

PARLIAMENT OF THE PROVINCE OF THE WESTERN CAPE

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

MONDAY, 18 NOVEMBER 2013

COMMITTEE REPORTS

The Speaker:

1. Report of the Standing Committee on Community Development on the Annual Report of the Department of Health, for the year ended 31 March 2013, dated 7 November 2013.

The Standing Committee on Community Development, having considered the Annual Report of the Department of Health, for the year ending 31 March 2013, reports as follows:

A. Introduction

As part of its oversight function, the Standing Committee on Community Development considered the 2012/13 Annual Report of the Department of Health. Annual reports are the key instrument to report departmental performance measured against the performance targets outlined by the Department of Health in its Strategic Plan, Annual Performance Plan and its budget.

B. Department of Health

The Standing Committee on Community Development assessed the performance indicators of the Department of Health in line with the Department's strategic goal statements, which set out to address the burden of disease; improve the quality of health services and patient experiences; ensure and maintain organisational strategic management capacity and synergy; develop and maintain a capacitated workforce to deliver the required health services; develop and maintain appropriate health technology, infrastructure and ICT; and optimize financial management to maximise health outcomes.

The Cape Medical Depot (CMD), which previously functioned as a trading entity, was incorporated into the Department's programmes and is indicated as such through an expenditure budget under Sub-programme 7.5. The purpose of this sub-programme is to manage the supply of medicine and medical supplies to health facilities. To this extent, the

Committee considered the performance of the Cape Medical Depot as part of the Annual Report of the Department of Health.

1. Findings

The Committee noted with concern:–

- (a) that the actual immunisation target of children under the age of 1 was not achieved;
- (b) that professional nursing staff at Special Needs schools are excluded from professional accountability, development and training due to the lack of a formal agreement between the Department of Health and the Western Cape Education Department; and
- (c) the continuous challenges associated with the Infrastructure Demand Management System service level agreements between the Departments of Health and Transport and Public Works.

2. Recommendations

The Committee agreed:–

- (a) that the Department should finalise a formal agreement with the Western Cape Education Department to ensure that professional nursing staff at Special Needs schools benefit from professional accountability, development and training;
- (b) that the Department should in future be invited to brief the Committee on the reasons why the actual immunisation target of children under the age of 1 was not achieved; and
- (c) to undertake an oversight visit to the specialised burns unit at the Red Cross War Memorial Children's Hospital.

3. Papers, reports and information requested by the Standing Committee

The Committee requested that the Department of Health provide it with the following:–

- (a) a list of the Primary Health Care infrastructure sites that will be fast tracked for the implementation of anti-retroviral treatment (ART) service points; and
- (b) the reasons for the anticipated target for the provision of professional nurses per 100 000 people in rural districts set at 87.1% in 2012/13, when the actual achievement in 2011/12 was 90%.

C. Concluding Remarks

The Committee would not only like to express its appreciation to the Minister, Head of Department and the staff of the Department of Health for their efforts in compiling a professional annual report document, but would like to thank the Department for its oversight compliance in submitting and presenting the Annual Report to the Committee.

In particular, the Committee would like to extend a special word of appreciation to Prof Househam, for his selfless service to the Department of Health and the people of the Western Cape. The Committee conveyed its well wishes and success in all his future endeavours and hopes that he enjoys a well-deserved retirement.

2. Report of the Standing Committee on Finance and Economic Development on the 2012/13 Annual Reports of Provincial Treasury and its entity Western Cape Gambling and Racing Board, for the year ended 31 March 2013, dated 15 November 2013.

The Standing Committee on Finance and Economic Development, having considered the 2012/13 Annual Reports of Provincial Treasury and its entity Western Cape Gambling and Racing Board, for the year ended 31 March 2013, reports as follows:

1. Introduction

Annual Reports are the key instruments that are used by departments and entities to report about the performance targets and budgets outlined in their Strategic Plans and Annual Performance Plans.

The Committee therefore considered the abovementioned Annual Reports by overseeing and scrutinizing whether predetermined objectives line up with reported performance.

2. Provincial Treasury

The mandate of the Western Cape Provincial Treasury is to control and oversee the financial affairs of the Western Cape Government. It provides efficient supporting and sustainable public financial management to promote economic development, good governance, social progress and a rising standard of the people of the Western Cape.

In line with its mission to obtain financial supportive means and foster the optimal utilisation of resources by means of sound governance practices, Provincial Treasury strives towards the following Strategic Outcome Orientated Goals:

- (a) Assist the member of the Executive Council and the Head of Department with the delivery of the assigned functions to them.
- (b) Effective financial management of the Department up to a 3+ financial capability rating.
- (c) Revenue adequacy, optimisation and efficiency of revenue collection for departments and municipalities to achieve a level 3+ financial capability rating.
- (d) Monitor and evaluate cash flow and investment management so that it is sustainable and credible and will enhance service delivery and improve liquidity in departments and municipalities.
- (e) Responsive budgets for all provincial departments, municipalities and entities to achieve a level 3+ financial capability rating.
- (f) Credible budgets within departments, municipalities and entities to achieve a level 3+ financial capability rating.
- (g) Increase the level of infrastructure delivery to achieve a level 3+ financial capability rating (departments of Education, Health, Transport and Public Works and selected municipalities) and the sound management of PPP projects.
- (h) Enhance departmental and municipal capacity and performance to achieve a level 3+ financial capability rating for SCM and moveable asset management.
- (i) Management, utilisation and implementation of financial systems to achieve a level 3+ financial capability rating within provincial departments and selected entities.
- (j) Ensure the development of accounting practices within provincial and local government that will promote effective and efficient capturing of REAL movements/accountability and contribute towards attaining level 3 and higher auditable organisations.
- (k) Enable departments and municipalities to achieve a level 3+ financial management capability over the next 5 years.

2.1 Recommendations

The Committee agreed that–

- (a) future Annual Reports should contain a detailed account of the employees who received performance bonuses;
- (b) future Annual Reports should be better formatted and structured, taking into consideration that the relevant oversight committee and/or audience is not familiar with the processes and or terminology used by Provincial Treasury, and items within different columns within the same tables should be more easily readable;
- (c) strategic objectives and performance indicators should be presented in a more readable format to enable the reader to easily compare the respective objectives with the correlating performance indicators; and
- (d) explanations for items in tables, when presented as footnotes in the tables, should be indicated by asterisks and/or numbering within the body of the table.

3. Western Cape Gambling and Racing Board (WCGRB)

It is the intention of the Western Cape Gambling and Racing Board to control and regulate gambling and racing within the Western Cape in a manner that will provide a stable, just, consistent and effective regulatory environment that will inspire public confidence and trust to ensure that the industry contributes to the economy of the Western Cape in a socially responsible manner.

The Strategic Outcome Orientated Goal of the entity is to ensure that all gambling, racing and activities incidental thereto are effectively regulated in the Western Cape in such a manner that maximizes intended benefits while minimizing the unintended negative social consequences.

3.1 Recommendations

The Committee agreed that transformation of the gambling industry in terms of the distribution of wealth should focus not only on economic factors, but address social responsibilities as well.

4. Concluding Remarks

The Committee would like to express its appreciation to the Minister, Head of Department and the staff of Provincial Treasury and the Western Cape Gambling and Racing Board for their efforts in compiling professional annual report documents.

In addition, the Committee would like to thank the Department for their oversight compliance in submitting and presenting its Annual Report, and that of the Western Cape Gambling and Racing Board to the Committee for consideration.

3. Report of the Standing Committee on Finance and Economic Development on the Annual Reports of the Department of Transport and Public Works and its entity Government Motor Transport, for the year ended 31 March 2013, dated 15 November 2013.

The Standing Committee on Finance and Economic Development, having considered the Annual Reports of the Department of Transport and Public Works and its entity Government Motor Transport, for the year ended 31 March 2013, reports as follows:

1. Introduction

Annual Reports are the key instruments that are used by departments and entities to report about the performance targets and budgets outlined in their Strategic Plans and Annual Performance Plans.

The Committee therefore considered the abovementioned Annual Reports by overseeing and scrutinizing whether predetermined objectives line up with reported performance.

2. Department of Transport and Public Works

In line with the Provincial Strategic Objective 3 of increased access to safe and efficient transport, the Department of Transport and Public Works aims to develop and maintain appropriate infrastructure and related services for sustainable economic development which generates growth in jobs and facilities empowerment and opportunity.

To measure the Department's success in this regard, the Committee considered the Department's performance in line with the following Strategic Outcome Orientated Goals:

- (a) Promote good governance and an effective and efficient department.
- (b) Lead the implementation and facilitation of the Expanded Public Works Programme (EPWP) in the Western Cape.
- (c) Lead the development and implementation of Integrated Transport systems in the Western Cape.
- (d) Lead the development and implementation of provincial infrastructure and property management in the Western Cape.

2.1 Recommendations

That Committee agreed–

- (a) that the Department should improve the integration of the medium-term and long-term needs of client departments into the Department's programmes so as to improve the relevance of targets in relation to achievements;
- (b) that the Department should, in collaboration with other departments in other provinces, pursue on national level the amendment of constraining laws which impede the access to high quality gravel pits and ultimately delay the maintenance of the road networks underpinning rural economic development;
- (c) to visit the Department's Walk-in-Centre in Cape Town; and
- (d) to support the Minister of Transport and Public Works' request to reinstate funding from the National Department of Transport and Public Works for the Dial-a-Ride initiative.

2.2 Papers, reports and information requested by the Committee

The Committee agreed that the Department should provide the Committee with–

- (a) a detailed list of all new and current locations that were leased by the Department during the period under review, including the location of lease agreements that were cancelled during this period;
- (b) a detailed list of the 9 new and replacement schools that were constructed during the period under review, as well as the details of the 35 new and replacement schools currently under construction;

- (c) the minimum requirements/criteria to be met by prospective candidates in order to become eligible for the diesel mechanic apprenticeship program;
- (d) with the Placement Policy of Masakh' iSizwe Bursars as well as the Policy for the appointment of Masakh' iSizwe graduates;
- (e) a map indicating the location of all gravel roads under the responsibility of the Western Cape Department of Transport and Public Works;
- (f) a table indicating the number of registered public transport vehicles, per category, at the start and end of the period under review;
- (g) a list of all weighbridge stations in the Western Cape, indicating how many heavy vehicles were weighed and, passed without being weighed at each respective station for the duration of the period under review; and
- (h) a comprehensive list of all consultant entities used by the Department during the period under review, as well as a description of the services rendered by each entity.

3. Government Motor Transport

The purpose of Government Motor Transport is to provide quality, integrated and cost-effective motor transport to state departments and affiliated entities.

Although the operations and general administration of the Government Motor Transport Trading Entity is located in a single programme within the Department of Transport and Public Works, its performance for the period under review is captured in a separate Annual Report.

To this extent, the progress of Government Motor Transport has been measured in line with the following Strategic Outcome Oriented Goals:

- (a) Access to a unique vehicle fleet.
- (b) Improved vehicle management and control.
- (c) Improved client service.
- (d) Improved financial reporting.
- (e) A healthy operational environment.
- (f) Effective operational system.

3.1 Findings

The Committee noted with concern the anomaly between the annual target of 25% under paragraph 3.1 and the planned target of 320, as specified for 2012/13 in table 5.1.

3.2 Recommendations

The Committee agreed to congratulate Government Motor Transport on its overall good performance.

4. Concluding Remarks

The Committee would like to express its appreciation to the Minister, Head of Department and the staff of the Department of Transport and Public Works and Government Motor Transport for their efforts in compiling a professional annual report document.

In addition, the Committee would like to thank the Department for their oversight compliance in submitting and presenting its Annual Report, and that of Government Motor Transport, to the Committee for consideration.

The Committee would like to thank Mr Johan Fourie in abstentia retired for his selfless service to the Department of Transport and Public Works whilst serving in his capacity as Head of Department. The Committee wish him the best of luck in all his future endeavours and hopes that he enjoys a well-deserved retirement.

In conclusion, the Committee would like to congratulate Ms Jacqui Gooch on her appointment as new Head of Department: Transport and Public Works. The Committee trust that she will succeed in her new position and look forward to continue its sound working relationship with her and the Department.

4. Report of the Standing Committee on Finance and Economic Development on the 2012/13 Annual Reports of the Department of Economic Development and Tourism and its entities the Western Cape Destination Marketing, Investment, Trade Promotion Agency, Cape Town Routes Unlimited and Western Cape Liquor Authority, for the year ended 31 March 2013, dated 15 November 2013.

The Standing Committee on Finance and Economic Development, having considered the 2012/13 Annual Reports of the Department of Economic Development and Tourism and its entities the Western Cape Destination Marketing, Investment and Trade Promotion Agency, Cape Town Routes Unlimited and Western Cape Liquor Authority, for the year ended 31 March 2013, reports as follows:

1. Introduction

Annual Reports are the key instruments that are used by departments and entities to report about the performance targets and budgets outlined in their Strategic Plans and Annual Performance Plans.

The Committee therefore considered the abovementioned Annual Reports by overseeing and scrutinizing whether predetermined objectives line up with reported performance.

2. Department of Economic Development and Tourism

The Department of Economic Development and Tourism has a vision of a Western Cape that has a vibrant, innovative and sustainable economy, characterised by growth, employment and increasing equity, based on the principle of allowing all citizens to reach their full potential.

In striving towards this vision, the Department transformed its role of predominantly overseeing the economy of the Western Cape and intervening when matters of concern arises, to take up a central leadership position in facilitating economic growth by engaging all economic stakeholders to ultimately establish and influence a predictable, competitive, equitable and responsible environment for investment, enterprise and trade.

To create opportunities for businesses and private citizens that will stimulate economic growth and job creation, the Department has set itself the following Strategic Outcome Orientated Goals:

- (a) To develop and implement the economic strategic plan and policies in support of achieving opportunities for jobs and growth.
- (b) To create an enabling environment through improvement in the regional business confidence index and growth in the employment rate.

- (c) To facilitate demand-led, private sector driven government support for growth sectors, industries and business by increasing the value of exports.
- (d) To improve the competitiveness of the region through infrastructure-led economic growth.
- (e) To facilitate through the Extended Public Works Programme (EPWP) 204 770 “100-day work opportunities” and 111 859 “full-time equivalents” between 2009 and 2014.

2.1 Findings

The Committee noted with concern that actual achievements regularly far over-exceed expected targets. Projected targets should therefore be adjusted to more realistically relate to actual future achievements.

2.2 Recommendations

The Committee agreed that–

- (a) the organisational structure diagram should in future contain individual photographs of senior management;
- (b) the consideration of the Annual Report of the Department of Economic Development and Tourism should in future be separate from its affiliated entities, as to allow sufficient time to scrutinize the respective reports;
- (c) the Department should ensure that training initiatives should align with specific skills shortages;
- (d) the Department should liaise with tertiary training institutions as to address the shortages of graduates in the affected fields of study; and
- (e) the Department should be congratulated on their overall good performance.

2.3 Papers, reports and information requested by the Committee

The Committee agreed that the Department of Economic Development and Tourism should–

- (a) brief the Committee on the OneCape 2040 strategy;
- (b) provide a summary of all municipal support interventions, detailing the extent of these programs as well as the location thereof;
- (c) provide more information on the chocolate support facility investment;
- (d) brief the Committee on the nature and objectives of the Regional Innovation Forum and elaborate as to the involvement of the Finnish Embassy in implementing the Regional Innovation System in the Western Cape;
- (e) report on how funds transferred to the Business Place and the West Coast Business Development Centre initiatives were spent; and
- (f) provide an explanatory summary, detailing the address of each of the identified consultancies, and specifying in each case, the type of service rendered.

3. Western Cape Destination Marketing, Investment and Trade Promotion Agency (WESGRO)

The Western Cape Destination Marketing, Investment and Trade Promotion Agency strives to lead the creation and promotion of a global destination for tourism, trade and investment, for the ultimate benefit of all people in the Western Cape.

The Agency's strategic plan focuses on trade and investment promotion by deepening services and capacity in the core business areas, focussing on priority sectors, targeting markets and aiming for international best practices in trade and investment promotion.

To this extent, the Agency's high-level organisational priorities are to–

- (a) become a global leader in Tourism, Trade and Investment Promotion;
- (b) provide a cutting-edge service offering;
- (c) diversify sources of funding;
- (d) develop a high-performance culture;
- (e) build the business image of the Agency; and
- (f) improve the quality of its systems and infrastructure.

3.1 Recommendations

The Committee agreed that–

- (a) the Annual Report should in future be edited more thoroughly in order to improve clarity and correctness;
- (b) Wesgro should acknowledge their partners and stakeholders on national level;
- (c) representatives of the Wesgro Board of Directors should at all times be present at the meeting when the Annual Report is considered;
- (d) the organisational structure diagram should include individual photographs of all senior management officials;
- (e) Wesgro should provide the Committee with a report on the methodology used to determine economic impact estimates;
- (f) Wesgro should provide more details on the various roll-out phases of the Broadband Initiative; and
- (g) Wesgro should be congratulated on their overall good performance.

4. Cape Town Routes Unlimited (CTRU)

In striving towards a vision of being recognised as one of the most dynamic and professionally managed Destination Marketing Organisations in the world, Cape Town Routes Unlimited set the following strategic goals:

- (a) To position Cape Town and the Western Cape as the premier leisure, events and business tourism destination in Africa'.
- (b) To contribute to the distribution of the benefits of a thriving tourism industry to all the citizens of the Western Cape.
- (c) To contribute towards the attainment of high levels of competitiveness in the industry.
- (d) To promote an environmentally and socially responsible tourism industry that will enjoy the benefits of sustained growth.

As a result of a gradual decline of grant funding, the Western Cape Government embarked on a strategy in the 2012/13 financial year to transfer the destination marketing functions of the Western Cape to the Western Cape Destination Marketing, Investment and Trade Promotion Agency.

As of 1 April 2012, the operations, staff and functions of CTRU were subsequently transferred to Wesgro.

CTRU's achievements for the 2012/13 financial year, albeit under the management of Wesgro, measured against above mentioned strategic goals, have been captured in a separate Annual Report and its performance was subsequently considered independently from that of Wesgro.

5. Western Cape Liquor Authority

The mission of the Western Cape Liquor Authority is to regulate the retail sale and micro-manufacturing of liquor in the province.

The entity's Strategic Outcome Orientated Goals are as follows:

- (a) A regulatory environment that reflects high levels of participation by the public.
- (b) A maximising of the benefits of the industry for the Province and its people.
- (c) A minimising of its negative effects through increased awareness.
- (d) Reduced availability of liquor and better law enforcement.

5.1 Recommendations

The Committee agreed that–

- (a) the organisational structure diagram should include individual photographs of all senior management officials; and
- (b) the Western Cape Liquor Authority should be congratulated on their overall good performance.

6. Concluding Remarks

The Committee would like to express its appreciation to the Minister, Head of Department and the staff of the Department of Economic Development and its affiliated entities for their efforts in compiling professional Annual Report documents.

In addition, the Committee would like to thank the Department for their oversight compliance in submitting and presenting its Annual Report, and that of its entities the Western Cape Destination Marketing, Investment and Trade Promotion Agency, Cape Town Routes Unlimited and the Western Cape Liquor Authority, to the Committee for consideration.

In particular, the Committee would like to commend the performance of the Western Cape Liquor Authority who, in its first full financial year of operation, managed to achieve a clean audit performance.