

PARLIAMENT OF THE PROVINCE OF THE WESTERN CAPE

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

FRIDAY, 16 JULY 2021

COMMITTEE REPORTS

1. **Annual Committee Report of the Public Accounts Committee (PAC) for the 2020/21 financial year, as follows:**

Members

The Committee comprised of the following members:

Mvimbi, LL (ANC) (Chairperson)

America, D (DA)

Baartman, DM (DA)

Maseko, LM (DA)

Xego, M (EFF)

Alternate members

Allen, RI (DA)

Bosman, G (DA)

Botha, LJ (DA)

Mackenzie, RD (DA)

Makamba-Botya, N (EFF)

Mitchell, DG (DA)

Nkondlo, ND (ANC)

Philander, WF (DA)

Smith, D (ANC)

Van der Westhuizen, AP (DA)

Wenger, MM (DA)

1. Introduction

The mandate of the PAC, as prescribed by Standing Rule 101, is to examine:

- 1.1. the financial statements of provincial departments and provincial public entities;
- 1.2. any audit reports issued on the statements referred to in relation to the financial statements of provincial departments and provincial public entities;
- 1.3. any reports issued by the Auditor-General on the affairs of any provincial department or provincial public entity; and
- 1.4. any other financial statements or reports referred to it by the House.

In fulfillment of its mandate the Committee must:

- 1.5 Facilitate public participation and involvement in the legislative and other processes of the Committee.
- 1.6 Conduct its business in a fair, open and transparent manner.
- 1.7 Promote cooperative governance.
- 1.8 Report regularly to the House.

2. Reporting departments

The financial statements that were included in the annual reports of the following provincial departments, for the financial year ending 31 March 2020, were examined:

- 2.1 Department of the Premier.
- 2.2 Provincial Treasury.
- 2.3 Department of Community Safety.
- 2.4 Western Cape Department of Education.
- 2.5 Department of Health.
- 2.6 Department of Social Development.
- 2.7 Department of Human Settlements.
- 2.8 Department of Environmental Affairs and Development Planning.
- 2.9 Department of Transport and Public Works.
- 2.10 Department of Agriculture.
- 2.11 Department of Economic Development and Tourism.
- 2.12 Department of Cultural Affairs and Sport.
- 2.13 Department of Local Government.

3. Reporting entities

The financial statements included in the annual reports of the following public entities, for the financial year ending 31 March 2020, were examined:

- 3.1 Western Cape Language Committee.
- 3.2 Western Cape Cultural Commission.
- 3.3 CapeNature.
- 3.4 Western Cape Destination Marketing, Investment and Trade Promotion Agency (WESGRO).
- 3.5 Western Cape Housing Development Fund.
- 3.6 Government Motor Transport (GMT).
- 3.7 Cape Agency for Sustainable Integrated Development in Rural Areas (CASIDRA).
- 3.8 Heritage Western Cape.

- 3.9 Western Cape Gambling and Racing Board.
- 3.10 Western Cape Liquor Authority.
- 3.11 Saldanha Bay Industrial Development Zone Licencing Company (SOC) Ltd.

4. Overview of the Committee's activities

Number of Public Hearings	20
Number of International Study Tours	0
Number of Oversight Visits	0
Number of Provincial Bills considered	0
Number of NCOP Bills considered	0
Workshops/conferences attended	3

5. Oversight activities

The Public Accounts Committee satisfactorily conducted oversight over the Provincial Government of the Western Cape during the 2020/21 financial year.

The Committee commenced the 2020/21 financial year by meeting with the Auditor- General of South Africa on the scope of audits on predetermined objectives to be undertaken in the Western Cape during the 2019/20 financial year, including the status of the implementation of the Broad-based Black Economic Empowerment Act requirements by the departments and entities of the Western Cape Government. It also met with the Provincial Forensic Services within the Department of the Premier on the fraud and corruption cases which occurred during the 2018/19 financial year within the Western Cape Government. The Committee was also briefed by the Departments of Economic Development and Tourism on its investments and impairments for the 2018/19 financial year and Cultural Affairs and Sport on its self-insurance model for heritage assets and minor capital assets investigation that was undertaken.

During the second quarter of the 2020/21 financial year, the Committee conducted oversight over the Western Cape Department of Education (WCED), Department of the Premier, Saldanha Bay Industrial Development Zone (SBIDZ), Western Cape Gambling and Racing Board (WCGRB), Western Cape Cultural Commission and Provincial Treasury. The WCED provided feedback to the Committee on the status and outcomes of its recorded fraud cases, while the Department of the Premier had to brief the Committee and provide assurances on how its Information Communications Technology Directorate would protect the information of the Western Cape Government in case of a cyber-attack. The SBIDZ briefed the Committee on its funding model which would ensure future financial sustainability apart from the annual allocation of funds from the Department of Economic Development and Tourism.

The Committee was interested in the implementation and compliance level of the local content requirements when departments and entities purchased goods from vendors and suppliers within the Western Cape. The Committee requested that Provincial Treasury engage it on the departmental compliance level to the issue of local content. The Western Cape Cultural Commission also briefed the Committee on the measures that were implemented to protect the facilities of the Entity.

During the third quarter, the Committee met with the Department of the Premier on the status and expenditure of the roll-out of broadband during the 2019/20 financial year in the Western Cape, including the societal value that was derived therefrom.

The Committee ended its annual activity by conducting oversight over 12 departments and their entities in respect of their annual reports for the 2019/20 financial year. The Committee made resolutions on certain matters that were raised within these meetings. The resolutions and requests for information can be viewed under ATC 40-2021, which is the Report of the Committee which was tabled in the Western Cape Provincial Parliament on 23 April 2021. The Report pertains to the resolutions and requests for information as per the engagements between the Committee and the departments and entities of the Western Cape on the content of their 2019/20 annual reports.

The Committee attended two Association of Public Accounts Committees' Council of Delegates meetings and the Chairperson attended one Executive meeting during the year under review. Please see "workshops/conferences attended" on page 3.

6. Legislation

During the 2020/21 financial year, the Committee dealt with no legislation.

7. Facilitation of Public Participation

In line with its mandate to facilitate public participation as part of the legislative process, the Committee held 20 public meetings during the 2019/20 financial year, of which 12 of those meetings related to the engagements that were held during the Annual Report period in the week of 25- 29 January 2021.

8. Financial particulars

The Standing Committee was allocated a budget of R132 000,00 for the 2020/21 financial year. At the end of the financial year, the expenditure which attributed to the activities of the Committee accumulated to an amount of R 46 890,77. There was thus an underspending of R85 109,23.

2. Report of the Annual Committee Report of the Parliamentary Oversight Committee (POC) for the 2020/21 financial year, as follows:

Members

The Committee comprised of the following members:

Ms MM Wenger (DA) Chairperson
 Mr RI Allen (DA)
 Mr RD MacKenzie (DA)
 Ms PZ Lekker (ANC)
 Mr M Xego (EFF)

Alternate Members

Ms LJ Botha (DA)
 Mr CM Dugmore (ANC)
 Ms N Makamba-Botya (EFF)
 Ms LM Maseko (DA)
 Mr DG Mitchell (DA)

1. Introduction

The mandate of the POC, as prescribed by the Financial Management of Parliament and Provincial Legislatures Act, 2009 (Act 10 of 2009) (FMPPLA), is to:

- 1.1 Be the oversight mechanism of the Western Cape Provincial Parliament which must maintain oversight of the financial management of Parliament to—
 - (a) Consider instructions issued by the Executive Authority in terms of section 37(5);
 - (b) Consider the annual report submitted to Parliament in terms of section 60;
 - (c) Consider instructions issued by the Executive Authority in terms of section 66; and
 - (d) Perform any other functions specified in this Act or by the Rules of Parliament, or consistent with the objects of the FMPPLA.
- 1.2 Require the Accounting Officer and any other official of the Western Cape Provincial Parliament to appear before it.
- 1.3 Exercise the same powers that committees of Parliament have under sections 56 and 69 of the Constitution of the Republic of South Africa 1996.
- 1.4 Consider the quarterly and mid-year reports of the Western Cape Provincial Parliament.
- 1.5 Consider the Annual Report of the Western Cape Provincial Parliament.
- 1.6 Any audit reports issued by the Auditor-General on the affairs of the Western Cape Provincial Parliament; and
- 1.7 Any other financial statements or reports referred to the Committee by the House.

In fulfillment of its mandate, the Committee must:

- 1.8 Facilitate public participation and involvement in the legislative and other processes of the Committee;
- 1.9 Conduct its business in a fair, open and transparent manner;
- 1.10 Promote cooperative governance; and
- 1.11 Report regularly to the House.

2. Reporting Institution

The financial statements included in the Annual Report for the financial year ending 31 March 2020 was examined, as follows -

- 2.1 Western Cape Provincial Parliament (WCPP)

3. Overview of committee's activities

Number of Committee Meetings	7
Number of Public Hearings	3
Number of International Study Tours	0
Number of Oversight Visits	0
Number of Provincial Bills considered	2
Number of NCOP Bills considered	0
Workshops/conferences attended	0

4. Oversight activities

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

- 4.1 The Quarterly Performance reports of the WCPP;
- 4.2 The Financial Statement reports of the WCPP; and
- 4.3 The Annual Report of the WCPP for the 2019/20 financial year.

During the 1st and 2nd quarters the Committee met with the WCPP to engage it on its 4th quarter performance and financial reports of the WCPP of the 2019/20 financial year. The Committee also conducted oversight over the performance and financial reports of WCPP for the 1st quarter of the 2020/21 financial year.

During the 3rd Quarter of the financial year, the Committee met with the Institution to engage the WCPP on its Annual Report for the 2019/20 financial year, including the Schedule of the Institution in terms of the Western Cape Second Adjustments Appropriation Bill [B 7-2020]. The Committee made resolutions to the Institution in order to assist it in gearing towards meeting its constitutional mandate and its functional enhancement abilities which would ensure that the WCPP operate optimally in delivering on its strategic plan over a 5-year period. This included an update on the action plan pertaining to the vacant posts which were yet to be filled, a Report on the reimbursement of the Institution in respect of the Erasmus Court Case, once the matter is finalised, and a copy of the overtime policy which is applicable to the staff of the Institution.

During the 4th Quarter, the Committee met with the Institution to be briefed on the WCPP's 2nd and 3rd Quarter (2020/21) financial and performance information, any instructions issued in term of Section 37 (6) & Section 66 (2) of the FMPPLA, and information on salary over- and under payments; including gratuity leave and staff leave. In respect of the oversight activity, the Committee resolved that the Institution provides reports on the work which has been done by Work Dynamics and the Assessment Toolbox during the 2019/20 financial year, the vacancies; including all posts that were created and abolished during the 2019/20 financial year, a report on how the Deputy Secretary's post has been phased-out with the passing of Mr R Hindley, a copy of the Ministerial Handbook which guides the Administration on the use of ministerial vehicles, a copy of the recruitment policy of WCPP which was implemented during the 2019/20 financial year; and a report on the members of the WCPP who owe the Institution monies, including an action plan on how the monies will be recovered.

5. Legislation

In the 2020/ 21 financial year, the Committee dealt with the following provincial legislation:

- 5.1. Vote 2: Western Cape Provincial Parliament in the Schedule to the Western Cape Second Adjustments Appropriation Bill [B 7-2020]; and
- 5.2. Vote 2: Western Cape Provincial Parliament in the Schedule to the Western Cape Appropriation Bill [B 4-2021].

6. Facilitation of Public Involvement and Participation

In line with its mandate to facilitate public participation as part of the legislative process, the Committee held one public hearing meeting during the Annual Report period. To give effect to this, the Committee's Annual Report meeting was advertised, informing and inviting the public and stakeholders to participate in public hearings. In addition, the Committee held two public hearing meetings on the following money Bills, the Western Cape Second Adjustments Appropriation Bill [B 7-2020], and the Western Cape Appropriation Bill [B 4-2021], respectively, on Vote 2: Western Cape Provincial Parliament.

7. Financial particulars

At the end of the 2020/21 financial year, expenditure which attributed to the activities of the Committee accumulated to an amount of R3 206,82 from an allocated budget of R50 000,00. The expenditure was incurred on catering for the Committee's meetings during the financial year, as well as contributing to the adverts for the Appropriation, Adjustments Appropriation and Annual Report period.