to make declaration of interest on an annual basis. The Office of the Secretary facilitates these declarations of interest made and maintain the records of the entire institution. The declaration of interest by individual NCPL employees is made in accordance with the Declaration of Interest Policy. The objective of the Declaration of Interest Policy is to minimise any potential conflict of interest that may arise.

Conflict of interest for Members of the Legislature is regulated by the Code of Ethics for Members. The Code provides a framework of ethical standards that must be upheld by Members. The Committee on Ethics and Conduct is supported administratively by the Registrar for Members Interest to ensure implementation and adherence to the code. The Registrar for Members Interest annually compiles and maintains a Register of Members Interest as required by the Code

4. CODE OF CONDUCT

The Northern Cape Provincial Legislature adheres to the Northern Cape Provincial Legislature Service Act, Act no 2 of 2011, the Conditions of Employment of the Northern Cape Provincial Legislature and the Disciplinary Policy and Procedures of the Northern Cape Provincial Legislature in addressing matters of Conduct and Ethics.

5. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The effective management and implementation of health and safety fosters a culture of trust to protect both employees and the NCPL community at large. The Health and Safety Committee was established and OHS members attended accredited Occupational Health and Safety training during 11 – 14 July 2022.

In order to comply with section 7 of the Occupational Health and Safety Act, the NCPL drafted the Occupational Health and Safety policy, which must still be subjected to consultation and recommendation for approval by the Executive Authority.

The Legislature ensures the servicing of the firefighting equipment to handle an unlikely event of a fire at the facility. External stakeholders form part of an integrated plan to deal with similar eventuality, in line with the Standard Operating Procedure.

6. OVERSIGHT COMMITTEES

The Legislature Committee system is one of the many oversight mechanisms used to oversee the work of the Provincial Executive. The NCPL has designated Six Portfolio Committees and One Standing Committee to function in accordance with the NCPL Oversight Model, Annual Committee Cycle and the Chairpersons Framework. In a spirit of demonstrating full accountability, the management of the Legislature continually appeared before different oversight committees. This included the Standing Committee on Premier and Legislature, Standing Committees on Public Accounts, Standing Committee on Rules and its sub-committees as well as the audit committee.

7. SCOPA RESOLUTIONS

<table>
<tr><th>Resolution No.</th><th>Resolution</th><th>Response by the NCPL</th><th>Implemented (Yes/No/ Partially)</th></tr>
<tr>
<td>1.</td>
<td>Committee observations
Material misstatements in the annual financial statements which were subsequently amended with an impact on all findings have resulted in material non-compliance.
The Committee recommends that the Accounting Officer of the Legislature must:
Improving the quality of its Annual Financial Statements by ensuring that its financial statements are subjected to three levels of review before submission for auditing purposes. As such, submission within 30 days is required of an implementation plan on a framework for the compilation of financial statements that details Capacity, Frequency, Timing, Methodology and Assurance.</td>
<td>The attached report provides a high-level overview of the actions put in place to implement the resolution of SCOPA. It has been prepared to comply with Legislative deadline of 31 May 2023 for submission of AFS. Methodology to be applied – Generally Recognized Accounting Practice (GRAP).
<table>
<tr><th colspan="5">High Level AFS Preparation Plan</th></tr>
<tr><td>Level</td><td>Action</td><td>Detail</td><td>Responsible</td><td>Due Date</td></tr>
<tr><td>Operational level preparation</td><td>Compile AFS</td><td>Compile AFS, Trail balance (TB) and working paper files</td><td>Financial Accountant</td><td>12-May-23</td></tr>
<tr><td>Managerial Level</td><td>Internal Review Level 1</td><td>Detail technical review to TB and all working papers and analytical review</td><td>Finance Manager</td><td>16-May-23</td></tr>
<tr><td>Executive Level review</td><td>Internal Review Level 2</td><td>High level technical review to TB and selected working papers & GRAP compliance review</td><td>Chief Financial Officer</td><td>18-May-23</td></tr>
<tr><td>Accounting Officer Level</td><td>Internal Review Level 3</td><td>Very high level overview review</td><td>Secretary</td><td>20-May-23</td></tr>
<tr><td>Assurance Level</td><td>Internal Audit review Assignment</td><td>Full Scope AFS assignment - To provide TB and working</td><td>Internal Audit</td><td>24-May-23</td></tr>
<tr><td>Assurance Level</td><td>Audit Committee Review</td><td>Audit Committee Review</td><td>Audit Committee</td><td>27-May-23</td></tr>
<tr><td>Submit to AG for Audit</td><td></td><td></td><td></td><td>31-May-23</td></tr>
</table>
</td>
<td>Yes</td>
</tr>
</table>

<table>
<tr><td>2.</td><td>Committee observations
Proper internal controls not implemented to ensure all payments are made within 30 days which resulted in Fruitless and wasteful expenditure.
The Committee recommends that the Accounting Officer of the Legislature must:
A Payment Tracking report must be submitted on a monthly basis that tracks payment periods to ensure all payments are made within 30 days.</td><td>The Legislature to procure and implement an electronic invoice tracking system in the 2023/2024 financial year.
Manual registers to be completed from January 2023.

During November 2022 3X presentations was held with one service provider of electronic systems.
SCM process to be engaged to bring wider net of service providers on board.

For the month of March 2023<table><tr><td>Total Number of payments made</td><td>135</td><td>100%</td></tr><tr><td>Number paid within 30 days</td><td>126</td><td>93%</td></tr><tr><td>Number exceeding 30 days</td><td>9</td><td>7%</td></tr></table></td><td>Yes</td></tr>
<tr><td>3.</td><td>Committee observations
Investigations into unauthorised, irregular, fruitless and wasteful expenditure not conducted.
The Committee recommends that the Accounting Officer of the Legislature must:
The Internal Audit Committee must on a quarterly basis submit a Consequence Management Progress report to the committee that monitors implementation of consequence management against officials who made or permitted unauthorised, irregular, fruitless and wasteful expenditure.</td><td>Situation analyses of the Internal Audit:
The vacancy rate is 100% after the incumbent appointed as Internal Auditor resigned, with last day at work being 23 January 2023.
2 of the 3 positions is vacant and unfunded.
Challenges of Internal Audit:
The high vacancy rate coupled with 2/3 of the unit's establishment being unfunded.
The current organisational structure does not make adequate provision for segregation of duties, which is critical to effective internal control because it reduces the risk of both erroneous and inappropriate actions. This also impacts on the accuracy and completeness of work performed.
Severe personnel budgetary constraints. The Legislature approached the MEC – Provincial Treasury during the bi-lateral meetings and requested for additional funding for the internal unit. The request was not considered favourably.
Managements Action:
Interim solution: The funded position of Internal Auditor was advertised internally. The applicant did not meet the requirements. An advert was placed for a 6 months fixed-term contract appointment. It is anticipated that the position will be filled on 11 April 2023.
MANCOM Resolution: A feasibility analysis must be conducted to assist MANCOM in providing a permanent solution to the Speaker of the Legislature on whether to completely outsource the function</td><td>NO</td></tr>
</table>

		of Internal Audit in the absence of an organisational review to ensure segregation of duties and serious budget constraints pertaining to personnel budget. **With regards to the observations and recommendation of SCOPA:** The Internal Auditor was tasked with the duty to perform the investigations and provide reports to the Office of the Secretary. To this effect the Internal Auditor failed to perform such. The Legislature is however busy to source an audit firm to conduct these investigation and provide a report to the Secretary to the Legislature. **The scope of work of auditing firm:** • To perform the investigations into disclosure notes 38-40 of the AFS of 2020/21 FY; • Determine liability to further institute processes to recover the money from the implicated employees; • Interview and gather statements and reports from the concerned employees; and • Prepare the investigation report with recommendations for the Accounting Officer. ; It is anticipated that this process will be concluded by 30 June 2023. The investigation report will be made available to SCOPA upon receipt.	
4.	**Committee observations** No evidence of an Audit Action Plan and the functionality of the Internal Audit function. **The Committee recommends that the Accounting Officer of the Legislature must:** Ensure that the Internal Audit Function monitors, assesses, and implements the recommendations of the Audit Action Plan, and submit quarterly progress reports to the Committee.	**In addition to the above,** the development and implementation of the Audit Action Plan finds expression within the Annual Performance Plan and resorts under the responsibility of the CFO. In terms of the Annual Performance Plan, the CFO is responsible to ensure the implementation is effected accordingly on an ongoing basis and reporting on a quarterly basis. Going forward upon appointment of the Internal Auditor, the function of monitoring, assessing and implementation of recommendation of the Audit Action Plan will be assigned to the Internal Auditor and this function will find expression on the appointment letter of the Internal Auditor.	NO

8. INTERNAL AUDIT REPORT

8.1 Role of Internal Audit

The requirement for the Internal Audit function at the Provincial Legislature is detailed within the Internal Audit Charter, which states that a relevant organization must:

Undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account international internal auditing standards and guidance,

The role of internal audit is best summarized through its definition within the Standards, as an:

> Independent, objective assurance and consulting activity designed to add value and improve an organizations operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

The accounting officer is responsible for establishing and maintaining appropriate risk management processes, control system, accounting records and governance arrangements. Internal audit plays a vital role in advising the provincial legislature that these arrangements are in place and operating effectively.

The management response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organization's objectives.

8.2 Internal Audit Approach

To enable effective outcomes, internal audit provides a combination of assurance and consulting activities. Assurance work involves assessing how well the systems and processes are designed and working, with consulting activities available to help improve those system and processes where necessary.

A full range of internal audit services is provided in forming the annual opinion.

The approach to each review is determined by the internal auditor and will depend on the:

- Level of assurance required;
- Significance of the objective under review to the organization's success;
- Risk inherent in the achievement of objectives; and
- Level of confidence required that controls are well designed and operating as intended.

All formal internal audit assignments will result in a published report. The primary purpose of the audit report is to provide an independent and objective opinion to the Audit Committee on the framework of internal control, risk management and governance in operation and to stimulate improvement.

8.3 Internal Audit Opinion

The Internal Auditor is responsible for the delivery of an annual audit opinion and report that can be used by the audit committee to inform its governance statement. The annual opinion concludes on the overall adequacy and effectiveness of the organization's framework of governance, risk management and control.

In giving this opinion, assurance can never be absolute and therefore, only reasonable assurance to be given, I have based my opinion on:

- Written reports on all internal audit work completed during the course of the year (assurance & consultancy)
- Results of any follow-up exercises undertaken in respect of previous years' internal audit work;
- The results of work of other review bodies where appropriate;
- The extent of resources available to deliver the internal audit work;
- The quality and performance of the internal audit services and extent of compliance with the Standards.

Audit Opinion: Limited audit work was performed during the period under review, as stated above, based on overall assessment and review of other assurance providers, this allow me to form a reasonable conclusion on the adequacy and effectiveness of the Northern Cape Provincial Legislature's internal control environment .

In my **Opinion** the Legislature's framework of governance, risk management and management control is 'Adequate'.

Where weakness have been identified we have worked with management to agree on appropriate corrective actions and timelines for improvement.

8.4 Internal Audit Coverage and Output

The annual internal audit plan was prepared to take account of the characteristics and relative risks of the Provincial Legislature's activities and to support the preparation of the Audit Committee Report.

Work has been planned and performed so as to obtain sufficient information and explanation considered necessary in order to provide evidence to give reasonable assurance that the control system is operating effectively

The 2022-23 Internal audit plan, approved by the Audit Committee, was informed by the internal audits own assessment of risk and materiality in addition to consultation with management to ensure it aligned to key risks facing the organization.

8.5 Anti-Fraud Corruption

The Provincial Legislature is committed to the highest possible standards of openness, probity and accountability and recognizes that the electorate need to have confidence in those that are responsible for the delivery of services. A fraudulent or corrupt act can impact on public confidence in the organization and damages both its reputation and image. Policies and strategies are in place setting out the approach and commitment to the prevention and detection of fraud or corruption.
In addition, we have assessed and where appropriate, advised, investigated or supported the investigation of any allegation of fraud, corruption or improper practice.

8.6 Disclosure of Non-Conformance

Whilst the IIA Standards only require non-conformance to be disclosed when it impacts the overall scope or operation of the internal audit activity, the additional requirements for the public sector state ***"that all instances of non-conformance and progress against improvement plans must be reported in the annual report"***.

8.7 Quality Control

Our aim is to provide a service that remains responsive to the needs of the provincial legislature and maintains consistently high standards. In complementing the quality control this was achieved in 2022-23 through the following internal processes:

- On-going liaison with management to ascertain the risk management, control and governance arrangements, key to organization success;
- On-going development of a constructive working relationship wit the external Auditors to maintain a cooperative assurance approach;
- A tailored audit approach using a defined methodology and assignment control documentation; and
- Review and quality control of all internal audit work by professionally qualified senior staff members.

8.8 Acknowledgement

I would like to take this opportunity to thank all staff throughout the Northern Cape Provincial Legislature with whom we have made contact in the year. Our relationship has been positive and management was responsive to the comments we made both informally and through our formal reporting.

9. AUDIT COMMITTEE REPORT

REPORT OF THE AUDIT COMMITTEE

The Audit Committee is pleased to present its report for the financial year ended 31 March 2023 to the stakeholders of the Northern Cape Provincial Legislature.

This report is in compliance with the requirements of the Financial Management of Parliament and Provincial Legislature Act, Act 10 of 2009 and the King Code of Governance for South Africa 2016 (King IV).

Audit Committee Members and Attendance

The Audit Committee consist of the members listed hereunder and should meet at least two times per annum as per its approved terms of reference. During the current year, two meetings were held and attendance was as tabled below:

Name of Member	Number of Meeting Attendance
Mr. J. Beesnaar(Appointed 01 Nov 2021- 30 Oct 2022): Chairperson	2
Mr. F. Buys (Appointed 01 November 2021	2
Mrs. S. Mzizi (Appointed 01 November 2021)	2
Dr. T. Sethibe (Appointed 01 November 2021)	2

Audit Committee Responsibility

We report that we have adopted appropriate formal terms of reference in our charter in line with the requirements of Section 48 (1) of the Financial Management of Parliament and Provincial Legislature Act, Act 10 of 2009 (FMPPLA). We have conducted our affairs in compliance with this charter.

Internal Audit

The accounting officer is obliged, in terms of section 50 (1) of the FMPPLA, to ensure that the entity has a system of internal audit under the control and direction of the audit committee.

The Audit Committee is concerned with the continuous capacity constraints faced by the internal audit function in operating effectively and its ability to conduct its annual audits as per the operational plan to address the risks pertinent to the Provincial Legislature in its audits. The Internal Audit could not complete their annual plan for the period.

The capacity of the internal audit function is insufficient, employment of additional personnel with an intensive training programme and IT software and or co-sourcing with external service providers should be considered. The audit committee expects these initiatives to contribute to the internal audit function becoming more efficient, more responsive to challenges and better able to provide audit reports of a high quality to management and the committee on a timely basis.

The quality of management and quality reports submitted in terms of FMPPLA

We reviewed the quarterly reports submitted together with internal audit comments thereon. We noted improvement in the content and quality of reports prepared and submitted by management.

The effectiveness of Internal controls

The system of internal control employed by the entity to financial and risk management is effective, efficient and transparent.

In line with the FMPPLA and the recommendations from the King IV Report on Corporate Governance requirements, Internal Audit provides the Audit committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested to the controls and processes.

From the various reports of the Internal Auditors, the Audit report on Annual Financial Statements and the management letter of the Auditor General South Africa, it was noted that there were no indicated material deficiencies in the system of internal controls or deviations there from.

Accordingly, we can report that the system of internal control over the financial reporting period under review was efficient and effective.

Evaluation of Financial Statements

We have:

- Reviewed and discussed the audited annual financial statements to be included in the annual report, with the Auditor-General South Africa; Internal auditors, management and the Secretary to the Legislature.
- Reviewed changes in the accounting policies and practices;
- Reviewed the entity 's compliance with Legal and regulatory provisions; and
- Reviewed significant adjustments and noted some resulting from the audit.

APPROVAL OF THE REPORT

We concur with and accept the Auditor-General South Africa's report on the annual financial statements, and are of the opinion that the audited financial statements should be accepted and read together with the report of the Auditor-General of South Africa.

....

Mr. F. Buys
Chairman of the Audit Committee

PART D:
HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

Progress on the filling of vacant funded positions during the 2022/23 financial year:

The following positions were advertised and filled during this financial period to address the capacity challenges within the Institution.

POSITION FILLED	DATE FILLED
1. Senior Researcher	1 September 2022
2. Researcher	1 April 2023
3. Committee Coordinator	1 February 2023
4. Programme Coordinator	1 September 2022
5. Petitions Officer	1 December 2022
6. Acquisitions Administrator	1 January 2023
7. Regional Liaison Officer	1 October 2022
8. Administrative Assistant	1 October 2022
Advertised positions	
1. Procedural Officer	Closing date of the 15 December 2022
2. Researcher	Closing date of 7 December 202
3. Network Administrator	Closing date 18 January 2022
4. Catering Assistant	Closing date of 7 December 2022
5. Employee Relations Practitioner	Closing date of 1 March 2023

There are critical units in core business of the Legislature such as research and information services unit that requires more resourcing through appointment of additional researchers and most importantly provision of regular training and capacity development programmes for the support and technical staff. Avenues will have to be sought albeit the fact that personnel budget is not growing nor showing any signs of improvement considering the current economic climate in the country. Government spending and availability of resources is severely constrained, and the Provincial Legislature is of no exception. The commitment from management is to strive towards a principle of doing more with less across the institution even though this strategy may not be sustainable over a period

Corporate Services Department is committed to a high standard of service delivery to Members and Employees of the Legislature and will continue to evolve and modernise HC Practices which are aligned with the Strategic direction of the Legislature.

BUILDING A LEARNING CULTURE THROUGH APPROVED BURSARY APPLICATIONS

The Legislature supports the development and the retention of skilled human capital through a Bursary Scheme. The primary purpose of the bursary scheme is to target employees on the lower NQF levels, in compliance with the National Skills Development Strategy.

For the 2022/2023 Financial Year which accounts for bursaries awarded in the Second Semester of the 2022 academic year as well as the First Semester of the 2023 academic year, the Bursary Committee awarded 36 Bursaries to individuals. The following are the fields that the colleagues are studying in:

1. Bachelor's degree: Business Administration
2. Higher Certificate Public Management
3. Advanced Diploma Management
4. Bachelor's degree: Communication Sciences
5. BA Degree: Arts: Governance, Administration and Development
6. Post Graduate Diploma: Applied Psychology
7. Diploma: Management
8. BCOM Degree: Industrial/Organisational Psychology
9. Bachelor's degree: Financial Management
10. Bachelor's degree: Business Administration
11. Hons Degree: Business Management
12. Certificate: ParaLegal
13. Bachelor of Law Degree: LLB
14. Master's Degree: Public Administration
15. Bachelor of Law: Business Administration

The following trainings took place during this financial year apart from the above –mentioned allocated bursaries:

1. Advanced Frist Aid Training
2. Employment Equity Training
3. Translation and Editing Training
4. Advanced Minute Taking and Report Writing Training
5. Protocol Training
6. National Keypoint Training
7. Occupational Health and Safety Training
8. Labour Relations Training for Managers Training
9. SAGE Training
10. GRAP training
11. Public Participation Strategy Development
12. Events management training
13. SCOPA Training

The following empowerment programmes were offered during this financial year:

1. SARS Tax Training
2. Consumer Education Training
3. Remuneration Package Structuring Workshop 60%-40%
4. Managing Stress In the Workplace Workshop.

The Northern Cape Provincial Legislature will continue to support the development of its employees in specific and related fields of study by offering bursaries and short terms training to employees. Offering of bursaries to employees further supports the Legislatures objective to ascertain that employees are trained, developed and skilled in various related areas.

EMPLOYEE WELLNESS

The Northern Cape Provincial Legislature employees are comfortable accessing the EWP services to deal with the problems that they face. It is encouraging to see that individuals are accessing the EWP to address these issues.

Mental wellbeing was the top problem category and accounting for 47.62% of the annual cases. Stress and depression were the top problem types while conflict with colleagues and workplace bullying and victimization were the key work-related problems.

22 annual cases were reported during this financial year, yielding a utilization rate of 13.13%. The utilization rate is higher than the life Health Solutions benchmark and the Government Sector rate for this review period.

Two employees were referred to the employee wellness programme by management while the remaining cases were linked to self-referrals during the annual period. Seven dependents accessed the employee wellness programme. Face to face counselling was the top service accessed during the review period. More females than made use of the wellness programme during this financial year.

The table below depicts the Utilization rate for the financial year 2022/23

Period	No. of Cases	Annualised Utilisation Rate[1]
	160 Employees	
Northern Cape Provincial Legislature April 2022– March 2023	22	13.13%

Human Capital commits to continuously promote the employee wellness programme through employee orientation sessions, managerial training, wellness days, induction sessions and distribution of marketing material throughout the institution. Employees will be reminded that their dependents can access the employee wellness programme via a toll free-number, e mail address, as well as SMS number.

The wellness day event was held on the 01 July 2022. The activities that were held on that day are:

- 5km fun run/wall
- Aerobics
- Potjie kos competition amongst departments

The wellness day event was a success and all our objectives were achieved. A total number of 115 employees attended the event including the political support staff and honorable members participated in all activities.

GENDER BASED PROGRAMMES

Every Year in August, our country marks Women's month, where we pay tribute to the more than 20 000 women who marched to the Union Building on 9 August 1956 in protest the extension of pass laws to women.

The Legislature on the other hand as an employer has a crucial role to play in ensuring that all female employees are acknowledged, participate in women emancipation programmes and create an environment where women in the institution are able to celebrate the women's month.

The Legislature hosted a High Tea event for all Female Employees and including Members of the Northern Cape Provincial Legislature on **30 September 2022** at the Northern Cape Provincial Legislature precincts. Due to the programme of the Legislature the event only took place during the month of September.

[1] The utilisation rate is annualised to determine the predicted utilisation at a quarterly point in time, should utilisation continue at the reported rate. The calculation for annualised utilisation is the number of cases divided by headcount multiplied by the months in a year divided by the number of months in the period under review.

The theme for the High Tea Event was **"WOMEN EMPOWERMENT".** The high Tea event was a success and the entire female staff and our honorable Female members including women from the different political staff also attended the evet. A total of 90 ladies attended our event. A motivational speaker was part of the programme who motivated our guests and we also had a guest from the department of Health Nursing College who also educated our female guest on women's health issues. Our guests also received spar gifts and they were also serenated by a musical band. All women participated and it was very empowering, and it also gave our female employees an opportunity to talk about issues that affected them and also ignited the socialization and communication between female employees of the Legislature.

On the **18th of August 2022**, the Legislature held a workshop for all the male employees of the Institution. The workshop was on Workplace Violence and gender Equality. The workshop was also attended by our honorable members. The programme was directed by Mr Ntwaso who a champion for gender, diversity and disability issues at the Department of Health is. The topics that were covered that day were the following:

- Workplace Violence
- Racial discrimination
- Sexual Harassment
- Men's Health

The event was also success full and the male employees participated and made commitments of opening a men's club at the institution.

2. MEMBERS CAPACITY BUILDING PROGRAMME

The Legislative Sector developed and successfully implemented academic programmes aligned to the roles and responsibilities of Members of Parliament and Provincial Legislatures offered through the Universities of Witwatersrand and Johannesburg.

The capacity building programmes are designed and implemented in such a manner that empowers members to progress through a learning pathway which commences with professional development programmes, a built-in recognition of prior learning that enables progression to hire level qualifications. These academic programmes were extended to the 6th Legislature. The academic programmes that were available for the 2022/23 academic years included:

- Postgraduate Diploma in Governance and Leadership – University of Witwatersrand
- Postgraduate Diploma in Public Policy and African Studies – University of Johannesburg

UNIVERSITY OF WITSWATERAND (WITS)

Six members were accepted into the WITS Postgraduate Diploma programme of which three members are from the Executive Council. The Legislature Support Sector (LSS) as the official funder, issued fund commitment letters to all members who were accepted into the Postgraduate Diploma programme.

Virtual classes for the Postgraduate Diploma programme commenced on 09 September 2022 with a two-day Induction & Orientation Session. The session was aimed at introducing students to WITS as an academic institution, WITS IT, ULWAZI student platform, WITS library and related facilities.

The formal academic programme commenced with block four, which includes two modules, International Relations and Diplomacy and Public Policy on 13 September 2022 and concluded with exams on 15 and 17 November 2022 respectively. Block one of the programme included one module, Political Economy of Development scheduled to commence on 07 February 2023 and conclude with exams on 23 March 2023. This did however not materialize given the fact that the various Legislatures had their respective SOPA and SONA addresses during the months of February and March 2023. A revised programme was issued by WITS which will commence on 19 April 2023.

UNIVERSITY OF JOHANNESBURG (UJ)

Of the two members registered for the **Postgraduate Diploma in Public Policy and African Studies**, one member managed to successfully complete the 1st year of study. The member was subsequently successfully registered for the 2nd year of study and commenced with the first virtual teaching session between 22 to 25 March 2022. The second virtual teaching session took place between 24 to 27 May 2022 and concluded with the final exams in November 2022.

Members continue to portray a keen interest in and commitment to the capacity building programmes whilst the Members Affairs Unit remains committed to providing the necessary support to all members that are registered on both the WITS and UJ programmes.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 <u>Personnel related expenditure</u>

The following tables summarises the final audited personnel related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

- *amount spent on personnel*
- *amount spent on salaries, overtime, homeowner's allowances and medical aid.*

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2022 and 31 March 2023

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	No. of e'e	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	56 157	55 857	75	300		52,20%	745
Members Facilities	12 745	12 745	59			11,91%	216
Parliamentary Services	38 705	38 405	43	300		35,89%	893
Total	**107 607**	**107 007**	**177**	**600**	**0**	**100%**	605

Table 3.1.2 Personnel costs by salary band for the period 1 April 2022 and 31 March 2023

Salary band	*Personnel expenditure (R'000)*	*% of total personnel cost*	*No. of employees*	*Average personnel cost per employee (R'000)*
Lower Skilled (Grade A1–A3)	5 891	5,51%	18	**327**
Skilled (Grade B1–B5)	20 652	19,30%	36	**574**
Highly skilled production (Grade C1-C5)	38 392	35,88%	42	**914**
Senior Management and Top Management (Grade D2–E2)	27 433	25,64%	19	**1444**
Other (Public Party Support Services)	14 640	13,68%	62	**236**
Total	**107 007**	**100.00%**	**177**	**605**

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2022 and 31 March 2023

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	50 912	47,58%	-	-	3 325	3,11%	1 620	1,51%
Members Facilities	12 684	11,85%	-	-	32	0,03%	29	0,03%
Parliamentary Services	34 015	31,79%	-	-	1 835	1,71%	2 556	2,39%
Total	**97 611**	91,22%	-	-	**5 191**	4,85%	**4 205**	3,93%

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Lower Skilled (Grade A1-A3)	5 177	4,84%	-	-	411	0,38%	303	0,28%
Skilled (Grade B1-B5)	18 046	16,86%	-	-	1 404	1,31%	1 202	1,12%
Highly skilled production (Grade C1-C5)	34 487	32,23%	-	-	1 946	1,82%	1 960	1,83%
Senior Management (Grade D2-E2)	25 322	23,66%	-	-	1 399	1,31%	712	0,67%
Other (Public Party Support Services)	14 579	14,94%	-	-	32	0,03%	29	0,03%
Total	**97 611**	**91,22%**	**-**	**-**	**5 191**	4,85%	**4 205**	3,93%

3.2 Employment and Vacancies

Table 3.2.1 Employment and vacancies by programme as on 31 March 2023

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	95	59	38%	-
Members Facilities	-	-	-	-
Parliamentary Service	64	42	34.3%	-
Total	**159**	**101**	**36.5%**	-

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2023

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower Skilled (Grade A1-A3)	10	5	50%	-
Skilled (Grade B1-B5)	51	35	31.4%	-
Highly skilled production (Grade C1–C5)	77	44	43%	-
Professionally Qualified(Grade D1-D3)	15	13	13.3%	-
Executive Managers (D4 – E1)	5	3	40%	-
Secretary to the Legislature	1	1	-	-
Other (Public Party Support Services)	-	-	-	-
Total	**159**	**101**	**36.5%**	**-**

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2023

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Programme Coordinator	1	1	0%	-
Occupational Health and Safety Officer	1	-	-	-
Senior Researcher	2	2	0%	-
Network Administrator	3	1	66.7%	-
Petitions Officer	2	1	50%	-
Acquisitions Officer	2	2	0%	-
Administrative Assistant	7	2	71.4%	-
Committee Coordinator	7	7	0%	-
Regional Liaison Officer	5	5	0%	-
Service Officer	3	0	100%	-
Researcher	7	4	43%	-
Procedural Officer	1	0	100%	-
Catering Assistant	2	1	50%	-
Employee Relations Practitioner	1	0	100%	-
Total	**44**	**26**	**41%**	-

3.3 Filling of SMS Posts

Table 3.3.1 SMS post information as on 31 March 2023

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Secretary to the Legislature (E4)	1	1	100%	0	0%
Executive Managers (D4 - E2)	5	3	60%	2	40%
Managers (D1 – D3)	15	13	87%	2	13.3%
Total	**21**	**17**	**81%**	**4**	**19%**

Table 3.3.2 SMS post information as on 31 March 2023

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Secretary to the Legislature (E4)	1	1	100%	0	0%
Executive Managers (D4 - E2)	5	3	60%	2	40%
Managers (D1 – D3)	15	13	87%	2	13.3%
Total	**21**	**17**	**81%**	**4**	**19%**

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2022 and 31 March 2023

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Secretary to the Legislature (E4)	-	-	-	-	-
Executive Manager s (D4 - E2)	-	-	-	-	-
Managers (D1 – D3)	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2022 and 31 March 2023

Reasons for vacancies not advertised within six months
n/a

Reasons for vacancies not filled within six months
n/a

Notes

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.3, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2022 and 31 March 2023

Reasons for vacancies not advertised within six months
n/a

Reasons for vacancies not filled within six months
n/a

Notes

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.2, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes. In the event of non-compliance with this regulation, the relevant executive authority or head of department must take appropriate disciplinary steps in terms of section 16A (1) or (2) of the Public Service Act.

3.4 Job Evaluation

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2022 and 31 March 2023

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
Lower Skilled (Grade A1-A3)	10	-	-	-	-	-	-
Skilled (Grade B1-B5)	51	-	-	-	-	-	-
Highly skilled production (Grade C1–C5)	77	-	-	-	-	-	-
Highly skilled supervision (Grade D1-D3)	15	-	-	-	-	-	-
Managers (D4 – E1)	5	-	-	-	-	-	-
Secretary to the Legislature	1	-	-	-	-	-	-
Total	**159**	-	-	-	-	-	-

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2022 and 31 March 2023

Gender	African	Asian	Coloured	White	Total
Female	-	-	-	-	-
Male	-	-	-	-	-
Total	-	-	-	-	-
Employees with a disability					-

PROOF

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2022 and 31 March 2023

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
-	-	-	-	-
Total number of employees whose salaries exceeded the level determined by job evaluation				-
Percentage of total employed				-

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2022 and 31 March 2023

Gender	African	Asian	Coloured	White	Total
Female	-	-	-	-	-
Male	-	-	-	-	-
Total	-	-	-	-	-

Employees with a disability	-	-	-	-	-

Total number of Employees whose salaries exceeded the grades determine by job evaluation	None

3.5 Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and critical occupations (see definition in notes below).

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Number of employees at beginning of period - 1 April 2022	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower Skilled (Grade A1-A3)	7	-	1	14.3%
Skilled (Grade B1-B5)	36	3	2	5.1%
Highly skilled production (Grade C1-C5)	48	4	4	7.7%
Managers (Grade D1-D3)	13	-	-	-
Exec Management (Grade D4-E1)	3	-	-	-
Secretary to the Legislature	1	-	-	-
Contracts	6	-	1	16.7%
Total	**114**	**7**	**8**	**6.6%**

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2022 and 31 March 2023

Critical Occupation	Number of employees at beginning of period- 1 April 2022	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Programme Coordinator	-	1	-	-
Employee Relations Practitioner	1	-	1	100%
Internal Auditor	1	-	1	100%
Senior Researcher	2	1	-	-
Regional Liaison Officer	4	1	-	-
Diversity Practitioner	1	-	1	100%
Researcher	4	-	1	25%
Committee Coordinator	7	1	-	-

Executive Secretary	4	-	1	25%
Service Officer	2	-	1	50%
Catering Assistant	2	-	1	50%
Acquisitions Administrator	1	1	-	-
Administrative Assistant	-	1	-	-
Driver/Messenger	1	1	-	-
Contract	6	-	1	16.7%
Total	**36**	**7**	**8**	**19%**

Table 3.5.3 Reasons why staff left the department for the period 1 April 2022 and 31 March 2023

Termination Type	Number	% of Total Resignations
Death	1	12.5%
Resignation	4	50%
Expiry of contract	-	-
Dismissal – operational changes	-	-
Dismissal – misconduct	-	-
Dismissal – inefficiency	-	-
Discharged due to ill-health	1	12.5%
Retirement	2	25%
Transfer to other Public Service Departments	-	-
Other	-	-
Total	**8**	**100%**
Total number of employees who left as a % of total employment		**7.1%**

Table 3.5.4 Promotions by critical occupation for the period 1 April 2022 and 31 March 2023

Occupation	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
	-	-	-	-	-
	-	-	-	-	-
TOTAL	-	-	-	-	-

Table 3.5.5 Promotions by salary band for the period 1 April 2022 and 31 March 2023

Salary Band	Employees 1 April 2022	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
Lower Skilled (A1 – A2)	-	-	-	-	-
Skilled (A3 – B2)	-	-	-	-	-
Highly skilled production (B3–C1)	-	-	-	-	-
Highly skilled supervision (C2 – C3)	-	-	-	-	-
Senior Management & Managers (D1 – E3)	-	-	-	-	-
Total	-	-	-	-	-

3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2023

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management (E2 – E4)	1	0	0	0	0	0	0	0	**1**
Senior Management (D4 – E1)	1	1	0	0	0	0	0	1	**3**
Professionally qualified & experienced specialists and mid-management (D1 – D3)	2	4	0	0	2	4	0	1	**13**
Skilled technical & academically qualified workers, junior management, supervisors, foreman & superintendents (C1 – C5)	14	4	0	0	18	7	0	1	**44**
Semi-skilled & discretionary decision making (B1 – B5)	10	2	0	0	16	6	1	0	**35**
Unskilled & defined decision making (A2 – A3)	1	1	0	0	3	-	0	0	**5**
Contracts	2	-	-	-	3	-	-	0	**5**
Total	**31**	**12**	**-**	**-**	**42**	**17**	**1**	**3**	**106**
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2023

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management (E2 – E4)	1	0	0	0	0	0	0	0	**1**
Senior Management (D4 – E1)	1	1	0	0	0	0	0	1	**3**
Professionally qualified & experienced specialists and mid-management (D1 – D3)	2	4	0	0	2	4	0	1	**13**
Skilled technical & academically qualified workers, junior manag, supervisors, foreman & superintendents (C1 – C5)	14	4	0	0	18	7	0	1	**44**
Semi-skilled & discretionary decision making (B1 – B5)	10	2	0	0	16	6	1	-	**35**
Unskilled & defined decision making (A2 – A3)	1	1	0	0	3	-	0	0	**5**
Contracts	2	-	-	-	3	-	-	0	**5**
Total	**31**	**12**	**-**	**-**	**42**	**17**	**1**	**3**	**106**
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.3 Recruitment for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management (E2 – E3)	-	-	-	-	-	-	-	-	-
Snr Management (D4)	-	-	-	-	-	-	-	-	-
Professionally qualified & experienced specialists and mid-management (D1 – D2)	-	-	-	-	-	-	-	-	-
Skilled technical & academically qualified workers, Junior management, supervisors, foreman & superintendents (C1 –C4)	2	1	-	-	-	1	-	-	**4**
Semi-skilled & discretionary decision making (B1 – B4)	1	-	-	-	2	-	-	-	**3**
Unskilled & defined decision making (A2– A3)	-	-	-	-	-	-	-	-	-
Temporary employees	-	-	-	-	-	-	-	-	-
Total	**3**	**1**	**-**	**-**	**2**	**1**	**-**	**-**	**7**
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.4 Promotions for the period 1 April 2022 to 31 March 2023

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

Table 3.6.5 Terminations for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	-	-	-	-	-
Professionally qualified & experienced specialists and mid-management	-	-	-	-	-	-	-	-	-
Skilled technical & academically qualified workers, junior management, supervisors, foreman & superintendents	2	-	-	-	2	-	-	-	4
Semi-skilled & discretionary decision making	1	-	-	-	-	-	-	1	2
Unskilled & defined decision making	-	-	-	-	1	-	-	-	1
Contracts	1	-	-	-	-	-	-	-	1
Total	**4**	**-**	**-**	**-**	**3**	**-**	**-**	**1**	**8**
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.6 Disciplinary action for the period 1 April 2022 and 31 March 2023

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Dismissal	-	-	-	-	-	-	-	-	-
Demotion	-	-	-	-	-	-	-	-	-
Final written warning	**2**	**1**	**-**	**-**	**1**	**-**	**-**	**-**	**4**
Suspension without pay		**1**							**1**
Total	**2**	**1**	**-**	**-**	**1**	**-**	**-**	**-**	**5**

Table 3.6.7 Skills development for the period 1 April 2022 and 31 March 2023

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management									
Senior managers	1	-	-	-	-	-	-	-	1
Professionally Qualified, Experienced Specialist and Mid Management	4	7	-	-	6	6	-	1	24
Skilled Tech & Academically Qualified Junior Management	20	3	-	-	36	9	-	1	69
Semi Skilled and Discretionary Decision Making	14	-	-	-	22	7	2	-	45
Service and sales workers	2	4	-	-	7	1	-	-	14
Unskilled and Defined Decision Making	1	-	-	-	3	1	-	-	**5**
Total	**42**	**14**		**-**	**74**	**24**	**2**	**2**	**158**
Employees with disabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

3.7 Signing of Performance Agreements by SMS Members

All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken is presented here.

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 March 2023

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Secretary to the Legislature (E4)	1	1	1	100%
Chief Financial Officer (E1)	1	1	1	100%
Senior Managers (D4-D5)	4	4	4	100%
Total	**6**	**6**	**6**	**100%**

Notes

- In the event of a National or Provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example if elections took place in April, the reporting date in the heading of the table above should change to 31 July 2020.

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2023

Reasons
n/a

Notes

- The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2023

Reasons
n/a

Notes

- The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

3.8 Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations.

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2022 and 31 March 2023

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African	-	-	-	-	-
Male	-	-	-	-	-
Female	-	-	-	-	-
Asian	-	-	-	-	-
Male	-	-	-	-	-
Female	-	-	-	-	-
Coloured	-	-	-	-	-
Male	-	-	-	-	-
Female	-	-	-	-	-
White	-	-	-	-	-
Male	-	-	-	-	-
Female	-	-	-	-	-
Total	-	-	-	-	-

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2022 and 31 March 2023

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels A1-A2)	-	-	-	-	-	-
Skilled (level A3-B2)	-	-	-	-	-	-
Highly skilled production (level B3-C1)	-	-	-	-	-	-
Highly skilled supervision (level C2-D2)	-	-	-	-	-	-
Total	-	-	-	-	-	-

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2022 and 31 March 2023

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
Total	-	-	-	-	-

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2022 and 31 March 2023

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	-	-	-	-	-	-
Band B	-	-	-	-	-	-
Band C	-	-	-	-	-	-
Band D	-	-	-	-	-	-
Total	-	-	-	-	-	-

3.9 Foreign Workers

The tables below summarise the employment of foreign nationals in the department in terms of salary band and major occupation.

Table 3.9.1 Foreign workers by salary band for the period 1 April 2022 and 31 March 2023

Salary band	01 April 2022		30 June 2022		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	-	-	-	-	-	-
Highly skilled production (Lev. 6-8)	-	-	-	-	-	-
Highly skilled supervision (Lev. 9-12)	-	-	-	-	-	-
Contract (level 9-12)	-	-	-	-	-	-
Contract (level 13-16)	-	-	-	-	-	-
Total	-	-	-	-	-	-

Table 3.9.2Foreign workers by major occupation for the period 1 April 2022 and 31 March 2023

Major occupation	01 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% Change
-	-	-	-	-	-	-
-	-	-	-	-	-	-

3.10 Leave utilisation

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 3.10.1 Sick leave for the period 1 April 2022 to 31 March 2023

Salary band	Total days	No Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Unskilled & defined decision making (A1-A3)	12	9	6	85,71%	2.00	11 365.76
Semi-Skilled and Discretionary Decision Making (B1-B5)	255	222	29	80,55%	8.79	347 037.31
Skilled Tech & academically qualified Junior Man (Grade C1 -C5)	324	233	39	81,25%	8.30	778 318,15
Professionally qualified, experienced specialists and mid management (D1 to D3)	115	104	11	84,61%	10.45	424 325.49
Executive Management (D4 to E1)	8	7	2	66.67%	4.00	36 833.27
Top Management (E2 –E4	4	4	1	100%	4	23 248.00
Total	**718**	**579**	**88**	**77,19%**	**8.16**	**1 621 127.98**

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 April 2022 and 31 March 2023

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Grade A1-A2)	0	0	0	0	0	0
Skilled (Grade A3-B2)	272	272	6	16,67%	45.33	371 667,89
Highly skilled production (Grade B3-C1)	198	198	3	6,25%	66.00	504 360.20
Highly skilled supervision (Grade C2-C4)	49	49	2	15,38	24,50	173 459.10
Top and Senior management (Grade D1-E3)	0	0	0	0	0	0
Total	**519**	**519**	**11**	**9,65**	**47.18**	**1 049 487.19**

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 3.10.4 Annual Leave for the period 1 April 2022 to 31 March 2023

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Unskilled & defined decision making (A1-A3)	310	7	44,28
Semi-Skilled and Discretionary Decision Making (B1-B5)	1126	34	33,11
Skilled Tech & academically qualified Junior Man (Grade C1 -C5)	2002	50	40,04
Professionally qualified, experienced specialists and mid management (D1 to D3)	463	14	33,07
Executive Management (D4 to E1)	120	3	40.00
Top Management (E2 –E4)	20	1	20.00
Total	**4041**	**109**	**37,07**

Table 3.10.4 Capped Leave for the period 1 April 2022 to 31 March 2023

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2022
Unskilled & defined decision making (A1-A3)	0	0	0	0
Semi-Skilled and Discretionary Decision Making (B1-B5)	0	0	0	0
Skilled Tech & academically qualified Junior Man (Grade C1 -C5)		0	2	2
Professionally qualified, experienced specialists and mid management (D1 to D3)	32	1	32	32
Executive Management (D4 to E1)	0	0	0	0
Top Management (E2 –E4)	0	0	0	0
Total	**32**	**1**	**32**	**32**

Table 3.10.5 Unpaid Leave for the period 1 April 2022 to 31 March 2023

Salary band	Total days of Taken	No of Employees using Annual Leave	Average per employee
Unskilled & defined decision making (A1-A3)	0	0	0
Semi-Skilled and Discretionary Decision Making (B1-B5)	0	0	0
Skilled Tech & academically qualified Junior Man (Grade C1 -C5)	0	0	0
Professionally qualified, experienced specialists and mid management (D1 to D3)	0	0	0
Executive Management (D4 to E1)	0	0	0
Top Management (E2 –E4)	0	0	0
Total	**0**	**0**	**0**

Table 3.10.6 Annual Leave for the period 1 April 2022 to 31 March 2023

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for due to non-utilisation of leave for the previous cycle	-	-	-
Capped leave payouts on termination of service	-	-	-
Current leave payout on termination of service	393 820.00	4	393 820.00
Total	**393 820.00**	**4**	**393 820.00**

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
-	-
-	-

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Have the Legislature designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and positions.		x	Not applicable
2. Does the Legislature have a dedicated unit or have you designated specific staff members to promote the health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	x		Executive Manager: Corporate Services & Manager: Human Capital Management
3. Have the Legislature introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme		x	As and when required Counselling Rehabilitation Wellness Days
4. Have the Legislature established (a) committee(s) as contemplated in Part VI E5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder (s) that they represent.		x	Not applicable

5. Have the Legislature reviewed the employment policies and practices of the Legislature to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/procedures so reviewed.	x		Code of Good Practice for HIV/AIDS Incapacity due to Ill Health Policy
6. Have the Legislature introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	x		Included Code of Good Practice for HIV/AIDS
7. Do the Legislature encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.		x	No voluntary Counselling and Testing for this reporting period
8. Have the Legislature developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators.		x	The Legislature receives quarterly reports from Careways which outlines the Problem profile, utilisation, referrals , service accessed and demographics

3.12. Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2022 and 31 March 2023

Subject matter	Date
Collective Agreement signed for the period 1 April 2022 – 31 March 2023	1 December 2022

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2022 and 31 March 2023

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	-	-
Verbal warning	-	-
Written warning	-	-
Final written warning	4	80%
Suspended without pay	1	20%

Fine	-	-
Demotion	-	-
Dismissal	-	-
Not guilty	-	-
Case withdrawn	-	-
Total	**5**	**100%**

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2022 and 31 March 2023

Type of misconduct	Number	% of total
Gross insubordination	2	25%
Displayed disrespect	1	12.5%
Sexual Harassment	1	12.5%
Negligence in performance of duties	2	25%
Improper disgraceful and unacceptable manner	1	12.5%
Unauthorised removal of Legislature property	1	12.5
Total	**8**	**100%**

Table 3.12.4 Grievances logged for the period 1 April 2022 and 31 March 2023

Grievances	Number	% of Total
Number of grievances resolved	1	12.5%
Number of grievances not resolved	7	87.5%
Total number of grievances lodged	**8**	**100%**

Table 3.12.5 Disputes lodged with Councils for the period 1 April 2022 and 31 March 2023

Disputes	Number	% of Total
Number of disputes upheld	-	-
Number of disputes dismissed	-	%
Number of disputes settled	-	-
Number of disputes in progress	2	100%
Total number of disputes lodged	**2**	**100%**

Table 3.12.6 Strike actions for the period 1 April 2022 and 31 March 2023

Total number of persons working days lost	-
Total costs working days lost	-
Amount recovered as a result of no work no pay (R'000)	**-**

Table 3.12.7 Precautionary suspensions for the period 1 April 2022 and 31 March 2023

Number of people suspended	**2**
Number of people who's suspension exceeded 30 days	**2**
Average number of days suspended	**216 days**
Cost of suspension(R'000)	**R 890 570** **R 215 348**

3.13 Skills development

This section highlights the efforts of the department with regard to skills development.

Table 3.13.1 Training needs identified for the period 1 April 2022 and 31 March 2023

Occupational category	Gender	Number of employees as at 1 April 2022	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Top Management	Female	-	-	-	-	-
	Male	1	-	-	-	-
Senior Management	Female	1	-	-	-	-
	Male	2	-	**1**	-	**1**
Professionally Qualified, Experienced Specialists and Mid Management	Female	6	-	6	-	6
	Male	7	-	**4**	-	**4**
Skilled Tech & Academically qualified	Female	28	-	20	-	20
	Male	20	-	16	-	16
Semi – Skilled and Discretionary Decision Making	Female	24	-	11	-	11
	Male	12	-	**7**	-	**7**
Unskilled & Defined Decision Making	Female	3	-	6	-	6
	Male	4	-	**4**	-	**4**
Temporary/Contract Employees	Female	2	-	-	-	-
	Male	4	-	-	-	-
Sub Total	**Female**	64	-	**43**	-	**43**
	Male	49	-	**32**	-	**32**
Additional to the Establishment	Female	-	-	-	-	-
	Male	-	-	-	-	-
TOTAL		**114**	-	**75**	-	**75**

Table 3.13.2 Training needs identified for the period 1 April 2022 and 31 March 2023

Occupational category	Gender	Number of employees as at 1 April 2022	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Top Management	Female	-	-	-	-	-
	Male	1	-	-	-	-
Senior Management	Female	1	-	-	-	-
	Male	2	-	**1**	-	**1**
Professionally Qualified, Experienced Specialists and Mid Management	Female	6	-	6	-	6
	Male	7	-	**4**	-	**4**
Skilled Tech & Academically qualified	Female	28	-	20	-	20
	Male	20	-	16	-	16
Semi – Skilled and Discretionary Decision Making	Female	24	-	11	-	11
	Male	12	-	**7**	-	**7**
Unskilled & Defined Decision Making	Female	3	-	6	-	6
	Male	4	-	**4**	-	**4**
Temporary/Contract Employees	Female	2	-	-	-	-
	Male	4	-	-	-	-
Sub Total	**Female**	64	-	**43**	-	**43**
	Male	49	-	**32**	-	**32**
Additional to the Establishment	Female	-	-	-	-	-
	Male	-	-	-	-	-
			-		-	
Total		**114**	-	**75**	-	**75**

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2022 and 31 March 2023

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0%
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	**0**	**0%**

3.14 Utilisation of Consultants

The following tables relate information on the utilisation of consultants in the department. In terms of the Public Service Regulations "consultant' means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a department against remuneration received from any source:

(a) The rendering of expert advice;
(b) The drafting of proposals for the execution of specific tasks; and
(c) The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2022 and 31 March 2023

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Leave Management System	1	365	R37 236.00
Health Risk Manager	1	365	R 124 200

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
n/a			

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2022 and 31 March 2023

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
n/a			

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2022 and 31 March 2023

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
-	-	-	-
-	-	-	-

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
-	-	-	-
-	-	-	-

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2022 and 31 March 2023

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
-	-	-	-
-	-	-	-

3.16 Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2022 and 31 March 2023

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	-	-	-	-
Skilled Levels 3-5)	-	-	-	-
Highly skilled production (Levels 6-8)	-	-	-	-
Highly skilled supervision(Levels 9-12)	-	-	-	-
Senior management (Levels 13-16)	-	-	-	-
Total	-	-	-	-

PART E:
FINANCIAL INFORMATION

Report of the auditor-general to the Northern Cape Provincial Legislature on vote no. 2: Provincial Legislature

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Provincial Legislature set out on pages xx to xx, 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 the 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 Provincial Legislature as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Financial Management of Parliament and Provincial Legislatures Act 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.

Restatement of corresponding figures

7. As disclosed in note 42 to the financial statements, the corresponding figures for 31 March 2022 were restated as a result of an error in the financial statements of the legislature at, and for the year ended, 31 March 2023.

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 the Standards of GRAP and requirements of FMPPLA and for such internal control, as the accounting officer determines that 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 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. I selected a programme that measures the legislature's performance on its primary mandated functions and that is of significant national, community or public interest.

Programme	Page numbers	Strategic objectives
Core business: Oversight, public participation and law-making	xx	• Effective oversight that secures accountability for service delivery

Programme	Page numbers	Strategic objectives
		• Targeted, enhanced, meaningful and impactful involvement and empowerment of the public • Draft, implement, amend and assess laws

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 are 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 Core business: Oversight, public participation, and law-making.

Other matter

18. I draw attention to the matter below.

Achievement of planned targets

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

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 included in the annual report. 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 programme 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.

29. I did not identify any significant deficiencies in internal control.

Other reports

30. I draw attention to the following engagement conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

31. The Directorate for Priority Crime Investigations (Hawks) were investigating allegations of possible irregularities within the Provincial Legislature. The investigations were ongoing at the time of this audit report.

Auditor General.

Kimberley

31 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 '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 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.

Country of incorporation and domicile	South Africa
Legal form of entity	Provincial Legislature
Nature of business and principal activities	The Northern Cape Provincial Legislature is an activist legislature that champions democracy. The Legislature ensures that fundamental rights of the electorate and inhabitants of the Northern Cape are protected; their integrity respected and that meaningful processes are in place to entrench their freedoms. So, the role played by the Legislature in this regard is to ensure that the Executive Council addresses political, socio-economic challenging the inhabitants of the province.
Business address	Nobengula Extension Galeshewe Kimberley 8301
Postal address	Private Bag X5066 Kimberley 8300
Bankers	Absa Bank
Auditors	Auditor-General of South Africa
Secretary	Mr P.B. Moopelwa
Attorneys	State Attorney of South Africa

Northern Cape Provincial Legislature
Annual Financial Statements for the year ended 31 March 2023

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

Abbreviations

AFS	Annual Financial Statements
FMPPLA	Financial Management of Parliament and Provincial Legislatures Act, 2009
GRAP	Generally Recognised Accounting Practice
IPSAS	International Public Sector Accounting Standards
LSS	Legislative Sector Support
NCPL	Northern Cape Provincial Legislature
SITA	South African State Information Technology Agency
UIF	Unemployment Insurance Fund

Accounting Officer's Responsibilities and Approval

The Accounting Officer is required by the Finance Management of Parliament and Provincial Legislatures, 2009 (Act no. 10 of 2009), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the Accounting Officer to ensure that the annual financial statements fairly present the state of affairs of the Legislature as at the end of the financial year and the results of its operations and cash flows for the period then ended. The 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 Accounting Officer acknowledges that he is ultimately responsible for the system of internal financial control established by the Legislature and places considerable importance on maintaining a strong control environment. To enable the Accounting Officer to meet these responsibilities, the Accounting Officer sets standards for internal control aimed at reducing the risk of error or loss 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 endeavors to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints.

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

The Accounting Officer has reviewed the Legislature's cash flow forecast for the year to 31 March 2024 and, in the light of this review and the current financial position, he 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 pages 5 to 55, which have been prepared on the going concern basis, were approved by the Accounting Officer on 31 May 2023 and were signed on his/her behalf by:

Mr P.B. Moopelwa
Accounting Officer (Secretary to the Legislature)

Kimberley

Date 31 May 2023

Statement of Financial Position as at 31 March 2023

Figures in Rand	Note(s)	2023	2022 Restated*
Assets			
Current Assets			
Inventories	3	-	-
Operating leased asset	4	4 353	93 612
Receivables from exchange transactions	5	1 638 904	1 561 920
Prepayments and advances	6	6 100 741	949 748
Other receivables from exchange transactions	7	143 231	145 255
Cash and cash equivalents	8	15 664 577	12 842 789
		23 551 807	**15 593 325**
Non-Current Assets			
Property, plant and equipment	9	13 699 564	13 513 637
Intangible assets	10	329 679	552 586
Heritage assets	11	39 000	39 000
Investments	12	295 999	379 122
		14 364 242	**14 484 345**
Total Assets		**37 916 049**	**30 077 670**
Liabilities			
Current Liabilities			
Finance lease obligation	13	173 697	179 644
Payables from exchange transactions	14	16 657 729	20 497 813
Other payables from exchange transactions	15	207 382	1 584 841
Aid assistance	16	107	2 007
		17 038 916	**22 264 305**
Non-Current Liabilities			
Finance lease obligation	13	320 751	61 504
		320 751	61 504
Total Liabilities		**17 359 667**	**22 325 809**
Net Assets		**20 556 382**	**7 751 861**
Reserves			
Funds unutilised		27 712 497	16 714 497
Accrued revenue		15 177 096	14 249 382
Accumulated surplus		(22 333 211)	(23 212 018)
Total Net Assets		**20 556 382**	**7 751 861**

Statement of Financial Performance

Figures in Rand	Note(s)	2023	2022 Restated*
Revenue			
Revenue from exchange transactions			
Interest and dividends	17	941 744	377 221
Total revenue from exchange transactions		**941 744**	**377 221**
Revenue from non-exchange transactions			
Other income			
Services-in-kind income	18	11 082 183	10 655 945
Transfer revenue			
Government grants and subsidies	19	255 484 000	230 160 000
Total revenue from non-exchange transactions		**266 566 183**	**240 815 945**
Total revenue		**267 507 927**	**241 193 165**
Expenditure			
Employee related costs	20	(120 083 617)	(116 686 733)
Transfers and subsidies	21	(66 825 919)	(66 695 042)
Depreciation and amortisation	22	(3 256 185)	(2 731 803)
Payments for financial assets	23	(42 055)	(10 648)
Goods and services	24	(52 957 047)	(37 902 821)
Total expenditure		**(243 164 823)**	**(224 027 047)**
Operating surplus/(deficit)	25	**24 343 103**	**17 166 119**
Fair value adjustments	26	(83 123)	66 530
Impairment loss		-	(6 401)
Departmental revenue transferred to net assets		(941 774)	(377 221)
Revenue transferred to net assets		(21 603 000)	(15 639 000)
Net Operating surplus/(deficit)		**(22 627 897)**	**(15 956 092)**
Surplus/(deficit) for the year		**1 715 207**	**1 210 026**

Statement of Changes in Net Assets

Figures in Rand	Funds utilised	Accrued revenue reserve	Total reserves	Accumulated surplus	Total net assets
Balance at 01 April 2021	**1 075 497**	**13 858 131**	**14 933 628**	**19 043 275**	**33 976 903**
Adjustments					
Prior year adjustments	-	-	-	(2 661 603)	(2 661 603)
Balance at 01 April 2022	**1 075 497**	**13 858 131**	**14 933 628**	**16 381 672**	**31 315 300**
Changes in net assets					
Surplus for the year	-	-	-	1 210 026	1 210 026
Transfers from accumulated surplus	15 639 000	377 221	16 016 221	-	16 016 221
Total changes	**15 639 000**	**377 221**	**16 016 221**	**1 210 026**	**17 226 248**
Opening balance as previously reported	**16 714 497**	**14 235 352**	**30 949 849**	**17 591 698**	**48 541 547**
Adjustments					
Prior year adjustments (Refer to note 42)	-	-	-	(41 640 116)	(41 640 116)
Restated* balance at 01 April 2022 as restated*	**16 714 497**	**14 235 352**	**30 949 849**	**(24 048 418)**	**6 901 431**
Changes in net assets					
Surplus/(deficit) for the year	-	-	-	1 715 207	1 715 207
Transfers to/(from) from accumulated surplus	21 603 000	941 744	22 544 744	-	22 544 744
Amount paid back	(10 605 000)	-	(10 605 000)	-	(10 605 000)
Total changes	**10 998 000**	**941 7744**	**11 939 744**	**1 715 207**	**13 654 951**
Balance at 31 March 2023	**27 712 497**	**15 177 096**	**42 889 593**	**(22 333 211)**	**20 556 382**

Cash Flow Statement

Figures in Rand	Note(s)	2023	2022 Restated*
Cash flows from operating activities			
Receipts			
Appropriation		255 484 000	230 160 000
Interest income		927 714	364 618
Receivables		(5 136 694)	160 410
		251 637 510	**230 685 028**
Payments			
Employee costs		(125 092 964)	(122 963 610)
Suppliers		(42 035 558)	(29 167 056)
Interest paid		(47 502)	(119 130)
Grants and subsidies paid		(66 825 919)	(66 660 036)
		(234 001 943)	**(218 909 832)**
Net cash flows from operating activities	30	**17 273 077**	**11 775 196**
Cash flows from investing activities			
Purchase of property, plant and equipment	9	(3 219 205)	(1 558 937)
Dividend Income		14 031	12 602
Net cash flows from investing activities		**(3 205 174)**	**(1 546 335)**
Cash flows from financing activities			
Movement in aid assistance		(1 900)	1 800
Finance lease movements		(639 215)	(8 010)
Amounts paid back		(10 605 000)	695 579
Net cash flows from financing activities		**(11 246 115)**	**689 369**
Net increase/(decrease) in cash and cash equivalents		**2 821 788**	**10 918 230**
Cash and cash equivalents at the beginning of the year		12 842 789	1 924 559
Cash and cash equivalents at the end of the year	8	**15 664 577**	**12 842 789**

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

Figures in Rand	Approved budget	Adjustments	Final budget	Actual amounts on comparable basis	Difference between final budget and actual	Note Reference
Statement of financial performance						
Revenue						
Revenue from exchange transactions						
Sales of goods and services other than capital assets	267 000	-	**267 000**	-	267 000	Note 41
Interest and dividends	3 575 000	-	**3 575 000**	941 744	2 633 256	Note 41
Total revenue from exchange	**3 842 000**	**-**	**3 842 000**	**941 744**	**2 900 256**	
Revenue from non-exchange transactions						
Government grants and subsidies	210 729 000	44 755 000	**255 484 000**	255 484 000	-	
Total revenue from non-exchange transactions	**210 729 000**	**44 755 000**	**255 484 000**	**255 484 000**	**-**	
Total revenue	**214 571 000**	**44 755 000**	**259 326 000**	**256 425 744**	**2 900 256**	
Expenditure						
Compensation of employees	(132 373 000)	(8 374 000)	**(140 744 000)**	(125 092 964)	15 651 036	Note 41
Transfers and subsidies	(38 804 000)	(19 929 000)	**(58 733 000)**	(66 825 919)	(8 092 919)	Note 41
Goods and services	(39 552 000)	(5 549 000)	**(45 101 000)**	(42 035 558)	3 065 440	Note 41
Payments for financial assets	-	-	**-**	(47 502)	(47 502)	Note 41
Payment for capital assets	-	(10 906 000)	**(10 906 000)**	(3 219 205)	7 686 795	Note 41
Total expenditure	**(210 729 000)**	**(44 755 000)**	**(255 484 000)**	**(237 221 148)**	**18 262 850**	
Deficit before taxation				**19 204 596**	**18 262 850**	
Actual amount on comparable basis as presented in the budget and actual comparative statement				**19 204 596**	**18 262 738**	

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis						
Figures in Rand	Approved budget	Adjustments	Final budget	Actual amounts on comparable basis	Difference between final budget and actual	Note Reference
Reconciliation						
Basis difference						
Services-in-kind income				11 082 183		
Services-in-kind rental expense				(11 082 183)		
Employee benefits (bonus accrual)				103 176		
Employee benefits (leave accrual)				(5 220 331)		
Salary accrual				192 694		
Supplier accruals				6 669 535		
Additions to property, plant and equipment				3 219 205		
Depreciation and amortisation				(3 256 185)		
Fair value adjustments				(83 123)		
Departmental revenue transfer to net assets				(22 544 774)		
Departmental revenue transferred to net assets				**(1 715 207)**		

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Finance Management of Parliament and Provincial Legislatures, 2009 (Act no. 10 of 2009).

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

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 consistently applied in the preparation of these annual financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

1.1 Going concern assumption

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

1.2 Materiality

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

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 judgement are 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.

Receivables

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

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

On and receivables, an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the receivable's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition (if practically determinable). Where the effective interest rate at initial recognition is not practically determinable, the government bond rate is used as the risk-free rate and adjusted for any risks specific to the loans and receivables.

1.3 Significant judgements and sources of estimation uncertainty (continued)

Allowance for slow moving, damaged and obsolete inventory

The write down is included in surplus or deficit.

Fair value estimation

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the entity is the current bid price.

Impairment testing

The recoverable amounts of potentially impaired cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of the assets.

Value in use of cash-generating assets

The Legislature reviews and tests the carrying value of cash-generating assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared for expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of the assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors, together with economic factors such as exchange rates, inflation and interest rates.

Value in use of non-cash-generating assets

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

Useful lives of property, plant and equipment and other assets

The Legislature's management determines the estimated useful lives and related depreciation or amortisation charges for all its Property, Plant and Equipment, and Intangible assets taking into account the residual values of the assets at the end of their useful lives.

The useful lives of assets are based on management's estimation. Management annually considered whether there are any indicators that the useful lives and residual values may need to be changed. Management has considered the impact of technology, availability of capital funding and the asset's service requirements in order to determine the optimum useful life expectation where appropriate.

Effective interest rate

The Legislature used the incremental borrowing interest rate to discount future cash flows.

Impairment of statutory receivables

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the entity determines the impairment loss. For amounts due to the entity, significant financial difficulties of the statutory receivable, probability that the statutory receivable will enter bankruptcy and default of payments are all considered indicators of impairment.

The impairment loss is measured as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

1.3 Significant judgements and sources of estimation uncertainty (continued)

Impairment of statutory receivables (continued)

In estimating the future cash flows, the entity considers both the amount and timing of the cash flows that it will receive in future. Where the effect of the time value of money is material, the entity discounts the estimated future cash flows using a rate that reflects the current risk-free rate and any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted. An impairment loss recognised in prior periods for a statutory receivable are revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

1.4 Property, plant and equipment

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

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

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

Property, plant and equipment are initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, and other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

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

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

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

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

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

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

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

Property, plant and equipment are depreciated over their expected useful lives to their estimated residual values. The depreciation charge for each period is recognised in surplus or deficit.

1.4 Property, plant and equipment (continued)

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

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

Item	Depreciation method	Average useful life
Computer equipment	Straight line	3 - 7 years
Leased assets	Straight line	2 - 3 years
Transport assets	Straight line	5 years
Furniture and office equipment	Straight line	5 - 10 years
Other machinery and equipment	Straight line	5 - 10 years
Library books	Straight line	20 years

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

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

The Legislature assesses at each reporting date whether there is any indication that the Legislature's 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 in terms of the Standard of GRAP on Accounting Policies, Changes in Estimates and Errors.

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

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

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

1.5 Intangible assets

An intangible asset is an identifiable, non-monetary asset without physical substance. The Legislature has classified computer software as intangible assets.

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from the 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.

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

An intangible asset is recognised when:

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

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

Intangible assets are initially measured at cost.

1.5 Intangible assets (continued)

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date, plus any costs incurred per paragraph 30 to 34 of GRAP 31.

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

Intangible assets are subsequently carried at cost less any accumulated amortisation and any impairment losses. Amortisation is provided on a straight line basis over the expected useful lives of the intangible assets.

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

The useful lives of intangible assets have been assessed as follows:

Item	Amortisation method	Average useful life
Computer software	Straight line	2 years

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

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

1.6 Heritage Asset

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations. The Legislature has classified art collections, antiquities and exhibits as heritage assets.

Recognition

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

Initial measurement

Heritage assets are initially measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition, plus any acquisition costs incurred as per paragraph 28 to 30 of GRAP 103.

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

Subsequent measurement

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

Impairment

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

1.6 Heritage Asset (continued)

Derecognition

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

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

1.7 Impairment of 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.

Designation

At initial recognition, the entity designates an asset as non-cash-generating, or an asset or cash-generating unit as cash-generating. The designation is made on the basis of the entity's objective of using the asset.

The entity designates an asset or a cash-generating unit as cash-generating when:

- its objective is to use the asset or a cash-generating unit in a manner that generates a commercial return; such that
- the asset or cash-generating unit will generate positive cash flows, from continuing use and its ultimate disposal, that are expected to be significantly higher than the cost of the asset.

An asset used with the objective of generating a commercial return and service delivery, is designated either as a cash-generating asset or non-cash-generating asset based on whether the entity expects to use that asset to generate a commercial return. When it is not clear whether the objective is to use the asset to generate a commercial return, the entity designates the asset as a non-cash-generating asset and applies the accounting policy on Impairment of non-cash-generating assets, rather than this accounting policy.

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The Legislature assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the Legislature estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the Legislature also tests a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of the asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the entity estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the entity applies the appropriate discount rate to those future cash flows.

1.8 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.

Designation

At initial recognition, the entity designates an asset as non-cash-generating, or an asset or cash-generating unit as cash-generating. The designation is made on the basis of the entity's objective of using the asset.

The entity designates an asset or a cash-generating unit as cash-generating when:

- its objective is to use the asset or a cash-generating unit in a manner that generates a commercial return; such that
- the asset or cash-generating unit will generate positive cash flows, from continuing use and its ultimate disposal, that are expected to be significantly higher than the cost of the asset.

The entity designates an asset as non-cash-generating when its objective is not to use the asset to generate a commercial return but to deliver services.

An asset used with the objective of generating a commercial return and service delivery, is designated either as a cash-generating asset or non-cash-generating asset based on whether the entity expects to use that asset to generate a commercial return. When it is not clear whether the objective is to use the asset to generate a commercial return, the entity designates the asset as a non-cash-generating asset and applies this accounting policy, rather than the accounting policy on Impairment of cash-generating assets.

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The Legislature assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the Legislature estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also tests a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating asset is determined using the following approach:

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

1.8 Impairment of non-cash-generating assets (continued)

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the Legislature will not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset. Overdesigned assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of an impairment loss

The Legislature assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the Legislature estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.9 Statutory receivables

Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Recognition

The entity recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

Accounting Policies

1.9 Statutory receivables (continued)

Initial measurement

The entity initially measures statutory receivables at their transaction amount.

Subsequent measurement

The entity measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

Accrued interest

Where the entity levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

Other charges

Where the entity is required or entitled in terms of legislation, supporting regulations, by-laws or similar means to levy additional charges on overdue or unpaid amounts, and such charges are levied, the entity applies the principles as stated in "Accrued interest" above, as well as the relevant policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers).

Impairment losses

The entity assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the entity considers, as a minimum, the following indicators:

- significant financial difficulty of the debtor, which may be evidenced by an application for debt counselling, business rescue or an equivalent;
- it is probable that the debtor will enter sequestration, liquidation or other financial re-organisation;
- a breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied); and
- adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the entity measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced, either directly or through the use of an allowance account. The amount of the losses is recognised in surplus or deficit.

In estimating the future cash flows, the entity considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the entity discounts the estimated future cash flows using a rate that reflects the current risk-free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

1.9 Statutory receivables (continued)

Any previously recognised impairment loss is adjusted either directly or by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

Derecognition

The entity derecognises a statutory receivable, or a part thereof, when:

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

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.10 Financial instruments

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

Derecognition is the removal of a previously recognised financial asset or financial liability from an Legislature's statement of financial position.

A financial asset is:

- cash;
- a residual interest of another entity; or
- 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 entity. 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 entity.

Classification

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

Class	Category
Cash and cash equivalents	Financial asset measured at amortised cost
Investments	Financial asset measured at fair value
Receivables from exchange transactions	Financial asset measured at amortised cost
Other receivables from exchange transactions	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
Aid assistance	Financial liability measured at amortised cost
Finance lease obligation	Financial liability measured at amortised cost
Payables from exchange transactions	Financial liability measured at amortised cost
Other payables from exchange transactions	Financial liability measured at amortised cost

1.10 Financial instruments (continued)

Initial recognition

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

The Legislature recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The Legislature measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability, except for financial assets and liabilities subsequently at fair value, which are measured at fair value. Transactions costs are not included.

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 fair value.
- Financial instruments at amortised cost.

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

Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the Legislature establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models.

If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the entity uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity-specific inputs. It incorporates all factors that market participants will consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, the entity calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on any available observable market data.

Reclassification

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or 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 uncollectibility 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.

For amounts due to the legislature, significant financial difficulties of the receivable, probability that the receivable will enter bankruptcy and default on payments are all considered indicators of impairment.

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (if practically determinable). Where the effective interest rate at initial recognition is not practically determinable, the government bond rate is used as the risk-free rate and adjusted for any risks specific to the financial assets. The carrying amount of the asset is reduced through the use of an allowance account.

1.10 Financial instruments (continued)

Impairment and uncollectibility of financial assets (continued)

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.

Financial assets measured at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

Derecognition

Financial assets

The Legislature derecognises financial assets using trade date accounting.

The Legislature derecognises a financial asset only when:

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

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

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

Financial liabilities

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

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

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

Accounting Policies

1.11 Leases

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

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

Finance leases – lessee

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

The discount rate used in calculating the present value of the minimum lease payments is the entity's incremental borrowing rate.

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

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

Operating leases – lessee

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

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

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

1.12 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition, plus any cost incurred in terms of paragraph 25 and 26 of GRAP 12.

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

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

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

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

The cost of inventories of items that are not ordinarily interchangeable, and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the first-in, first-out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to the Legislature.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered.

The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.13 Reserves

Reserves consist of the unspent portion of annual appropriation and accrued revenue.
These reserves can be surrendered funds which can be appropriated again in future periods.
This accounting treatment is done in compliance with section 28(2)(b) and 23(1) of the FMPPLA.

1.14 Provisions and contingencies

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 Legislature; or
- a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, 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 30.

1.15 Commitments

Items are classified as commitments when the Legislature has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are made in respect of unrecognised contractual commitments which include future capital commitments relating to property, plant and equipment, investment property, intangible assets and heritage assets, as applicable, operational commitments, as well as future commitments relating to operating leases. Refer to note 29 - Commitments.

Commitments for which disclosure is necessary to achieve a fair presentation are disclosed in a note to the financial statements, if both the following criteria are met:

- contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- contracts should relate to something other than the routine, steady, state business of the Legislature – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

1.16 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, other than increases relating to contributions from owners.

An exchange transaction is one in which the Legislature receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the Legislature has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the Legislature retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Accounting Policies

1.17 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, other than increases relating to contributions from owners.
An exchange transaction is one in which the entity 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.
Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates. The amount of revenue arising on a transaction which is statutory (non-contractual) in nature is usually measured by reference to the relevant legislation, regulation or similar means. The fee structure, tariffs or calculation basis specified in legislation, regulation or similar means is used to determine the amount of revenue that should be recognised. This amount represents the fair value, on initial measurement, of the consideration received or receivable for revenue that arises from a statutory (non contractual) arrangement (see the accounting policy on Statutory Receivables).

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date.
The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.
Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by.

Interest, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

It is probable that the economic benefits or service potential associated with the transaction will flow to the entity, **and** The amount of the revenue can be measured reliably.

1.18 Grants in aid

The Legislature transfers money to individuals, organisations and other sectors of government from time to time. When making these transfers, the Legislature does not:

- receive any goods or services directly in return, as would be expected in a purchase of sale transaction;
- expect to be repaid in future; or
- expect a financial return, as would be expected from an investment.

These transfers are recognised in the statement of financial performance as expenses in the period that the event giving rise to the transfer has occurred.

Accounting Policies

1.19 Employee benefits

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within 12 months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within 12 months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within 12 months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cell phones) for current employees.

When an employee has rendered service to the Legislature during a reporting period, the Legislature recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the Legislature recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The Legislature 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 bonus, incentive and performance related payments when the Legislature has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the Legislature has no realistic alternative but to make the payments.

Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the entity during a reporting period, the entity recognises the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within 12 months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money are consistent with the currency and estimated term of the obligation.

1.20 Borrowing costs

Borrowing costs are interest and other expenses incurred by the Legislature in connection with the borrowing of funds. Borrowing costs are recognised as an expense in the period in which they are incurred.

1.21 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year. Refer to note 40 - Comparative figures.

Accounting Policies

1.22 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of Parliament's approved budget or a main division within that budget
- any expenditure from Parliament's approved budget or a main division within that budget for a purpose unrelated to the approved budget or main division, subject to section 22 of the FMPPLA, and
- any expenditure of donor funds for a purpose not specified in the agreement with the donor;.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred and classified in accordance with the nature of the expense. Upon investigation, if a person was found to be liable in law for the unauthorised expenditure that occurred, a receivable is recognised for the recovery of the monies, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

For details on unauthorised expenditure, refer to note 35 - Unauthorised expenditure.

1.23 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.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred and classified in accordance with the nature of the expense. Upon investigation, if a person was found to be liable in law for the fruitless and wasteful expenditure that occurred, a receivable is recognised for the recovery of the monies, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

For details on fruitless and wasteful expenditure, refer to note 39 - Fruitless and wasteful expenditure.

1.24 Irregular expenditure

Irregular expenditure as defined in section 1 of the FMPPLA is expenditure, other than unauthorised expenditure, incurred in contravention of this Act or any other application legislation.

For details on irregular expenditure, refer to note 40 - Irregular expenditure.

1.25 Budget information

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

The approved budget covers the fiscal period from 2022/04/01 to 2023/03/31.

The annual financial statements and the budget are not on the same basis of accounting therefore a reconciliation between the statement of financial performance and the budget has been included in the annual financial statements.

1.26 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

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

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting entity 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.

Accounting Policies

1.26 Related parties (continued)

Management are those persons responsible for planning, directing and controlling the activities of the Legislature, including those charged with the governance of the Legislature in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the entity.

The Legislature is exempt from disclosure requirements in relation to related party transactions if the transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the Legislature to have adopted if dealing with an individual entity or person in the same circumstances; and terms and conditions within the normal operating parameters established by the Legislature's legal mandate.

1.27 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 adjusts the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The Legislature discloses 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.

2. **New Standards and Interpretations**

2.1 The entity has chosen to early adopt the following standards and interpretations:

Standard/ Interpretation	Effective date – Years beginning on/ after	Expected impact
GRAP 104 (amended): Financial Instruments	01 April 2015	Unlikely there will be a material impact

2.2 Standards and interpretations issued.

Standard/ Interpretation	Effective date – Years beginning on/ after	Expected impact
Directive 14: The application of Standards of GRAP by Public Entities that apply IFRS® Standards	01 April 2021	Unlikely there will be a material impact

The following standards of GRAP and /or amendments thereto have been issued by the Accounting Standards Board and have been taken into consideration when preparing the Annual Financial Statements.

Standard Name	Effective date (if applicable)	Adoption arrangements
Amendments to GRAP 1 on Presentation of Financial Statements	01-April-23	Early adopt amendments
Improvements to Standards of GRAP	01-April-23	Early adopt amendments (per standards)
GRAP 104 on Financial Instruments	01-April-25	Early adoption of the entire Standard permitted
GRAP 25 on Employee Benefits	Proposed 1 April 2023	Early adoption of the entire Standard permitted

The Following standards of GRAP and / or amendments are newly published by the Accounting Standards Boards. The effective dates thereof are not applicable, and the standards have not been adopted but they may affect the entity in the future

Standard Name	Applicable date
Review Report on Directive 12 on The Selection of an Appropriate Reporting Framework by Public Entities	Not applicable Affected public entities (and auditors) to review findings
Fact Sheet on Directive 12	Not applicable
Research Paper on the Desktop Review of Cash Flow Statements Presented in the Financial Statements	Not applicable
ED 194 on ASB's Work Programme 2024 to 2026	Consultation in process – comment deadline 18 March 2022
ED 195 on Proposed Amendments to GRAP 103 on Heritage Assets	Consultation closed 28 January 2022

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2023	2022 Restated*

3 Inventories

Inventory	-	-

No inventory was written off during the year.

Management has taken a decision to discontinue holding inventory during the 2016/17 financial year. Due to the management decision, consumables were procured directly and issued simultaneously to users. Management has assessed the value of inventory and concluded that the cost of internal control does not justify holding inventory nor have a negative impact on the mandate of Northern Cape Provincial Legislature.

Reconciliation of inventory

	2023	2022
Opening	-	83 751
Purchases	1 113 062	960 314
Issues	(1 113 062)	(960 314)
Allowance for obsolete inventory	-	(83 751)
	-	-

Inventory pledged as security

No inventory was pledged as security

4 Operating lease asset/(liability)

	2023	2022
Current assets	4 353	93 612
Straight-lining liability		
	4 353	**93 612**

Figures in Rand	Note(s)	2023	2022 Restated*

5 Receivables from exchange transactions

Recoverable Expenditure	386 125	274 473
Staff debt	678 899	855 579
Claims recoverable	845 839	914 140
Less: Allowance for impairment	(654 574)	(1 346 649)
Unallocated payments	382 614	864 377
	1 638 904	**1 561 920**

Receivables pledged as security

No receivables from exchange transactions were pledged as security

Credit quality of receivables

None of the financial assets that have been fully performing have been re-negotiated in the current year

Fair value of receivables

Receivables	1 638 904	1 561 920

The carrying value, less impairment allowance of receivables, is assumed to approximate their fair values due to their short term nature

Reconciliation of provision for impairment of trade and other receivables

Opening balance	(1 346 649)	(1 346 649)
Provision for impairment	(654 574)	(1 346 649)
Unused amounts reversed	1 346 649	1 346 649
	(654 574)	**(1 346 649)**

6 Prepayments and advances

Travel and subsistence	422 156	450 574
Staff allowance	492 318	162 906
Political party advance	4 850 000	-
Rental deposit	336 268	336 268
	6 100 741	**949 748**

Travel and subsistence relates to portion of the advance payments made relating to traveling that has not been recovered at year end. Staff allowance relates to portion of the advance payments made relating to 13th cheque that has not been recovered at year end. Political party advance relates to portion of the payments/transfer made relating to the period in the next financial year

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2023	2022 Restated*
7 Other receivables from exchange transactions			
Salary control		137 402	140 990
Garnish orders		4 764	4 264
Official unions		1 065	-
		143 231	**145 255**

Salary control accounts with debit balance at the end of the year

		2023	2022
8 Cash and cash equivalents			
Cash and cash equivalents consist of:			
Bank balances		15 664 470	12 840 782
Other cash and cash equivalents		107	2 007
		15 664 577	**12 842 789**

Cash and cash equivalents held by the legislature is available for use by the legislature.

None of the bank accounts have been pledged as security.

The entity had the following bank accounts:

Description: Account number	Bank Statement 2023/03/31	Bank Statement 2022/03/31	Bank Statement 2021/03/31	Cash book 2023/03/31	Cash book 2022/03/31	Cash book 2021/03/31
ABSA Bank - Cheque Account 9-4000-0440	15 664 470	12 840 782	6 780 946	15 664 470	12 840 782	6 780 946
ABSA Bank - Aid Assistance: 40-7866-9107	107	2 007	56 236	107	2 007	56 236
	15 664 577	**12 842 789**	**6 837 182**	**15 664 577**	**12 842 789**	**6 837 182**

Notes to the Annual Financial Statements

Figures in Rand

9 Property, plant and equipment

	2023			2022		
	Cost	**Accumulated depreciation and accumulated impairment**	**Carrying Value**	**Cost**	**Accumulated depreciation and accumulated impairment**	**Carrying Value**
Computer equipment	10 135 793	(7 075 333)	3 060 460	10 920 059	(7 364 800)	3 555 259
Furniture and office equipment	9 932 892	(7 219 345)	2 713 546	10 222 013	(7 528 872)	2 693 141
Leased assets	797 470	(277 000)	520 470	490 562	(274 877)	215 685
Library books	927 137	(449 136)	478 002	878 982	(404 118)	474 864
Other machinery and equipment	7 033 009	(4 324 977)	2 708 031	5 766 945	(3 718 763)	2 048 183
Transport assets	7 558 105	(3 339 050)	4 219 055	7 558 105	(3 031 599)	4 526 506
Total	**36 384 405**	**(22 684 841)**	**13 699 564**	**35 836 666**	**(22 323 029)**	**13 513 637**

Figures in Rand

9 Property, plant and equipment

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Other changes, movements	Depreciation	Impairment loss	Total
Computer equipment	3 555 259	704 301	-	(1 199 100)	-	3 060 460
Furniture and office equipment	2 693 141	574 460	-	(554 055)	-	2 713 546
Leased assets	215 685	546 524	-	(241 740)	-	520 470
Library books	474 864	48 156	-	(45 018)	-	478 002
Other machinery and equipment	2 048 183	1 345 764	-	(685 915)	-	2 708 031
Transport assets	4 526 506	-	-	(307 451)	-	4 219 055
	13 513 637	**3 219 204**	**-**	**(3 033 278)**	**-**	**13 699 564**

Figures in Rand

9 Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Other changes, movements	Depreciation	Impairment loss	Total
Computer equipment	3 835 375	699 739		(972 388)	(6 401)	3 555 259
Furniture and office equipment	2 942 543	207 279		(456 682)		2 693 141
Leased assets	218 744	250 946		(255 143)		215 685
Library books	517 549	2 564		(42 686)		474 864
Other machinery and equipment	2 553 594			(472 905)		2 048 183
Transport assets	4 833 955			(307 451)		4 526 506
	14 901 760	**1 150 528**	**-**	**(2 507 253)**	**(6 401)**	**13 513 637**

Pledged as security
None of the items of property, plant and equipment have been pledged as security

A register containing the information required by the financial management of Parliament and Provincial Legislature Act of 2009 is available for inspection at the registered office of the Legislature

9 Work in progress

NCPL incurred expenditure of R 39 569 079 to date which relates to a significant rehabilitation project of precinct or building in use by Northern Cape Legislature.

This amount pertains to the cost of refurbishment of the building done through structural defect project, the project was necessary in order to rehabilitate the defects and enhance the value of the property, similarly the rectification will also extend the economic useful of the property. NCPL has expense work in progress since the building does not belong to the institution. NCPL embarked on a tender process for structural defects project.

NCPL appointed the contractor through tender process as well as the professional Engineers that oversee and certify the work done. The cost of the work in progress is necessary and significant in enhancing the building in order to extend its economic useful life and to provide service

The Northern Cape Provincial Legislature occupies a building and land owned by the Provincial Government. This land and building is regulated by The Government Immovable Asset Management Act (Act 19 of 2007) commonly referred to as GIAMA, was promulgated on 27 November 2007.

Custodian means a national or provincial department designated in terms of GIAMA that must plan, acquire, manage and dispose immovable assets. Custodians are responsible for all activities that are associated with common law ownership. In our case the Provincial Department of Public Works (DPW) is designated as the custodian.

User means a provincial entity that uses or intends to use an immovable asset in support of its service delivery objectives. In order for the NCPL as the user to exercise its rights (legal and otherwise) over the WIP. Once completed and no legal rights and responsibilities exist between NCPL and contractors, the completed works will be transferred to DPW, which will receive such in terms of section 42 of the PFMA.

10 Intangible assets

	2023			2022		
	Cost	Accumulated depreciation and accumulated impairment	Carrying Value	Cost	Accumulated depreciation and accumulated impairment	Carrying Value
Computer Software	**1 574 526**	**(1 244 847)**	**329 679**	**1 574 526**	**(1 021 940)**	**552 586**

Reconciliation of intangible assets - 2023

	Opening balance	Additions	Amortisation	Total
Computer Software	552 586	-	(222 907)	329 679

Reconciliation of intangible assets - 2022

	Opening balance		Amortisation	Total
Computer Software	777 136	-	(224 550)	552 586

Pledged as security
None of the above intangible assets have been pledged as security.

A register containing the information required by Section 30 of the Financial Management of Parliament and the Provincial Legislature Act is available for inspection at the registered office of the Legislature

11 Heritage assets

	2023			2022		
	Cost	Accumulated depreciation and accumulated impairment	Carrying Value	Cost	Accumulated depreciation and accumulated impairment	Carrying Value
Arts, collections, antiques and exhibits	**39 000**	**-**	**39 000**	**39 000**	**-**	**39 000**

Reconciliation of intangible assets - 2023

	Opening balance	Total
Arts, collections, antiques and exhibits	39 000	39 000

Reconciliation of intangible assets - 2022

	Opening balance	Total
Arts, collections, antiques and exhibits	39 000	39 000

Pledged as security
None of the above heritage assets have been pledged as security.

Figures in Rand	Note(s)	2023	2022 Restated*

12 Investments

Listed shares		
The Legislature holds 5 251 shares in Sanlam which have an active market value	295 999	379 122
Non-current assets		
At fair value	295 999	379 122

Financial Assets at fair value

Fair value hierarchy of financial assets at fair value

For financial assets recognised at fair value, disclosure is required of a fair value hierarchy which reflects the significance of the inputs used to make the measurements. The fair value hierarchy have the following levels:
Level 1 represents those assets which are measured using unadjusted quoted prices in active markets for identical assets.

Level 2 applies inputs other than quoted prices that are observable for the assets either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 applies inputs which are not based on observable market data.

Level 1		
Sanlam shares	295 999	379 122

The Legislature holds 5 251 shares in Sanlam which have an active market value of R 56.37 per share on 31 March 2023 (2022:R 72.2).

The shares are not pledged as security for any borrowings.

Figures in Rand	Note(s)	2023	2022 Restated*

13 Finance lease obligation

	2023	2022 Restated*
Minimum lease payments due		
- within 1 year	192 335	188 702
- in second to fifth year inclusive	386 223	63 054
	578 558	251 756
less: future finance charges	(42 055)	(10 608)
Present value of minimum lease payments	**536 503**	**241 148**
Present value of minimum lease payments		
- within 1 year	173 697	179 644
- in second to fifth year inclusive	320 751	61 504
	494 448	**241 148**
Current liabilities	173 697	179 644
Non-current liabilities	320 751	61 504
	494 448	**241 148**

14 Payables from exchange transactions

	2023	2022 Restated*
Trade payables	2 594 872	1 425 609
Bonus accruals	2 572 635	2 554 345
Leave accrual	9 702 059	14 922 389
Salary accrual	966 646	773 952
Creditor retentions	821 518	821 518
	16 657 729	**20 497 813**

Fair value of trade and other payables

	2023	2022 Restated*
Trade payables	16 657 729	20 497 813

The carrying value of the trade payables, is assumed to approximate their fair values due to their short term nature.

Figures in Rand	Note(s)	2023	2022 Restated*

15 Other payables from exchange transactions

	2023	2022
Salary tax debt	8 770	22 839
Official unions	-	17 556
UIF	1 418	1 595
Medical aid	19 610	19 610
Pension	108 834	117 795
SARS	68 750	1 405 446
	207 382	**1 584 841**

16 Aid assistance

The aid assistance agreement states that funds which are not used should be paid back to LSS, therefore it is disclosed as a payable.

	2023	2022
Opening balance	2 007	3 807
Aid expenditure	(1 900)	(1 800)
Recoverable expenditure	-	-
	107	**2 007**

17 Interest and dividends

	2023	2022
Interest - financial institutions	927 714	364 618
Dividends - Investment in Sanlam shares	14 031	12 602
	941 744	**377 221**

18 Services in-kind

Other income

	2023	2022
Services-in-kind income - Relating to rental expenses	11 082 183	10 655 945

The South African Police Services (SAPS) provides National Key Point Access control services to the NCPL at no cost to the Legislature. These services were provided for the entire reporting period.

The NCPL received a free service in the form of training for members, funded by National Parliament (Legislature Support Sector Funding).

The NCPL occupies complexes which are owned by the Northern Cape Department of Roads and Public Works (NCDRPW). The Legislature occupied these complexes for free and did not pay any cost to NCDRPW. Management determined a market- related rental for the office accommodation similar to the office space provided by the NCDRPW (Refer to Note 24)

Figures in Rand	Note(s)	2023	2022 Restated*

19 Government grants and subsidies

Operating grants		
Appropriation	255 484 000	230 160 000

Appropriation
Included in above are the following grants and subsidies received:

Annual appropriation	227 181 000	203 389 000
Statutory appropriation	28 303 000	26 771 000
	255 484 000	**230 160 000**

Government grants and subsidies
The following reconciliation for Government Grants and Subsidies:

Balance unspent at beginning of year	16 714 497	1 075 497
Current-year receipts	255 484 000	230 160 000
Conditions met	(233 881 000)	(214 521 000)
Paid during the year	(10 605 000)	-
	27 712 497	**16 714 497**

The balance is the total of the funds unutilised that form part of the Legislature's reserves.

20 Employee related costs

Basic	70 649 371	66 187 322
Bonus provision charge	103 175.72	(119 038)
Compensative/circumstantial	9 364 915	6 519 330
Leave pay provision charge	(5 220 331)	(3 290 224)
Medical aid - company contributions	3 955 434	3 905 291
Non-pensionable allowances	22 978 172	26 084 099
Pension	13 356 576	12 743 653
Salary accrual adjustment	192 694	-
Service based other expense	240 660	-
Service bonus	4 228 885	4 424 201
UIF	234 065	232 100
	120 083 617	**116 686 733**

Figures in Rand	Note(s)	2023	2022 Restated*
Remuneration of NC Klaaste - Speaker			
Annual Remuneration		1 093 377	1 155 567
Public Office Bearers Allowance		120 000	120 000
Contributions to UIF, Medical and Pension Funds		290 522	274 502
Housing allowance		287 294	277 726
Other		241 856	150 000
		2 033 049	**1 977 795**
Remuneration of M Matika - Deputy Speaker			
Annual Remuneration		861 886	840 280
Public Office Bearers Allowance		120 000	120 000
Contributions to UIF, Medical and Pension Funds		257 327	240 563
Other		333 923	329 600
		1 573 136	**1 530 444**
Remuneration of PB Moopelwa - Secretary			
Annual Remuneration		1 272 977	1 218 094
Car allowance		471 451	451 149
Contributions to UIF, Medical and Pension Funds		2 125	2 040
Housing allowance		374 795	358 883
Other		56	83 376
		2 121 404	**2 113 543**
Remuneration of HJ Botha - Executive Manager: Law making and House business			
Annual Remuneration		954 464	1 075 429
Car allowance		37 730	38 792
Contributions to UIF, Medical and Pension Funds		333 752	317 427
Housing allowance		13 129	13 497
Other		160 960	187 950
		1 500 035	**1 633 094**
Remuneration of GR Botha - Chief Financial Officer			
Annual Remuneration		1 028 540	1 044 740
Car Allowance		300 971	312 872
Housing Allowance		148 253	147 385
Contributions to UIF, Medical and Pension Funds		236 410	218 711
Other		56	64 415
		1 714 230	**1 788 123**

Figures in Rand	Note(s)	2023	2022 Restated*
Remuneration of NH Borchard - Acting Executive Manager: Committees, Research and Information Services, Public Education and Communication			
Annual Remuneration		780 606	827 228
Acting allowance		171 478	164 094
Car allowance		66 900	64 018
Contributions to UIF, Medical and Pension Funds		178 741	159 223
Housing allowance		44 744	42 817
Other		219 719	209 502
		1 462 188	**1 466 882**
Remuneration of P Ntsiko - Acting Executive Manager: Corporate Services			
Annual Remuneration		868 267	917 270
Acting allowance		85 739	82 047
Contributions to UIF, Medical and Pension Funds		244 321	219 894
Housing allowance		82 609	79 052
Other		168 297	228 713
		1 449 233	**1 526 976**

21 Transfers and subsidies

Departmental agencies		706 659	518 632
Non-profit institutions		66 119 260	66 176 409
		66 825 919	**66 695 041**

22 Depreciation and amortisation

Depreciation		3 033 278	2 507 253
Amortisation		222 907	224 550
		3 256 185	**2 731 803**

23 Payments for financial assets

Interest on finance leases		42 055	10 648
		42 055	**10 648**

Figures in Rand	Note(s)	2023	2022 Restated*

24 Goods and services

	2023	2022
Administrative fees	1 318 847	383 484
Advertising	1 083 990	934 974
Auditors remuneration	3 465 096	3 983 221
Bursaries	320 989	263 666
Capital expenditure	54 248	35 512
Catering	1 274 288	757 615
Communication	2 339 194	2 101 603
Computer expenses	2 100 234	1 754 346
Consultants: Business and advisory services	1 008 171	823 249
Consulting and professional fees	1 332	-
Consumables	1 162 102	891 885
Contractors	1 076 338	1 154 113
Entertainment	46 731	15 913
Fleet	1 013 582	591 304
Interest paid	5 447	119 130
Inventory expenses	6 720	68 429
Operating leases	1 683 226	1 605 532
Other expenses	1 964 925	1 683 177
Property payments	5 050 978	2 473 906
Rental expense - services-in-kind	11 082 183	10 655 945
Security	65 030	41 797
Training	441 859	312 782
Travel and subsistence - local	13 194 758	6 480 811
Travel and subsistence - overseas	3 089 704	739 337
Venue expenses	107 075	26 400
	52 957 047	**37 898 130**

25 Operating surplus

Operating surplus for the year is stated after accounting for the following:

	2023	2022
Impairment of sale of property, plant and equipment	-	6 401
Depreciation and amortisation	3 256 185	2 731 803
Employee costs	120 083 617	116 686 733

26 Fair value adjustments

Other financial assets

	2023	2022
• Sanlam investment	(83 123)	66 530

Figures in Rand	Note(s)	2023	2022 Restated*

27 Auditors' remuneration

Fees	3 465 096	3 983 221

28 Operating lease expenses

Buildings	1 400 379	1 330 222
Equipment and machinery	282 847	275 311
	1 683 226	**1 605 532**

29 Travel cost

Travel - local	13 194 758	6 480 811
Travel - overseas	3 089 703.99	739 336.83
	16 284 462	**7 220 147**

30 Cash generated from operations

Surplus	1 715 207	1 210 026
Adjustments for:		
Depreciation and amortisation	3 256 185	2 731 804
Revenue utilised	941 774	377 221
Fair value adjustments	83 123	(66 530)
Impairment loss	-	6 401
Movements in operating lease assets and accruals	89 259	(279 600)
Finance cost	42 055	10 648
Revenue transferred to net assets	21 603 000	15 639 000
Services in-kind income	11 082 183	(10 655 945)
Rental expenses services in-kind	(11 082 183)	10 655 945
Changes in working capital:		
Receivables from exchange transactions	(76 984)	398 619
Other receivables from exchange transactions	2 024	(2 260)
Prepayments and advances	(5 150 993)	561 289
Payables from exchange transactions	(3 840 084)	(5 128 517)
Other payables from exchange transactions	(1 377 459)	541 648
Aid assistance	1 900	1 800
	17 273 077	**16 056 360**

Figures in Rand	Note(s)	2023	2022 Restated*

31

Financial instruments disclosure

Categories of financial instruments

2023

Financial assets

	At fair value	At amortised cost	Total
Cash and cash equivalents	-	15 664 577	15 664 577
Other receivables from exchange transactions	-	143 231	143 231
Investments	295 999	-	295 999
Receivables from exchange transactions	-	1 638 904	1 638 904
	295 999	**17 446 712**	**17 742 711**

Financial liabilities

	At amortised cost	Total
Finance lease obligation	494 448	494 448
Other payables from exchange transactions	207 382	207 382
Aid assistance	107	107
Payables from exchange transactions	4 383 035	4 383 035
	5 084 972	**5 084 972**

As at 31 March 2022
Financial assets

	At fair value	At amortised cost	Total
Cash and cash equivalents	-	12 842 789	12 842 789
Other receivables from exchange transactions	-	145 255	145 255
Investments	379 122	-	379 122
Receivables from exchange transactions	-	1 561 920	1 561 920
	379 122	**14 549 964**	**14 929 086**

Financial liabilities	At amortised cost	Total
Finance lease obligation	241 148	241 148
Other payables from exchange transactions	1 584 841	1 584 841
Aid assistance	2 007	2 007
Payables from exchange transactions	3 021 079	3 021 079
	4 849 075	**4 849 075**

Figures in Rand	Note(s)	2023	2022 Restated*

32

Commitments		
Authorised operational expenditure		
Already contracted for but not provided for		
• Operational Commitments	**3609 359**	**4 602 448**
Total operational commitments		
Already contracted	**3 609 359**	**4 602 448**
Total commitments		
Authorised capital expenditure	-	-
Authorised operational expenditure	3 609 359	4 602 448
	3 609 359	**4 602 448**

Operating leases - as lessee (expense)		
Minimum lease payments due		
- within one year	55 394	1 296 914
- in second to fifth year inclusive		55 394
	55 394	**1 352 308**

The operating lease disclosure is based on the contracted amounts, i.e.: payments.

Operating lease payments represent rentals payable by the entity for certain of its office properties. Leases are negotiated for an average term of three years and rentals are fixed for an average of three years. No contingent rent is payable. The average escalation rate is 9% and instalments are made on a monthly basis. The termination dates of the leases are 31 May 2023. Some leases have the option to renew on either newly agreed upon terms or continuing with the current terms in place and other leases do not include a renewal clause.

33 Contingencies

Litigation is in process against Davids for the recovery of monies to the value of R38 703. The claim is in favour of the NCPL (A criminal case is in process and the State Attorney advises to pend civil claim against employee).

Litigation is in process against Kola for the recovery of taxes of R12 655 paid in advance by NCPL on behalf of the former employee. The claim is in favour of the NCPL (A summons is to be issued).

Litigation is in process against Thulare Rabotapi for a claim against the driver of the Speaker, Clive Ricardo Lewis, to the value of R30 606. The State Attorney is assessing the liability.

Litigation is in process against FS Fernandes for a motor vehicle collision to the value of R54 139. The State Attorney is assessing the liability.

Figures in Rand	Note(s)	2023	2022 Restated*

34
Related parties
Relationships

Services in kind	refer to note18
Members of key management	refer to note20 NC Klaaste (Speaker) M Matika (Deputy Speaker) P.B. Moopelwa (Secretary) H.J. Botha (Executive Manager: Law Baking and House Business) G.R. Botha (Chief Financial Officer) N.H. Borchard (Acting Executive Manager: Committees, Research and Information Services, Public Education and Communication) P. Ntsiko (Acting Executive Manager: Corporate Services)

Figures in Rand	Note(s)	2023	2022 Restated*

35 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 is a result of the funds available to cover future commitments. The Legislature manages liquidity risk through an ongoing review of future commitments and credit facilities.
Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

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

	Less than 1 year		Between 1 and 2 years	
Figures in Rand	2023	2022	2023	2022
Finance lease obligation	173 697	179 644	320 751	61 504
Payables from exchange transactions	4 383 035	3 021 079	-	-
Aid assistance	107	2 007	-	-
Other payables from exchange transactions	207 382	1 584 841	-	-
	4 764 221	**4 787 571**	**320 751**	**61 504**

Credit Risk

Credit risk consists mainly of cash deposits, cash equivalents and receivables. The Legislature only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

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

Cash and cash equivalents	15 664 577	12 842 789
Other receivables from exchange transactions	143 231	145 255
Investments	295 999	379 122
Receivables from exchange transactions	1 638 904	1 561 920

Figures in Rand	Note(s)	2023	2022 Restated*

Market Risk

Interest rate risk

Interest rate risk is defined as the risk that the fair value or future cash flows associated with a financial instrument will fluctuate in amount as a result of market interest changes. The Legislature's exposures to interest rates on financial assets and financial liabilities are detailed below:

At year-end, financial instruments exposed to interest rate risk due to being linked to prime interest rate were as follows:
- Cash and cash equivalents
- Finance Lease Obligation

The Legislature's interest rate risk arises from the above financial instruments being linked to the prime interest rate. The prime interest rate is used as a factor in calculating the interest received or interest charged on these financial instruments. Fluctuations in the prime interest rate during the year give rise to a possible interest rate risk affecting the Legislature.

Foreign exchange risk

The Legislature does not enter into significant foreign currency transactions and has had very limited exposure to foreign currency risk.

36 Going concern

We draw attention to the fact that at 31 March 2023 ,Legislature's total assets exceed its liabilities by R20 556 382.

NCPL also have Retained funds reserves amounting of R27 712 497 and Accrued revenue reserve of R15 177 096

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

37 Events after the reporting date

No events after the reporting date incurred

Figures in Rand	Note(s)	2023	2022 Restated*

38 Unauthorised expenditure

	2023	2022
Opening balance	1 811 000	1 811 000
Less: Condoned with funding	-	-
Add: Current year unauthorised expenditure	-	-
	1 811 000	1 811 000

Unauthorised expenditure relates to amount that were overspend in previous years and related cashflow funded from accumulated surplus. It is disclosed as a current receivable as soon as approval is granted by the Legislature and Treasury funds such expenditure. There was no unauthorised expenditure incurred in the year under review.

39 Fruitless and wasteful expenditure

	2023	2022
Opening balance as previously reported	5 293 579	5 174 449
Opening balance as restated	**5 293 579**	**5 174 449**
Add: Expenditure identified current period	5 447	119 130
Add: Expenditure identified prior period	-	-
Closing balance	**5 299 026**	**5 293 579**
Interest and penalties	5 447	119 130
	5 447	**119 130**

40 Irregular expenditure

	2023	2022
Opening balance	16 218 605	20 978 605
Add: Irregular Expenditure - current year	-	-
Add/(Less): Irregular Expenditure - Prior year error	-	(4 760 000)
	16 218 605	**16 218 605**

Through investigation management were able to identify amount of R4 700 000 which was erroneously disclosed as irregular expenditure which did not meet definition. NCPL paid this amount to political parties represented in 2008 not in compliance with the policy regulating the transfers. Political parties were expected to provide annual financial statement before payment can be effected as per policy. The amount was erroneously disclosed as irregular expenditure.

Investigation reveals that legislature did not have applicable law or regulation is 2008. The applicable law that defined and regulated irregular expenditure was PFMA, however PFMA was not applicable to NCPL. It is management view that irregular expenditure can only be disclosed when contravention of applicable law or regulation takes place.

Figures in Rand	Note(s)	2023	2022 Restated*

41 Budget differences

Material differences between budget and actual
The budget and the accounting bases differ. The annual financial statements for the Legislature are prepared on the accrual basis using a classification based on the nature of expenses in the statement of financial performance. The budget is prepared on the cash basis.

The amounts in the annual financial statements were recast from the accrual basis to the cash basis and reclassified by functional classification to be on the same basis as the final approved budget.

- Northern Cape Provincial Legislature under collected it's own revenue by 71% or R2.9M as a result of low interested earned on favorable bank balance

- Compensation of employees under with 11% R15.6M as a results of Political Party Staff salaries expenditure allocated to transfers and subsidies for budget year 2022-23.

- Goods and service underspent with 6.8% or R3M as a result of cost containment measures.

- Transfers and subsidies overspent with 13.7% or R8M as a result of Political Party Staff salaries expenditure which is budget under compensation of employees.

- Payment for financial assets was as a result of interest paid on late payment and finance lease.

- Capital payment were underspent by 70% or R7.6M as a result of ear mark project that was differed to 2023/24 financial year.

Figures in Rand	Note(s)	2023	2022 Restated*

42 Prior-year adjustments

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

Statement of financial position
As at 31 March 2022

	As previously reported	Correction of error	Restated
Error 1			
Property Plant and Equipment (Work in progress) *WIP was erroneously capitalised as PPE*	39 569 079	(39 569 079)	0
Error 2			
Operating Lease Assets *Correcting straight-lining of operating lease for the 2022 year*	192 747	(99 135)	93 612
Error 3			
Salary accrual *Correcting 2022 MPL's salary increase accrual*	-	(773 952)	(773 952)
Error 4			
Goods and services *Correcting 2022 goods and service for s&t line item not accounted for*	37 943 236	(40 415)	37 902 821
Error 5			
Property Plant and Equipment *Correcting 2022 PPE casting error*	53 114 023	(31 307)	53 082 716
Error 6			
Departmental revenue transferred to net assets *Correcting 2022 dividend casting error*	391 251	(14 030)	377 221
Error 7			
Non-Current Liabilities	179 644	(118 140)	61 504
Current Liabilities	61 504	118 140	179 644
Correcting Finance lease obligation movement for 2022			
Accumulated Surplus	**19 306 905**	**(41 640 116)**	**(22 333 211)**

43 Comparative figures

Certain comparative figures have been restated due to prior year adjustments. Refer to note 42 for the details.

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