

WESTERN CAPE PROVINCIAL PARLIAMENT



ANNUAL REPORT 2022/2023



**WESTERN CAPE
PROVINCIAL PARLIAMENT**

**ANNUAL REPORT
2022/2023**

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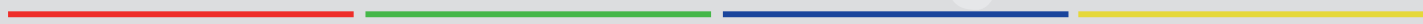
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WESTERN CAPE PROVINCIAL PARLIAMENT



PART A GENERAL INFORMATION





Following parliamentary tradition, Hon Daylin Mitchell is “strong-armed” by Members Dan Plato and Matlhodi Maseko to the dais following his election as Speaker on 12 December 2022.

PART A: GENERAL INFORMATION

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ACRONYMS AND ABBREVIATIONS

AC	Audit Committee
ACDP	African Christian Democratic Party
AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
ANC	African National Congress
APP	Annual Performance Plan
APAC	Association of Public Accounts
ATC	Announcements, Tabling and Committee Reports
B-BBEE	Broad-based Black Economic Empowerment
BCP	Business Continuity Plan
BIA	Business Impact Analysis
BSC	Bid Specifications Committee
BEC	Bid Evaluation Committee
BAC	Bid Adjudication Committee
Casidra	Cape Agency for Sustainable Development in Rural Areas
CDM	Clean Development Mechanism
CIP	Critical Infrastructure Protection
CIPA	Critical Infrastructure Protection Act
COVID-19	Coronavirus Disease 2019
CPA	Commonwealth Parliamentary Association
DA	Democratic Alliance
DIRCO	Department of International Relations and Cooperation
DoCS	Department of Community Safety
DoTP	Department of the Premier
ECD	Early Childhood Development
ECM	Enterprise Content Management
EDRM	Electronic Document and Records Management
EFF	Economic Freedom Fighters
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
ExCo	Executive Committee
FF (Plus)	Freedom Front Plus
FMPPLA	Financial Management of Parliament and Provincial Legislatures Act
GMT	Government Motor Transport
GOVCOM	Governance Committee
GRAP	Generally Recognised Accounting Practice
HIRA	Hazard Identification and Risk Assessment
HR	Human Resources
ICAS	Independent Counselling and Advisory Services
IOD	Injury on Duty
ISSF	Integrated Safety and Security Forum

IT	Information Technology
ITDS	Information Technology and Digital Services
JOC	Joint Operations Centre
JPC	Joint Planning Committee
KM	Knowledge Management
KM&IS	Knowledge Management and Information Services
KRI	Key Risk Indicator
LSS	Legislative Sector Support
MAYCO	Mayoral Committee
MDR	Managed Detection and Response
MotSA	MOT South Africa
MOU	Memorandum of Understanding
MPP	Member of the Provincial Parliament
NCSL	National Conference of State Legislators
NKP	National Key Points
OHS	Organisational Health and Safety
PE	Public Engagement
PEO	Public Education and Outreach
PM	People Management
POC	Parliamentary Oversight Committee
PPPFA	Preferential Procurement Policy Framework Act
PPR	Preferential Procurement Regulations
PSS	Parliamentary Support Services
POPIA	Protection of Personal Information Act
SALGA	South African Local Government Association
SALS	South African Legislative Sector
SAPS	South Africa Police Service
SC&AM	Supply Chain and Asset Management
S&IO	Strategy and Institutional Oversight
SMME	Small, Medium and Micro Enterprises
SMT	Senior Management Team
SoCATT	Society of Clerks-at-the-Table
SOP	Standard Operating Procedure
SOPA	State of the Province Address
SLA	Service Level Agreement
UAT	User Acceptance Testing
VIP	Very Important Persons
WCARS	Western Cape Archival and Records Services
WCPP	Western Cape Provincial Parliament

FOREWORD BY THE SPEAKER

It is indeed a privilege to table the Annual Report of the Western Cape Provincial Parliament (WCPP) for the 2022/23 financial year.

In the aftermath of the COVID-19 pandemic, the year under review saw a return to relative normality in as far as the activities of the WCPP were concerned.

From the outset, I wish to thank the Members and the Administration for their dedication, enthusiasm and resilience in successfully navigating the ship through uncharted waters during the pandemic. The fact that some of the new procedural and practical arrangements are still in place post the pandemic is a testament to the fact that we are not afraid to tackle challenges head-on and emerge even better on the other side. For instance, fully-effective hybrid operations have continued during the reporting period which also allowed Members to participate from any remote location for House and Committee activities while working from their constituencies.



HONORABLE DAYLIN MITCHELL
SPEAKER OF THE PROVINCIAL PARLIAMENT

Since taking office in December of 2022, I had the opportunity to vigorously engage the Secretary of the WCPP and the Senior Management team to reprioritize resources, cognisant of the enormous strain on the fiscus and the resultant budgetary constraints affecting all entities covered in the budget. This culminated in the identification of key priorities which formed the basis of our Annual Performance Plan (APP) and budget for 2023/24, for the remainder of the sixth parliament and beyond.

They are:

- Building a credible WCPP that is a respected, reputable and stable legislative body;
- Expanding on our citizen service to create an institution that is first and foremost a parliament for all the people of the Western Cape;
- Strengthening the core business with specific emphasis on its mandate of law-making, public participation and oversight;
- Strengthening support to our Members to ensure optimisation of their impact as legislators;
- Supporting our employees as a valuable constituent to ensure a highly motivated and content employee complement.

It was also during the year under review that the 'Back to Basics' approach was adopted. This emphasized the principle that as an institution we will focus on the core mandate, prioritising essential services and cutting back on 'nice to have' initiatives that do not meaningfully impact our role and function as a legislative institution.

During the period under review, Members were able to access capacity-building initiatives within the national and international inter-parliamentary space and participate in training funded by the Legislative Sector Support Programme. The WCPP also co-hosted the Commonwealth Parliamentary Academy (CPA) Residency Programme from 24 to 28 October 2022, which was attended by Members from 14 legislatures from across the Commonwealth.

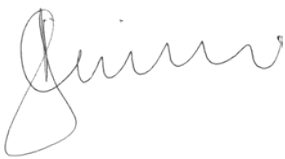
The WCPP conducted its annual survey to assess Members' satisfaction with the support services rendered by the Administration. A total of 21 out of 31 Members completed the survey. The outcome indicated that Members' level of satisfaction increased from 88% in 2021/22 to 89% in the 2022/23 financial year. A thorough analysis of the feedback received will be done to ensure that we improve on the services rendered and to monitor progressive improvement over time.

During the 2022/23 financial year, the WCPP entered into 2 Memoranda of Intention, one with the Welsh Parliament and the second with the Bavarian State Parliament. As a result of the interaction with Bavaria, virtual interactions with three of our Standing Committees and their counterparts in Bavaria will be held during the first quarter of the new financial year.

Corporate governance has always been valued highly in the Provincial Parliament and the institution once again received a clean audit.

I am satisfied that the Provincial Parliament fulfilled all its constitutional responsibilities to the full during the year under review and am confident that a firm foundation has been laid for the Provincial Parliament to discharge its duties effectively and efficiently going forward.

A special word of thanks is extended to Deputy Speaker Schäfer for diligently and professionally assisting me in my many and varied tasks as Speaker.



DAYLIN MITCHELL
SPEAKER

31 AUGUST 2023

REPORT OF THE ACCOUNTING OFFICER

1. OVERVIEW OF THE OPERATIONS OF THE WESTERN CAPE PROVINCIAL PARLIAMENT

The Western Cape Provincial Parliament (WCPP) has over the period under review continued to aspire to be a leading regional parliament, rooted in Africa - innovative, relevant, forward-looking and in touch with all its people, in line with the vision articulated in the 5-year Strategic Plan. This vision is given effect through the 2022/23 Annual Performance Plan which operationalises the five-year Strategic goals and Objectives aimed at advancing a modern parliament.

On assumption of Office of Speaker by Honourable Daylin Mitchell, MPP in December 2022, a set of 5 key Priorities were identified for implementation in the period to the end of the 6th parliamentary term, with the strategic intent of Deepening Democracy in the Western Cape. The priorities are as follows:

1. Building a Credible WCPP
2. Expanding Citizen Service
3. Strengthening the Core Business
4. Strengthening Support to Legislators
5. Improving the Morale of Employees

As we approach the end of the parliamentary term, these priorities served to amplify the critical areas of focus for the remainder of the term and to further guide preparation for the 7th parliament. Key achievements have been registered over the reporting period.

Fully-effective hybrid parliamentary operations, with minimal disruption, have continued to be the norm. This operational capability has enabled Members to participate fully in the proceedings of Committees and of the House, either in person at the 7 Wale Street building which houses the Provincial Parliament, or from any remote location via MSTeams. As part of our modernisation strategic trajectory, the WCPP had commenced work on an e-Voting app that will enable Members to cast votes from a remote location. We have explored options pertaining to the upgrade and refurbishment of the House and Committee meeting rooms. We have also improved electronic access to House Papers.

The WCPP has increasingly optimised social media platforms which allowed for live-streaming of parliamentary business in real-time on YouTube. Other social media platforms like Twitter and Facebook were also used to profile the work of the WCPP and generate public interest over the reporting period, thus improving reach. This online presence was complemented by a public education and outreach programme and through the work of Standing Committees, which reached communities from across the province. Through the introduction of an electronic



ROMEO ADAMS
SECRETARY TO THE
PROVINCIAL PARLIAMENT

stakeholder database, communication with stakeholders was even further enhanced. The WCPP also continued to implement activities in terms of its annual public education and outreach programme, including education workshops for the public on the work and functioning of parliament.

In terms of institutional performance, the WCPP appears to be on an upward positive trajectory. The WCPP conducted the Annual Members' Satisfaction Survey. The survey assesses Members' satisfaction with the support services rendered by the Administration. A total of 21 out of 31 Members, 67%, completed the survey. An overall satisfaction score of 89% was attained in 2022/23, an improvement on the 88% achieved in 2021/22, signalling a progressive improvement over time.

The WCPP also achieved 81% of the planned annual programme performance indicators and targets in 2022/23. The table below summarizes the achievement by Programme. The reasons for the deviations from targets can be found in Part B: Performance Information of this report.

Programme	Number of performance indicators and planned targets according to the APP	Achieved	Not achieved
Programme 1: Governance (Leadership) and Administration	9	7	2
Programme 2: Parliamentary Support Services	8	6	2
Programme 3: Public Engagement	8	7	1
Programme 4: Members' Support	1	1	-
Total	26	21	5

A further focus has been on facilitating inter-parliamentary/international engagements in line with the International Relations Strategy and plan. This provided for Members to visit legislatures in other jurisdictions for the purposes of benchmarking and peer-learning to an extent which was not possible in the early years of the term, due to travel restrictions imposed under the COVID-19 pandemic.

During the period under review, Members participated in various Commonwealth Parliamentary Association (CPA), Society of the Clerks-at-the-Table (SoCATT) and National Conference of State Legislators (NCSL) events. As a demonstration of our leadership within the legislative sector, the WCPP also co-hosted the CPA Residency Programme in October 2022, which brought together Members from various legislatures across the Commonwealth. Various standing committees also travelled to Brazil, the United States and other countries where lessons pertaining to their respective portfolios were shared. Members further participated in training funded by the European Union's Legislative Sector Support (LSS) Programme as well as other initiatives such as study at tertiary institutions up to Masters degree level.

From a governance perspective, the WCPP has maintained sound corporate governance through effective implementation of the Financial Management of Parliament and Provincial Legislatures Act (FMPPLA) and compliance with all governance prescripts. This was achieved through the consistently rigorous oversight of its assurance providers namely Internal Audit, the Audit Committee and the Auditor General, together with the Parliamentary Oversight Committee. As a result, the WCPP once again received a clean audit for the 2022/23 financial year. In tandem with

policies such as the Code of Conduct for Members, the Presiding Officer's manual and the Members' Facilities guide, the Registrar has played a key regulatory role in respect of Members' conduct, a key facet of governance.

The WCPP Administration has also made progress in the filling of its vacant positions. As at 31 March 2023 the WCPP filled 108 of its 118 positions, resulting in a 8,47% vacancy rate at the end of the reporting period.

As part of the Human Resources strategic trajectory to ensure that the WCPP is established as a hub for continuous learning and opportunity for unemployed graduates, an internship programme was approved and implemented during the 2022/23 reporting period. Financial resources were also provided in the Secretarial Allowances to Political Parties to enable them to appoint interns within their respective parties.

Our modernisation initiatives were and continue to be supported by key corporate strategies including initiatives under the Information Technology (IT) digitisation strategy, the Human resource (HR) strategy and the Knowledge Management (KM) Strategies. Together these strategies form the foundation of the Administration's modernisation efforts, embedding people (HR) and process (KM) considerations, alongside technological advancements.

To address the challenges previously experienced with the Enterprise Resource Planning (ERP) system, the WCPP has implemented SAGE 300. The WCPP successfully migrated from an on-premises server to Microsoft Office 365. The WCPP has also during the period under review created awareness and sensitised employees on cybersecurity through implementing training and targeted initiatives like phish testing, across the organisation.

Notwithstanding the successes, the WCPP still experienced challenges with the aging infrastructure at the 7 Wale Street building. To address this, the WCPP had entered into a service level agreement with the then Department of Transport and Public Works for the maintenance of the building. The service standards had been agreed to and will continue to be the subject of regular engagement to ensure that all maintenance-related issues are timeously resolved.

Looking ahead, regarding the 7th Parliament, planning was initiated for an increase in the number of seats in the WCPP as from the 7th parliamentary term in 2024, which would consider the increase in the province's population and ensure greater representation of communities. An ad hoc Committee on Seats in the WCPP was established to consider this matter. Engagements took place with amongst others, the Independent Electoral Commission, to determine the legislative process that would give effect to an increase in seats. This led to an amendment to the Western Cape Constitution, followed by extensive preliminary consultations with relevant institutional stakeholders within government such as Provincial Treasury and the Department of Infrastructure, on matters such as physical accommodation for Members and staff, technology and other resource provisioning.

2. OVERVIEW OF THE FINANCIAL RESULTS OF THE WESTERN CAPE PROVINCIAL PARLIAMENT

2.1. WCPP RECEIPTS

Receipts	2022/23			2021/22		
	Estimate	Actual Amount	(Over) or under	Estimate	Actual Amount	(Over) or under
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	7	41	-34	7	17	-10
Fines, penalties, and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	71	426	-355	68	250	-182
Sale of capital assets	-	83	-83	-	16	-16
Financial transactions in assets and liabilities	-	1 471	- 1 471	-	54	-54
Total	78	2 021	-1 943	75	337	-262

During the 2022/23 financial year, the WCPP collected revenue from the payments received for parking, the sale of meals to Members, sales of corporate gifts, commission on insurance, interest on the bank account and the sale of old or redundant assets.

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

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

2.2. PROGRAMME EXPENDITURE

Programme name	2022/23			2021/22		
	Final appropriation	Actual expenditure	(Over)/ under expenditure	Final appropriation	Actual expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Governance (Leadership) and Administration	83 933	76 220	7 713	74 126	65 196	8 930
Parliamentary Support Services	25 958	25 464	494	22 841	22 105	736
Public Engagement	17 459	15 643	1 816	13 629	12 606	1 023
Members Support	59 825	57 470	2 355	59 115	57 518	1 597
Total	187 175	174 797	12 378	169 711	157 425	12 286

Rollovers

For the 2022/23 financial year, an amount of R12.377 million (in respect of the underspending on voted funds) and an amount of R1.943 million (in respect of over collected own revenue) were approved to be rolled over.

Virements

There were no Virements during the 2022/23 financial year.

Irregular, fruitless and wasteful and unauthorised expenditure

There were 2 cases of irregular expenditure with a total value of R22 066 and 2 new cases of fruitless and wasteful expenditure with a total value of R43 279 reported during the 2022/23 financial year. Both cases of irregular expenditure were condoned (R22 066).

2.3. SUPPLY CHAIN AND ASSET MANAGEMENT (SC&AM)

No unsolicited bid proposals were received or concluded in the 2022/23 financial year.

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

The contractual administration function resides with SC&AM. The section manages and monitors contracts for compliance and performance. In this regard SC&AM provides a written Section 41 report (a FMPPLA requirement) to the Executive Authority quarterly.

SC&AM further facilitates the management of institutional assets and its subsequent disposal, if required, while maintaining norms and standards as prescribed. All assets are valued in terms of their cost (or deemed cost where historical costs were not available) less depreciation and impairments in preparation of a Generally Recognized Accounting Practice (GRAP)-compliant asset register and financial statement disclosures.

In terms of asset management, the Auditor-General reported no non-compliance in relation to the GRAP compliance for assets for the Annual Financial Statements.

A total of 5 instances of fruitless and wasteful expenditure were recorded on the register as follows:

- 2 instances relate to fruitless and wasteful expenditure covering interpreting services which was not timeously cancelled with the respective service providers. The latter has since been transferred to the Finance unit to institute recovery.
- The third instance relates to a matter regarding the use of an official vehicle and is still the subject of an internal process.
- The last 2 instances covered accommodation that was booked but unutilized and the contravention of the enabling allowance policy.

The Accounting Officer's System (AOS) was reviewed and approved during October 2022.

National Treasury has since issued the 'new' Preferential Procurement Policy Framework Act (PPPFA) Regulation 2022 (on 04-11-2022), which became effective on 16 January 2023.

As a result of the changes to the Preferential Procurement Regulations (PPR) 2022, the Accounting Officer System was amended to ensure compliance within Quarter 4 of the 2022/23 financial year.

Tender status

In the fiscal period in question, 4 tenders were processed, being:

1. Hansard – SLA to be signed
2. Cyber Security – Managed services, Data protection – Awarded to service provider
3. Cyber Security – Managed Detection and Response (MDR) services cancelled, and
4. Digital Online platform – compliance checking undertaken

Maintenance Services and Support related to ERP

A Service Level Agreement (SLA) was concluded with T3T Technologies to ensure continuity and support for the finance module of the ERP. For the purpose of continuity and support of the ERP system with respect to the Payroll and People aspects, an SLA was entered into with XFOUR. Both vendors were appointed via SAGE in terms of the manufacturer's model of business partner appointments.

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

During the 2022/23 financial year, there were 10 accumulated material gifts received to the total value of R34 665. No donations were received in kind.

2.5. EXEMPTIONS AND DEVIATIONS RECEIVED FROM THE NATIONAL TREASURY

None.

2.6. EVENTS AFTER THE REPORTING DATE

The Independent Commission for the Remuneration of Public Office Bearers submitted the proposal for Members' remuneration to the Presidency for proclamation which was proclaimed on 28 June 2023. It was further gazetted by the Western Cape Premier on 18 July 2023. The annual financial statements had therefore subsequently been amended to account for the Members' increase.

2.7. COMPLIANCE WITH THE 30-DAY PAYMENTS

During 2022/23, 9 invoices with an accumulated value of R359 808.33 were settled in more than 30 days. The reasons related to the breakdown of internal controls in submitting the invoices timeously for payment.

The root causes for cases were investigated and identified, and remedial steps and additional controls (where needed) were implemented to eliminate the recurrence of such cases. Where necessary, consequence management was also applied.

3. ACKNOWLEDGEMENT AND APPRECIATION

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



ROMEO ADAMS
ACCOUNTING OFFICER

31 AUGUST 2023

Statement of responsibility and confirmation of the accuracy of the Annual Report

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

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

In my opinion the Annual Report fairly reflects the operations, the performance information, the human-resources information and the financial affairs of the WCPP for the financial year ended 31 March 2023.

Yours sincerely



ROMEO ADAMS
ACCOUNTING OFFICER

31 AUGUST 2023

1. STRATEGIC OVERVIEW

VISION









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

MISSION

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

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

CORE VALUES

	RESPECT	The WCPP recognises the dignity of others and acts with kindness, tolerance and appreciation of diversity.
	TRANSPARENCY	The WCPP represents the interests of the people of the Western Cape and is transparent in its operations and records. The WCPP communicates in an open & inclusive way.
	HONESTY	The WCPP strives to be truthful and honest in all its business and interaction with internal and external stakeholders.
	INTEGRITY	The WCPP demonstrates high ethical standards in its processes, systems, conduct and dealings with all stakeholders, both internal and external.
	PROFESSIONALISM	The WCPP strives towards efficiency of operations, informed decision-making and a general professional attitude by providing advice and services of a high quality. The WCPP strives to act on the basis of sound and established rules of procedure, facts, insight and experience.
	IMPARTIALITY	The WCPP seeks to retain an impartial approach to conducting business by being non-partisan.
	EFFICIENCY	The WCPP renders an efficient service by utilising resources responsibly and cost-effectively.
	ACCOUNTABILITY	The WCPP seeks to build a culture of accountability for actions, decisions, and deliverables through the entrenchment of the rule of law, policies and prescripts.

2. LEGISLATIVE AND OTHER MANDATES

2.1. CONSTITUTIONAL MANDATE

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

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

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

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

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

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

(ii) Constitution of the Western Cape, 1997

The Western Cape is the only province with its own Constitution. Together with the Constitution of the Republic of South Africa, 1996, it is the highest law in the Western Cape. The Provincial Constitution provides for certain distinct legislative and executive structures that differ from certain structures in the Constitution. For example:

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

- (c) Section 42 of the Provincial Constitution refers to Provincial Ministers whereas section 132 of the Constitution refers to members of the Executive Council.

2.2. STATUTORY MANDATES

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

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

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

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

(iii) Mandating Procedures of Provinces Act, 2008

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

(iv) Western Cape Witnesses Act, 2006

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

(v) Western Cape Law on the Powers and Privileges of the Provincial Legislature, 1995

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

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

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

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

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

(viii) Western Cape Provincial Languages Act, 1998

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

(ix) Remuneration of Public Office Bearers Act, 1998

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

(x) Determination of Delegates (National Council of Provinces) Act, 1998

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

(xi) Electoral Act, 1998

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

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

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

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

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

(xiv) Critical Infrastructure Protection Act, 2019

This Act provides for the identification and declaration of infrastructure as critical infrastructure and to provide for the repeal of the National Key Points Act, 1980.

2.3. RELEVANT COURT RULINGS

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

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

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

(ii) Chairperson of the National Council of Provinces v Julius Malema and One Other (Supreme Court of Appeal) case no: 535/2015

In this case the court considered the scope of protected free speech in the House.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

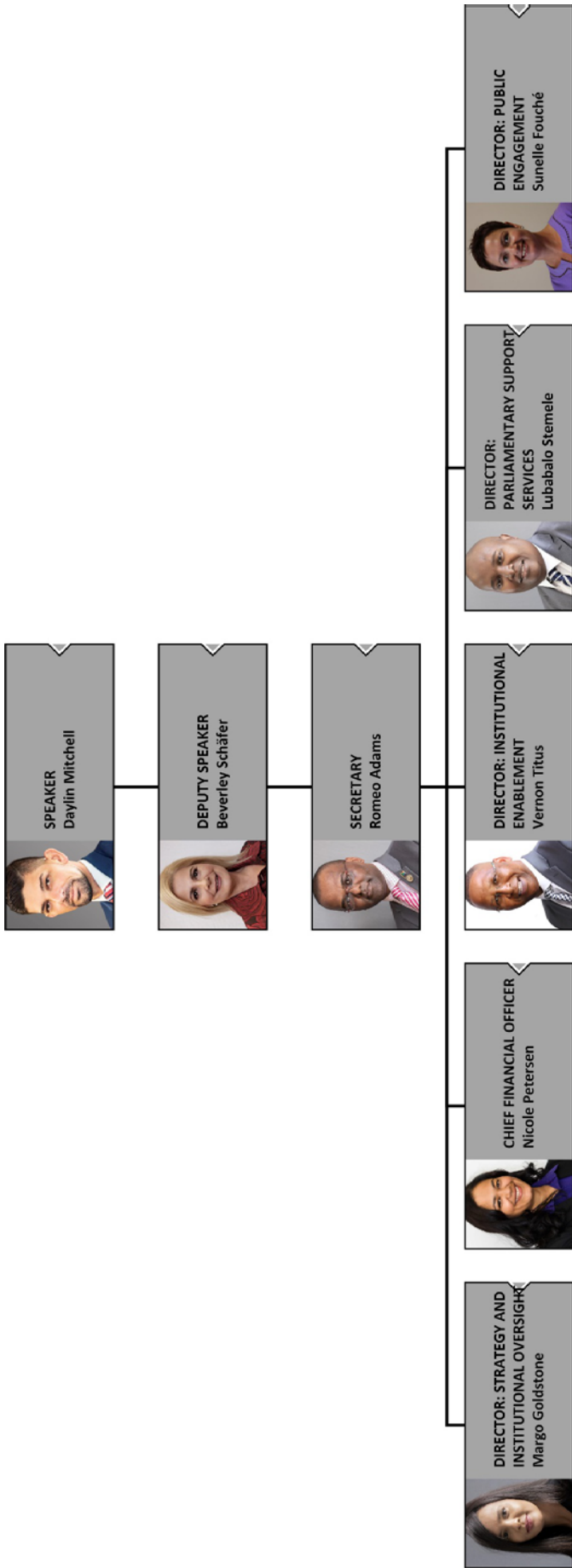
(xvii) Land Access Movement of South Africa and Others v Chairperson of the National Council of Provinces and Others (Constitutional Court) case no: CCT 40/15

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

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

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

3. ORGANISATIONAL STRUCTURE: EXECUTIVE AUTHORITY AND TOP MANAGEMENT AS AT 31 MARCH 2023



WESTERN CAPE PROVINCIAL PARLIAMENT



PART B PERFORMANCE INFORMATION





Learners attending a public education workshop discussing the Constitution.

PART B: PERFORMANCE INFORMATION

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

Refer to page 133 of the Report of the Auditor-General published as Part E: Financial Information.

2. OVERVIEW OF THE WCPP'S PERFORMANCE

The 2022/23 financial year was the third year of the WCPP's Strategic Plan 2020/21–2024/25. In pursuit of its vision to be the leading regional parliament, rooted in Africa, and innovative, relevant, forward-looking and in touch with all its people, the WCPP has set three strategic outcome-oriented goals and seven strategic objectives for the 5-year term, namely:

2.1. STRATEGIC OUTCOME-ORIENTED GOALS AND STRATEGIC OBJECTIVES

STRATEGIC OUTCOME-ORIENTED GOALS	STRATEGIC OBJECTIVES
<p>STRATEGIC OUTCOME-ORIENTED GOAL 1:</p> <p>To provide effective procedural and related support to the House, its Members and its committees to make laws, conduct oversight and facilitate public involvement</p>	<p>STRATEGIC OBJECTIVE 3</p> <p>To provide enhanced professional and timely procedural and related support.</p>
<p><i>This strategic outcome-oriented goal is linked to Programme 2: Parliamentary Support Services, Programme 3: Public Engagement and Programme 4: Members Support.</i></p>	
<p>STRATEGIC OUTCOME-ORIENTED GOAL 2:</p> <p>To support the promotion of meaningful stakeholder and inter/intra-parliamentary relations</p>	<p>STRATEGIC OBJECTIVE 5</p> <p>Increased engagement with international role players.</p> <p>STRATEGIC OBJECTIVE 6</p> <p>Improved relationship building with stakeholders using various platforms, including technology.</p> <p>STRATEGIC OBJECTIVE 7</p> <p>Enhanced processes to facilitate meaningful public involvement in the legislative process.</p>
<p><i>This strategic outcome-oriented goal is linked to Programme 3: Public Engagement.</i></p>	

STRATEGIC OUTCOME-ORIENTED GOALS	STRATEGIC OBJECTIVES
<p>STRATEGIC OUTCOME-ORIENTED GOAL 3:</p> <p>To provide strategic, governance and institutional support services</p>	<p>STRATEGIC OBJECTIVE 1 Demonstrable good governance by continuously improving governance processes and practices.</p> <p>STRATEGIC OBJECTIVE 2 Modernised and continuously improved institutional procedures and processes towards supporting the functions of parliament.</p> <p>STRATEGIC OBJECTIVE 4 To provide for and maintain conducive facilities and to ensure a safe working environment for Members and staff.</p>
<p><i>This strategic objective outcome-oriented goal is linked to Programme 1: Governance (Leadership) and Administration and Programme 2: Parliamentary Support Services.</i></p>	

2.2. SERVICE-DELIVERY ENVIRONMENT

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

The WCPP’s stakeholders are as follows:

- Presiding Officers;
- Members;
- People of the Western Cape;
- Staff;
- Office of the Premier;
- Government departments;
- Parliament and other legislatures;
- Political parties;
- Vendors;
- South African Police Service;
- Institutions of Higher Learning; and the
- Auditor-General of South Africa.

2.3. ORGANISATIONAL ENVIRONMENT

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

The organisational structure as at 31 March 2023 is depicted on Page 111.

2.4. IN-YEAR CHANGES TO THE 2022/23 APP

There were no in-year changes to the 2022/23 APP.

3. PERFORMANCE INFORMATION BY PROGRAMME

3.1. PROGRAMME 1: GOVERNANCE (LEADERSHIP) AND ADMINISTRATION

3.1.1 Purpose

The purpose of this programme is to provide overall strategic leadership and direction for the WCPP.

3.1.2 Sub-programmes

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

3.1.3 Main functional areas

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

3.1.4 Strategic Outcome-Oriented Goals, Sub-programmes, Strategic Objectives and Strategic Objective Performance Indicators Per Programme, Sub-Programme or Sub-Sub-programme

Programme/sub-programme/sub-sub-programme		Strategic outcome-oriented goals	Strategic objectives	Strategic objective performance indicators			
1.	Programme 1: Governance (Leadership) and Administration	To provide strategic, governance and institutional support services	Demonstrable good governance by continuously improving governance processes and practices	Improvement in administrative efficiency regarding the Western Cape Provincial Parliament's constitutionally mandated functions			
1.2	Office of the Speaker						
1.3	Office of the Secretary						
1.3.1	• Programme Management						
1.3.2	• Legal Services						
1.3.3	• Risk Management						
1.3.4	• Strategy and Organisational Performance						
1.4	Financial Management				To provide strategic, governance and institutional support services	Modernised and continuously improved institutional procedures and processes towards supporting the functions of parliament	Percentage of resource efficiency measures implemented
1.4.1	• Financial and Management Accounting						
1.4.2	• Supply Chain and Asset Management						
1.4.3	• Financial Compliance and Internal Control						
1.5	Institutional Enablement						
1.5.1	• People Management						
1.5.2	• Information Technology and Digital Services						
1.5.3	• Knowledge Management and Information Services						
1.5.4	• Logistical Services						

3.1.5 Summary of achievements: Governance (leadership) and administration

SUB-PROGRAMME: OFFICE OF THE SPEAKER

The Speaker and Deputy Speaker continued to provide political leadership to the WCPP. The Presiding Officers enforced adherence to Constitutional rules and rules of the House to ensure that House sittings were conducted in an orderly manner and in accordance with the Rules. The Office of the Speaker continues to enable the Speaker to fulfil his role as the Executive Authority which includes overseeing legislative processes and procedures, compliance with constitutional and legislative obligations and execution of the mandate of the Provincial Parliament namely oversight, law-making and public participation.

In December 2022, Speaker Daylin Mitchell was elected as the new Speaker of the WCPP. Following his election, and subsequent to a Strategic Review exercise undertaken together with the WCPP's Senior Management Team, the Speaker identified a set of priorities which would guide the institution until the end of the parliamentary term. The priorities as identified are as follows:

1. Building a Credible WCPP: *A WCPP that is a respected, reputable and stable legislative Body.*
2. Expanding citizen service: *A WCPP that is first and foremost a parliament for all the people of the Western Cape.*
3. Strengthening the core business: *A WCPP with a strong focus and expertise in the core business of Parliament and with a specific emphasis on its mandate of law-making, public participation and oversight.*
4. Strengthening support to Legislators: *A WCPP that provides extensive and comprehensive support to its Members in order to optimise their impact.*
5. Improving the morale of employees: *A WCPP that aspires to be an employer of choice – supporting its employees as a valuable constituent to achieve a highly motivated and content employee complement.*

The intended impact of the above priorities is to *Deepen Democracy* within the Western Cape Province.

SUB-PROGRAMME: OFFICE OF THE SECRETARY

The Office of the Secretary provided governance, strategic and operational leadership to the WCPP's administration. The office furthermore enabled the Secretary to fulfil his role as the Accounting Officer, which includes all administrative and financial obligations in terms of applicable legislation and statutory requirements. In line with the Financial Management of Parliament and Provincial Legislatures Act (FMPPLA), the office of the Secretary ensured that the WCPP complies fully with the Accounting Officer's reporting requirements as prescribed. The Office of the Secretary continues to serve as the custodian of the WCPP's vision and strategy to ensure delivery of its core mandate of oversight, law-making and public participation.

Legal Support Services

In the 6th term, and during the 2022/23 financial year, the Legal Support Unit provided quality legal advisory support to the administration, parliamentary committees and the Office of the Speaker.

The Unit advised on numerous service level agreements and memoranda of understanding, and on other legal matters of concern to the administration.

The Unit advised on numerous provincial Bills and Bills in accordance with section 76 of the Constitution.

The Unit further advised the Office of the Speaker on matters concerning the Speaker's functions and responsibilities as presiding officer, executive authority and employer of the staff of the legislature.

There were no instances of legal advice in these areas having failed to protect the legislature from legal risks related to its relationships with service providers and other organisations; laws passed by the legislature, or mandates given to the legislature's delegates in the National Council of Provinces; performance of the Speaker's functions.

The Unit provided advisory support to the Budget Committee, the administration and the Office of the Speaker in respect of a money Bills amendment system for the Western Cape and provided advisory support in preparing draft legislation and standing rules.

The Unit further provided advisory support to parliamentary committees, the administration and the Office of the Speaker in respect of increasing the number of seats of the legislature and provided advisory support in preparing draft legislation.

In the 6th term, the legislature has been involved in litigation in 4 matters.

- One of the litigation matters concerned a Labour Court review of an award by the Commission for Conciliation, Mediation and Arbitration, which award was in the legislature's favour. The Labour Court upheld that award.
- In another matter, the former Speaker of the legislature claimed reinstatement of the former Speaker's membership of the legislature and the former Speaker's occupancy of the Office of the Speaker. This application was dismissed by the Western Cape High Court.
- In a matter that was argued in the Constitutional Court in February 2023, the applicants in that case alleged that Parliament and the provincial legislature failed to facilitate adequate public involvement when it processed a Bill in accordance with section 76 of the Constitution. Judgment has been reserved.
- In another court matter filed in the Western Cape High Court, it was similarly alleged that the legislature failed to facilitate adequate public involvement and that the legislature failed to consider submissions made to it in respect of a provincial Bill. In this case there are ongoing discussions between the parties, and it is not clear that it is intended for the matter to proceed to court.

There have been no adverse court findings against the legislature in the 6th term, and none are expected for the remainder of the term.

To provide for an increase in the number of seats of the legislature, it is expected for a provincial constitutional amendment Bill to be passed by the House and certified by the Constitutional Court before the end of the 6th term. The Unit is central to this process.

Risk Management

The risk management process includes a periodic review of the Enterprise Risk Management (ERM) policy and the annual review of the ERM strategy and Plan.

The South African Legislative Sector (SALS) risk management maturity assessment and external assessment of the effectiveness of risks management by the Audit Committee and Internal Audit, has indicated that there is continuous improvement in the system of risk management and its integration into the WCPP processes. This could be seen in

the results of assurance provided by the AG and Internal Audit over the 3-year period, but also in the performance of the WCPP to meet the objectives as set out in the Strategic Plan and APP's for the term thus far.

From a process perspective there has been a concerted effort to elevate strategic risk discussions within the organization. The interface with continuity management over the period enhanced the response to business interruption, as experienced during COVID-19. This resulted in improving our resilience management capability, but also laid the foundation for continuous improvement in business continuity and for proactive planning for major disruptive events.

The ERM Strategy and Plan were successfully implemented over this period and all critical targets were met. The use of key risk indicators (KRI's) to monitor changes in the levels of risk exposure and provide early warning signals, has enabled the institution to report risks, prevent crises and mitigate them in a timely manner.

The regular oversight provided by the risk management system as well as information on key and emerging risks as provided to the GOVCOM (internally) and to the Audit Committee (externally) has played a critical role in driving the importance of risk management as a management and governance tool.

Based on the application of the ERM Strategy and Plan over the 2022/23 financial year, the institution's control environment has matured and improved. There has been an increase in awareness of the concept of risk and uncertainty. Risk management has been formally incorporated into the strategy review and planning of the WCPP. A focused discussion on risks has been included as part of the annual strategic planning process.

The ERM strategy and plan for 2023/24 intends to build on the maturity achieved in terms of integrating risk management over the 4 years of the current term. Improved integration with planning, budgeting and target-setting using more advanced techniques such as scenario planning, should assist in addressing the issue of misalignment in strategic risk management process and integrated planning. The elevation of emerging risk discussions at the operational, strategic SMT and extended management meetings, given the uncertain nature of operating environments institutions are exposed to, is a further development. The process of embedding and institutionalizing the use of key risk indicators linked to specific risks and the reporting thereof to SMT and GOVCOM, has also been elevated.

Strategy and Organizational Performance

The Directorate manages and oversees the development of institutional strategy, organisational performance monitoring and evaluation, policy coordination and certain aspects of institutional governance, principally Enterprise Risk Management.

In line with this mandate, the Directorate led a two-day Strategic Review and Planning session in July 2022. The WCPP Management Team (Directors and Managers), the Presiding Officers (Speaker and Deputy Speaker) and officials from the Directorate: Strategy and Institutional Oversight participated.

The objectives of the session were:

- to achieve alignment between the Executive and the Extended Senior Management team
- to assess the external factors (threats and opportunities) and identify internal organisational factors (strengths and weaknesses) facing the organisation

- to identify any new or emerging priorities for execution in the areas of Law-making, Oversight and Public participation, to the end of the 6th Parliament
- to generate insights in this regard for the purposes of updating and revising the 5-year Strategic plan, 2023/24 Annual Performance Plan and strategic imperatives, as required
- to explore digital transformation/leadership and culture and implications for the WCPP

Subsequent to the appointment of the new Speaker in December 2022, the Directorate led the operationalization of the Speaker's 5 priorities, through the development of themes and key projects to the end of the 6th parliamentary term. This emanated from the Strategic engagement session between the SMT and the presiding officers in January 2023. These priorities and key projects will catalyse a progressive shift to a modern parliament.

The Directorate further contributed to the WCPP's budget submissions and engagement with Provincial Treasury by providing support on strategic matters and alignment of those matters to budgeting. This alignment is critical as priorities set out in the WCPP's Strategic Plan, should determine resource allocation.

The third Members' Satisfaction Survey was undertaken in 2022/23. The results of the survey revealed that Members are on average 89% satisfied with the support services they received from the Administration, which is above the 80% targeted level of satisfaction and a 1% increase from the previous year.

Quarterly Performance Reports, a mid-year budget and performance assessment report and the Annual Report for 2021/22 were tabled by the Executive Authority in accordance with FMPPLA and referred to the POC in terms of Section 52 and Sections 54(1) and (2) of the Act. As part of actively building and strengthening relations with assurance bodies and ensuring cooperation and an amicable relationship between the WCPP and these bodies, the Directorate supported the organisation's compliance with all reporting requirements. It also participates in engagements with the POC and Audit Committee on organisational performance matters.

The Directorate has worked toward ensuring the maintenance of a policy register, policy framework and provided general oversight with regard to policy development and compliance monitoring in the organisation. Policy owners on a bi-annual basis conduct policy compliance assessments to ensure the consistency of policy content, governance and application. This is a mechanism to ensure good corporate governance and uphold the integrity of the institution.

SUB-PROGRAMME: FINANCIAL MANAGEMENT

Supply Chain and Asset Management (SC&AM)

No unsolicited bid proposals were received or concluded in the 2022/23 financial year.

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

The contractual administration function resides with SC&AM. The section manages and monitors contracts for compliance and performance. In this regard SC&AM provides a written Section 41 report (a FMPPLA requirement) to the Executive Authority quarterly.

SC&AM further facilitates the management of assets and its subsequent disposal, if required, while maintaining norms and standards as prescribed. All assets are valued in terms of their cost (or deemed cost where historical costs were not available) less depreciation and impairments in preparation of a GRAP-compliant asset register and financial statement disclosures.

In terms of asset management, the Auditor-General reported no non-compliance in relation to the GRAP compliance for assets for the Annual Financial Statements.

Five instances of fruitless and wasteful expenditure were recorded on the register as follows:

- 2 instances relate to fruitless and wasteful expenditure covering interpreting services which was not timeously cancelled with the respective service providers. The latter has since been transferred to the Finance unit to institute recovery.
- The third instance relates to a matter regarding the use of an official vehicle and is still the subject of an internal process.
- The last 2 instances covered accommodation that was booked but unutilized and the contravention of the enabling allowance policy.

The Accounting Officer's System (AOS) was reviewed and approved during October 2022. SC&AM has prepared a draft policy because of the Constitutional Court outcome relating to the validity of the 2017 PPPFA Regulations.

National Treasury has since issued "new" PPPFA Regulation 2022 (on 04-11-2022), which have become effective on 16 January 2023. The latter would require an amendment to the AOS, as there no longer exist a lower threshold value for compliance with the PPPFA Regulations effective from 16 January 2023. The impact is that all procurement except petty cash must comply with the PPPFA Regulations.

As a result of the changes to the PPR 2022, the Accounting Officer's System was amended to ensure compliance within Q4 of the 2022/23 fiscal year.

Tender status

In the fiscal period in question, 4 tenders was processed, being:

- Hansard – SLA to be signed
- Cyber Security – Managed services, Data protection – Awarded to service provider
- Cyber Security – MDR services cancelled, and
- Digital Online platform – compliance checking undertaken

Maintenance Services and Support related to ERP

A Service Level Agreement (SLA) was concluded with T3T Technologies to ensure continuity and support for the finance module of the ERP. For the purpose of continuity and support of the ERP system, with respect to the Payroll and People Management components, an SLA was entered into with XFOUR. Both of these vendors were appointed via SAGE in terms of the manufacturer's model of business partner appointments.

SUB-PROGRAMME: INSTITUTIONAL ENABLEMENT

People Management

The following key activities were undertaken by People Management in 2022/23:

- *Implementation of Functional Enhancement*

The Functional Enhancement project has been fully implemented. The recruitment for various positions continued as required. As part of a strategy to create learning opportunities for unemployed graduates, the WCPP appointed five interns. Three were appointed in the Research Unit, one in ITDS and one in the Office of the Speaker. Funds were made available via the Secretarial Allowance to the seven political parties to appoint interns in support of party research. The political parties report quarterly on how (and if) they have used these funds. Other recruitments included the following: Talent Management Officer (external), NCOP Officer (external), Office Administrator Strategy and Institutional Oversight (external), Officer ICT (internal), ICT Assistant (external), Senior Research Officer (external), and the Senior Project Officer (external on contract).

- *Enterprise Resource Planning (ERP) system*

Implementation of the SAGE 300 project progressed into 2023.

- *Employee Wellness Programme*

In 2022/23 the Employee Wellness Program focussed on supporting the physical and mental health and wellbeing of employees. There were 2 on-site Primary Health Clinics held during the period under review. Additionally, employees attended webinars on Human Trafficking, Suicide Awareness, Cost of Living Crisis, Psychological Safety, Personal Wellness. In December 2022, following a procurement process, Independent Counselling and Advisory Services (ICAS) was contracted for a further period of 2 years.

- *Organisational structure*

The approved 2022/23 complement is 118. As of 31 March 2023, the total staff complement was 108 employees (including the Registrar), comprised of 98 permanent employees and 10 fixed term contract employees. Careers24 continues to undertake (under contract) advertising and response handling services as part of the recruitment and selection process.

- *Performance moderation*

The performance moderation process for 2021/22 was successfully completed. Based on the moderation, 81 employees qualified for pay progression.

- *Staff turnover*

The WCPP maintained an annual staff turnover of approximately 8.5%. This threshold is below what would be regarded as a healthy churn for an organisation. Measuring employee turnover can assist the organisation to examine the reasons for exits and to estimate the cost-to-hire for budget purposes.

- *Disputes lodged*

During the period under review there were no disputes lodged.

- *Disciplinary matters*

During the period under review there were no disciplinary enquiries convened.

- *Annual staff salary increase*

With effect from 1 April the salaries of staff, excluding senior management, were increased as follows:

SALARY LEVEL	% INCREASE
A1 – B5:	4.2%
C1 – C5:	3.7%
D1 – D2:	3.2%
D4 – E1	3.2%

Information Technology and Digital Services (ITDS)

The following key activities were undertaken by ITDS in 2022/23:

- *The SAGE 300*

The Sage 300 Project implementation was carried out. A Project Officer was appointed to oversee the project and to ensure that the requisite project methodologies and practices are implemented. The data migration process was assessed by Internal Audit and a “green report” was achieved, which signalled full compliance.

- *ERP: Procurement Requisition Module*

The User Acceptance and Testing (UAT) phase was initiated. However, new challenges emerged. These have since been attended to. A final UAT was planned, to be followed by training of users and the commencement of a ‘go-live’ phase.

- *ERP: Document Management Enhancement*

This project runs in conjunction with the Procurement Requisition Module. As reported for the latter, the User Acceptance and Testing phase of the project was initiated. However, new challenges emerged. These have since been attended to. A final UAT was planned, to be followed by training of users and the commencement of a ‘go-live’ phase.

- *Custom Application: OPTaMes version 1.6.8*

Further customisation was effected to ensure that the system could provide an actual report that is a replica of the Quarterly Performance and Annual Report. Future enhancement of the OPTAMES system is being discussed from an integration perspective with the Directorate for Strategy and Institutional Oversight.

- *Microsoft: Office 365 Migration*

The Migration from an on-premises only server to the cloud was implemented. Part of the benefit has been a secure single sign-on for all users for the entire MS Office stack. While change management was initially an issue for some users, the ITDS Team facilitated training and trouble-shooting where required.

- *Cybersecurity*

Through KnowB4 training and targeted phish testing emails the strategy to sensitise users across the WCPP was deployed. This is an ongoing initiative to ensure that the concept of a “human firewall” is implemented. The Cybersecurity tender was advertised during the year. An Officer post has been earmarked to build internal capacity for our Cybersecurity focus. This position will be filled in the new financial year.

Knowledge Management and Information Services (KM&IS)

Both vacant senior KMIS posts, namely the Senior Officer: Knowledge Management Services and the Senior Officer: Research and Service Information Services, were filled during February and April, respectively. The filling of these posts has contributed to the enablement of the KMIS section to work in a more concerted and organised way to achieve planned 2022/23 KMIS APP targets. The appointment of the senior officers has contributed significantly to addressing internal audit findings and meeting the required compliance standards. Equally important, no further compliance issues have been identified or raised with management in the functional areas where the 2 seniors were appointed. This was primarily due to the senior officers constantly monitoring, supervising and reporting on daily operational tasks and activities as all the KMIS staff worked towards realising the objectives of the KMIS 2022/23 Business and Operational Plans. Notwithstanding the appointment of the two senior officers, KMIS is still experiencing significant staff capacity constraints due to the number and complexity of research requests received from standing committees as well as having to overcome the backlog in the disposal of terminated records.

There were constant engagement sessions between KMIS and ITDS during 2022 to guide the implementation of Knowledge Management 2022/23 APP objectives such as the WCPP Intranet portal, the development of an e-Library portal, and the upgrading of the electronic document and records management (EDRM) system. Progress was achieved in 2022 in all these areas: ITDS has started development of WCPP’S intranet concept design; an e-Book service was procured and the proposed upgrades and enhancement to WCPP’s e-Filing system has started.

Records Management

Records Management is working tirelessly to implement processes and procedures to improve the compliance standards for Records Management across the organisation. This work is also being done in preparation for the Western Cape Archival and Records Services (WCARS) audit which is planned to take place during March 2023. During 2022, WCARS approved the following WCPP information governance documentation:

- Records Management Policy;
- Records Management Procedure Manual;
- New 2022 File Plan; and
- Updated Records Control Schedule.

- *Physical Records Management*

Retrospectively, the filing of the organisational records with the Registry has been very poor, with the Registry team embarking on a comprehensive project to open files for all back-dated physical documents stored across the organisation and to build an extensive inventory of all registry files. The complete inventory will date back to circa 1995 and includes two terminated file plans.

During the 2023/24 financial year, the Records Manager will submit the completed terminated records inventory schedule to WCARS to appraise all the closed records. Once the appraisal is complete, WCARS will be able to issue official destruction authorities that will allow ephemeral records on the Correspondence File Plan and Separate Series Case Files to be destroyed and for the selection of those records that need to be accessioned to the WCARS. The appraisal and allocation of the retention and destruction data will be a critical source of data on the EDRM system for the purposes of future automation of the life cycle of the record.

The Registry embarked on several awareness-raising sessions with all the WCPP business units during 2022 to address the understanding of how to identify and utilize the file series numbers on documents. The corporate file plan underwent a new development to align it to a proper function-based file plan representing the organisation's functions instead of the organisational structure.

As part of the awareness engagements, each main series of the file plan was assessed with the respective business unit teams, and further amendments and additions were added. The Records Control Schedule underwent an upgrade, adding additional record categories to the list. During the next financial year, the Registry will visit each office to decant the terminated physical and ephemeral records. These records form part of the extensive records inventory currently being populated.

Records Management had several engagements with various role-players within the organisation to obtain proper and suitable storage facilities for registry as well as archival records. The current physical records archival space will also require the building of proper archival standard storage cabinets and the room will need to be made compliant for fire damage control. Records Management will continue these engagements until suitable registry and archival storage areas are allocated to RM and subsequent approval obtained from WCARS.

A new Records and Destruction Policy was drafted to ensure that WCPP records are adequately protected and maintained and that both physical and electronic records are destroyed according to the retention periods assigned to the records. The new policy will aid employees in understanding their obligation to retain records, including social media files, e-mail, web files, text files, sound and movie files, PDF documents, and all Microsoft Office and other formatted documents.

The Records Retention and Destruction Committee (RRDC) will have its first inaugural meeting in 2023 to identify all the retention periods related to D-Records – these are records that hold a destruction period on them that can be approved by the organisation. WCARS has completed an appraisal on the 2003 terminated file plan identifying all A20 records, which are now due for accession to the archives. The RRDC will need to approve the destruction data on all records including the ephemeral documents. All A20 records will first be digitised before these are accessioned to WCARS.

A new filename convention and an organisational prefix on series numbers were introduced during the year to convey the necessity to institute a standard set of rules to apply to the titling of electronic business documents. The document file name and file plan series number form an important metadata element in all digital systems. It is, therefore, good practice to establish an organisation-wide file name convention to ensure that all electronic documents are equally retrievable by all users in the shortest possible time, especially as the volume of digital records grows.

The e-Filing system built in earlier years needed to be addressed. The software is now outdated and no longer supported by the manufacturer and cannot integrate with the now-deployed Microsoft Office 365 platform. A business case requirements document was prepared to outline the intended investment and build phases over the next three-year MTEF period.

- *Electronic Document and Records Management*

The main goal of EDM implementation is to have a transparent content-sharing platform by breaking down siloed ways of working and making different and incongruent applications (for example, web content management systems and records management systems) interoperable. The strategic value of EDM includes increasing decision-making capabilities, facilitating creativity, and enhancing the professional representation of the enterprise in the eyes of its stakeholders.

A future Records and Information Management (RIM) Framework will be introduced during the 2023/24 financial year as part of the information governance standards for records and information management in the organisation. Once the EDM system is upgraded and deployed, which includes a new records management module, the corporate Records Management Policy and the Records Management Procedure Manual will be updated to reflect the new digitalised registry processes. The WCPP e-Filing system is built on OpenText Content Server 16 and is currently being upgraded from Content Server 10.5. The new deployment will improve the groundwork for transitioning to a fully compliant EDRM system for WCPP.

This upgrade will enable the E-Filing system to integrate with Microsoft Office 365 and includes a new modernised smart User Interface (UI) that allows for responsive design technology. The platform is designed once and can then be output to many channels and devices. The first phase started during the third quarter of the 2022/23 financial year. The rollout of core OpenText modules called the Enterprise Content Management (ECM) Foundation Pack will include EDRM functions such as electronic document collaboration, Microsoft Office 365 integration as well as a file tracking. The Second Phase of the rollout, planned for the first quarter of 2023/24 financial year, will focus on extending the records management capabilities. The Third Phase will focus on accelerating digital transformation by enabling enhanced functionality within Content Server 2016 to support future Knowledge Management maturing interventions within WCPP, such as introducing the first standardised government-wide thesaurus for the WCPP.

One of the key outcomes of the above e-Filing enhancement is to ensure that all legacy records management file plans are configured on the EDRM system to classify and index the future digitisation of the Plenary and Committee Support legacy physical records, including the Hansard records and many other equally important physical records.

Information Services

- *Research Services*

Research Services continued to provide traditional research support to Committees, individual Members as well as ExCo. Besides cyclical research, the following are some of the research outputs completed during the period under review:

- COVID-19 Benchmark Study (Institutional Research)
- Affordable Housing in California (SC Human Settlements)

- Guidelines for Establishing a TB Caucus (SC Health)
- COVID-19 Statistics for South Africa and the Western Cape (COVID-19 Adhoc Committee)
- Constitutional Provisions Giving Rise to the Money Bills Amendment Procedures Act (Budget Committee)
- Case Studies on Universal Health Coverage (SC Health)
- Number of WCPP Parliamentary Seats (WCPP Seats Adhoc Committee)
- Case Studies on e-Ports (SC Finance, Economic Opportunities and Tourism)
- Bavaria Profile for “twinning agreement” (Institutional)
- E-Government in Estonia (Member request)
- TB Caucus: Stigmatisation and Contributing Factors (SC Health)

In addition to traditional research support, Research Services provided support to the Association of Public Accounts (APAC) by attending research briefings, collaborating on drafting a discussion paper on Global Institutions of Public Accounts as well as drafting responses for Members ahead of their conference in September.

Significant support was provided for the Commonwealth Parliamentary Association (CPA) events. Research Services assisted with drafting papers and speeches for the events, provided operational support and attended the 2 sessions in Sierra Leone (June) and Canada (August). Research and Information Services presented at the CPA members workshop in Cape Town on Information Sourcing and Analysis in October, as well as aided committee staff presenting similar work at the CPA event in St Helena in November.

The unit assisted with the recruitment of 3 research interns as part of the institution’s youth empowerment initiative. Research interns are exposed to on-the-job training and operational tasks to ensure they receive support to build capacity and enhance their CV.

Lastly, support was provided for the SoCATT E-Parliament workshop in December where presentations were drafted for the institution and a co-presentation was done alongside the Director: Institutional Enablement.

- *Library Services*

All Members and staff continued to have access to applicable digital subscriptions which includes JStor and Southern-African-Bibliographic Information Network (SABINET). The library continued to provide reference request services to Members, ExCo and staff, as well as individualised training on electronic databases available. During the period under review, a range of new book titles were also added to the library’s comprehensive resource materials.

The library embarked on new developments including the procurement of an e-Book service, namely EBSCO HOST, which is planned for roll-out to all Members and staff in 2023. The e-Book service will offer access to multiple disciplines. The library also forms part of the institution’s Modernisation Project, and the revamping of the physical library space has already started to make it a space for engagement. Further developments will take place in the new financial year.

- *Logistical Services*

Logistical Services has proven to be an enabler and continues to provide its full range of services offered by the Section. The Section has safely transported Members and staff to offsite events and oversight visits with no incidents during the past year. In addition, Logistical Services has been engaging with the Department of Infrastructure and external parties in order to upgrade and improve the condition of offices and open-plan spaces.

Extensive research was conducted on vehicle hire in order to determine if the WCPP was paying the best possible rates for the range of services offered by Government Motor Transport (GMT). This exercise proved that the GMT provides the best services and rates.

Earlier this year, the Logistical Services team identified a few aspects that required some improvements so that processes are more efficient and effective. One of them was to digitalise the trip authorisation documentation, which has recently been completed with assistance from ITDS. This has made the authorisation process more efficient as staff members are now able to sign documentation from any location, thereby saving the WCPP travel costs and ensuring that documents are signed timeously.

Logistical Services was able to acquire a new printing solution that will provide the additional functionality so that documents can be scanned and stored directly into the ERP Document Management System.

- *Building Maintenance*

Logistical Services is responsible for building maintenance and has repaired and maintained aging and damaged infrastructure over the past year ranging from plumbing, electrical, building works and furniture. The team has engaged with the Department of Infrastructure and external parties to improve turn-around times and streamline processes so that repairs and improvement have a quicker resolution time.

- *Fleet Management*

The section ensured that all vehicles assigned to the WCPP were serviced on time and repaired as required. Assistance was provided on many occasions to the VIP drivers and Presiding Officers when vehicles needed to be collected, or when relief vehicles were delivered to Presiding officers. The section further engaged with parties to ensure that all Trip Authorities were approved prior to any trips being made. Two vehicles were refreshed. GMT vehicle refresher training was made available to staff and VIP protectors in every quarter, to ensure that drivers are familiar with processes and are able to respond to incidents.

- *Vehicle Audit*

An audit process was conducted by Internal Audit in Quarter two, focusing on the management of government vehicles. One minor aspect was identified for improvement and will be implemented well ahead of the deadline.

- *Hybrid work model*

Due to the hybrid model implemented at the WCPP to allow staff to work from home and at the office, there has been a significant increase in requests for:

- Daily casual parking;
- Deep cleaning of venues before and/or after every meeting; and
- Transportation to Members and staff for oversight visits and after-hours meetings.

- *Service Desk*

The Logistical Services team was in the process of drafting its service catalogue, with implementation planned from 2023. This will establish a cooperative partnership between the Logistical Services Section and its clients and stakeholders. It aims to ensure improvements in:

- identifying clear and consistent expectations;
- outlining agreed roles and responsibilities;
- delivering services that are measured, monitored, reported and reviewed for continuous improvement;
- providing a platform to enable changes in response to new technologies, client requirements and other opportunities; and
- striving for continuity of service; and providing mechanisms for resolving problems.

3.1.6 Annual Performance

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

Strategic objective performance indicators	Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/reason for deviation
Sub-programme: Office of the Speaker					
Establish mechanisms year-on-year to continuously improve governance processes and practices	Achieved: An additional mechanism was put in place, namely an SOP for managing compliance in the Speaker's Office	Establish mechanisms year-on-year to continuously improve governance processes and practices	Achieved: An additional mechanism was put in place, namely dedicated capacity for the management of all FMPPLA requirements by the Speaker's Office.	-	-
Sub-programme: Office of the Secretary					
Improvement in administrative efficiency regarding the Western Cape Provincial Parliament's constitutionally mandated functions	Not achieved: The level of satisfaction declined by 3%, from 91% in 2020/21 to 88% in 2021/22.	Year-on-year improvement in administrative efficiency	Achieved: The overall level of Members' satisfaction with the support services received from the administration increased by 1%, from 88% in 2021/22 to 89% in 2022/23.	-	-

Strategic objective performance indicators	Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/ reason for deviation
Sub-programme: Financial Management					
Establish mechanisms year-on-year to continuously improve governance processes and practices	Not achieved: Repeat findings in AGSA, IA and IC measured	Establish mechanisms year-on-year to continuously improve governance processes and practices	Not achieved: The existing mechanisms were retained from previous years, namely measurement and monitoring of AGSA findings, implementation of management action plans and internal control processes. The number of repeat audit findings remained as in the prior year (2021/22: 5; 2022/23: 5).	The existing mechanisms were still in place. No reduction in the number of repeat audit findings.	The existing mechanisms were still in place and did not impact on the reduction in repeat audit findings. Slow progress in implementing management action plans and inconsistent adherence to internal control processes also contribute to the recurrence of repeat audit findings.

Strategic objective performance indicators	Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/ reason for deviation
Sub-programme: Institutional Enablement					
Percentage of resource efficiency measures implemented	Achieved: 20% of the Digitalisation Strategic Improvement Plan implemented 30% of the Human Resources Strategy implemented 20% of the Knowledge Management Strategic Framework implemented	30% implemented 40% implemented 30% implemented	Achieved: 30% of the IT Digitalisation Improvement Strategy initiatives implemented 40% of the Human Resources Strategy initiatives implemented 30% of the Knowledge Management Strategic Framework initiatives implemented	-	-

Strategy to address underperformance in the sub-programme: Financial Management

Strategic Objective Performance Indicator: Establish mechanisms year-on-year to continuously improve governance processes and practices

Improvement strategies will include:

a review of the existing mechanisms; continuous follow-up on progress against implementation of action plans; continued communication and awareness re: AG, Financial Management and Internal Control processes and mechanisms; strengthened Management accountability.

3.1.6.2. Programme performance Indicators, planned targets and actual achievement

SUB-PROGRAMME: OFFICE OF THE SPEAKER

The purpose of this sub-programme is as follows:

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

Programme performance indicator	Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/ reason for deviation
1 Percentage compliance by the Executive Authority with the prescribed legislative obligations in terms of the FMPPLA by the required due dates	Not achieved: 89%	100%	Not achieved: 89%	-11%	1 IYM in Quarter 1 was not tabled within 5 days as per Section 54(1) of FMPPLA, due to an administrative oversight.

Strategy to address underperformance in sub-programme: Office of the Speaker

Programme performance indicator 1: Percentage compliance by the Executive Authority with the prescribed legislative obligations in terms of the FMPPLA by the required due dates.

Administrative oversight will be strengthened through the dedicated capacity for the management of all FMPPLA requirements, established by the Speaker's Office, including adherence to timelines as per FMPPLA.

Revisions to the Programme Performance Indicators, outputs or annual targets

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

Sub-programme expenditure

Office of the Speaker	2022/23			2021/22		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the Speaker	10 311	10 434	123	7 752	7 465	288
Total	10 311	10 434	123	7 752	7 465	288

SUB-PROGRAMME: OFFICE OF THE SECRETARY

The purpose of this sub-programme is as follows:

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

Programme performance indicator		Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/reason for deviation
1	Percentage of Members' satisfaction with administration support services	Achieved: 88%	80%	Achieved: 89%	9%	Areas of weakness identified in the previous survey were addressed which resulted in an overall level of satisfaction above what was targeted.
2	Percentage compliance by the Accounting Officer with the prescribed FMPPLA's reporting requirements	Achieved: 100%	100%	Achieved: 100%	0%	-
3	Percentage of planned APP programme performance indicators achieved	Not achieved: 76% Of the total of 33 planned APP targets, 25 were achieved.	96%	Not achieved: 81% Of the total of 26 planned APP targets, 21 were achieved.	-15%	Refer to individual sub-programmes for reasons for deviations in respect of targets that were not achieved.

Strategy to address underperformance in the sub-programme: Office of the Secretary

Programme performance indicator 3: Percentage of planned APP programme performance indicators achieved

Operational Planning and monitoring to be strengthened in 2023/24.

Revisions to the Programme Performance Indicators, outputs or annual targets

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

Sub-programme expenditure

Office of the Secretary	2022/23			2021/22		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Management: Governance (Leadership) and Administration	14 368	13 738	630	10 217	9 747	470
Legal Services	3 042	2 899	143	3 314	2 737	578
Risk Management	947	949	(2)	908	907	1
Strategy and Organisational Performance	1 486	1 384	102	1 131	813	318
Total	19 843	18 970	873	15 571	14 204	1 367

SUB-PROGRAMME: FINANCIAL MANAGEMENT

The purpose of this sub-programme is as follows:

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

Programme performance indicator	Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/ reason for deviation
1 Number of progress reports against the Financial Management Improvement Plan (FMIP)	Achieved: 2	2	Achieved: 2	0	-
2 Number of inspection reports issued identifying control gaps in processes	Achieved: 4	4	Achieved: 4	0	-

Revisions to the Programme Performance Indicators, outputs or annual targets

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

Sub-programme expenditure

Financial Management	2022/23			2021/22		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Supply Chain and Asset Management	5 945	5 862	83	5 624	5 611	13
Financial Management and Accounting	4 909	4 917	(8)	4 697	4 676	21
Financial Compliance and Internal Control	7 536	7 144	392	7 313	7 310	3
Total	18 390	17 923	467	17 634	17 596	38

SUB-PROGRAMME: INSTITUTIONAL ENABLEMENT

The purpose of this sub-programme is as follows:

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

Programme performance indicator	Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/ reason for deviation
1 Percentage of IT Digitalisation Improvement Strategy initiatives implemented	Achieved: 20% implemented	30% implemented	Achieved: 30% implemented	0%	-
2 Percentage of Human Resource Strategy initiatives implemented	Achieved: 30% implemented	40% implemented	Achieved: 40% implemented	0%	-

Programme performance indicator	Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/ reason for deviation
3 Percentage of Knowledge Management Strategic Framework initiatives implemented	Achieved: 20% implemented	30% implemented	Achieved: 30% implemented	0%	-

Notes:

In 2021/22, the indicators against which the '2021/22 Actual achievement' was reported were as follows:

- Programme performance indicator 1. Digitalisation Strategic Improvement plan developed and percentage implemented
- Programme performance indicator 2. Human Resource strategy developed and percentage implemented
- Programme performance indicator 3. Knowledge Management Framework developed and percentage implemented

Revisions to the Programme Performance Indicators, outputs or annual targets

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

Sub-programme expenditure

Institutional Enablement	2022/23			2021/22		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Human Resources	7 340	5 891	1 449	6 526	5 954	572
Information Technology and Digital Services	17 789	12 867	4 922	14 713	8 725	5 988
Knowledge Management and Information Services	6 859	6 893	(34)	8 913	8 683	230
Logistical Services	3 401	3 242	159	3 015	2 568	447
Total	35 389	28 893	6 496	33 167	25 930	7 237

3.2 PROGRAMME 2: PARLIAMENTARY SUPPORT SERVICES

3.2.1 Purpose

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

3.2.2 Sub-programmes

- Programme Management (Parliamentary Support Services);
- Plenary Support;
- Committee Support;
- Hansard Services; and
- Serjeant-at-Arms

3.2.3 Main functional areas

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

3.2.4 Summary of strategic outcome-oriented goals, strategic objectives, strategic objective performance indicators, performance indicators per programme, sub-programme, or sub-subprogramme

Programme/sub-programme/sub-subprogramme		Strategic outcome-oriented goals	Strategic objectives	Strategic objective performance indicators
2.	Programme 2: Parliamentary Support Services (PSS)	To provide effective procedural and related support to the House, its Members and its committees to make laws, conduct oversight and facilitate public involvement	To provide enhanced professional and timely procedural and related support	Improvement in administrative efficiency regarding the Western Cape Provincial Parliament's constitutionally mandated functions
2.1	Programme Management (PSS)			
2.2	Plenary Support			
2.3	Committee Support			
2.3.1	• Committees			
2.3.2	• Standing Committees			
2.4	Hansard Services	To provide strategic governance and institutional support services	To provide for and maintain conducive facilities and to ensure a safe working environment for Members and staff	Appropriate, well maintained conducive facilities and safe working environment to support the functions of Parliament
2.5	Serjeant-at-Arms			

3.2.5 Summary of achievements: Parliamentary Support Services

SUB-PROGRAMME: PLENARY SUPPORT

Plenary Support has finalised the process of digitalising Questions, Replies and House Papers. Currently all Questions and Replies from the 4th Parliament onward as well as House Papers for every sitting, are electronically available on the website. The Procedural Hub has finalised the process of reviewing the Standing Rules, which has been submitted to the Rules Sub-committee for further processing.

Plenary Support has progressed with regard to the development of the e-Voting APP, in line with the vision of the WCPP to become a leading modern parliament. This phase will be followed by the amendment of the Rules to cater for such. Procedural advice was provided to the presiding officers and Members according to the standard requirements and in response to requests received.

The table below reflects various activities of the House and statistical information on certain outputs related to Plenary Support Services:

Activity	Total
Interpellations debated	15
Questions for oral reply processed	99
Questions for written reply processed	668
Speaker's debates	-
Opportunities for questions to the Premier without notice	6
Subjects for discussion put through debate	5
Matters of urgent public importance debated	1
Minutes of proceedings	25
Published Announcements, Tablings and Committee Reports (ATCs)	155
Extraordinary gazettes published	3

The table below reflects some of the Bills and Acts that were introduced, processed and/or passed during the period 1 April 2022 to 31 March 2023:

Bills	Acts
Western Cape Additional Adjustment Bill	Western Cape Additional Adjustment Act
Western Cape Appropriation Bill	Western Cape Appropriation Act
Western Cape Adjustment Appropriation Bill	Western Cape Adjustment Appropriation Act

SUB-PROGRAMME: HANSARD SERVICES

Hansard Services includes the recording, transcription and publication of the unrevised and final revised record of proceedings. This was done for all sittings of the House, within the stipulated timeframe and in accordance with the SLA. In 2022/23 a new services provider was awarded a tender for Hansard Services.

Interpreting Services

Interpreting Services, which includes sign language interpreting, is provided by independent contractors. Language interpreters ensure that all House sittings, committee meetings, public hearings, and engagements where this service is required are conducted in all three official languages of the Western Cape.

SUB-PROGRAMME: COMMITTEE SUPPORT

The focus of the Committees included oversight, law-making and accountability, and facilitating public involvement through Committee activities, all of which were smoothly and successfully coordinated during the period under review. The committee programmes were established and executed with special focus on committee oversight visits and public hearings on the legislation before committees, both provincial and national. The Committees held the Executive accountable by overseeing their plans, reports and activities. The annual oversight cycle, including general committee meetings, oversight visits, legislation, public hearings, annual reports and budget appropriation sessions, etc., were effectively and efficiently administered. There was good interaction between committee members, officials, and all stakeholders which contributed to the overall engagement and facilitation of public involvement during the financial year. Examples of Committee work undertaken includes the following:

The Standing Committee on Agriculture, Environmental Affairs and Development Planning focused on legislation, current and regulatory matters as well as overseeing the implementation of policies and programmes related to the Department of Agriculture, the Department of Environmental Affairs and Development Planning, and the agencies Cape Agency for Sustainable Integrated Development in Rural Areas (Casidra) and CapeNature. The Committee conducted two oversight visits, one to the Southern Cape, another to the West Coast. The focus of the visit to the Southern Cape was on the Department of Environmental Affairs and Development Planning's Biomass Projects and the Restore Eden Projects. These projects were situated in Plettenberg Bay, Knysna and Sedgelyield. The Committee also visited two farms that were enrolled in the Agricultural Producer and Support Development Programme of the Department of Agriculture, as well as the provincial Department of Agriculture's Outeniqua Research Farm in George. Oversight visits were conducted to the West Coast towns of Vredendal, Vanrynsdorp, Brand se Baai, Ebenhaeser, Papendorp and Strandfontein. The oversight visits were a result of numerous discussions in committee meetings where concerns were raised in relation to mining activities along the West Coast and the potential environmental damage caused by these mining activities. Specific concerns related to the rehabilitation of the areas that have already been mined and where responsibility resided. The visit proved insightful and produced many resolutions that will be followed up by the Committee.

The Committee successfully processed several pieces of legislation, both provincial and NCOP. In terms of provincial legislation, many comments received from members of the public and suggestions from Committees, were incorporated into the legislation. Current issues such as the closing down of the Robertson/Ashton Food Canning Company, the safe transportation of farm workers, the locust swarm incident that devastated many crops in the province, the de-proclamation of a Nature Reserve and the impact of Russian/Ukraine war on the import and export of agricultural products were addressed with urgency and resulted in the relevant departments having to account to the Committee in terms of actions employed to mitigate certain risks and undesirable impacts. The Committee also focused on national competencies that had a direct impact on the Western Cape such as mining activities along the West Coast, which posed a risk to the protection of the rich heritage of biodiversity in the province.

The Standing Committee on Local Government, as part of their oversight responsibility, had regular meetings with the Department, Provincial Treasury and relevant stakeholders to ensure support to all municipalities, in particular, under-performing municipalities. The Committee received a briefing by the Senior Legal Adviser on the monitoring of local government by provincial standing committees. Following the Local Government elections, the committee received a briefing by the Department on the status of induction and training of new Councillors at municipalities and the roles and responsibilities of Mayoral Committee (MAYCO) Members and portfolio Chairpersons. The Committee was also introduced to the new Chairperson of South African Local Government Association (SALGA) and was briefed on the Induction Programme for new Councillors. The Committee conducted an oversight visit to the Western Cape Disaster Management Centre during which they were briefed on the operations of the Centre. The Committee met with the Department, Provincial Treasury, and the Auditor-General on the Audit Outcomes of the municipalities in the Western Cape and in particular the under-performing municipalities and the support that is provided by the Department and Provincial Treasury. The Committee was reconstituted a few times which resulted in a change of the Chairperson of the Committee.

The Standing Committee on Transport and Public Works, as part of their oversight responsibility, had regular meetings with the Department and relevant stakeholders in the transport environment to ensure an improved public transport system in the province. The Committee concluded its consideration of the Western Cape Provincial Transport Infrastructure Bill and reported to the House. The Committee conducted oversight visits to the George Integrated Transport Network (Go-George), Government Motor Transport Regional Hub in George and the Gene Louw Traffic College in Brackenfell. The Committee was reconstituted several times after which new Chairpersons had to be elected. Flowing from various attacks on busses the Committee met with various stakeholders including the South African Police Service (SAPS).

The Standing Committee on Health continued to implement its mandate to exercise oversight on the implementation of legislation passed by the Provincial Parliament. The Western Cape Health Facility Boards and Committee Act (Act No 3 of 2016) allows Members of the Provincial Parliament to be appointed by the Minister of Health and Wellness to hospital boards across the province following a recommendation by the Standing Committee. The Minister continuously updates the Committee when vacancies arise in hospital boards. The Committee conducted an interaction with the Department of Health in Mitchells Plain at which the committee was briefed on the department's vaccination programme. The department also used the session to vaccinate members of the public in the area.

The Budget Committee initiated the process of preparing draft legislation to amend Money Bills. Various stakeholders from the academic sector, private sector, public sector and the legislative sector briefed the Committee to assist and guide the Budget Committee on the procedure to draft legislation to amend Money Bills.

The Parliamentary Oversight Committee made various recommendations to the Western Cape Provincial Parliament in order to assist it in gearing towards meeting its constitutional mandate and improving its capability to operate optimally in delivering on its strategic plan over a 5-year period. The Committee also conducted a walkabout of the WCPP precinct to examine the fire mitigating measures in place in case of a fire outbreak on each respective floor.

The Public Accounts Committee engaged on various occasions with the Office of the Auditor-General and Audit Committee on its Internal Audit sub-processes in dealing with internal control mechanisms and other identified risks. The Committee also conducted oversight over the 13 Departments and their Entities in respect of the annual reports for the respective financial years.

The Standing Committee on the Premier and Constitutional Matters performed oversight over the Office of the Western Cape Childrens Commissioner. It requested its strategy and quarterly reports. In addition, the WCPP

established an Ad-hoc Committee on COVID-19. The SC on Premier and Constitutional matters further requested regular briefings from the Office of the Premier on the impact of COVID-19 on the people of the Western Cape Province. The Committee received briefings from stakeholders such as the Commissioner for Children on the progress and activities of the office, the Public Service Commission on the investigation reports submitted to the Western Cape Provincial Parliament and Statistics South Africa on the status of the census in the Western Cape Province. The Department of the Premier briefed the Committee on the status of cyber-security and Broadband and its quarterly reports and annual performance plans. The Committee conducted an oversight visit to the Wi-Fi Sites at the Centre of E-Innovation (CE-I) office at 4 Dorp Street and Groote Schuur Hospital to assess the facilities and to get an overall impression of the status of the delivery of services, including challenges at the Wi-Fi Sites.

The Standing Committee on Finance, Economic Opportunities and Tourism (SCFEOT) finalised appointments to vacancies of the Western Cape Gambling Board, dealt with various pieces of legislation including the National Gambling Amendment Bill [B 27B-2018](S76) and provincial legislation such as the Western Cape Nineteenth Gambling and Racing Amendment Bill [B 1-2020]. The Committee undertook various oversight visits to sites such as Eskom's Ankerlig Power Station in Atlantis, the Eskom Gourikwa Power Station, the Airports Company South Africa in George and Cape Town International to mention but a few. The Committee conducted its oversight responsibilities and produced a high level of output, holding a total of 10 meetings, 3 oversight visits (2 oversight visits as part of the Cluster Visit Week held in September 2022) and 11 public hearings during the 2022/23 financial year. The Committee also dealt with the Copyright Amendment Bill [B 13D-2017] and the Performers' Protection Amendment Bill [B 24D-2016]. The Committee focused much of its activities on matters specifically affecting the Western Cape, including the recovery of the tourism sector and preparation for the 2022/23 tourism season. The 2022/23 financial year started with a briefing on the flight figures for the preceding tourism season, which was followed by briefings on the Air Access Strategy and the recovery of the tourism season. The Committee also hosted a delegation from Gauteng during the financial year. The delegation was invited to tour the Western Cape's Procurement Client Centre and to engage with beneficiaries of the Province's Small, Medium and Micro Enterprise (SMME) Booster Fund.

In 2022/23 the Standing Committee on Human Settlements visited the District Municipalities and the Category B (local) Municipalities as part of its Dignity venture to oversee the support provided to Category B municipalities. Discussions were held on the status of the Housing Demand Database and how the Housing Demand Database aligns with the Provincial Housing Demand Database. The way in which each municipality aligned its housing projects to the prioritised programmes as per the provincial housing policy was also discussed.

The Standing Committee on Education was briefed by the Western Cape Education Department on the number of unplaced learners for the 2022 academic year, the status of school readiness for the 2022 academic year and the 2021 National Senior Certificate (NSC) Results and the pass rate for the Western Cape. The Committee conducted unannounced oversight visits to various schools across the Province. In January 2023, the Standing Committee on Education was briefed by the Western Cape Education Department on its online registration programme. Members of the public who were experiencing challenges with online registration also attended the session and parents were assisted by departmental officials to place their children.

The Standing Committee on Social Development was briefed by the South African Social Security Agency (SASSA) Western Cape Regional Office on the Social Relief of Distress (SRD) Grant. The Department of Social Development also briefed the Committee on the funding of Old Age Homes in the province with a specific focus on rural areas.

In June 2022, the Standing Committees on Social Development and Education conducted a joint study tour to Sao Palo in Brazil to assess the State’s Social Development and Education programmes.

The Petitions Committee undertook a fact-finding visit to Mossel Bay in respect of the 2 petitions from Klein Brak Rivier and Groot Brak Rivier in Mossel Bay.

The Ad-hoc Committee on COVID-19 held its final engagement with stakeholders. The theme was “protection of the vulnerable”. The Committee was briefed by the University of Cape Town Children’s Institute. The purpose of the meeting was to assess the impact of the COVID-19 pandemic on children in the province. In May 2022, the Committee held its final meeting to adopt its final Report on its activities.

The Ad-hoc Committee on TB was established on 30 September 2022 by the Speaker in accordance with Standing Rule 119(1)(b). The Committee held its first meeting on 7 October 2022 to elect its Chairperson. On 2 December 2022, the Committee was briefed by the Global TB Caucus, the South African National Aids Council and the Western Cape Department of Health on their activities.

The outlook for the year ahead will be the priority of finalising the provincial and NCOP legislation before the WCPP and its Committees before the end of the current 6th parliamentary term, taking into account that 2024/25 will be an election year. The emphasis will be on the legislative process and facilitating public involvement in such process. It will also continue to focus on executing its constitutional mandate of oversight and accountability over the provincial executive and their respective departments.

The table below describes some of the activities undertaken by the Committees in the 2022/23 financial year (excludes the following committees: Rules Committee, Conduct Committee, Disciplinary Committee and any subcommittees):

Number of committee activities	Total
Committee activities held	206
Public hearings held	72
Oversight visits undertaken	36
Cluster visit weeks	4
Provincial Bills considered	4
National Council of Provinces’ Bills considered	4

SUB-PROGRAMME: SERJEANT-AT-ARMS

Under the Security and Precinct Management portfolio, the major activities undertaken during the period under review include the following:

- *Memorandum of Understanding (MOU) with the Department of Community Safety*

The MOU was reviewed to include Chrysalis support at reception areas and increased DOCS support at all events. The DOCS provided security support at several external visits and public hearings.

- *Service Level Agreement (SLA) between the WCPP and the Department of Infrastructure*

The SLA was signed after months of deliberations and the Serjeant-at-Arms is now responsible for ensuring that the timeframes and applicable clauses are reached by due date. The additional Service Schedules have also been concluded.

- *Establishment of the Integrated Safety and Security Forum (ISSF)*

The ISSF discussed the changes to the 7 Wale Street entrance, made input for COVID-19 compliance issues at the office, and arranged a fire drill in the building.

- *Occupational Health and Safety*

The Occupational Health and Safety Committee increased its membership and was responsible for personal protective equipment and regular OHS inspections in the building. Nine officials of the WCPP were trained in first aid-level 1.

- *National Key Points (NKP) / CIPA matters*

The Joint Policing Committee (JPC) adopted the new terms of reference for the functioning of the JPC for the National Key Point and approved the new entrance design for 7 Wale Street, with renovation commencing in November 2022. The detailed safety compliance plan for the public road between 7 and 15 Wale Street will be considered by the JPC and the plan will be submitted as part of the assessment of the building safety measures.

- *Business Continuity Management*

The audit on the Business Continuity Plan (BCP) was finalised and a clean report was issued by Internal Audit (IA). The Business Continuity Committee also did a formal Business Impact Analysis (BIA) in 2022, and the Pandemic Management Plan was approved. The 7 Wale Street Entrance reconfiguration project was completed during December 2022, making the entrance more secure and user-friendly, with smooth access and easier processing of staff and visitors at the Chrysalis helpdesk. To date, the WCPP has been able to continue with its hybrid business model.

Challenges include the several months of deliberations before the SLA with Department of Infrastructure was signed, and the ISSF discussions on changes to the 7 Wale Street entrance, which required input and consideration from various stakeholders. The renovation of the entrance also presents a challenge as it needs to be carried out while ensuring minimal disruption to daily activities at the WCPP.

3.2.6 Annual performance

3.2.6.1 Strategic objectives performance indicators, planned targets and actual achievements

Programme 2: Parliamentary Support Services					
Strategic objective performance indicators	Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/ reason for deviation
Sub-programme: Plenary Support					
Improvement in administrative efficiency regarding the Western Cape Provincial Parliament's constitutionally mandated functions	<p>Not achieved: Based on the results of the Members Survey 2021/22 there was a slight decline from the 2020/21 baseline in terms of the quality of House papers (from 100% to 88%) and in their availability (from 92% to 88%).</p> <p>However, there was a sustained level of satisfaction with the procedural advice provided before, during and after House sittings. This was sustained at 100% in both years.</p>	Improving timelines and quality of procedural and related support	<p>Not achieved: Quality: Based on the results of the Members Survey in 2022/23, there was a decline in satisfaction from 2021/22 in terms of the quality of procedural advice provided during House sittings (from 100% to 83%). In addition, there was an increase in satisfaction from 2021/22 in terms of the quality of House papers (from 88% to 100%).</p> <p>Timelines: However, there was improvement in the availability of House Papers (from 88% to 100%).</p>	Decline in satisfaction with the quality of procedural advice provided during House sittings.	The dissatisfaction with the quality of procedural advice provided during House sittings relates to a perception amongst certain Members that rulings of presiding officers (which are assumed to be based on procedural advice) may not always be impartial.

Programme 2: Parliamentary Support Services					
Strategic objective performance indicators	Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/ reason for deviation
Sub-programme: Committee Support					
Improvement in administrative efficiency regarding the Western Cape Provincial Parliament's constitutionally mandated functions	<p>Not achieved: Based on the results of the Members Survey 2021/22 there was a slight decline from the 2020/21 baseline in terms of the timely provision of committee minutes and reports (from 92% to 86%).</p> <p>However, there was a sustained level of satisfaction with the quality of committee reports. This was sustained at 100% in both years.</p>	Improving timelines and quality of procedural and related support	<p>Not achieved: Quality: Based on the results of the Members Survey 2022/23 there was a decline in satisfaction from 2021/22 in terms of the quality of Committee minutes and reports (from 100% to 95%).</p> <p>Timelines: However, there was an increase in the level of satisfaction with the availability of committee reports (from 86% to 95%).</p>	Decline in satisfaction with the quality of committee minutes and reports.	The dissatisfaction with the quality of committee minutes and reports relates to inconsistency in the quality of the draft documents prepared by support staff across the various portfolios.

Programme 2: Parliamentary Support Services					
Strategic objective performance indicators	Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/reason for deviation
Sub-programme: Hansard Services					
Improvement in administrative efficiency regarding the Western Cape Provincial Parliament's constitutionally mandated functions	Achieved: There was a sustained level of satisfaction with the timelines and quality of Hansard services. This was sustained at 100% in both years.	Improving timelines and quality of procedural and related support	Not achieved: Quality: Based on the results of the Members Survey 2022/23 there was a decline in satisfaction from 2021/22 in terms of the quality of Hansard transcripts (from 100% to 82%). Timelines: There was a sustained level of satisfaction with the timelines for publication of Hansard transcripts. This was sustained at 100% in both years.	Decline in satisfaction with the quality of Hansard transcripts.	The quality of Hansard transcripts is negatively impacted by instances of inaudibility in the House which results in gaps in the final transcript.

Programme 2: Parliamentary Support Services					
Strategic objective performance indicators	Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/reason for deviation
Sub-programme: Serjeant-at-Arms					
Appropriate, well-maintained conducive facilities and safe working environment to support the functions of Parliament	Achieved: U-AMP submitted in terms of GIAMA	U-AMP submitted in terms of GIAMA	Achieved: The U-AMP was submitted in terms of GIAMA.	-	-
	Not achieved: 97% compliance with the requirement of the CIP Act, 2019	100% compliance with the requirement of the CIP Act, 2019	Not achieved: 98% compliance with the requirement of the CIP Act, 2019.	-2%	The WCPP scored 98% on the National Key Point's annual assessment. The main findings which account for the under achievement were in relation to: <ul style="list-style-type: none"> The requirement for a larger Joint Operations Centre (JOC). The requirement that the risk at the walk-through to the building be minimized through improved security by the SAPS.

Programme 2: Parliamentary Support Services					
Strategic objective performance indicators	Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/reason for deviation

Strategy to address underperformance in the sub-programme: Plenary Support

Strategic Objective Performance Indicator: Improvement in administrative efficiency regarding the Western Cape Provincial Parliament’s constitutionally mandated functions

In order to address the identified weakness in the procedural advice provided during House sittings further engagement will be required with the relevant political and administrative offices.

Strategy to address underperformance in the sub-programme: Committee Support

Strategic Objective Performance Indicator: Improvement in administrative efficiency regarding the Western Cape Provincial Parliament’s constitutionally mandated functions

Improvement strategies will include a review of Standard Operating Procedures (SOPs) that guide the preparation of committee minutes and reports, strengthening adherence to the SOP requirements and improvement in management oversight.

Strategy to address underperformance in the sub-programmes: Hansard Services

Strategic Objective Performance Indicator: Improvement in administrative efficiency regarding the Western Cape Provincial Parliament’s constitutionally mandated functions

In order to address the identified weakness in the quality of Hansard transcripts and specifically the question of auditability of the proceedings, ongoing maintenance of audio-visual equipment in the House will be prioritised. Plans are also afoot for a complete upgrade and refurbishment of the Chamber (the House) which will also address this matter.

Strategy to address underperformance in the sub-programme: Serjeant-at-Arms

Strategic Objective Performance Indicator: Appropriate, well-maintained conducive facilities and safe working environment to support the functions of Parliament

The WCPP will be engaging with the Joint Planning Committee (JPC) with regard to alternatives for a suitable Joint Operations Centre (JOC) in 2023/24, as this requirement is not feasible in the context of the current building in which the WCPP is housed, due to space constraints. The WCPP will further engage SAPS on an ongoing basis regarding the walk-through security.

3.2.6.2 Programme performance indicators, planned targets and actual achievements

SUB-PROGRAMME: PLENARY SUPPORT

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

Programme performance indicator	Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/ reason for deviation
1 Percentage of ATCs published within the agreed time frame in accordance with the standard operating procedure (SOP)	Achieved: 100%	100%	Achieved: 100%	0%	-
2 Number of procedure-related capacity building sessions with Members	Achieved: 3	3	Achieved: 3	0	-
3 Compile the Digest of Rulings	Not achieved: Digest of Rulings partially compiled and distributed	Digest of Rulings compiled	Achieved: Digest of Rulings compiled	-	-

Notes:

In 2021/22, the indicators against which the '2021/22 Actual achievement' was reported were as follows:

- Programme performance indicator 2. Number of procedure-related capacity building sessions with Members and/or staff
- Programme performance indicator 3. Compile and distribute the Digest of Rulings

Revisions to the Programme Performance Indicators, outputs or annual targets

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

Sub-programme expenditure

Plenary Support	2022/23			2021/22		
	Final appropriation	Final appropriation	Final appropriation	Final appropriation	Actual expenditure	(Over) or under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	4 691	4 678	13	3 467	2 485	243

SUB-PROGRAMME: COMMITTEE SUPPORT

The purpose of the sub-programme is:

- To provide procedural advice and administrative support to committees; and
- To provide financial support to the standing committees.

Programme performance indicator	Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/ reason for deviation
1 Percentage of committee reports produced in accordance with the standard operating procedures (SOPs)	Achieved: 100%	100%	Not Achieved: 99%	-1%	One draft committee report was not produced in accordance with the standard operating procedures (SOPs). Timelines for the completion of the draft report were not adhered to. This was due to an administrative oversight.
2 Number of capacity building sessions with committee support staff	Achieved: 3	3	Achieved: 3	0	-

Strategy to address underperformance: Committee Support

Programme performance indicator 1: Percentage of committee reports produced in accordance with the standard operating procedures (SOPs)

Strict adherence to the SOP will be managed, including adherence to the stipulated timelines for the production of reports.

Notes:

In 2021/22, the indicators against which the '2021/22 Actual achievement' was reported were as follows:

- Programme performance indicator 1. Percentage of Committee support provided in accordance with the approved Standard Operating Procedures (SOPs) for Committees to all programmed committee meetings according to the approved Parliamentary programme

Revisions to the Programme Performance Indicators, outputs or annual targets

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

Sub-programme expenditure

Committee Support	2022/23			2021/22		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	14 696	15 167	(471)	12 810	12 520	290

SUB-PROGRAMME: HANSARD SERVICES

The purpose of this sub-programme is to manage the provision of verbatim reports of the proceedings of the House.

Sub-programme expenditure

Hansard Services	2022/23			2021/22		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	1 088	779	309	620	620	-

SUB-PROGRAMME: SERJEANT-AT-ARMS

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

Programme performance indicator	Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/ reason for deviation
1 Percentage compliance with applicable regulations of the Critical Infrastructure and Protection Act, 2019	Not achieved: 97%	100%	Not achieved: 98%	-2%	The WCPP scored 98% on the National Key Point's annual assessment. The main findings which account for the under-achievement were in relation to: <ul style="list-style-type: none"> • The requirement for a larger Joint Operations Centre (JOC). • The requirement that the risk at the walk-through to the building be minimized.
2 U-AMP submitted as per requirements	Achieved: Accommodation requirements registered on U-AMP	Accommodation requirements registered on U-AMP	Achieved: Accommodation requirements were registered on the U-AMP.	-	-
3 Number of actions implemented to address findings as per the HIRA report	Achieved: 3	3	Achieved: 3	0	-

Strategy to address underperformance: Serjeant-at-Arms

Programme performance indicator 1: Percentage compliance with applicable regulations of the Critical Infrastructure and Protection Act, 2019

The WCPP will be engaging with the Joint Planning Committee (JPC) with regard to alternatives for a suitable Joint Operations Centre (JOC) in 2023/24, as this requirement is not feasible in the context of the current building in which the WCPP is housed, due to space constraints. The WCPP will further engage SAPS on an ongoing basis regarding minimizing the risk at the walk-through.

Notes:

In 2021/22, indicators against which the '2021/22 Actual achievement' were reported were as follows:

- Programme performance indicator 2. Register the WCPPs accommodation requirements on U-AMP by the specified due date

Revisions to the Programme Performance Indicators, outputs or annual targets

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

Sub-programme expenditure

Serjeant-At-Arms	2022/23			2021/22		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	3 558	3 033	525	3 712	3 617	95

3.3 PROGRAMME 3: PUBLIC ENGAGEMENT

3.3.1 Purpose

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

3.3.2 Sub-programmes

- Programme Management: Public Engagement;
- Stakeholder Management and Communication Services; and
- Public Education and Outreach

3.3.3 Main functional areas

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

3.3.4 Summary of strategic outcome-oriented goals, strategic objectives, strategic objective performance indicators, performance indicators per programme, sub-programme, or sub-subprogramme

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

3.3.5 Summary of achievements: Public Engagement

SUB-PROGRAMME: STAKEHOLDER MANAGEMENT AND COMMUNICATION SERVICES

Over the term the WCPP has taken major strides in its journey to modernisation. Expansion of our social media presence was prioritised, including reviewing the graphic elements used by the WCPP in order to enhance the messaging on social media. The WCPP's YouTube footprint was also significantly enhanced. Website functionality and content was adjusted in order to provide more information, more repositories and enhanced user experiences.

Interparliamentary relations was identified as an important area to position the WCPP as an impactful and relevant regional parliament, rooted in Africa but connected globally.

In 2022/23 the WCPP signed two memoranda of intention with the regional parliaments of Wales and Bavaria. The WCPP further provided support to the South African delegation during both the Commonwealth Parliamentary Association (CPA) Africa region conference as well as the Commonwealth Parliamentary Conference (CPC) international conference.

The 2023/24 financial year, as the last year of the parliamentary term, is expected to be a period of increased activity, both with closing out and with planning for the election and the 7th Parliament. In terms of inter-parliamentary arrangements, a visit was planned to the State Parliament of Bavaria as part of the implementation of the memorandum of intention established in the previous year, as well as to neighbouring Namibia to explore a memorandum of intention with an African parliament.

The commencement of a social media advertising service expanded the reach of promotion of WCPP events at a significantly reduced cost. Most notably, the WCPP reached a substantially high number of citizens in its social media advertising for the Official Opening of the WCPP and State of the Province Address (SOPA).

Our commitment to increasing the social media activities year-on-year will result in more social media exposure, particularly considering the volume of legislation that is being referred from NCOP and the Western Cape Government.

Preparation for the 7th Parliament will be a critical focus area for the 2023/24 financial year, which includes closing out publications for the 6th parliament. A functional assessment and possible reorganisation of roles and functions in the Language Services unit is aimed at optimising the value added and the impact of the Language Services unit.

SUB-PROGRAMME: PUBLIC EDUCATION AND OUTREACH

Over the term, the WCPP commenced a citizen-centric approach with a specific focus on connecting the WCPP with the citizens of the Western Cape throughout the districts in the WCPP. Four of the 5 districts of the Western Cape were reached, as well as the Cape Metropolitan.

In leveraging the networks of strategic partners, the WCPP entered into 2 partnership agreements with external partners. In 2022/23 the WCPP finalised a previously-agreed-upon memorandum of understanding with the University of the Western Cape, as well as a newly initiated partnership with MotSA.

Public Engagement programmes were rolled out in the Cape Winelands and Overberg districts reaching over 200 stakeholders from these communities.

Support was provided to the standing committees in terms of the facilitation of public participation for public hearings by organising, briefing and transporting stakeholders to the various venues. Most notably, the Children's Bill benefited substantially from this support.

In order to broaden the reach of the WCPP, a digital version of a Public Education Workshop was produced.

Finally, the bulk messaging SMS functionality offered by cellular provider, MTN, has been a game-changer in communicating and facilitating public involvement in the work of the WCPP. Through this service the PEO unit has been able to coordinate and communicate information about the WCPP public engagement initiatives to stakeholders.

The appointment of a service provider for the development of the Digital Online Platform is planned for the first half of 2023/24, in order to ensure that the development can be undertaken this financial year.

Engagement sessions in Central Karoo are planned in conjunction with Public Education workshops throughout the province. These include preparations for SOPA and commemorative programmes.

The Public Education and Outreach section provided recommendations for the facilitation of public involvement in legislation utilising a combination of technology tools/platforms, the stakeholder database as well as traditional in-person public hearings.

3.3.6 Annual performance

3.3.6.1 Strategic objectives performance indicators, planned targets and actual achievements

Programme 3: Public Engagement					
Strategic objective performance indicators	Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/ reason for deviation
Sub-programme: Stakeholder Management and Communication Services					
Improved presence in inter/intra-parliamentary sphere	Achieved: Implementation plan rolled-out	Continued roll-out of implementation plan and review	Achieved: Implementation plan was rolled-out and reviewed.	-	-
Improved relationship building with stakeholders aimed at meaningful engagement	Achieved: 8.3% year-on- year increase (website and social media) Total: 79 896 (76 549 Website sessions + 3 437 tweets and Facebook updates)	5% year-on- year increase (website and social media)	Not achieved: 1.6% year-on- year increase (website and social media)	-3.4%	Social media posts (which is content created by the WCPP and published on social media) increased, whilst website sessions (which is a measure of the public accessing the website) increased marginally. The latter is due to a lack of responsiveness to the website content.
Sub-programme: Public Education and Outreach					
Increased opportunities for the public to participate in legislative activities	Not achieved	Year-on-year expansion on partnerships, sectoral events and the stakeholder database	Not achieved: There was an expansion on partnerships in the year under review. Two new partnerships were established -University of the Western Cape and MotSA. The stakeholder database was also expanded through further development.	No expansion on sectoral events.	Two additional sector parliaments were initially approved for implementation in the fourth quarter of 2022/23 which would have been an expansion on the existing sectoral events. Due to an in-year shift in leadership priorities, these sector parliaments could not take place as planned.

Programme 3: Public Engagement					
Strategic objective performance indicators	Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/ reason for deviation
Improved relationship building with stakeholders aimed at meaningful engagement	Not achieved: Stakeholder database and digital platform not launched	Stakeholder database updated and optimisation of digital platform	Not achieved: The stakeholder database has been updated.	The digital platform was not optimised.	There were delays in the procurement process for the digital platform. Development will only commence in 2023/24 and therefore there was no optimisation in the year under review.

Strategy to address underperformance in the sub-programme: Stakeholder Management and Communication Services

Strategic Objective Performance Indicator: Improved relationship-building with stakeholders aimed at meaningful engagement

The strategy to increase traffic to the website will be reviewed.

Strategy to address underperformance in the sub-programme: Public Education and Outreach

Strategic Objective Performance Indicator: Increased opportunities for the public to participate in legislative activities
 Sector events were reviewed and will in future be implemented as focused civil society engagements.

Strategic Objective Performance Indicator: Improved relationship building with stakeholders aimed at meaningful engagement

The procurement of the digital platform is planned to be concluded in 2023/24. This will be followed by development and optimisation.

3.3.6.2 Programme performance indicators, planned targets and actual achievements

SUB-PROGRAMME: STAKEHOLDER MANAGEMENT AND COMMUNICATION SERVICES

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

Programme performance indicator	Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/ reason for deviation
1 Number of additional functionality developed and published in order to enhance the information offered to website users	New performance indicator	1	Achieved: 1	0	-
2 Percentage year-on-year increase in posts on identified social media channels	Achieved: 8.7% Actual: 3 437 tweets and Facebook updates	5%	Achieved: 8.9%	3.9%	The target was exceeded due to additional opportunities identified to profile the work of the WCPP through social media.
3 Number of international relations or protocol training sessions held with Members or staff	Achieved: 6	1	Achieved: 2	1	One additional international relations/protocol training session was held, on diplomacy, state protocol and official etiquette, in order to prepare more Members and staff for possible international travel.
4 Percentage of annual IR Implementation Plan activities implemented	New performance indicator	100%	Achieved: 100%	0%	-

Revisions to the Programme Performance Indicators, outputs or annual targets

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

Sub-programme expenditure

Stakeholder Management and Communication Services	2022/23			2021/22		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure (Over-) or under- expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	8 474	8 681	(207)	6 908	5 350	748

SUB-PROGRAMME: PUBLIC EDUCATION AND OUTREACH

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

Programme performance indicator	Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/ reason for deviation
1 Number of public education initiatives implemented in accordance with the annual public education programme	Achieved: 30	24	Achieved: 45	21	Additional opportunities to conduct public education initiatives resulted in the increased number of workshops, beyond what was planned.
2 Launch of the Public Engagement digital platform	New performance indicator	Digital platform launched	Not achieved: The digital platform was not launched.	The digital platform was still being procured and yet to be developed. The launch could therefore not take place.	There were delays in the procurement process for the digital platform. Development of the platform will only commence in 2023/24, thereafter it will be launched.
3 Number of strategic partnerships established	Not achieved: 0 MOU (CHE)	1	Achieved: 2	1	One additional strategic partnership was established. A formal agreement with the University of the Western Cape was initiated in 2021/22, but only concluded in 2022/23.

Programme performance indicator	Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/ reason for deviation
4 Number of reports on the implementation of the approved Theta Nathi Programme	Achieved: 4 reports on the implementation of the approved Theta nathi Programme completed	2	Achieved: 2	0	-

Strategy to address underperformance: Public Education and Outreach

Programme performance indicator 2: Launch of the Public Engagement digital platform

The procurement of the digital platform is planned to be concluded in 2023/24. This will be followed by the development and the launch.

Revisions to the Programme Performance Indicators, outputs or annual targets

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

Sub-programme expenditure

Public Education and Outreach	2022/23			2021/22		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure (Over-) or under-expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	7 054	5 027	2 027	5 370	5 097	273

3.4 PROGRAMME 4: MEMBERS SUPPORT

3.4.1 Purpose

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

3.4.2 Sub-programmes

- Members Administration;
- Enabling Allowance; and
- Political Parties Support

3.4.3 Main functional areas

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

3.4.4 Summary of strategic outcome-oriented goals, strategic objectives, strategic objective performance indicators, performance indicators per programme, sub-programme, or sub-subprogramme

Programme/ sub-programme/ sub-subprogramme	Strategic outcome-oriented goals	Strategic objectives	Strategic objective performance indicators
4. Programme 4: Members Support	To provide effective procedural and related support to the House, its Members and its committees to make laws, conduct oversight and facilitate public involvement	To provide enhanced professional and timely procedural and related support	Enhancing capacity building and support to Members
4.1 Members Administration			
4.2 Enabling Allowance			
4.3 Political Parties Support			

3.4.5 Summary of achievements: Members Support

The Unit continued to provide support to Members of the Provincial Parliament through the management of all Members' salaries and benefits as per the National Government Gazette No. 46545 and the Provincial Gazette 8619 (P.N. 77/2022). Further to this, Enabling -, Constituency - and Secretarial Allowances were implemented in accordance with the requirements of the updated Members' Facilities Guide (MFG) of 3 December 2021.

The Enabling Allowance is essentially intended to provide MPPs with a reimbursive mechanism for expenses incurred while performing their duties as parliamentarians. These expenses include, inter alia, travel, accommodation, meals, a second dwelling, symposiums and communication services for each MPP. The actual enabling provision is specified based on the constituency distance from the seat of the Provincial Parliament at 7 Wale Street, Cape Town. A total of 862 reimbursive claims were processed for the year under review.

The Constituency Allowance is paid directly to each political party based on the number of seats each party holds in the WCPP. This allowance is used for constituency programmes and events aimed at advancing the democratic mandate of Parliament. Parties report quarterly on the use of this allowance to the Accounting Officer to ensure its appropriate use.

The Secretarial Allowance is also paid directly to the various political parties. This allowance ensures that each party has the necessary infrastructure, resources and staff to perform its work in Parliament. These include the use of party researchers, interns and equipment. Parties also report quarterly on the use of the Secretarial Allowance to the Accounting Officer. Each Party is furthermore required to submit annual Audited Financial Statements to the Secretary to confirm the appropriate management of funds that were allocated to the party. All political parties were compliant in this regard.

In terms of the new MFG update, Members of the Provincial Parliament (MPPs) may also access a maximum of R50 000 from the Enabling Allowance for individual study purposes. This allows MPPs to supplement the general Members' training programme with bespoke individual MPP training that will enhance the MPPs effectiveness in the WCPP. As at the end of March 2023, four MPPs have made use of this new provision.

Eight MPPs successfully completed the Certificate in Advanced Governance and Public Leadership during the previous financial year. The results were received during the year under review. This constituted a 66.6% pass rate. The training was sponsored by the Legislative Sector Support (LSS) unit at National Parliament. They, in turn, received funding from the European Union.

During the 2022/23 financial year, MPPs accessed the following training programmes:

- Commonwealth Parliamentary Association (CPA) Residency Programme
 - ❖ Residency Programme to Australia 2 MPPs
 - ❖ Residency Programme – Cape Town SA 4 MPPs
- CPA Online Training
 - ❖ Introduction for Parliamentarians 8 MPPs
 - ❖ Role of Members of Parliament 8 MPPs
 - ❖ Parliaments in the 21st Century 7 MPPs
 - ❖ Working in Parliament 7 MPPs
 - ❖ Constituency Engagements 7 MPPs
 - ❖ Human Resources 7 MPPs
 - ❖ Ethics and Standards 7 MPPs
 - ❖ Information Management and Technology 7 MPPs
 - ❖ Communication 7 MPPs
- University of the Witwatersrand – Post Graduate Certificate in Governance and Public Leadership. (Two MPPs)
- University of the Witwatersrand – Master's Programme in Governance and Public Leadership. (Two MPPs)
- Individually Selected Studies
 - ❖ University of South Africa – Bachelor of Laws (LLB) 1 MPP
 - ❖ University of Cape Town – Public Management and Governance 1 MPP
 - ❖ The Institute of Directors in SA – Core Director Development 1 MPP
 - ❖ Stellenbosch University – Master of Law (LLM Procurement) 1 MPP

- Other Training Sponsored by the LSS
 - ❖ Effective Personal Productivity 16 MPPs
 - ❖ Public Speaking 10 MPPs
- Information Sessions
 - ❖ South African Revenue Services (SARS) 10 MPPs
 - ❖ Provincial Office Bearers' Pension Fund (POBPF) 14 MPPs

During the 2023/24 financial year the WCPP will be reviewing the Members' Facilities Guide, the Presiding Officers' Manual as well as the Entertainment Policy. These three policies form the basis of all reimbursive claims. The strengthening of the policies is aimed at eliminating potential policy ambiguity and the streamlining of processes for disclosure and accountability.

All Member capacity building initiatives, induction and resources will be made available to Members via the WCPP Intranet and Members' Toolkit. This platform was developed during the period under review and will be fully implemented during the 2023/24 financial year. The intranet will also house all House Papers, applications relevant to Members and the Sage 300 Self-Service module for Members' claims.

3.4.6 Annual performance

3.4.6.1 Strategic objectives performance indicators, planned targets and actual achievements

Strategic objective performance indicator	Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/ reason for deviation
Sub-programme: Enabling Allowance					
Enhancing capacity building and support to Members	Achieved: 4 capacity-building and support initiatives implemented	4 capacity-building and support initiatives implemented	Achieved: 4 capacity-building and support initiatives implemented	0	-

3.4.6.2 Programme performance indicators, planned targets and actual achievements

SUB-PROGRAMME: MEMBERS ADMINISTRATION

The purpose of this sub-programme is to provide Members' facilities services.

Sub-programme expenditure

Members Administration	2022/23			2021/22		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure (Over-) or under-expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	2 372	2 391	(19)	2 218	2 215	3

SUB-PROGRAMME: ENABLING ALLOWANCE

The purpose of this sub-programme is to manage the payment of:

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

Programme performance indicator	Actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement for 2022/23	Comment on/ reason for deviation
1 Number of training and development initiatives implemented	Achieved: 4	4	Achieved: 4	0	-

Revisions to the Programme Performance Indicators, outputs or annual targets

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

Sub-programme expenditure

Enabling Allowance	2021/22			2022/23		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	6 532	4 967	1 565	6 902	6 079	823

SUB-PROGRAMME: POLITICAL PARTIES SUPPORT

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

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

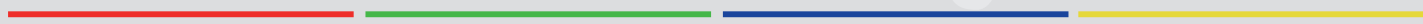
Sub-programme expenditure

Political Parties Support	2022/23			2021/22		
	Final appropriation	Actual expenditure	(Over) or under expenditure	Final appropriation	Actual expenditure	(Over) or under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Total	50 921	50 112	809	49 995	49 224	771

WESTERN CAPE PROVINCIAL PARLIAMENT



PART C GOVERNANCE





Speaker's procession towards the Chamber for the Sitting of the House and the Premier's State of the Province Address on 16 February 2023.

PART C: GOVERNANCE

1. INTRODUCTION

The Western Cape Provincial Parliament (WCPP) strives to maintain the highest standards of corporate governance in the execution of its Constitutional mandate of Law-making, Oversight and Public Participation and in the delivery on its Strategic Objectives. To this end, the governance architecture is in place to provide the requisite oversight over the business of the WCPP.

The WCPPs' governance architecture comprises of internal structures, principally the Governance Committee. It also comprises of various external bodies that play an independent oversight and advisory role. These are the Shared Audit Committee and Internal Audit. The Parliamentary Oversight Committee also plays a legislative oversight role over the WCPP.

In addition to these entities, the WCPP seeks to integrate effective risk management and robust internal controls that support administrative efficiency and promote the values of transparency, integrity, and accountability. These values are codified in the Code of Conduct and institutional policies pertaining to employees, that guide and direct the conduct of officials within the Administration.

They are also codified in the Code of Conduct and institutional policies pertaining to Members that guide and direct the conduct of Members of Parliament, who are the elected representatives of the people of the Western Cape. The Registrar of Members Interests oversees adherence of Members to the Code and related policies.

2. RISK MANAGEMENT

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

3. GOVERNANCE COMMITTEE

3.1. GOVERNANCE COMMITTEE REPORT

3.1.1. Introduction

The WCPP herewith presents its annual GOVCOM report for the financial year ended 31 March 2023.

3.1.2. Membership and Attendance

The GOVCOM comprises the Senior Management Team and is chaired by the Accounting Officer. In accordance with its terms of reference, the GOVCOM met at least four times (quarterly) during the year under review. The table below discloses relevant information on GOVCOM member's attendance of the scheduled meetings:

Member	Position	Meetings Attended
Romeo Adams	Secretary to the WCPP (Chairperson)	4/4
Nicole Petersen	Chief Financial Officer (CFO)	4/4
Vernon Titus	Director: Institutional Enablement	4/4
Sunelle Fouché	Director: Public Engagement	4/4
Lubabalo Stemele	Director: Parliamentary Services	4/4
Margo Goldstone	Director: Strategy and Institutional Oversight	4/4

The following is an indication of standing invitees who had attended the GOVCOM meeting for the period under review:

Standing invitee	Position	Meetings attended
Craig Matthee	Senior Risk Officer	4/4
Coby Skriker	Manager: Information Technology and Digital Services	4/4
Charles Dowman	Serjeant-at-Arms	1/4
Wayne Naidoo	Acting Serjeant-at-Arms	2/4
Zinzi Nikelo	Manager: Financial Compliance & Internal Control	4/4
Stefan Malan	Director: Internal Audit (DoTP)	2/4
Lindi Kotze	Deputy Director: Internal Audit (DoTP)	3/4

3.1.3. Key activities of the GOVCOM

In the execution of its duties the GOVCOM performed the following key activities during the year:

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

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

3.1.4. Key strategic risks considered and addressed during the year

The following strategic risks were considered and addressed:

- Inadequate Information Security Management system resulting in cyber-attacks, data fraud and theft which may cause operational downtime, financial loss, or reputational damage;
- Ineffective IT Governance resulting in the institutional performance stagnation and regression;
- Security breaches (unauthorised access, theft, safety concerns and loss of assets) that may result in liability exposure, financial and reputational standing loss;
- Inability to embed and enforce a technology culture at the institution due to capacity;
- Uncertainty in respect of the budget envelope that may result in institutional performance stagnation;
- Inadequate public participation in the law-making process resulting in possible unconstitutional laws and ineffective legislative oversight;

- Limited social media engagement with stakeholders due to limited skilled resources;
- Inadequate procedural advice and support provided to the Committees resulting in law making and oversight processes that are unconstitutional;
- The inability to provide capacity-building opportunities to enhance Members of parliament's skills sets;
- Inappropriate skills sets of staff to adjust to the requirements of a modernised parliament; and
- Prolonged power outages resulting in business interruption.

3.1.5. Emerging risk for the year under review

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

- Inadequate operational readiness for an increase in WCPP seats

3.1.6. Conclusion

The WCPP continuously assessed its strategic and operational environment to ensure that the most pertinent risks in its environment (internal or external) are identified and managed. Due to the deliberations at the GOVCOM, the mitigation measures put in place and the tracking of the implementation of these measures allowed the WCPP to minimise the risks within its control and to achieve its goals and objectives as set out in its Annual Performance Plan.



ROMEO ADAMS
SECRETARY TO THE PROVINCIAL PARLIAMENT

DATE: 31 AUGUST 2023

4. FRAUD AND CORRUPTION

The WCPP promotes and maintains a high standard of professional ethics. The following measures are in place to support employee adherence to these standards:

The WCPP's Fraud Prevention Policy advocates a stance of zero tolerance in respect of corrupt or fraudulent activities and commits to pursuing any parties vigorously, by all legal means available, who engage or attempt to engage in such practices. The Fraud Prevention Policy was communicated to employees to raise awareness of its scope and application.

The WCPP's Whistleblowing Policy provides guidelines to employees on how to raise concerns with the appropriate line management, specific designated persons in the WCPP or external institutions where they have reasonable grounds for believing that offences or improprieties have been or are being perpetrated in the WCPP. In addition to awareness-raising activities undertaken with employees, the Public Protector's Office engaged officials on the topic of protected disclosures.

The Ethics Management Strategy and Plan encompasses fraud reporting, fraud governance (identification of fraud risk and management of identified existing fraud risk, awareness programme in respect of ethics management, fraud control and corruption prevention), Code of Conduct declaration, declaration of business interests, declaration of gifts and donations, declaration of authorised private work conducted by employees, vetting of employees and screening of prospective employees and service providers.

A fraud health check survey was completed by the WCPP employees in the third quarter of the 2022/23 financial year. As in the previous financial years, this assisted in gauging employee awareness of fraud and corruption. The results were analysed and used to inform the Ethics Management Strategy and Plan and Fraud Prevention Strategy and Implementation Plan for the 2023/24 financial year.

Reporting on these matters is provided to the Governance Committee, the ExCo and the Audit Committee in respect of progress against the plan.

5. MINIMISING CONFLICT OF INTEREST

The WCPP has implemented various measures to minimise the potential for conflicts of interest amongst employees. This includes a Conflict-of-Interest Policy which outlines the responsibilities and processes for identifying, disclosing, and managing any conflicts of interest amongst employees at the WCPP.

The following measures are intended to promote professional ethics and minimise conflicts of interest:

- All employees are required to annually disclose their business interests in line with the Conflict of Interest Policy. The policy considers the provisions of section 40 (c) and 46 (d) and (e) of the FMPPLA which speak to declaration of interests.
- All members of the Specification Committee (BSC), Bid Evaluation Committee (BEC) and the Bid Adjudication Committee (BAC) sign a Declaration of Interest before each meeting. They are required to declare any conflict of interest which may exist and if there is a conflict of interest, it is expected of the member to recuse him/herself from the proceedings. The officials from the Supply Chain Management Section who render the secretariat service to the bid committees also sign the Declaration of Interest in terms of Supply Chain norms and standards.

- Employees who wish to perform private work, must apply for relevant approval, which is approved by the Secretary, in terms of the Conflict of Interest policy and Code of Conduct.
- During any recruitment and selection process the panel members declare their interest and where a conflict of interest exists, similarly, that they recuse themselves from the process.
- The WCPPs gift and donations policy indicates that all gifts and donations must be declared in the gifts and donations register.

No conflicts of interest were identified amongst employees of the WCPP in the period under review.

6. CODE OF CONDUCT

Meetings

During the period under review the Conduct Committee met 10 times.

Registrar of Members Interest

On 26 November 2020 the House took the following resolution, on a motion of the Deputy Chief Whip of the Majority Party, Honourable DG Mitchell: That the appointment of Advocate P Burgers as Registrar of Members' Interests, in terms of section 3 of the Members of the Western Cape Provincial Parliament Code of Conduct Act, 2002 (Act 3 of 2002), from 1 December 2020 to 30 November 2023, in accordance with the conditions in the advertisement, be confirmed.

Disclosure of Members' interests

The closing date for the disclosure of Members' interests was 30 April 2022. A total of 41 Members submitted their completed forms by the due date.

Complaints in terms of the Provincial Code of Conduct

The Committee, during the period under review, dealt with 2 alleged breaches of the Code by Members.

Advice to Members on the Code of Conduct

The Registrar provided advice and assistance to 4 Members on the proper completion of their disclosure forms. Two Members were provided with other advice.

Access to the public part of the disclosure forms

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

Assistant to complainants

Assistance was provided to one complainant.

7. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

Injury on Duty

Two Injury on Duty cases were reported. See details in Part C: 15. Injury on Duty.

COVID-19

In the year under review, COVID-19 was no longer regarded as a disaster and social distancing measures had been relaxed. Only 4 confirmed cases of COVID-19 were reported. The Administration continued to monitor the situation during the period under review.

Planned evacuations

The WCPP had one planned evacuation drill. The drill was successful, and the team had a debriefing meeting with the South African Police Services stationed at 7 Wale Street.

Implementation of Hazard Identification and Risk Assessment (HIRA) findings

The HIRA assessment reports for the 2022/23 financial year were submitted and vetted. The targets for the year under review were achieved.

Compliance with the Critical Infrastructure Protection Act (CIPA)

The WCPP, achieved a score of 98% for the 2022 calendar year. This evaluation is undertaken by the SAPS National Key Points (NKP) Office. Based on the assessment report, the WCPP challenged the two items that were rated below the compliance level of 100%. A letter of appeal was drafted to the NKP Commander, outlining the reasons why we thought the assessment should be reviewed. Based on the letter of appeal, a follow up meeting was held between the Director: IE and the NKP Commander. Although the results could not be reviewed for the 2022 year the proposals put forward would be considered for the 2023 evaluation.

8. RULES COMMITTEE

The Rules Committee met once during the period under review, on 24 March 2023.

Subcommittees of the Rules Committee

- a) *Subcommittee on the Review of the Rules*
The Subcommittee did not meet in the period under review.
- b) *Subcommittee on Physical Infrastructure and Internal Related Arrangements*
The Subcommittee did not meet in the period under review.
- c) *Subcommittee on Sexual Harassment Policy and Leave of Absence for Members*
(was not reconstituted in the 6th Parliament)

d) *Appointment of whips*

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

Democratic Alliance (DA):

Chief Whip – Ms W F Kaizer-Philander (Chairperson) - with effect from 7 February 2023

Deputy Chief Whip – Ms D M Baartman (Acting Chief Whip – with effect from 6 September 2022 until 6 February 2023

Chief Whip – Ms L J Botha (Chairperson) – with effect from 23 May 2022 until 31 August 2022

Chief Whip – Ms M M Wenger (Chairperson) - until May 2022

Whip – Ms L J Botha - until 22 May 2022

Whip – Ms W F Kaizer-Philander - until 6 February 2023

Whip – Mr A P Van der Westhuizen

African National Congress (ANC):

Chief Whip - Ms P Z Lekker

Deputy Chief Whip - Mr M K Sayed

Economic Freedom Fighters (EFF):

Whip – Cassiem, A - with effect from 7 February 2023

Whip – Xego, M - until 1 February 2023

SMALLER PARTIES:

Whip – Mr K Brinkhuis (Al- Jama-ah) - with effect from 6 September 2022

Whip – Mr P J Marais (Freedom Front (FF) Plus) - until 30 August 2022

e) *Programming Authority*

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

During the period under review the Programme Authority Committee held 18 meetings.

9. PARLIAMENTARY OVERSIGHT COMMITTEE

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

- The quarterly performance reports of the WCPP;
- The financial statement reports of the WCPP; and
- The Annual Report of the WCPP for the 2021/22 financial year.

The report of the POC on the 2021/22 Annual Report is printed below:

10. REPORT OF THE POC ON THE WCPP'S ANNUAL REPORT

REPORT OF THE PARLIAMENTARY OVERSIGHT COMMITTEE ON THE ANNUAL REPORT OF THE WESTERN CAPE PROVINCIAL PARLIAMENT FOR THE YEAR ENDED 31 MARCH 2022

1. Introduction

The Annual Report of the Western Cape Provincial Parliament (the WCPP) was tabled for the 2021/22 financial year in terms of section 60(1) of the Financial Management of Parliament and Provincial Legislatures Act, 2009 (Act No.10 of 2009), (FMPPLA) and referred to the Parliamentary Oversight Committee (POC) on Wednesday, 21 September 2022 (refer to "ATC 106-2022"). The Annual Report (AR) of WCPP serves to provide a record of the activities and performance of the administration of the WCPP and to promote accountability for decisions made during the financial year under review. The performance of the WCPP is measured against the performance targets and budget outlined in the WCPP 2020/21– 2024/25 Strategic Plan, including the Annual Performance Plan of the WCPP for the 2020/21 financial year.

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

The members of POC deliberated on the various sections of the Annual Report of the WCPP for the 2021/22 financial year, as follows:

- 1.1. Part A: General Information,
- 1.2. Part B: Performance Information,
- 1.3. Part C: Governance,
- 1.4. Part D: Human Resource Management, and
- 1.5. Part E: Financial Information.

The Annual Report of the WCPP 2021/22 was tabled on time, according to Treasury and other prescripts. The Annual Report programme for the 2021/22 financial year was advertised in the three official languages of the Western Cape in various newspapers, inviting stakeholders and members of the public to attend and participate in the discussions.

2. Overview

The Committee met on 11 October 2022 at 08:00 where it was briefed by the Auditor-General of South Africa (AGSA) on the audit outcomes of the 2021/22 financial year for the WCPP. After the briefing by the AGSA, the Committee was briefed by the Audit Committee (AC) whose role is to ensure that the WCPP functions according to good governance principles, complies with accounting and audit standards and monitors that appropriate risk management arrangements are in place. The AC also monitors the adequacy and reliability of the financial information provided by the WCPP.

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

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

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

3. Audit Opinion

The Committee noted the audit opinion of the AGSA regarding the annual financial statements for the 2021/22 financial year of the Institution, having obtained clean audit report. This audit opinion remains unchanged from the 2020/21 financial year.

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

4. Corporate Governance

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

- the creation and ongoing monitoring of an appropriate and dynamic system of checks and balances to ensure the balanced exercise of power within a company;
- the implementation of systems to ensure compliance with legal and regulatory obligations;
- the implementation of processes to identify and manage risks to the sustainability of the Institution's business; and
- the development of practices which make and keep the Institution accountable to the Institution's identified stakeholders and the broader society in which it operates.

During the 2021/22 financial year, the Audit Committee completed the following assurance engagements, as follows:

- Records Management (Assurance);
- Management of Government Motor Transport (Assurance);
- Regulatory Compliance (Assurance);
- Research Management (Assurance); and
- Protection of Personal Information Act (Assurance).

During the 2021/22 financial year under review, seven invoices with an accumulated value of R168 571,77 were settled in excess of the 30-day payment regulation. The reasons related to the breakdown of internal controls in submitting the invoices timeously for payment. However, the Institution investigated and identified the root causes which caused the internal control breakdown and implemented remedial mechanisms with the aim to avoid a future recurrence of such internal control weaknesses. Notes 34 and 35 of the Annual Financial Statements refers to the fruitless and wasteful-, as well as the irregular expenditures during the year under review.

No fraud and corruption activities were detected or reported during the 2021/22 financial year.

5. Performance Information

In terms of the performance indicators for the year under review, the Institution achieved 25 indicators, compared to the 33 predetermined indicators that were set at the beginning of the 2021/22 financial year. This resulted in eight performance indicators not being met, primarily from Programme 1: Governance, Leadership and Administration; Programme 2: Parliamentary Support Services and Programme 3: Public Engagement. A synopsis of the overall performance indicators, can be summarised as follows:

Programme	Performance Indicators/ Planned targets	Achieved	Not/ Partially achieved
Programme 1: Governance, Leadership and Administration	9	7	2
Programme 2: Parliamentary Support Services	11	9	2
Programme 3: Public Engagement	11	7	4
Programme 4: Members' Support	2	2	-
Total	33	25	8

6. Financial Management

For the year under review, the Western Cape Provincial Parliament spent R157,425 million from a budget of R169,711 million, which resulted in an under-expenditure of R12,282 million (92,7% budget spend). During the 2020/21 financial year, the Western Cape Provincial Parliament spent R142,944 million of an appropriated budget of R151,928 million, which resulted in an underspending of R8,984 million (94% budget spend).

The under-expenditure of R12,282 million for the 2021/22 financial year occurred under the following programmes:

- Programme 1: Governance, Leadership & Administration (R8,390 million);
- Programme 2: Parliamentary Support Services (R734 000);
- Programme 3: Public Engagement (R1,021 million); and
- Programme 4: Members Support (R1,597 million).

In addition, the Institution's total estimated revenue budget of R72 000 was over-collected by R425 000, which resulted in a departmental receipt of R413 000. The over-collection on revenue occurred under the following line items:

- Sale of goods and services other than capital assets (R15 000);
- Interest, dividends and rent on land (R182 000);
- Sale of Capital Assets (R16 000); and
- Financial Transactions in assets and liabilities (R138 000).

During the 2021/22 financial year the Institution recorded three cases of irregular expenditure with a total value of R693 791 which was condoned, as well as two cases of fruitless and wasteful expenditure with a total value of R2,160 which was reported.

7. Recommendations by the Committee

Reference	Resolution	Action date
<p>Page: 29</p> <p>Heading: <i>“Precinct Management”</i></p> <p>Matter: The Committee notes that the WCPP and Department of Transport and Public Works signed a service level agreement (SLA) on 12 October 2021, which includes that a maintenance schedule be implemented to track the progress of maintenance matters against the SLA.</p>	<p>7.1 That the Institution brief the Committee on the SLA that was included, including the maintenance schedule for the 2021/22 financial year and the User Asset Management plan for WCPP.</p> <p>The briefing should also include the exact physical parameter of the WCPP, including how members and staff can safely access the Institution from the C&D garage.</p>	Briefing to be scheduled by the Parliamentary Oversight Committee.
<p>Pages: 51</p> <p>Heading: <i>“Subprogramme: Hansard Services”</i></p> <p>Matter: The Committee notes that the Institution aimed to improve the administrative efficiency relating to the Hansard Services.</p>	7.2. That the Institution brief the Committee with an actual live demonstration on how to find and extract information from Hansard on the WCPP website.	Briefing to be scheduled by the Parliamentary Oversight Committee.
<p>Page: 69</p> <p>Heading: <i>“Subprogramme: Public Education and Outreach”</i></p> <p>Matter: The Committee notes that the Institution increased opportunities for the public to participate in the Legislature’s activities.</p>	<p>7.3. That the Committee be briefed by the Parliamentary Monitoring Group on the accessibility of extracting information from its website, including how the WCPP can adopt a similar approach.</p> <p>7.4. That the Committee also be briefed by the Public Education and Outreach Unit (PEO) on its collaborating activities with the Committees Support Section on managing inputs received via petitions from the public; including a briefing from the delegation who visited the Scottish Parliament and lessons-learnt in terms of the management of petitions.</p> <p>7.5. That the PEO brief the Committee on how it plans to enhance public participation in the House and Committees meetings for the 2022/23 and 2023/24 financial years.</p>	<p>Briefing to be scheduled by the Parliamentary Oversight Committee.</p> <p>Briefing to be scheduled by the Parliamentary Oversight Committee.</p> <p>Briefing to be scheduled by the Parliamentary Oversight Committee.</p>
<p>Page: 77</p> <p>Heading: <i>“Subprogramme: Enabling Allowance”</i></p> <p>Matter: The Committee notes that the enabling allowances are in place to compensate members of WCPP for expenses relating to official travel, accommodation and telecommunication.</p>	7.6 That the Institution brief the Committee on the implementation and management of the enabling allowances against the FMPPLA.	Briefing to be scheduled by the Parliamentary Oversight Committee.

8. Information requested from WCPP

The Committee REQUESTED that the WCPP provides the Committee with the following information by 28 February 2023:

- A copy of the Public Education and Outreach database, as indicated on page 69 of the Annual Report.
- A report on the Institution's plan to respond to its current practise of partial working from home for employees in terms of the Working-from-home policy, considering load-shedding and connectivity challenges, as indicated on page 99 of the Annual Report.
- A legal opinion on whether members are considered as staff of the Institution, as verbally referred to in the meeting of Tuesday, 11 October 2022.
- A copy of all the internal polices which were amended from the start of the 6th Provincial Parliament to date.

9. Inputs received from the public

Members of the public were provided an opportunity to pose questions or make oral submissions, based on the contents of the 2021/22 Annual Report of the WCPP. However, no members of the public were present in the meeting to pose questions or to make oral submissions.

10. Conclusion

The Committee commends the WCPP for maintaining an unqualified audit with no findings on predetermined objectives or compliance with laws and regulations.

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

11. Acknowledgments

The Chairperson expressed the appreciation of the Committee for the inputs of the various role-players, such as the Auditor-General of South Africa and the Audit Committee, to enhance the oversight work of the Committee which relates to the Annual Report of WCPP for the year ending 31 March 2022. In addition, the Committee thanked the presiding officers and the WCPP administration for their efforts and contributions in this regard.



MS LM MASEKO
CHAIRPERSON: PARLIAMENTARY OVERSIGHT COMMITTEE

31 AUGUST 2023

11. INFORMATION REQUESTED BY THE POC

The WCPP submitted all the information requested by the POC in accordance with Paragraph 8 of the report.

12. WCPP RESPONSE TO THE POC RECOMMENDATIONS

The WCPP responded to the recommendations in accordance with Paragraph 7 of the report as follows:

Recommendations	Response by the WCPP	Resolved (Yes/No)
7.1 That the Institution brief the Committee on the SLA that was included, including the maintenance schedule for the 2021/22 financial year and the User Asset Management plan for WCPP. The briefing should also include the exact physical parameter of the WCPP, including how members and staff can safely access the Institution from the C&D garage.	Still in progress - The meeting with POC is scheduled for May 2023 as per the POC programme.	No
7.2 That the Institution brief the Committee with an actual live demonstration on how to find and extract information from Hansard on the WCPP website.	Still in progress - The meeting with POC is scheduled for June 2023.	No
7.3 That the Committee be briefed by the Parliamentary Monitoring Group on the accessibility of extracting information from its website, including how the WCPP can adopt a similar approach.	Still in progress - The meeting with POC is scheduled for June 2023 as per the POC programme.	No
7.4 That the Committee also be briefed by the Public Education and Outreach Unit (PEO) on its collaborating activities with the Committees Support Section on managing inputs received via petitions from the public; including a briefing from the delegation who visited the Scottish Parliament and lessons-learnt in terms of the	Still in progress - The meeting with POC is scheduled for June 2023 as per the POC programme.	No
7.5 That the PEO brief the Committee on how it plans to enhance public participation in the House and Committees meetings for the 2022/23 and 2023/24 financial years.	Still in progress - The meeting with POC is scheduled for June 2023 as per the POC programme.	No
7.6 That the Institution brief the Committee on the implementation and management of the enabling allowances against the FMPPLA.	Still in progress - The meeting with POC is scheduled for June 2023 as per the POC programme.	No

13. PRIOR MODIFICATION TO AUDIT REPORTS

There were no prior modifications to the audit report during the 2022/23 period.

14. COMPLIANCE WITH THE 30-DAY PERIOD

During 2022/23, 9 invoices with an accumulated value of R359 808.33 were settled in more than 30 days. The reasons related to the breakdown of internal controls in submitting the invoices timeously for payment. The root causes for cases were investigated and identified, and remedial steps and additional controls (where needed) were implemented to eliminate the recurrence of such cases.

15. FINANCIAL COMPLIANCE AND INTERNAL CONTROL

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

The following areas were completed during the year under review:

- Inspection on Plenary Support Services
- Inspection on management of loan laptops
- Inspection on inventory management processes
- Inspection on management of service level agreements (procurement and non- procurement related)

Follow-up inspections were conducted on the previous year's findings to ensure progress and implementation where there were management action plans. The unit also regularly followed up on management action plans stemming from the AGSA's findings in the previous year, as well as on Internal Audit reports issued.

Loss control and non-compliance investigations are also dealt with by Financial Compliance and Internal Control. Once a thorough investigation is completed, recommendations are made to the Accounting Officer to write off or recoup a loss. In instances of non-compliance, recommendations for corrective actions are also made.

16. INTERNAL AUDIT AND AUDIT COMMITTEES

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

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

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

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

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

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

Name	Qualifications	Internal or external	If internal, position in the WCPP	Date appointed	Date Resigned	No. of Meetings attended
Mr F Barnard (Chairperson)	BProc; BCompt (Hons); CTA; Postgrad Diploma Auditing; MCom; CA (SA)	External	N/A	01 January 2022 (2nd term)	N/A	7
Mr A Davids	BCom; Post-Graduate Qualification: Company Secretarial and Governance Practice, ACG(CS)	External	N/A	01 January 2020 (1st term)	31 December 2022 (end of contract)	5
Ms C Abdoll	BCom; BCompt (Hons); CA (SA); Post-graduate Diploma: Certified Internal Auditing (CIA)	External	N/A	01 March 2021 (1st term)	N/A	7
Mr C Bunting	National Diploma: Internal Auditing MBA	External	N/A	01 January 2022 (1st term)	N/A	7
Ms A Mvandaba	B Acc (Hons) CA(SA) Member of the Institute of Directors	External	N/A	01 February 2023 (1st term)	N/A	2

AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2023.

Audit Committee Responsibility

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

The Effectiveness of Internal Control

In line with the FMPPLA, Internal Audit provides the Audit Committee and Management with reasonable assurance that the internal controls are adequate and effective. The WCG adopted a Combined Assurance Framework which identifies and integrates assurance providers. The first level of assurance is management assurance, requiring of line management to maintain effective internal controls and execute those procedures on a day-to-day basis by means of supervisory controls and taking remedial action where required. The second level of assurance is internal assurance provided by functions separate from direct line management, entrusted with assessing adherence to policies, procedures, norms, standards and frameworks. The third level of assurance is independent assurance providers that are guided by professional standards requiring the highest levels of independence.

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

The following engagements were approved by the Audit Committee and completed by Internal Audit during the year under review:

Assurance engagements:

- Hansard Services
- Capacity Building and Members Support
- ICU Assessment
- OHS Oversight external Visits
- Petitions

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

In-Year Management and Monthly/Quarterly Report

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

Evaluation of Financial Statements

The Audit Committee has:

- reviewed the Audited Annual Financial Statements to be included in the Annual Report;
- reviewed the AGSA's Management Report and management's response thereto; and
- reviewed changes to accounting policies and practices as reported in the Annual Financial Statements.

Compliance

The Audit Committee has reviewed the Department's processes for compliance with legal and regulatory provisions. Feedback on new provisions that has an impact on the Department are provided quarterly to the Audit Committee.

Performance Information

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

Report of the Auditor-General South Africa

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

Corrective actions on the detailed findings raised by the AGSA are monitored by the Audit Committee on a quarterly basis.

The Audit Committee concurs and accepts the AGSA's opinion regarding the Annual Financial Statements and proposes that these Audited Annual Financial Statements be accepted and read together with their Audit report.

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



MR FRANCOIS BARNARD
CHAIRPERSON OF THE GOVERNANCE AND ADMINISTRATION CLUSTER AUDIT COMMITTEE

31 AUGUST 2023

17. B-BBEE COMPLIANCE

Has the sphere of government or public entity or organ of state applied any relevant code of good practice (B-BBEE certificate levels 1 to 8) with regard to the following:		
Criteria	Circle relevant answer	Attachment
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law	Not applicable	If Yes, please attach Qualification Criteria as well as the compliance report of implementation thereof in the Annual Report
Developing and implementing a preferential procurement policy	WCPP adheres to the requirements of PPPFA Regulations (PPR 2022) in conjunction with B-BBEEA	If Yes, please attach Preferential Procurement Policy as well as the compliance report of implementation thereof in the Annual Report
Determining qualification criteria for the sale of state-owned enterprises	Not applicable	If Yes, please attach Qualification Criteria as well as the compliance report of implementation thereof in the Annual Report
Developing criteria for entering into partnerships with the private sector	Not applicable	If Yes, please attach Qualification Criteria as well as the compliance report of implementation thereof in the Annual Report
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment	Not applicable	If Yes, please attach Qualification Criteria as well as the compliance report of implementation thereof in the Annual Report



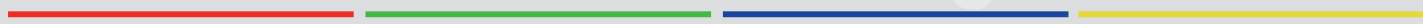
ROMEO ADAMS
SECRETARY TO THE PROVINCIAL PARLIAMENT

31 AUGUST 2023

WESTERN CAPE PROVINCIAL PARLIAMENT



PART D HUMAN RESOURCE MANAGEMENT





Meeting of the Parliamentary Oversight Committee, 17 August 2022.

PART D: HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

Part D: Human Resource Management, provides in-depth information on the people-related activities of the Western Cape Provincial Parliament (WCPP) for the year under review. Most of the information provided here is statistical. In some instances, the figures relate to all employees who were employed for the entire financial year. Where it is expressly stated as 'As at 31 March 2023' or '1 April 2022', the figures reflect the position on that particular day.

2. HUMAN RESOURCES

The financial year under review was a period of adaptation to a hybrid working model. In this respect, the following lessons have emerged:

- Effective leadership in a hybrid workspace requires that leaders build cohesion among teams, manage burnout, engage team members intentionally, and strengthen a shared organizational culture;
- As much as the flexibility of remote work has proven to be beneficial, the connection which flows from in-person interaction and which is an important part of collaboration, is difficult to replicate via email or video communication;
- Employees require an environment where they continue to feel engaged and not disconnected as a result of fewer opportunities for in-person interaction; and
- Technology is an enabler of a hybrid work model but effective leadership is required in order to foster communication, collaboration and cohesion.

Accordingly, and in recognition of the significant role that sound leadership plays in achieving a functional hybrid working model, the following initiatives were implemented:

- All Senior Managers and Managers participated in an intense 8-session leadership programme to equip them with the skills necessary to lead in a changing work environment; and
- Employee wellness focussed more keenly on team alignment interventions while still offering access to individual and family counselling.

Diversity and inclusion play a pivotal role in employee engagement. To this end, progress continued to be made towards meeting employment equity numerical goals.

Policies and procedures are a key driver in ensuring long-term professional benefits for the WCPP, as well as for its employees. The following key policies were approved during the year under review:

- Relocation and Resettlement Policy – defines and regulates the circumstances and conditions in which relocation and/or settling-in costs may be paid for candidates
- Policy in respect of Candidacy for Public Office – establishes a framework to govern circumstances where employees stand as candidates for public office

While the average employee turnover rate within South Africa is approximately 17,7% (as reported by BusinessTech in June 2022), the employee turnover rate for WCPP as at 31 March 2023 is 8.47%. There were 13 exits in total.

During the year under review, 4 employees were beneficiaries of the WCPP’s Study Assistance Programme. The study programmes undertaken by these employees were Law (2), Accounting (1) and Business Administration (1). One beneficiary of study assistance successfully completed their studies and has now obtained a Post Graduate Diploma in Public Law.

A marked increase is noted in the number of sick leave days utilised during the 2022/23 period. This could potentially be attributed to the commencement of a new sick leave cycle in 2022.

Building the skills and capabilities of WCPP employees remains a key enabler of performance. During the period under review, 82 WCPP employees attended a total of 158 training interventions aimed at improving their effectiveness by building skills and strengthening competencies.

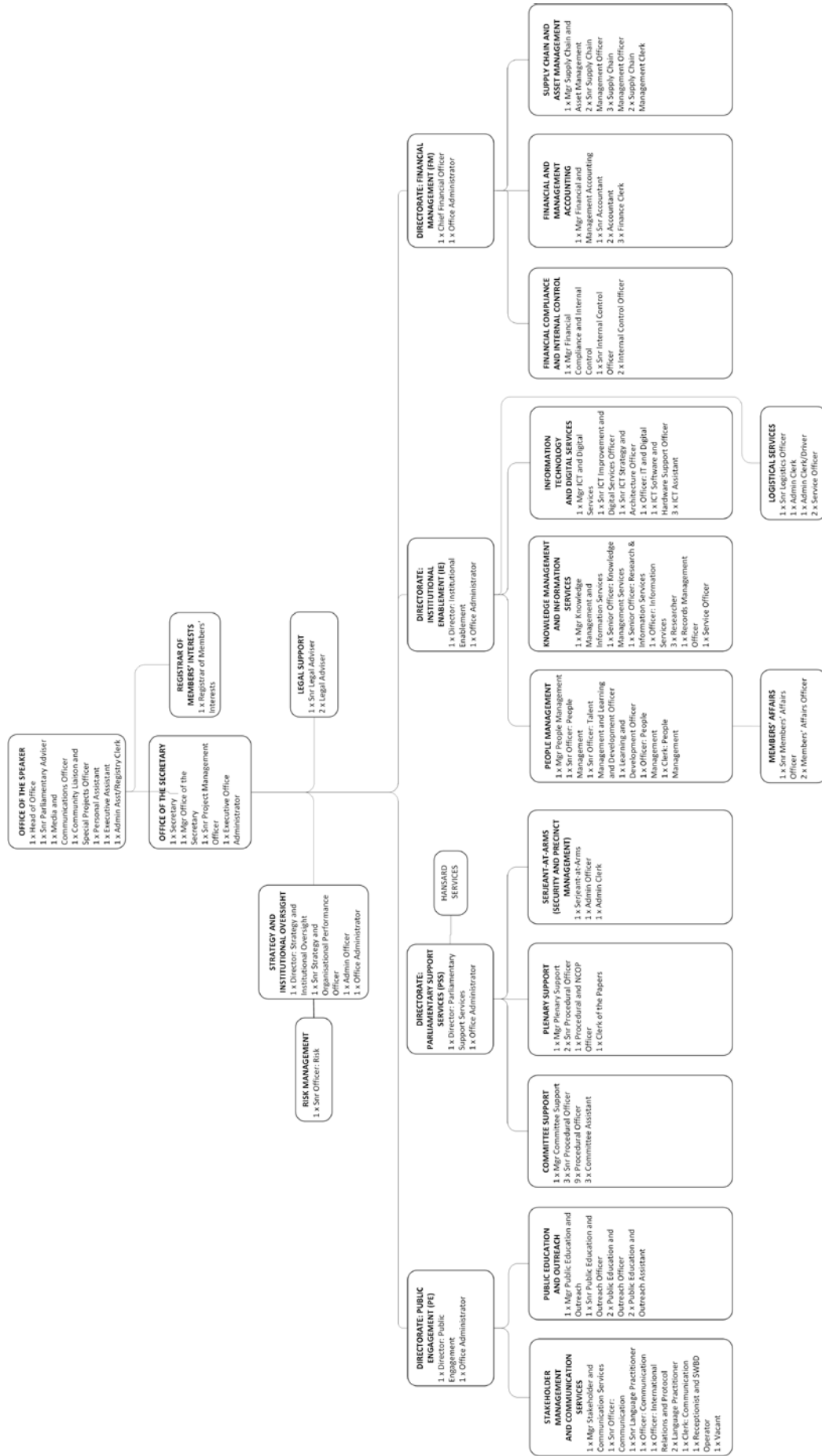
In 2022/23, long-service awards were presented to qualifying employees.

Long-service award category	Number of qualifying employees receiving awards during 2022/23	Nature of award
5 years of service	6	Certificate, additional vacation leave days
10 years of service	9	Certificate, additional vacation leave days, monetary award of R2500,00
15 years of service	6	Certificate, monetary award, corporate gift
20 years of service	1	Certificate, monetary award, corporate gift
25 years of service	1	Certificate, monetary award, corporate gift

Below is a tabular display of some key human resources management indicators that characterised the organisational landscape over the past five years:

Indicator	2018/19	2019/20	2020/21	2021/22	2022/23
Personnel expenditure	63 million	67 million	71 million	77.8 million	85 million
Vacancy rate	6.5%	12.82%	11.97%	9.32%	8.47%
Employee complement (as at 31 March)	107	102	103	107	108
Appointments	4	27	6	12	15
Exits	7	10	2	5	13
Average sick leave (days)	7.6	7.65	1.91	2.26	4
Study assistance (number of employees)	8	5	9	8	4

3. ORGANISATIONAL STRUCTURE AS AT 31 MARCH 2023



4. EXPENDITURE

The WCPP budgets in terms of clearly-defined programmes. The following tables summarise final audited actual expenditure paid by programme (Table 4.1), by salary bands (Table 4.2), by population group (Table 4.3) and by gender (Table 4.4). In particular, it provides an indication of the amounts spent on personnel costs in terms of each of these variables.

4.1. PERSONNEL COST BY PROGRAMME, 2022/23

Programme	Personnel expenditure R'000	Total expenditure R'000	Personnel cost as a % of total expenditure	Number of employee per programme	Average personnel cost per employee R'000
Programme 1 Governance, Leadership and Administration	51 275	76 220	67,27%	73	702
Programme 2: Parliamentary Service Support	19 004	25 465	74,63%	26	730
Programme 3: Public Engagement	12 486	15 643	79,82%	17	734
Programme 4: Members Support	2 373	57 470	4,13%	3	791
Interns	69	-	-	5	
Total	85 207	174 798	48,75%	124	687

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

4.2. PERSONNEL COST BY SALARY BAND, 2022/23

Salary bands	Number of employees	Personnel expenditure R'000	Percentage of total personnel cost	Average personnel cost per employee R'000
Semi-skilled (Band A1–B1)	3	826	0,97%	275
Skilled Technical (Band B2–C3)	68	36 320	42,63%	534
Professionally qualified (Band C4–C5)	24	18 219	21,38%	759
Management (Band D1–D3)	17	18 377	21,57%	1 081
Senior management (Band D4–E2)	7	11 396	13,37%	1 628
Interns	5	69	0,08%	13
Total	124	85 207	100,00%	687

Note: The personnel expenditure in 4.1 and 4.2 may differ due to different groupings and rounding of figures.

4.3. PERSONNEL COST BY POPULATION GROUP, 2022/23

Demographic profile	Number of employees	Personnel cost by race R'000	Percentage of total personnel cost
African	33	20 047	23,53%
Indian	6	4 583	5,38%
Coloured	64	47 523	55,77%
White	16	12 985	15,24%
Interns	5	69	0,08%
Total	124	85 207	100,00%

4.4. PERSONNEL COST BY GENDER, 2022/23

Demographic profile	Number of employees	Personnel cost by gender R'000	Percentage of total personnel cost
Male	55	43 750	51,35%
Female	64	41 388	48,57%
Interns	5	69	0,08%
Total	124	85 207	100,00%

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

4.5. SALARIES, OVERTIME, HOUSING ALLOWANCE AND MEDICAL AID BY PROGRAMME, 2022/23

Programme	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount R'000	Salaries as a % of personnel cost per programme	Amount R'000	Overtime as a % of personnel cost	Amount R'000	HOA as a % of personnel cost	Amount R'000	Medical assistance as a % of personnel cost
Programme 1 Governance, Leadership and Administration	37 178	72,51%	-	-	345	0,67%	2 526	4,93%
Programme 2: Parliamentary Service Support	13 383	70,42%	-	-	202	1,06%	1 391	7,32%
Programme 3: Public Engagement	8 832	70,74%	-	-	133	1,03%	822	6,59%
Programme 4: Members Support	1 713	72,19%	-	-	24	1,03%	224	9,43%
Total	61 106	71,72%	-	-	704	0,83%	4 963	5,83%

4.6. SALARIES, OVERTIME, HOUSING ALLOWANCE AND MEDICAL AID BY SALARY BAND, 2022/23 (PERCENTAGE OF THE TOTAL PERSONNEL COST)

Salary band	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount R'000	Salaries as a % of personnel cost per salary band	Amount R'000	Overtime as a % of personnel cost per salary band	Amount R'000	HOA as a % of personnel cost per salary band	Amount R'000	Medical assistance as a % of personnel cost per salary band
Semi-skilled (Band A1–B1)	474	0,56%	-	-	165	0,19%	-	-
Skilled Technical (Band B2–C3)	26 070	30,60%	-	-	3 569	4,19%	385	0,45%
Professional qualified (Band C4–5)	13 327	15,64%	-	-	1 229	1,44%	185	0,22%
Management (Band D1–D3)	12 836	15,06%	-	-	-	-	85	0,10%
Senior management (Band D4–E2)	8 399	9,86%	-	-	-	-	48	0,06%
Total	61 106	71,72%	-	-	4 963	5,83%	703	0,83%

5. EMPLOYMENT AND VACANCIES

The following tables summarise the number of funded posts on the establishment, the number of employees and the vacancy rates. The information is presented in terms of two key variables, namely programme (Table 5.1) and salary band (Table 5.2).

5.1. EMPLOYMENT AND VACANCIES BY PROGRAMME, 31 MARCH 2023

Programme	Number of posts	Number of funded posts	Number of filled posts	Additional to establishment	Vacancy rate	Percentage unfunded posts
Programme 1 Governance, Leadership and Administration	71	71	65	-	8,45%	-
Programme 2: Parliamentary Service Support	26	26	23	-	11,54%	-
Programme 3: Public Engagement	18	18	17	-	5,56%	-
Programme 4: Members Support	3	3	3	-	-	-
Total	118	118	108	-	8.47%	-

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

5.2. EMPLOYMENT AND VACANCIES BY SALARY BANDS, 31 MARCH 2023

Salary band	Number of posts	Number of funded posts	Number of posts filled	Additional to establishment	Vacancy rate
Semi-skilled (Band A1–B1)	3	3	2	-	33,33%
Skilled Technical (Band B2–C3)	67	67	62	-	7,46%
Professionally qualified (Band C4–5)	24	24	21	-	12,50%
Management (Band D1–D3)	18	18	17	-	5,56%
Senior management (Band D4–E2)	6	6	6	-	-
Total	118	118	108	-	8.47%

6. JOB EVALUATION

Job evaluation refers to the grading of a post based on its complexity, including the scope of responsibility, level of independent decision-making, organizational risk and resource responsibility. Posts are evaluated to confirm the correctness of the salary level and grade. The WCPP has adopted the Paterson model of job grading.

During the 2022/23 financial year no job evaluations were undertaken.

7. EMPLOYMENT CHANGES

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

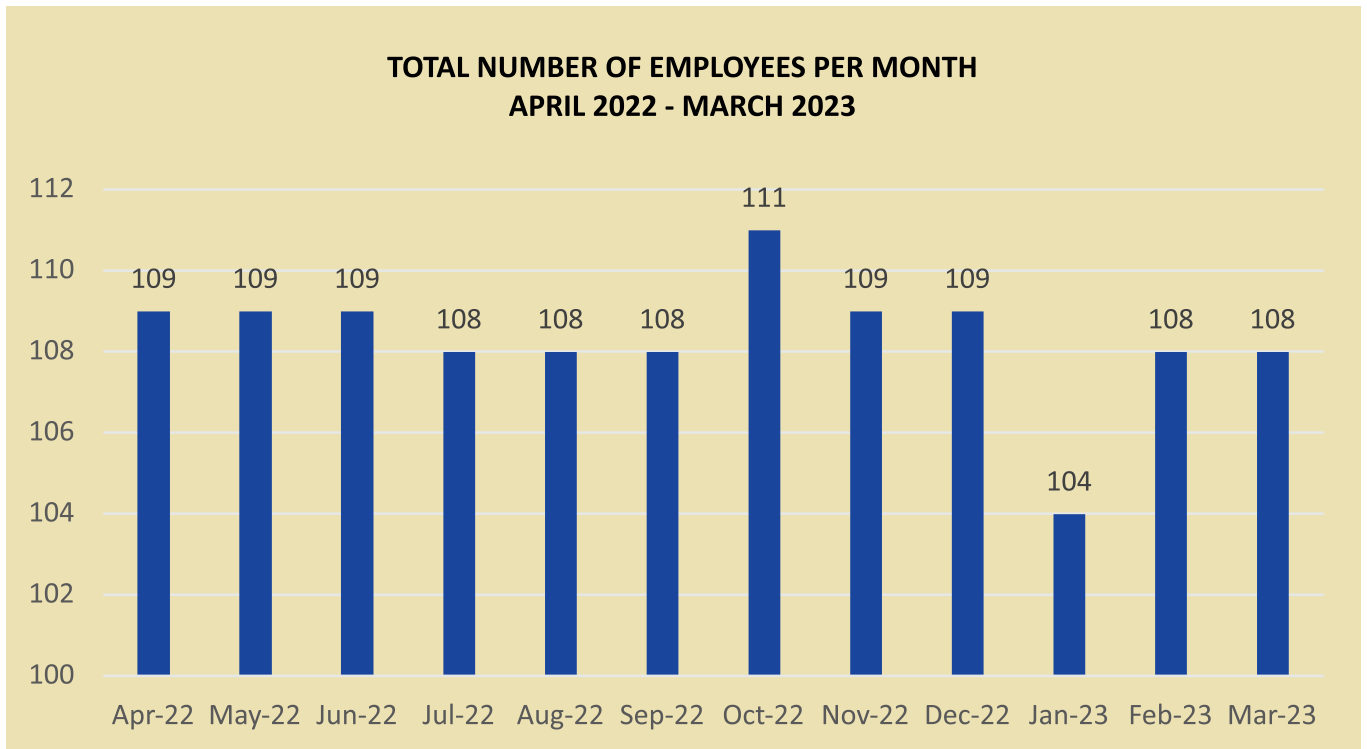
7.1. ANNUAL TURNOVER RATES BY SALARY BAND FOR THE PERIOD 1 APRIL 2022 TO 31 MARCH 2023

Salary band	Number of employees per band as at 1 April 2022	Appointments and transfers		Terminations	Turnover rate
		Internal	External		
Semi-skilled (Band A1–B1)	3	-	-	1	33,33%
Skilled Technical (Band B2–C3)	60	3	8	6	10,00%
Professionally qualified (Band C4–C5)	23	-	3	5	21,74%
Management (Band D1–D3)	17	-	1	1	5,88%
Senior management (Band D4–E2)	6	1	-	-	-
Total no. of employees	109	4	12	13	11,93%

7.2. WCPP APPOINTMENT AND RESIGNATION TRENDS OVER THE PAST FIVE YEARS

Item description	2018/19	2019/20	2020/21	2021/22	2022/23
Appointments	4	27	6	12	15
Resignations	7	5	-	5	13
Ratio	0.57:1	5.4:1	6:0	2.4:1	1.23:1

The staff complement of the WCPP increased during this financial year (see employee movement and stability graph). During the period under review there were 15 appointments and 13 exits.



Note: *Figures inclusive of the Registrar of Members' Interests

7.3. ANNUAL TURNOVER RATES BY CRITICAL OCCUPATION FOR THE PERIOD 1 APRIL 2022 TO 31 MARCH 2023

None.

7.4. REASONS FOR STAFF TURNOVER AT WCPP

Termination type	Number	Percentage of total
Resignation	5	38,46%
Expiry of contract	5	38,46%
Dismissal – operational reasons	-	-
Dismissal – misconduct	-	-
Discharged due to ill-health	-	-
Retirement	3	23,08%
Death in service	-	-
Transfers to other public service departments	-	-
Total	13	100,00%
Total number of employees who exited as a percentage of the total employment, using 1 April 2022 as the baseline.		11.93%

8. EMPLOYMENT EQUITY

8.1. TOTAL NUMBER OF EMPLOYEES (INCLUDING EMPLOYEES WITH DISABILITIES) IN EACH OF THE FOLLOWING OCCUPATIONAL BANDS AS AT 31 MARCH 2023

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior management (Bands D4–E2)	1	1	-	-	-	2	-	1	5
Management and professionally qualified (Band D1–D3)	1	6	1	2	2	1	1	-	14
Experienced specialists and middle management (Band C4–C5)	2	5	2	2	3	4	-	2	20
Skilled technical and academically qualified workers, junior management, supervisors (Bands B2–C3)	4	12	1	2	15	22	-	2	58
Semi-skilled and discretionary decision-making (Band A1–B1)	-	2	-	-	-	-	-	-	2
Total	8	26	4	6	20	29	1	5	99
Fixed Term Contract employees	-	1	1	2	1	2	-	2	9
Grand total	8	27	5	8	21	31	1	5	108
People with disabilities <u>included</u> in the statistics above: Experienced specialist and middle management (Band C4- C5)	-	-	-	1	-	-	-	1	2
People with disabilities <u>included</u> in the statistics above: Fixed Term Contract employees	-	-	-	-	-	-	-	-	-

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

8.2. RECRUITMENT FOR THE PERIOD 1 APRIL 2022 TO 31 MARCH 2023

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior management (Band D4–E2)	-	-	-	1	-	-	-	-	1
Management (Band D1–3)	-	-	-	-	-	-	-	1	1
Professionally qualified (Band C4–5)	1	1	-	-	-	1	-	-	3
Skilled Technical (Band B2–C3)	1	2	1	-	4	2	-	1	11
Semi-skilled (Band A1–B1)	-	-	-	-	-	-	-	-	-
Total	2	3	1	1	4	3	0	2	16
Employees with disabilities	-	-	-	-	-	-	-	-	-

8.3. PROMOTIONS FOR THE PERIOD 1 APRIL 2022 TO 31 MARCH 2023

The WCPP policies do not make provision for promotions.

8.4. TERMINATIONS FOR THE PERIOD 1 APRIL 2022 TO 31 MARCH 2023

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Management	1	-	-	-	-	-	-	-	1
Professionally qualified and experienced specialists and mid-management	2	1	-	-	1	1	-	-	5
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	-	1	-	-	-	3	-	2	6
Semi-skilled and discretionary decision-making	-	1	-	-	-	-	-	-	1
Semi-skilled (Band A1–B1)	-	-	-	-	-	-	-	-	-
Total	3	3	-	-	1	4	-	2	13
Employees with disabilities	-	-	-	-	-	-	-	-	-

8.5. DISCIPLINARY ACTION FOR THE PERIOD 1 APRIL 2022 TO 31 MARCH 2023

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
	1	-	-	-	1	2	-	-	4

8.6. SKILLS DEVELOPMENT FOR THE PERIOD 1 APRIL 2022 TO 31 MARCH 2023

8.6.1. TRAINING RECIPIENTS

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	2	7	1	2	2	3	1	1	19
Professionals	2	2	1	1	3	4	-	2	15
Technicians and associate professionals	3	8	1	1	9	15	-	1	38
Clerks	1	1	1	-	3	3	-	-	9
Service workers	-	1	-	-	-	-	-	-	1
Total	8	19	4	4	17	25	1	4	82
Interns	1	-	-	-	3	1	-	-	5
Employees with disabilities	-	-	-	-	-	-	-	1	1

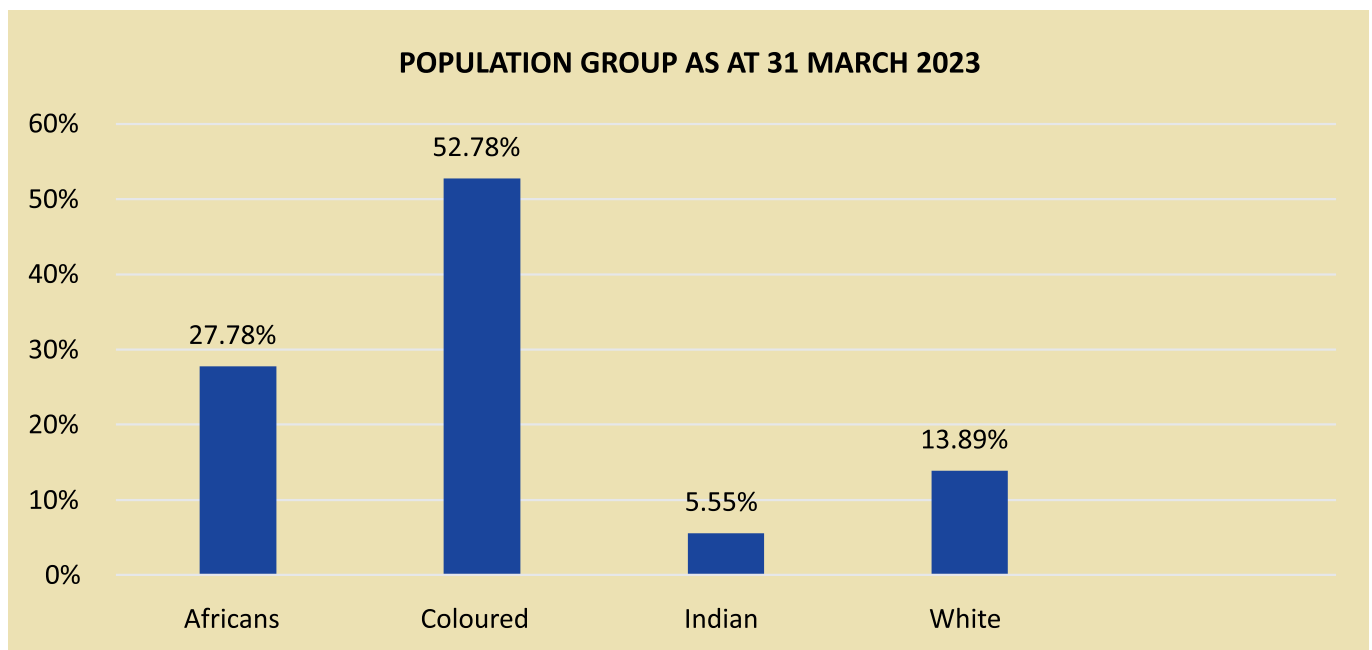
8.6.2. STUDY ASSISTANCE PROVIDED FOR FORMAL EDUCATION

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	-	-	-	-	-	-	-	-	-
Professionals	1	-	-	-	-	-	-	-	1
Technicians and associate professionals	-	-	-	-	-	2	-	-	2
Clerks	-	1	-	-	-	-	-	-	1
Service workers	-	-	-	-	-	-	-	-	-
Total	1	1	-	-	-	2	-	-	4
Employees with disabilities	-	-	-	-	-	-	-	-	-

8.6.3. SKILLS DEVELOPMENT AND CAPACITY BUILDING TRENDS FOR 5 YEARS

Summary of interventions	2018/19	2019/20	2020/21	2021/22	2022/23
Skills development (training interventions)	185	79	84	120	158
Study assistance (number of employees)	8	5	9	8	4
Internships	-	-	-	-	5

8.7. POPULATION GROUP DISTRIBUTION AS AT 31 MARCH 2023



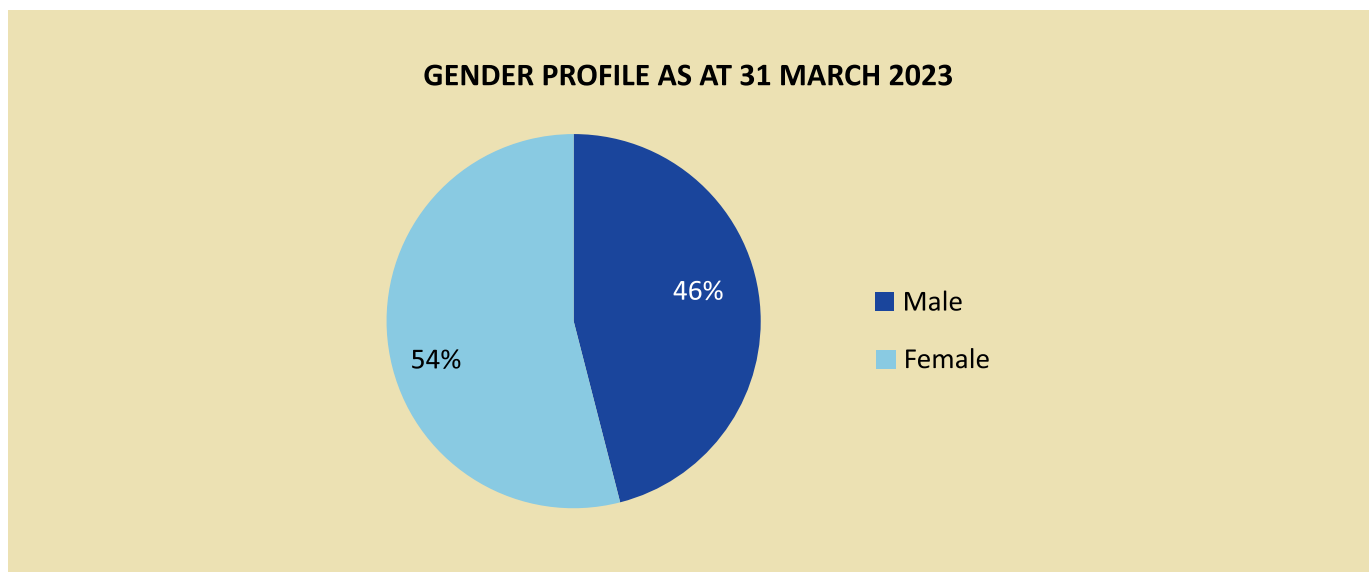
Demographic description	Employees as at 31 March 2023	WCPP	Western Cape
African	30	27,78%	39.50%
Coloured	57	52,78%	43.80%
White	15	13,89%	15.90%
Indian	6	5,55%	0.80%
Total	108	100%	100%

Note: Economically active population, Statistics SA

8.7.1. DEMOGRAPHIC REPRESENTATION TREND FOR THE PAST FIVE YEARS

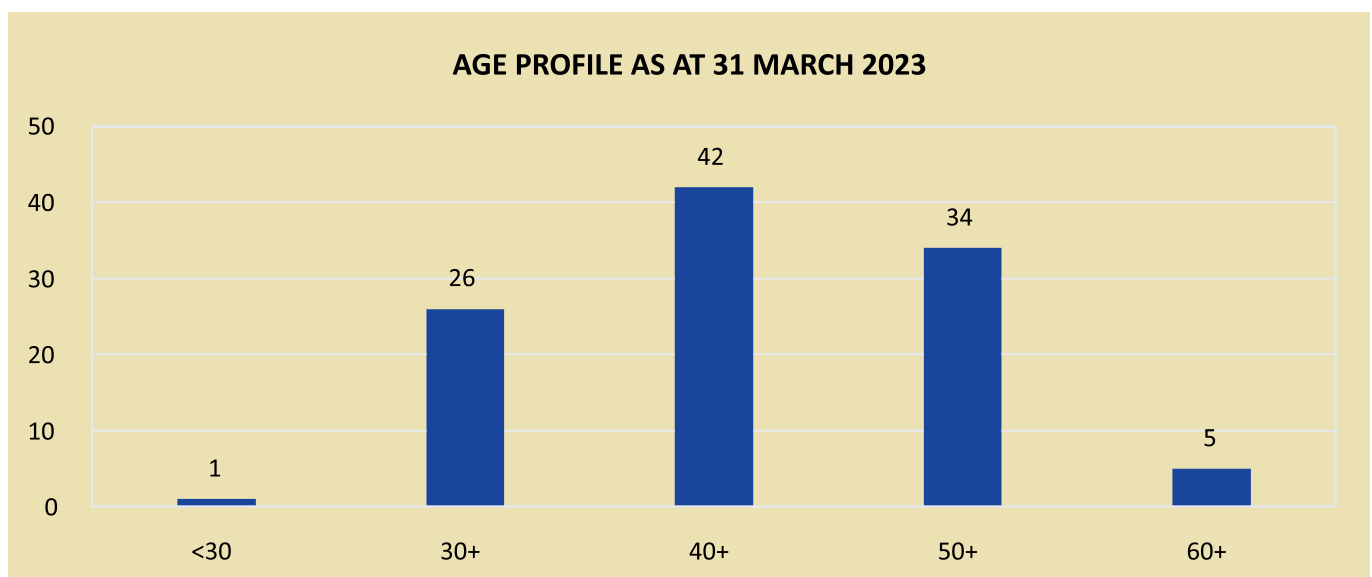
Demographic description	2018/19	2019/20	2020/21	2021/22	2022/23
Coloured	62%	56,86%	56,86%	56,07%	52,78%
African	21%	22,54%	24,51%	25,23%	27,78%
White	13%	16,67%	13,73%	14,95%	13,89%
Indian	4%	3,92%	4,90%	3,74%	5,55%

8.8. GENDER COMPOSITION



As at 31 March 2023, 54% of the WCPP employees are female and 46% are male.

8.9. AGE DISTRIBUTION



9. PERFORMANCE REWARDS

To encourage good performance the WCPP has granted the following performance rewards during the year under review. The information is presented by population group, gender, disability and salary bands. Note that these rewards have been granted in respect of performance during the 2021/22 financial year.

9.1. PAY PROGRESSION

A total of 82 employees received a 1% pay progression after having achieved a performance rating of at least 60%. (Note that employees on probation, staff who have not completed a full performance cycle, under-performers and those who are remunerated outside of their salary level, do not qualify for pay progression.)

Salary bands	Number of employees (1 April 2022)	Number of beneficiaries	Africans		Coloured		Indian		White	
			Male	Female	Male	Female	Male	Female	Male	Female
Semi Skilled (Band B1)	3	1	-	-	1	-	-	-	-	-
Skilled Technical (Band B2- C3))	58	47	2	11	11	18	1	-	2	2
Professionally qualified (Band C4-5)	22	17	2	2	4	3	3	-	2	1
Management (Band D1-D3)	15	11	1	1	4	1	1	1	2	-
Senior Management (Band D4-E2)	6	6	1	-	2	2	-	-	-	1
Total	104	82	6	14	22	24	5	1	6	4

9.2. PERFORMANCE BONUSSES

In accordance with the agreement that was reached with National Education Health and Allied Workers Union (NEHAWU) to suspend performance bonuses, there were no performance bonuses paid in the 2022/23 financial year.

10. FOREIGN WORKERS

10.1. FOREIGN WORKERS, 1 APRIL 2022 TO 31 MARCH 2023, BY SALARY BAND

No foreign workers were appointed.

10.2. FOREIGN WORKERS, 1 APRIL 2022 TO 31 MARCH 2023, BY MAJOR OCCUPATION

No foreign workers were appointed.

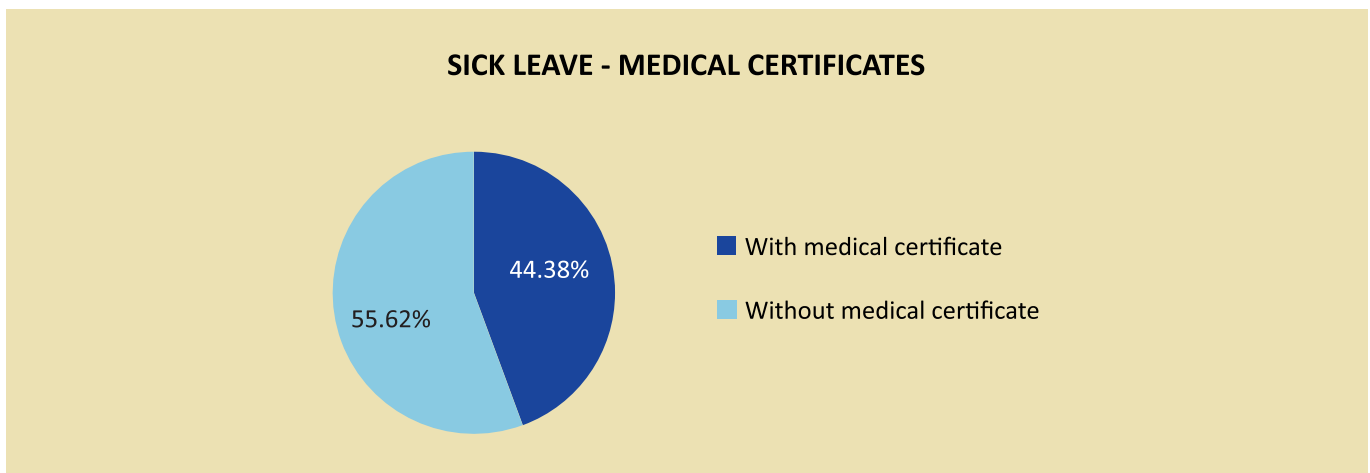
11. LEAVE UTILISATION

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

11.1. SICK LEAVE, APRIL 2022 TO 31 MARCH 2023

Salary band	Total qualifying employees	Total days	% of days with medical certification	Number of employees using sick leave	% of total employees per band using sick leave	*Average days per employee	Estimated cost R'000
Semi-skilled (Band A1–B1)	2	15	66,67%	1	33,33%	8	6
Skilled Technical (Band B2–C3)	62	565	42.65%	37	59.67%	15	618
Professionally qualified (Band C4–5)	21	271	42.20%	15	71.43%	18	414
Management (Band D1–D3)	17	178	48.31%	9	52.94%	19	428
Senior management (Band D4–E2)	6	5	40,00%	1	16,67%	5	11
Total	108	1 034	80,00%	63	58,33%	16	1 477

Note: * Refers to all employees remunerated for the period, excluding the Registrar of Member's Interests.



11.2. EMPLOYEES WHO WERE GRANTED ADDITIONAL SICK LEAVE FROM APRIL 2022 TO 31 MARCH 2023

One employee was granted additional sick leave.

11.3. ANNUAL LEAVE, APRIL 2022 TO 31 MARCH 2023

Salary band	Total days taken	Average per employee
Semi-skilled (Band A1–B1)	33	17
Skilled Technical (Band B2–C3)	1 431	23
Professionally qualified (Band C4–5)	467	22
Management (Band D1–D3)	372	25
Senior management (Band D4–E2)	123	21
Total	2 426	108

11.4. LEAVE PAYOUTS UPON TERMINATION OF EMPLOYMENT FOR THE PERIOD APRIL 2022 TO 31 MARCH 2023

Band	Total number of employees	Total costs R'000	Average cost per employee R'000
Semi-skilled (Band A1–B1)	1	20	20
Skilled Technical (Band B2–C3)	5	176	35
Professionally qualified (Band C4–5)	2	49	25
Management (Band D1–D3)	1	51	51
Senior management (Band D4–E2)	-	-	-
Total	9	296	33
Interns	-	-	-

11.5. CAPPED LEAVE, APRIL 2022 TO 31 MARCH 2023

Twenty-seven days of capped leave were utilised during this period.

12. WELLNESS PROMOTION PROGRAMMES

12.1. STEPS TAKEN TO REDUCE THE RISK OF OCCUPATIONAL EXPOSURE TO DISEASE

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

12.2. DETAILS OF HEALTH AND WELLNESS PROMOTION (1 APRIL 2022 TO 31 MARCH 2023)

In 2022/23 the Employee Wellness Program focussed on supporting the physical and mental health and wellbeing of employees. There were 2 on-site Primary Health Clinics held during the period under review. Additionally, employees attended webinars on Human Trafficking, Suicide Awareness, Cost of Living Crisis, Psychological Safety, Personal Wellness. In December 2022, following a procurement process, Independent Counselling and Advisory Services (ICAS) was contracted for a further period of 2 years.

13. LABOUR RELATIONS

13.1. COLLECTIVE AGREEMENTS, 1 APRIL 2022 TO 31 MARCH 2023

Subject matter	Date
Wage agreement 2022/2023	31 August 2022

13.2. DISCIPLINARY HEARINGS, 1 APRIL 2022 TO 31 MARCH 2023

Outcomes of disciplinary hearings	Number	% of total
Final written warning	-	-
Suspended without pay	-	-
Fine	-	-
Demotion	-	-
Dismissal	-	-
Not guilty	-	-
Case withdrawn	-	-
Total	-	-

13.3. TYPES OF MISCONDUCT ADDRESSED, 1 APRIL 2022 TO 31 MARCH 2023

Type of misconduct	Number	% of total
Dereliction of duty	-	-
Discriminatory or derogatory remarks	-	-
Inappropriate language	-	-
Poor performance	-	-
Negligently failing to adhere to WCPP procedures	4	100,00%
Absenteeism	-	-
Timekeeping	-	-
Irregular expenditure	-	-
Fraudulently altering official documents	-	-
Insubordination	-	-
Misuse of Parliament's property	-	-
Total	4	100,00%

Note: Employees were issued with the appropriate warning for the above

13.4. GRIEVANCES LODGED FOR THE PERIOD 1 APRIL 2022 TO 31 MARCH 2023

There were no formal grievances lodged during the year under review.

13.5. DISPUTES LODGED WITH COUNCILS FOR THE PERIOD 1 APRIL 2022 TO 31 MARCH 2023

Disputes	Number	% of total
Number of disputes upheld	-	-
Number of disputes dismissed	-	-
Number of disputes resolved	1	100,00%
Total number of disputes lodged	1	100,00%

13.6. STRIKE ACTIONS FOR THE PERIOD 1 APRIL 2022 TO 31 MARCH 2023

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

13.7. PRECAUTIONARY SUSPENSIONS FOR THE PERIOD 1 APRIL 2022 TO 31 MARCH 2023

None.

14. SKILLS DEVELOPMENT

14.1. TRAINING NEEDS IDENTIFIED, 1 APRIL 2022 TO 31 MARCH 2023

Occupational categories	Gender	Training needs identified	Total training needs identified
Legislators, senior officials and managers	Female	7	19
	Male	12	
Technicians and associate professionals	Female	26	30
	Male	4	
Administrative workers and clerks	Female	3	6
	Male	3	
Service workers	Female	-	-
	Male	-	
Subtotal	Female	36	55
	Male	19	
Total			

14.2. TRAINING PROVIDED, 1 APRIL 2022 TO 31 MARCH 2023

Occupational categories	Gender	Number of employees as at 31 March 2023	Skills programmes (including bursaries) and other short course	Total
Legislators, senior officials and managers (1)	Female	8	7	19
	Male	15	12	
Professionals (2)	Female	8	9	13
	Male	11	4	
Technicians and associate professionals (3)	Female	25	26	40
	Male	16	14	
Clerks (4)	Female	17	6	9
	Male	7	3	
Service workers (5)	Female	-	-	1
	Male	1	1	
Subtotal	Female	58	48	82
	Male	50	34	
Total				
Interns	Female	4	-	-
	Male	1	-	-

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

15. INJURY ON DUTY

15.1. INJURY ON DUTY, 1 APRIL 2022 TO 31 MARCH 2023

Nature of injury on duty	Number	% of total
Required basic medical attention only	1	0.93%
Temporary total disablement	1	0.93%
Permanent disablement	-	-
Fatal	-	-
Total	2	1.85%

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

16. UTILISATION OF CONSULTANTS

16.1. REPORT ON CONSULTANT APPOINTMENTS USING APPROPRIATED FUNDS

Project title	Total number of consultants that worked on the project	B-BBEE status	Duration: Workdays	Contract value in Rand (R)
Legal Advice	Department of Justice and Constitutional Development	N/A	On Request	R509 306,75
Interpreting Services (Incl. SLI)	Combined Interpreting	N/A (rotational SLA)	On Request	R1 942 540,15
Recruitment Assessment	Work Dynamics	Level 2	As per SLA	R40 250,00
Hansard & Transcription	EOH legal service t/a Inlexso	Level 1	As per SLA	R701 053,41
Recruitment Assessment	Careers 24	Level 0	As per SLA	R69 000,00
Total				R3 262 150,31

16.2. ANALYSIS OF CONSULTANT APPOINTMENTS USING APPROPRIATED FUNDS IN TERMS OF THE BROAD BASED BLACK ECONOMIC EMPOWERMENT ACT (B-BBEE)

See Table above

16.3. REPORT ON CONSULTANT APPOINTMENTS USING DONOR FUNDS

None.

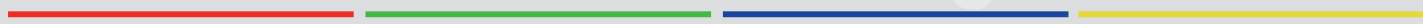
16.4. ANALYSIS OF CONSULTANT APPOINTMENTS USING DONOR FUNDS IN TERMS OF THE BROAD BASED BLACK ECONOMIC EMPOWERMENT ACT (B-BBEE)

None.

WESTERN CAPE PROVINCIAL PARLIAMENT



PART E FINANCIAL INFORMATION





Ms Primrose Noxolo Mahote, enrolled nursing assistant from Groote Schuur Hospital, with a rendition of the National Anthem at the State of the Province Address on 16 February 2023.

PART E: FINANCIAL INFORMATION

Report of the Auditor-General to Western Cape Provincial Parliament on vote no. 2: Western Cape Provincial Parliament

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Western Cape Provincial Parliament set out on pages 142 to 200, which comprise the statement of financial position as at 31 March 2023 statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Western Cape Provincial Parliament 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 (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.

Responsibilities of the accounting officer for the financial statements

6. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with GRAP and the requirements of the FMPPLA, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
7. 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

8. 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.
9. 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

10. 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 programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
11. I selected the following programmes presented in the annual performance report for the year ended 31 March 2023 for auditing. I selected programmes that measure the legislature's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Programme 2: Parliamentary support services	63 to 71	The purpose of this programme is to provide effective procedural advice and related support to the house and committees and to facilitate public participation.
Programme 3: Public engagement	75 to 79	The purpose of this programme is to ensure effective public engagement and to facilitate public involvement in legislative and other processes.

12. I evaluated the reported performance information for the selected programmes 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 the users with useful and reliable information and insights on the legislature's planning and delivery on its mandate and objectives.
13. I performed procedures to test whether:
 - the indicators and targets reported on in the annual performance report are the same as were committed to in the approved initial or revised planning documents, and
 - there is adequate supporting evidence for the achievements reported.
14. I performed the procedures for the purpose of reporting material findings only, and not to express an assurance opinion.
15. I did not raise any material findings on the reported performance information for the following programmes:
 - Programme 2: Parliamentary support services
 - Programme 3: Public engagement

Other matter

16. I draw attention to the matter below.

Achievement of planned targets

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

Report on compliance with legislation

18. 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.

19. 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.

20. 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 for 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.

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

Other information in the annual report

22. 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 those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.

23. 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.

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

25. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report on that fact.

26. I have nothing to report in this regard.

Internal control deficiencies

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

Other reports

28. I draw attention to the following engagements 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.

29. An investigation into allegations of fraudulent expense claims against the former speaker to the Western Cape Provincial Parliament is underway by the HAWKS. At the date of this report, the investigation was still ongoing.



Cape Town

29 August 2023



Annexure to the auditor's report

The annexure includes:

- 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

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for the selected programmes and on the legislature's compliance with selected requirements in key legislation.

Financial statements

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

Communication with those charged with governance

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

;Legislation	Sections or regulations
Finance Management of Parliament and Provincial Legislature Act 10 of 2009	Section 7 (a); 7(b); 7(e') Section 20(5); 21(2) 22(2) Section 33(2)(a); 33(2)(b); 33(2)(e) Section 35(1)(a); 35(1)(b) Section 36(a) Section 41 (b) Section 44 Section 46 Section 56(1) Section 57(a) Section 67(2)(a); 67(2)(b) Section 68(2)(a); 68(2)(b)
Prevention and Combating of Corrupt Activities Act 12 of 2004 (PRECCA)	Section 34(1)
Financial Management of Parliament Act – SCM Regulations	Regulations 4(2)(b); 4(3)(a); 4(3)(b); 4(3)(c) Regulation 5(2) Regulations 6(1)(c); 6(2); 6(3)e; 6(6)(a)(i) &(ii); 6(6)(a)(v); 6(7)(a)(i) &(ii)&(iii); FMPA SCM Reg. 6(7)(b)(iii), 6(7)(c)(v); 6(8)(a)(i-ii); 6(8)(b)(ii) & (iii); 6(8)(a)(ix); 6(8)(f)(iv); 6(9)(a)(i) to (iv); 6(11)(b); 6(11)(i),(ii)&(iii); 6(11)(d) (i) to (vii) Regulations 7(3) & 7(4) Regulations 7(7)(a)(i); 7(7)(a)(ii); 7(7)(a)(ix); 7(7) (d) and (e); 7(8)(a); 7(9)(a)(vi); 7(9)(c)(i) Regulations 8; 8(1); 8(2) Regulation 9 Regulations 11(1)(b); 11(2); 11(3)
PPPFA	Section 1(i); 2.1(a); 2.1(f)
PPR 2017	Paragraphs 4.1; 4.2 Paragraphs 5.1; 5.3; 5.6; 5.7 Paragraphs 6.2; 6.3; 6.5; 6.6; 6.8 Paragraphs 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Paragraphs 8.2; 8.5 Paragraphs 9.1; 9.2 Paragraphs 10.1; 10.2 Paragraphs 11.1; 11.2
PPR 2022	Paragraph 3.1 Paragraphs 4.1; 4.2; 4.3; 4.4 Paragraphs 5.1; 5.2; 5.3; 5.4

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

GENERAL INFORMATION

Legal form of entity	Provincial Legislature
Nature of business and principal activities	<p>The main services offered by the Western Cape Provincial Parliament are as follows:</p> <ul style="list-style-type: none">• Sustain a legislative process that produces good and just laws• Provide support for vigorous oversight of the Executive• Provide an enabling environment for Members to be effective• Effective, efficient and economical management of resources• Ensure good governance• Effective and meaningful public participation, education and awareness. <p>The Administration of the Provincial Parliament, in support of this, provides an enabling environment for Members to achieve their constitutional objectives.</p>
Speaker	Mitchell, D
Deputy Speaker	Schäfer, B
Secretary	Adams, R
Chief Financial Officer	Petersen, NL
Director Institutional Enablement	Titus, V
Director Parliamentary Support Services	Stemele, L
Director Public Engagement	Fouche, SIJ
Director Strategy and Institutional Oversight	Goldstone, M
Business address	Provincial Legislature Building 7 Wale Street CAPE TOWN 8001
Postal address	PO Box 648 CAPE TOWN 8000
Bankers	Nedbank
Auditors	Auditor-General of South Africa

INDEX

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

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ACCOUNTING OFFICER'S RESPONSIBILITIES AND APPROVAL

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

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

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

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

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

The accounting officer has reviewed the legislature's cash flow forecast for the year to 31 March 2024 and, in the light of this review and the current financial position, he is satisfied that the legislature has or has access to adequate resources to continue in operational existence for the foreseeable future.

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

The annual financial statements set out on pages 142 to 200, which have been prepared on the going concern basis, were approved by the accounting officer on 15 August 2023.



ROMEO ADAMS
SECRETARY TO THE PROVINCIAL PARLIAMENT

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

Figures in Rand	Note(s)	2023	2022 Restated*
Assets			
Current Assets			
Cash and cash equivalents	3	21,291,390	21,977,767
Inventories	4	1,110,470	1,479,772
Receivables from non-exchange transactions	5	122,809	77,400
Receivables from exchange transactions	6	117,352	73,571
Prepayments	7	679,158	912,770
		23,321,179	24,521,280
Non-Current Assets			
Long term receivables from non-exchange transactions	8	3,541	5,941
Long term receivables from exchange transactions	9	6,577	9,329
Property, plant and equipment	10	11,468,039	10,093,205
Intangible assets	11	3,497,655	2,353,993
Heritage assets	12	4,588,300	4,588,300
		19,564,112	17,050,768
Total Assets		42,885,291	41,572,048
Liabilities			
Current Liabilities			
Payables from exchange transactions	13	2,454,553	2,661,218
Direct charge liability	14	6,905,359	9,082,728
Finance lease obligation	15	214,011	112,228
Employee benefit obligation	16	10,105,158	9,757,834
		19,679,081	21,614,008
Non-Current Liabilities			
Finance lease obligation	15	1,555,481	861,667
Employee benefit obligation	16	22,008,000	25,956,000
		23,563,481	26,817,667
Total Liabilities		43,242,562	48,431,675
Net Liabilities		(357,271)	(6,859,627)
Accumulated surplus/(deficit)		(357,271)	(6,859,624)

STATEMENT OF FINANCIAL PERFORMANCE

Figures in Rand	Note(s)	2023	2022 Restated*
Revenue			
Revenue from exchange transactions			
Recoveries	17	62,758	138,296
Interest received	18	425,899	252,162
Other income	19	45,482	17,329
Total revenue from exchange transactions		534,139	407,787
Revenue from non-exchange transactions			
Transfer revenue			
Fines, Penalties and Forfeits		250	250
Recoveries	17	1,378,481	-
Services in kind: Rental	36	8,910,288	9,583,740
Annual appropriation	20	174,467,795	160,405,721
Statutory appropriation	20	50,301,000	47,997,000
Total revenue from non-exchange transactions		235,057,814	217,986,711
Total revenue		235,591,953	218,394,498
Expenditure			
Employee related costs	21	(85,463,714)	(79,445,683)
Members remuneration	22	(43,258,325)	(44,515,895)
Debt Impairment		-	(37,062)
Depreciation, amortisation and impairments	10&11	(4,972,333)	(4,979,797)
Finance costs	23	(611,594)	(618,107)
Transfer payments	24	(50,111,650)	(49,224,136)
General expenses	25	(31,445,804)	(24,949,198)
Services in kind: Rental	36	(8,910,288)	(9,583,740)
Total expenditure		(224,773,708)	(213,353,618)
Operating surplus		10,818,245	5,040,880
(Loss) on the disposal of assets		(61,474)	(31,144)
Actuarial gain	16	2,650,941	2,121,000
		2,589,467	2,089,856
Surplus before funds surrendered		13,407,712	7,130,736
Transfer to direct charge liability		(6,905,359)	(9,082,728)
Surplus (deficit) for the year		6,502,353	(1,951,992)

STATEMENT OF CHANGES IN NET ASSETS

Figures in Rand	Accumulated surplus/ (deficit)	Total net assets
Balance at 1 April 2021	(4,907,632)	(4,907,632)
Deficit for the year	(1,951,992)	(1,951,992)
Balance at 1 April 2022 Restated	(6,859,624)	(6,859,624)
Surplus for the year	6,502,353	6,502,353
Balance at 31 March 2023	(357,271)	(357,271)

CASH FLOW STATEMENT

Figures in Rand	Note(s)	2023	2022 Restated*
Cash flows from operating activities			
Receipts			
Cash receipts from services		1,631,393	(56,170)
Cash receipts from appropriation		224,768,795	208,402,721
Interest income		425,899	252,162
		<u>226,826,087</u>	<u>208,598,713</u>
Payments			
Cash paid to employees and members		(129,671,774)	(119,207,390)
Cash paid to suppliers		(81,394,817)	(72,718,144)
Direct charge surrendered		(9,082,728)	(4,643,843)
Finance costs		(611,594)	(618,107)
		<u>(220,760,913)</u>	<u>(197,187,484)</u>
Net cash flows from operating activities	26	6,065,174	11,411,229
Cash flows from investing activities			
Purchase of property, plant and equipment	10	(3,296,554)	(1,669,549)
Proceeds from sale of property, plant and equipment	10	112,948	15,648
Purchase of other intangible assets	11	(3,465,461)	(1,810,102)
Long term receivables		5,152	3,486
		<u>(6,643,915)</u>	<u>(3,460,517)</u>
Net cash flows from investing activities		(6,643,915)	(3,460,517)
Cash flows from financing activities			
Finance lease obligation		(107,639)	(92,010)
		<u>(107,639)</u>	<u>(92,010)</u>
Net (decrease)/increase in cash and cash equivalents		(686,380)	7,858,702
Cash and cash equivalents at the beginning of the year		21,977,767	14,119,065
Cash and cash equivalents at the end of the year	3	21,291,387	21,977,767

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Cash Basis						
	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Recoveries	-	-	-	62,758	62,758	37.1
Other income	7,000	-	7,000	41,202	34,202	37.2
Interest received	71,000	-	71,000	425,899	354,899	37.3
Total revenue from exchange transactions	78,000	-	78,000	529,859	451,859	
Revenue from non-exchange transactions						
Transfer revenue						
Recoveries	-	-	-	1,378,481	1,378,481	37.1
Fines, penalties and forfeits	-	-	-	250	250	
Annual appropriation	176,424,000	10,673,000	187,097,000	187,175,000	78,000	
Statutory appropriation	50,301,000	-	50,301,000	50,301,000	-	
Total revenue from non-exchange transactions	226,725,000	10,673,000	237,398,000	238,854,731	1,456,731	
Total revenue	226,803,000	10,673,000	237,476,000	239,384,590	1,908,590	
Expenditure						
Employee related costs	(91,187,044)	4,150,376	(87,036,668)	(85,166,781)	1,869,887	37.4
Members remuneration	(51,765,270)	59,538	(51,705,732)	(44,251,604)	7,454,128	37.5
Finance costs	(1,061,000)	41,615	(1,019,385)	(1,204,781)	(185,396)	37.6
Transfer payments	(51,775,832)	854,957	(50,920,875)	(50,111,650)	809,225	37.7
General expenses	(31,013,854)	(15,779,486)	(46,793,340)	(37,458,456)	9,334,884	37.8
Total expenditure	(226,803,000)	(10,673,000)	(237,476,000)	(218,193,272)	19,282,728	
Operating surplus	-	-	-	21,191,318	21,191,318	
Gain on disposal of assets and liabilities	-	-	-	112,948	112,948	
Surplus for the year	-	-	-	21,304,266	21,304,266	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	-	-	-	21,304,266	21,304,266	

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Cash Basis						
	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Reconciliation						
Basis difference						
Employee benefits				3,600,676		
Payover and revoting of funds				(19,612,564)		
Lease accounting				(959,586)		
Accrual adjustments				(143,622)		
Disposal of assets				(174,422)		
Depreciation, amortisation and impairments				(4,972,333)		
Inventory adjustments				(369,302)		
Capitalising of assets				7,829,240		
Actual Amount in the Statement of Financial Performance				6,502,353		

ACCOUNTING POLICIES

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

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

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

A summary of the significant accounting policies are disclosed below. These accounting policies are consistent with the previous period.

1.1 GOING CONCERN ASSUMPTION

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

1.2 SIGNIFICANT JUDGEMENTS

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

RECEIVABLES

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

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

IMPAIRMENT TESTING

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

Value in use of non-cash generating assets:

ACCOUNTING POLICIES

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

USEFUL LIVES OF PROPERTY, PLANT AND EQUIPMENT AND OTHER ASSETS

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

POST RETIREMENT BENEFITS

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

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

EFFECTIVE INTEREST RATE

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

ALLOWANCE FOR IMPAIRMENT

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

1.3 PROPERTY, PLANT AND EQUIPMENT

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

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

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

Property, plant and equipment is initially measured at cost.

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

ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

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

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

Item	Depreciation method	Average useful life
Furniture and office equipment	Straight line	2 - 25 years
Other machinery and equipment	Straight line	2 - 23 years
Computer equipment	Straight line	2 - 20 years
Finance lease assets - Vehicles	Straight line	4 - 7 years
Finance lease assets - cell phones	Straight line	2 - 5 years

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

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

ACCOUNTING POLICIES

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

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

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

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

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

1.4 INTANGIBLE ASSETS

An asset is identifiable if it either:

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

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

An intangible asset is recognised when:

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

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

Intangible assets are initially recognised at cost.

ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

Intangible assets are derecognised:

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

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

ACCOUNTING POLICIES

1.5 HERITAGE ASSETS

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

RECOGNITION

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

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

INITIAL MEASUREMENT

Heritage assets are measured at cost.

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

SUBSEQUENT MEASUREMENT

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

IMPAIRMENT

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

TRANSFERS

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

DERECOGNITION

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

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

ACCOUNTING POLICIES

1.6 FINANCIAL INSTRUMENTS

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

CLASSIFICATION

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

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

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

CLASS	CATEGORY
Payables from exchange transactions	Financial asset measured at amortised cost
Finance lease obligation	Financial asset measured at amortised cost
Bank overdraft	Financial asset measured at amortised cost

INITIAL RECOGNITION

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

The legislature recognises financial assets using trade date accounting.

INITIAL MEASUREMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

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

The legislature measures a financial asset and financial liability initially at its fair value.

SUBSEQUENT MEASUREMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

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

- Financial instruments at amortised cost.

ACCOUNTING POLICIES

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

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

IMPAIRMENT AND UNCOLLECTIBILITY OF FINANCIAL ASSETS

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

Financial assets measured at amortised cost:

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

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

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

DERECOGNITION

FINANCIAL ASSETS

The legislature derecognises financial assets using trade date accounting.

The legislature derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
 - the legislature transfers to another party substantially all of the risks and rewards of ownership of the financial asset;
- or

ACCOUNTING POLICIES

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

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

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

FINANCIAL LIABILITIES

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

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

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another 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).

1.7 LEASES

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

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

ACCOUNTING POLICIES

FINANCE LEASES - LESSEE

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

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

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

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

OPERATING LEASES - LESSEE

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

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

1.8 INVENTORIES

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

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

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

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

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

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

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

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

ACCOUNTING POLICIES

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the legislature.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.9 IMPAIRMENT OF NON-CASH-GENERATING ASSETS

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

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 test 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 assets 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

ACCOUNTING POLICIES

depreciated replacement cost is measured as the reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

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

RECOGNITION AND MEASUREMENT

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

An impairment loss is recognised immediately in surplus or deficit.

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

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.

ACCOUNTING POLICIES

1.10 EMPLOYEE BENEFITS

SHORT-TERM EMPLOYEE BENEFITS

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

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences are due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the members and 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 members and employees.

When a member and employee has rendered service to the legislature during a reporting period, the legislature recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

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

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The legislature measure the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The legislature recognise the expected cost of bonus, incentive and performance related payments when the legislature has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the legislature has no realistic alternative but to make the payments.

POST-EMPLOYMENT BENEFITS

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which a legislature provides post-employment benefits for one or more members and employees.

ACCOUNTING POLICIES

Multi-employer plans are defined contribution plans (other than state plans and composite social security programmes) or defined benefit plans (other than state plans) that pool the assets contributed by various entities that are not under common control and use those assets to provide benefits to members and employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the members and employees concerned.

POST-EMPLOYMENT BENEFITS: DEFINED BENEFIT PLANS

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and the effects of changes in actuarial assumptions. In measuring its defined benefit liability the legislature recognise actuarial gains and losses in surplus or deficit in the reporting period in which they occur.

Current service cost is the increase in the present value of the defined benefit obligation resulting from member and employee service in the current period.

Interest cost is the increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement.

Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are changed so that the present value of the defined benefit obligation decreases). In measuring its defined benefit liability the entity recognise past service cost as an expense in the reporting period in which the plan is amended.

Plan assets comprise assets held by a long-term employee benefit fund and qualifying insurance policies.

The present value of a defined benefit obligation is the present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

The return on plan assets is interest, dividends or similar distributions and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less any costs of administering the plan (other than those included in the actuarial assumptions used to measure the defined benefit obligation) and less any tax payable by the plan itself.

The amount recognised as a defined benefit liability is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly;
- plus any liability that may arise as a result of a minimum funding requirement

ACCOUNTING POLICIES

The amount determined as a defined benefit liability may be negative (an asset). The legislature measures the resulting asset at the lower of:

- the amount determined above; and
- the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The present value of these economic benefits is determined using a discount rate which reflects the time value of money.

Any adjustments arising from the limit above is recognised in surplus or deficit.

The legislature determines the present value of defined benefit obligations and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the annual financial statements do not differ materially from the amounts that would be determined at the reporting date.

The legislature recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement rights;
- actuarial gains and losses;
- past service cost;
- the effect of any curtailments or settlements; and
- the effect of applying the limit on a defined benefit asset (negative defined benefit liability).

The legislature uses the Projected Unit Credit Method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost. The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

In determining the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost, a legislature shall attribute benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, a legislature shall attribute benefit on a straight-line basis from:

- the date when service by the member and employee first leads to benefits under the plan (whether or not the benefits are conditional on further service); until
- the date when further service by the member and employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date.

ACCOUNTING POLICIES

The legislature recognises gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on a curtailment or settlement comprises:

- any resulting change in the present value of the defined benefit obligation; and
- any resulting change in the fair value of the plan assets.

Before determining the effect of a curtailment or settlement, the legislature re-measure the obligation (and the related plan assets, if any) using current actuarial assumptions (including current market interest rates and other current market prices).

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is presented as the net of the amount recognised for a reimbursement.

The legislature offsets an asset relating to one plan against a liability relating to another plan when the legislature has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan and intends either to settle the obligations on a net basis, or to realise the surplus in one plan and settle its obligation under the other plan simultaneously.

ACTUARIAL ASSUMPTIONS

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
 - those changes were enacted before the reporting date; or
 - past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

ACCOUNTING POLICIES

OTHER LONG-TERM EMPLOYEE BENEFITS

The legislature has an obligation to provide long-term service allowance benefits to all of its members and employees.

The legislature's liability is based on an actuarial valuation. The Projected Unit Credit Method is used to value the liabilities. Actuarial gains and losses on the long-term service awards are recognised in the statement of financial performance.

The amount recognised as a liability for other long-term employee benefits is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The legislature shall recognise the net total of the following amounts as expense or revenue, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement right recognised as an asset;
- actuarial gains and losses, which shall all be recognised immediately;
- past service cost, which shall all be recognised immediately; and
- the effect of any curtailments or settlements.

TERMINATION BENEFITS

The legislature recognises termination benefits as a liability and an expense when the entity is demonstrably committed to either:

- terminate the employment of an employee or group of employees before the normal retirement date; or
- provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The legislature is demonstrably committed to a termination when the entity has a detailed formal plan for the termination and is without realistic possibility of withdrawal. The detailed plan includes [as a minimum]:

- the location, function, and approximate number of employees whose services are to be terminated;
- the termination benefits for each job classification or function; and
- the time at which the plan will be implemented.

Implementation begins as soon as possible and the period of time to complete implementation is such that material changes to the plan are not likely.

Where termination benefits fall due more than 12 months after the reporting date, they are discounted using an appropriate discount rate. The rate used to discount the benefit reflects the time value of money.

In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits shall be based on the number of employees expected to accept the offer.

ACCOUNTING POLICIES

1.11 PROVISIONS AND CONTINGENCIES

Provisions are recognised when:

- the legislature has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the legislature settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating expenditure.

If a legislature has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

A constructive obligation to restructure arises only when an legislature:

- has a detailed formal plan for the restructuring, identifying at least:
 - the activity/operating unit or part of a activity/operating unit concerned;
 - the principal locations affected;
 - the location, function, and approximate number of employees who will be compensated for services being terminated;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented; and

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- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the legislature

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly in the control of the legislature.

A contingent liability is:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the legislature; or
- a present obligation that arises from past events but is not recognised because:
- it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation;
- the amount of the obligation cannot be measured with sufficient reliability.

1.12 REVENUE FROM EXCHANGE TRANSACTIONS

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

MEASUREMENT

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

SALE OF GOODS

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

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

ACCOUNTING POLICIES

RENDERING OF SERVICES

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

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

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by surveys of work performed.

INTEREST, ROYALTIES AND DIVIDENDS

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

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

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

1.13 REVENUE FROM NON-EXCHANGE TRANSACTIONS

Revenue comprises gross inflows of economic benefits or service potential received and receivable by a legislature, which represents an increase in net assets.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, a legislature either receives value from another legislature or other government institution without directly giving approximately equal value in exchange, or gives value to another legislature or other government institution without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

ACCOUNTING POLICIES

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting legislature.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

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

RECOGNITION

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the legislature satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the entity has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

MEASUREMENT

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the legislature.

When, as a result of a non-exchange transaction, the legislature recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

APPROPRIATED FUNDS

Appropriated funds comprises of annual allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).

Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.

The net amount of any direct charges due to the relevant fund at the reporting date is recognised as a payable in the statement of financial position.

ACCOUNTING POLICIES

GIFTS AND DONATIONS, INCLUDING GOODS IN-KIND

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the legislature and the fair value of the assets can be measured reliably.

SERVICES IN-KIND

Services in-kind are recognised.

The legislature recognise services in-kind that are significant to its operations and/or service delivery objectives as assets and recognise the related revenue when it is probable that the future economic benefits or service potential will flow to the legislature and the fair value of the assets can be measured reliably.

Where services in-kind are not significant to the legislature's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the legislature disclose the nature and type of services in-kind received during the reporting period.

1.14 PREPAYMENTS

Prepayments and advances are recognised in the statement of financial position when the legislature receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost.

1.15 TRANSFER PAYMENTS

Transfer payments include all "non-exchange" payments made by the legislature. A payment is "non-exchange" if the legislature does not receive anything directly in return for the transfer to the other party. Transfer payments are expensed.

1.16 TRANSLATION OF FOREIGN CURRENCIES

FOREIGN CURRENCY TRANSACTIONS

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At each reporting date:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in surplus or deficit in the period in which they arise.

ACCOUNTING POLICIES

1.17 COMPARATIVE FIGURES

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

1.18 UNAUTHORISED EXPENDITURE

Unauthorised expenditure means:

- overspending of Parliament's approved budget or a main division within that budget; and
- any expenditure from Parliament's approved budget or a main division within that budget for a purpose unrelated to the approved budget or main division, subject to section 72; and
- any expenditure of donor funds for a purpose not specified in the agreement with the donor.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.19 FRUITLESS AND WASTEFUL EXPENDITURE

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

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.20 IRREGULAR EXPENDITURE

The Financial Management of Parliament and Provincial Legislators Act No. 10 of 2009 defines irregular expenditure as expenditure, other than unauthorised expenditure, incurred in contravention of, or that is not in accordance with, a requirement of any applicable legislation, including -

- (a) this Act; or
- (b) any provincial legislation providing for procurement procedures in that provincial government.

All expenditure relating to irregular expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

ACCOUNTING POLICIES

1.21 ACCUMULATED SURPLUS

The accumulated surplus represents the net difference between the total assets and the total liabilities of the entity. Any surpluses and deficits realised during a specific financial year are credited/debited against accumulated surplus/deficit. Prior year adjustments, relating to income and expenditure, are debited/credited against accumulated surplus when retrospective adjustments are made.

1.22 COMMITMENTS

Commitments are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the legislature will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.

1.23 BUDGET COMPARISON

The statement of financial performance is on accrual basis, while the budget is on cash basis. Therefore the actual amounts as per the financial statements are adjusted to be compared to the budget on a cash basis.

The approved budget covers the fiscal period from 01-Apr-22 to 31-Mar-23.

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

1.24 RELATED PARTIES

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

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

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

Transactions with related parties are disclosed.

ACCOUNTING POLICIES

1.25 EVENTS AFTER REPORTING DATE

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The legislature will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The legislature will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022
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2. NEW STANDARDS AND INTERPRETATIONS

2.1 STANDARDS AND INTERPRETATIONS ISSUED, BUT NOT YET EFFECTIVE

The legislature has not applied the following standards and interpretations, which have been published and are mandatory for the legislature's accounting periods beginning on or after 1 April 2023 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 104 - Financial Instruments	1 April 2025	Unlikely there will be a material impact
• GRAP 25 - Employee benefits	To be determined	Unlikely there will be a material impact
• GRAP 103 - Heritage Assets	To be determined	Impact is currently being assessed
• GRAP 1 - Presentation on Financial Statements	To be determined	Unlikely there will be a material impact
• IGRAP 21 - The Effect of Past Decisions on Materiality	1 April, 2023	Unlikely there will be a material impact

In the current year there were no new standards and interpretations effective and adopted that would have an impact on the legislature.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

Cash on hand	5,500	5,642
Current bank account	21,285,890	21,972,125
	21,291,390	21,977,767

Cash equivalents are placed with a reputed financial institution. The exposure to credit risk is the carrying amount of each class of cash and cash equivalents.

CASH AND CASH EQUIVALENTS PLEDGED AS COLLATERAL

No cash and cash equivalent balances are pledged as collateral.

THE LEGISLATURE HAD THE FOLLOWING BANK ACCOUNTS

Account number / description	Bank statement balances			Cash book balances		
	31 March 2023	31 March 2022	31 March 2021	31 March 2023	31 March 2022	31 March 2021
Nedbank - Current 1452045283	21,287,931	22,476,167	14,321,541	21,285,890	21,972,125	14,108,188
LSS Account Nedbank - Current 1452069212	-	-	4,832	-	-	4,832
Total	21,287,931	22,476,167	14,326,373	21,285,890	21,972,125	14,113,020

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022
4. INVENTORIES		
Corporate store	1,092,708	1,465,936
Boutique	17,762	13,836
	1,110,470	1,479,772

Inventories recognised as an expense during the year	522,798	319,241
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INVENTORY PLEDGED AS SECURITY

No inventory was pledged as security.

5. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

Recoverable expenditure	122,809	77,400
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RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS PLEDGED AS SECURITY

No receivables from non-exchange transactions were pledged as security.

CREDIT QUALITY OF RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

The credit quality of receivables from non-exchange transactions are neither past nor due nor impaired.

RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS IMPAIRED

As of 31 March 2023, receivables from non-exchange transactions were not impaired (2022: R Nil).

6. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Recoverable expenditure	11,440	14,260
Staff debt	109,681	68,473
Other debtors	16,296	27,900
Impairment provision	(20,065)	(37,062)
	117,352	73,571

GROSS AMOUNT OF EXCHANGE RECEIVABLES

Recoverable expenditure	11,440	14,260
Staff debt	109,681	68,473
Other debtors	16,296	27,900
	137,417	110,633

IMPAIRMENT OF EXCHANGE RECEIVABLES

Recoverable expenditure	-	-
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022
Staff debt	(9,844)	(9,844)
Other debtors	(10,221)	(27,218)
	(20,065)	(37,062)
NET AMOUNT OF EXCHANGE RECEIVABLES		
Recoverable expenditure	11,440	14,260
Staff debt	99,836	58,629
Other debtors	6,076	682
	117,352	73,571
RECOVERABLE EXPENDITURE		
Disallowance miscellaneous	11,440	14,260
STAFF DEBT		
Salary overpayment	78,432	38,738
Staff debt	21,404	19,891
	99,836	58,629
OTHER DEBTORS		
Ex personnel	5,319	-
Political party telephone debt	757	682
	6,076	682

RECEIVABLES FROM EXCHANGE TRANSACTIONS PLEDGED AS SECURITY

No receivables from exchange transactions were pledged as security.

CREDIT QUALITY OF RECEIVABLES FROM EXCHANGE TRANSACTIONS

The credit quality of receivables from exchange transactions are not past due but some have been impaired.

RECEIVABLES FROM EXCHANGE TRANSACTIONS IMPAIRED

As of 31 March 2023, receivables from exchange transactions, staff debtors and other debtors, of R 20,065 (2022: R 37,062) were impaired and provided for.

The amount of the provision was R 20,065 as of 31 March 2023 (2022: R 37,602).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022
RECONCILIATION OF ALLOWANCE FOR IMPAIRMENT		
Opening balance	37,062	-
Provision for impairment	-	37,062
Bad debts written off	(16,997)	-
	20,065	37,062

7. PREPAYMENTS

Parmed	70,542	139,570
Other prepayments	608,616	773,200
	679,158	912,770

The Parmed prepayment is for the expense relating to the month after financial quarter. Other prepayments relate to bursaries, subscriptions and CPA membership fees.

8. LONG TERM RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

Recoverable expenditure	3,541	5,941
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The long term receivables from non-exchange transactions relates to the same receivables under note 5 and consists of debt relating to accidents incurred that needs to be recovered from the respective party. The long term portion is determined based on repayment arrangements that are in place between the staff or member and the legislature.

RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS PLEDGED AS SECURITY:

No receivables from non-exchange transactions were pledged as security.

CREDIT QUALITY OF RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS:

The credit quality of receivables from non-exchange transactions are neither past nor due nor impaired.

RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS IMPAIRED:

As of 31 March 2023, receivables from non-exchange transactions were not impaired (2022: R Nil).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022
9. LONG TERM RECEIVABLES FROM EXCHANGE TRANSACTIONS		
Staff debtors	6,577	9,329
Impairment provision	-	-
	6,577	9,329
GROSS AMOUNT OF EXCHANGE RECEIVABLES		
Staff debtors	6,577	9,329
IMPAIRMENT OF EXCHANGE RECEIVABLES		
Staff debtors	-	-
NET AMOUNT OF EXCHANGE RECEIVABLES		
Staff debtors	6,577	9,329
STAFF DEBTORS		
Staff debt	6,577	9,329

RECEIVABLES FROM EXCHANGE TRANSACTIONS PLEDGED AS SECURITY:

No receivables from exchange transactions were pledged as security.

CREDIT QUALITY OF RECEIVABLES FROM EXCHANGE TRANSACTIONS:

The credit quality of other receivables from exchange transactions are neither past nor due nor impaired.

RECEIVABLES FROM EXCHANGE TRANSACTIONS IMPAIRED:

As of 31 March 2023, receivables from exchange transactions of R Nil (2022: R Nil) were impaired and provided for.

The long term receivables from exchange transactions relate to the same receivables under note 6 and consist of staff debt. The long term portion is determined based on repayment arrangements that are in place between the staff and the legislature.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand

10. PROPERTY, PLANT AND EQUIPMENT

	2023		2022			
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Furniture and office equipment	4,985,696	(3,561,164)	1,424,532	4,664,004	(3,212,954)	1,451,050
Other machinery and equipment	11,207,018	(6,895,799)	4,311,219	10,224,521	(5,991,638)	4,232,883
Computer equipment	12,534,478	(8,423,797)	4,110,681	11,280,977	(7,751,036)	3,529,941
Finance lease assets - vehicles	2,106,387	(484,780)	1,621,607	1,476,691	(597,360)	879,331
Total	30,833,579	(19,365,540)	11,468,039	27,646,193	(17,552,988)	10,093,205

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT - 2023

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Total
Furniture and office equipment	1,451,050	321,692	-	(348,210)	-	1,424,532
Other machinery and equipment	4,232,883	982,497	-	(904,161)	-	4,311,219
Computer equipment	3,529,941	1,992,365	(106,426)	(1,304,942)	(257)	4,110,681
Finance lease assets - vehicles	879,331	1,067,225	(231,985)	(92,964)	-	1,621,607
	10,093,205	4,363,779	(338,411)	(2,650,277)	(257)	11,468,039

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT - 2022

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Total
Furniture and office equipment	1,701,647	97,291	(37,082)	(310,806)	-	1,451,050
Other machinery and equipment	3,750,192	1,440,080	(29,512)	(927,877)	-	4,232,883
Computer equipment	5,009,984	132,178	(5,028)	(1,577,819)	(29,374)	3,529,941
Finance lease assets - vehicles	1,377,389	-	(446,073)	(51,985)	-	879,331
	11,839,212	1,669,549	(517,695)	(2,868,487)	(29,374)	10,093,205

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022
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PLEGGED AS SECURITY

No property, plant and equipment was pledged as security.

ASSETS SUBJECT TO FINANCE LEASE

Finance lease assets - vehicles	1,621,607	879,331
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EXPENDITURE INCURRED TO REPAIR AND MAINTAIN PROPERTY, PLANT AND EQUIPMENT

EXPENDITURE INCURRED TO REPAIR AND MAINTAIN PROPERTY, PLANT AND EQUIPMENT INCLUDED IN STATEMENT OF FINANCIAL PERFORMANCE

General expenses	6,500	10,391
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The repairs and maintenance on the property, plant and equipment incurred as follows in the categories, Computer equipment R Nil (2022: R 8,711), Furniture and office equipment R 6,500 (2022: R 1,680) and Other machinery and equipment R Nil (2022: R Nil).

11. INTANGIBLE ASSETS

	2023			2022		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	6,705,320	(3,207,665)	3,497,655	4,846,421	(2,492,428)	2,353,993

RECONCILIATION OF INTANGIBLE ASSETS - 2023

	Opening balance	Additions	Disposals	Amortisation	Total
Computer software	2,353,993	3,465,461	-	(2,321,799)	3,497,655

RECONCILIATION OF INTANGIBLE ASSETS - 2022

	Opening balance	Additions	Disposals	Amortisation	Total
Computer software	2,625,829	1,810,102	-	(2,081,938)	2,353,993

PLEGGED AS SECURITY

No intangible asset was pledged as security.

OTHER INFORMATION

During the current financial year intangible assets which have expired with a cost of R 1,606,563 (2022: R 1,885,724) and accumulated amortisation of R 1,606,563 (2022: R 1,885,724) have been removed from the asset register.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022
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12. HERITAGE ASSETS

	2023			2022		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Paintings, sculptures and ornaments	4,732,002	(143,702)	4,588,300	4,732,002	(143,702)	4,588,300

RECONCILIATION OF HERITAGE ASSETS 2023

	Opening balance	Additions	Disposals	Impairment losses recognised	Total
Paintings, sculptures and ornaments	4,588,300	-	-	-	4,588,300

RECONCILIATION OF HERITAGE ASSETS 2022

	Opening balance	Additions	Disposals	Impairment losses recognised	Total
Paintings, sculptures and ornaments	4,588,300	-	-	-	4,588,300

PLEGGED AS SECURITY

No heritage asset was pledged as security.

13. PAYABLES FROM EXCHANGE TRANSACTIONS

Accruals	1,117,013	1,399,952
Other payables	1,337,539	1,261,266
	2,454,553	2,661,218

Other payables

Creditors	76,150	90,545
S&T Daily Allowance	-	9,286
Net Pay members backpay	662,196	573,340
Income Tax members backpay	383,224	382,528
Pension members backpay	215,969	205,567
	1,337,539	1,261,266

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022
14. DIRECT CHARGE LIABILITY		
DIRECT CHARGE DUE TO THE REVENUE FUND:		
Transfer from the statement of financial performance	6,905,359	9,082,728
MOVEMENT DURING THE YEAR		
Balance at the beginning of the year	9,082,728	4,643,843
Transfer from the statement of financial performance	6,905,359	9,082,728
Payment during the year	(9,082,728)	(4,643,843)
	6,905,359	9,082,728
15. FINANCE LEASE OBLIGATION		
MINIMUM LEASE PAYMENTS DUE		
- within one year	977,171	631,800
- in second to fifth year inclusive	2,894,108	1,089,644
	3,871,279	1,721,444
less: future finance charges	(2,101,787)	(747,549)
Present value of minimum lease payments	1,769,492	973,895
PRESENT VALUE OF MINIMUM LEASE PAYMENTS DUE		
- within one year	214,011	112,228
- in second to fifth year inclusive	1,555,481	861,667
	1,769,492	973,895
Non-current liabilities	1,555,481	861,667
Current liabilities	214,011	112,228
	1,769,492	973,895

Finance Leases relate to vehicles with lease terms of between 5 to 11 years. The effective annual interest rate on the Finance Lease payables is between 31% and 71%.

Interest on finance lease payables is charged by Government Motor Transport to replace vehicles at the end of their useful lives and to recoup operating expenditure such as tracking, insurance and Government Motor Transport overhead expenditure.

Ownership of the leased vehicles is transferred to Government Motor Transport at the conclusion of the lease agreements. None of our lease agreements have any restrictions imposed on these arrangements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022	
16. EMPLOYEE BENEFIT OBLIGATIONS			
Reconciliation of employee benefits - 2023	Opening balance	Movement	Total
Leave entitlement (Employees)	3,755,520	127,218	3,882,738
Service bonus (Employees)	1,465,035	40,247	1,505,282
Service bonus (Members)	756,861	(106,468)	650,393
Time-off hours (Employees)	1,185,418	(72,673)	1,112,745
Long service awards (Employees)	6,682,000	(99,000)	6,583,000
Once-off gratuity (Members)	13,276,000	(2,492,000)	10,784,000
Medical aid benefits (Members)	8,593,000	(998,000)	7,595,000
	35,713,834	(3,600,676)	32,113,158
Reconciliation of employee benefits - 2022	Opening balance	Movement	Total
Leave entitlement (Employees)	3,765,049	(9,529)	3,755,520
Service bonus (Employees)	1,370,404	85,631	1,456,035
Service bonus (Members)	700,679	56,182	756,861
Time-off hours (Employees)	1,081,514	103,904	1,185,418
Long service awards (Employees)	7,026,000	(344,000)	6,682,000
Once-off gratuity (Members)	9,614,000	3,662,000	13,276,000
Medical aid benefits (Members)	9,514,000	(921,000)	8,593,000
	33,071,646	2,633,188	35,704,834
Non-current employee benefits	2023	2022	
Long service awards (Employees)	4,720,000	5,270,000	
Once-off gratuity (Members)	10,784,000	13,276,000	
Medical aid benefits (Members)	6,504,000	7,410,000	
	22,008,000	25,956,000	
Current employee benefits			
Leave entitlement (Employees)	3,882,738	3,755,520	
Service Bonus (Employees)	1,505,282	1,465,035	
Service Bonus (Members)	650,393	756,861	
Time-off hours (Employees)	1,112,745	1,185,418	
Long service awards (Employees)	1,863,000	1,412,000	
Medical aid benefits (Members)	1,091,000	1,183,000	
	10,105,158	9,757,834	
Long service awards: Movements			
Opening balance	6,682,000	7,026,000	
Benefits paid	(1,373,000)	(448,000)	
Net expense recognised	1,274,000	104,000	
	6,583,000	6,682,000	
Long service awards: Net expense recognised			
Current service cost	886,000	1,023,000	
Interest cost	612,000	842,000	
Actuarial (gain)	(224,000)	(1,761,000)	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022
	1,274,000	104,000
Once-off gratuity: Movements		
Opening balance	13,276,000	9,614,000
Benefits paid	(4,674,069)	(480,000)
Net expense recognised	2,182,069	4,142,000
	10,784,000	13,276,000
Once-off gratuity: Net expense recognised		
Current service cost	2,552,000	2,513,000
Interest cost	1,131,000	1,288,000
Actuarial (gain)/loss	(1,500,931)	341,000
	2,182,069	4,142,000
Medical aid benefits: Movements		
Opening balance	8,593,000	9,514,000
Benefits paid	(924,990)	(1,283,000)
Net expense recognised	(73,010)	362,000
	7,595,000	8,593,000
Medical aid benefits: Net expense recognised		
Interest cost	853,000	1,063,000
Actuarial loss/(gain)	(926,010)	(701,000)
	(73,010)	362,000

DEFINED BENEFIT PLAN

POST RETIREMENT MEDICAL AID PLAN

The legislature offers continuation members (pensioners) the opportunity of belonging to one of several medical aid schemes, most of which offer a range of options pertaining to levels of cover. Upon retirement, a member may continue membership of the medical aid scheme. Upon a member's death-in-service or death-in-retirement, the surviving dependants may continue membership of the medical aid scheme.

Members contribute according to tables of contribution rates which differentiate between them on the type and number of dependants. Some options also differentiate on the basis of income.

The legislature has agreed to subsidise the medical aid contributions of retired members in the following way:

Members of the legislature will receive medical aid subsidies at retirement. The legislature will provide a 67% subsidy of the main member (and dependants) contribution at retirement. However, these members need to be part of the PARMED medical aid scheme.

As at the valuation date, the medical aid liability was unfunded as no dedicated assets have been set aside to meet this liability.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022
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GRATUITY AWARDS

Gratuity payments are awarded in terms of the Government Gazette No 31597 dated 12 November 2008. A member of Provincial Legislature who has served more than 5 years and whose term of office has ended should be entitled to a once-off gratuity equal to 4 months pensionable salary for every 5 years of service or a pro-rata part of the 5 year period.

LONG SERVICE AWARDS

All permanent employees are entitled to long service benefits which are awarded in the form of leave days and a percentage of salary.

In 2023: 99 (2022: 99) of the employees qualified for long service awards.

KEY ASSUMPTIONS USED

The legislature made use of an independent firm to perform the valuation of post-retirement medical aid benefits, long service awards and once-off gratuity liability. Julian van der Spuy B.Comm. (CERA)(FIA) and Tanaka Makuva BSc. Hons (Financial Mathematics), MSC, from ZAQEN Consultants and Actuaries were the experts for the valuation. The key assumptions used by the experts are listed below for the last valuation on 31 March 2023:

Post-Retirement medical aid benefit: Discount rates -	Yield curve rate
Post-Retirement medical aid benefit: Medical aid contribution inflation -	CPI+1%
Long service awards: Discount rates -	Yield curve rate
Long service awards: Salary inflation -	CPI+2%
Once-off gratuity: Discount rates -	Yield curve rate
Once-off gratuity: Salary inflation -	CPI+2%

The CPI (Consumer Price Index) is calculated based on the difference between the nominal and yield curves.

SENSITIVITY ANALYSIS

Deviations from the assumed level of mortality experience of the current employees and the continuation members (pensioners) will have a large impact on the actual cost to the Western Cape Provincial Parliament. If the actual rates of mortality turns out higher than the rates assumed in the valuation basis, the cost to the Western Cape Provincial Parliament in the form of subsidies will reduce and vice versa.

The effect is as follows by increasing and decreasing the mortality rates by 20%:

	20% Mortality rate decrease	20% Mortality rate increase
Effect on the aggregate of the service cost and interest cost	976,000	767,000
Effect on defined benefit obligation	8,569,000	6,852,000

The cost of the subsidy after retirement is dependent on the increase in the contributions to the medical aid scheme before and after retirement. The rate at which these contributions increase will thus have a direct effect on the liability of future retirees

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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The effect is as follows for a 1% p.a. change in the medical aid inflation assumption:

	1% Medical aid Inflation decrease	1% Medical aid Inflation increase
Effect on the aggregate of the service cost and interest cost	813,00	906,000
Effect on defined benefit obligation	7,227,00	7,994,000

Deviations from the assumed level of withdrawal experience of the eligible employees will have a large impact on the actual cost to the Western Cape Provincial Parliament. If the actual rates of withdrawal turns out to be higher than the rates assumed in the valuation basis, then the cost to the Western Cape Provincial Parliament in the form of benefits will reduce and vice versa.

The effect is as follows by increasing and decreasing the withdrawal rates by 20%:

	20% Withdrawal decrease	20% Withdrawal increase
Effect on the aggregate of the service cost and interest cost	1,420,000	1,403,000
Effect on defined benefit obligation	6,619,000	6,547,000

The cost of the long service leave and gratuity payment is dependent on the increase in the annual salaries paid to employees and political office bearers. The rate at which salaries increase will thus have a direct effect on the liability.

The effect is as follows for a 1% p.a. change in the Normal Salary inflation assumption:

	1% Normal salary decrease	1% Normal salary increase
Effect on the aggregate of the service cost and interest cost	1,398,000	1,424,000
Effect on defined benefit obligation	6,525,000	6,640,000

	1% Normal salary decrease	1% Normal salary increase
Effect on the aggregate of the service cost and interest cost	3,496,000	3,563,000
Effect on defined benefit obligation	10,683,000	10,885,000

Amounts for the medical aid obligation for the current and previous four years are as follows:

	2023 R	2022 R	2021 R	2020 R	2019 R
Defined benefit obligation	7,595,000	8,593,000	9,514,000	9,660,000	10,037,000

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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CONTRIBUTIONS TO PENSION FUNDS

THE GOVERNMENT EMPLOYEES PENSION FUND (GEPF)

Retirement benefits are provided by membership of the Government Employees Pension Fund which is a defined benefit fund. Parliament's responsibility regarding the funding of the shortfall of the pension fund is limited to the current contributions made on behalf of its employees. The obligation of the fund is guaranteed by the National Revenue Fund and not by the individual government departments and entities. This responsibility is governed by the Government Employees Pension Law, Proclamation 21 of 1996.

Contribution to the GEPF for the reporting period	7,230,500	6,620,213
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These contributions are included in surplus or deficit for the reporting period.

An actuarial valuation of the GEPF is conducted at least every three years as prescribed in section 17(3) of the GEP Law. The latest actuarial valuation of the GEPF was performed on 31 March 2021. This valuation indicates that the plan is in a sound financial position. The estimated liabilities of the fund are R 1.855 billion which are adequately funded by assets of R 2.041 billion as at 31 March 2021.

THE PENSION SCHEME FOR OFFICERS OF PARLIAMENT (PSOP)

The Pension Scheme for Officers of Parliament (PSOP) is a defined benefit plan. The obligation of the fund is guaranteed by the National Revenue Fund. This responsibility is governed by the General Pensions Act 29 of 1979.

THE POLITICAL OFFICE-BEARERS PENSION FUND (POBF)

The Political Office-Bearers Pension Fund has a defined contribution and a defined benefit section in terms of which the basis of funding of retirement benefits is on a defined benefit basis through additional service and equalisation benefits provided by National Treasury, and on a defined contribution basis through the utilisation of member credits accumulated. This responsibility is governed by the Members of Parliament and Political Office bearers Pension Scheme Act, 1984 (Act No. 112 of 1984) as amended in 1992. Parliament's responsibility regarding the funding of the shortfall of the pension fund is limited to the current contributions made on behalf of its employees.

Contribution to the POBF for the reporting period	5,416,715	5,413,584
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17. RECOVERIES

Recoverable revenue from exchange	62,758	138,296
Recoverable revenue from non-exchange	1,378,481	-
	1,441,239	138,296

Recoveries from non-exchange relates to unspent allowances returned from political parties.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022
18. INTEREST RECEIVED		
Interest revenue		
Bank	423,772	248,065
Interest on receivables	2,127	1,426
LSS bank account	-	2,671
	425,899	252,162
19. OTHER INCOME		
Boutique sales	2,812	1,804
Refreshments	10,925	-
Rental of parking	31,745	15,525
	45,482	17,329
20. APPROPRIATION		
Annual appropriation	174,467,795	160,405,721
Statutory appropriation	50,301,000	47,997,000
	224,768,795	208,402,721
Funds rolled over from prior year	12,707,205	9,305,279
	237,476,000	217,708,000
Appropriation		
Current-year receipts	224,768,795	208,402,721
Funds rolled over from prior year	12,707,205	9,305,279
Actual Expenditure	(218,193,272)	(196,343,360)
Direct charge liability	(6,905,359)	(9,082,728)
Unspent appropriated funds carried over to next year	12,377,369	12,281,912
Departmental revenue carried over to next year	2,021,538	425,293
	14,398,906	12,707,205

For the Direct charge liability refer to note 14.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022
21. EMPLOYEE RELATED COSTS		
Basic salary	61,106,893	56,064,245
Bonus	3,499,511	3,180,573
Contribution to employee benefits	219,792	1,597,006
Employee benefits paid out	37,000	35,100
Housing allowances	4,963,475	4,859,081
Leave payout	423,670	94,458
Medical aid - employer contributions	703,716	699,660
Other non-pensionable allowances	6,176,275	5,655,927
Pension - employer contributions	7,230,500	6,620,213
Periodic payments	871,478	422,448
Unemployment Insurance Fund	231,404	216,972
	85,463,714	79,445,683
Remuneration of the Secretary		
Basic salary	1,500,755	1,440,243
Contributions to UIF, Medical and Pension Funds	197,224	189,300
Other non-pensionable allowances	448,083	430,015
	2,146,062	2,059,558
Remuneration of the Chief Financial Officer		
Basic salary	1,172,114	1,124,852
Bonus	97,676	93,738
Contributions to UIF, Medical and Pension Funds	166,668	160,467
Other non-pensionable allowances	240,116	229,943
	1,676,574	1,609,000
Remuneration of the Director Institutional Enablement		
Basic salary	1,072,649	1,029,400
Bonus	89,387	85,783
Contributions to UIF, Medical and Pension Funds	153,738	148,059
Other non-pensionable allowances	218,707	209,398
	1,534,481	1,472,640
Remuneration of the Director Parliamentary Support Services		
Basic salary	1,051,822	1,009,117
Bonus	87,652	77,085
Contributions to UIF, Medical and Pension Funds	151,030	143,394
Other non-pensionable allowances	214,224	207,060
	1,504,728	1,436,656

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022
Remuneration of the Director Public Engagement		
Basic salary	1,072,649	1,029,400
Bonus	89,387	85,783
Contributions to UIF, Medical and Pension Funds	153,738	148,059
Other non-pensionable allowances	218,707	209,398
	1,534,481	1,472,640
Remuneration of the Director Strategy and Institutional Oversight		
Basic salary	1,041,408	756,837
Contributions to UIF, Medical and Pension Funds	137,508	99,983
Other non-pensionable allowances	310,935	225,970
	1,489,851	1,082,790
22. MEMBERS REMUNERATION		
Basic salary	24,069,562	24,076,342
Contributions to employee benefits	(1,169,527)	3,157,182
Housing allowance	10,000	29,075
Medical aid contributions	190,074	174,115
Other non-pensionable allowances	9,194,755	9,224,595
Pension contributions	5,416,715	5,413,584
Retirement benefits paid out	3,008,529	1,283,007
Service bonus	1,269,562	1,157,995
	41,989,670	44,515,895
Remuneration of the Speaker		
Basic salary	832,307	1,222,277
Other non-pensionable allowances	364,714	535,892
Gratuity Payment	2,083,538	-
Pension contributions	187,269	275,012
Medical aid contributions	2,776	3,947
	3,470,604	2,037,128
Remuneration of the Speaker		
Basic salary	382,409	-
Other non-pensionable allowances	167,571	-
Pension contributions	94,177	-
Medical aid contributions	1,388	-
	645,545	-

The new Speaker was appointed on 12 December 2022, and the above refers to his remuneration from this date.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022
Remuneration of the Deputy Speaker		-
Basic salary	1,018,761	989,089
Other non-pensionable allowances	372,561	356,529
Service Bonus	74,897	72,424
Pension contributions	229,221	222,545
Medical aid contributions	8,328	7,894
	1,703,768	1,648,481
23. FINANCE COSTS		
Finance leases	611,594	618,107
24. TRANSFER PAYMENTS		
Political Parties		
Democratic Alliance	27,171,702	26,824,656
African National Congress	13,901,481	13,695,157
African Christian Democratic Party	1,597,489	1,524,964
Economic Freedom Fighters	2,648,511	2,605,116
Freedom Front Plus	1,597,489	1,525,714
GOOD	1,597,489	1,525,714
Al Jama-ah	1,597,489	1,522,815
	50,111,650	49,224,136

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022 Restated*
25. GENERAL EXPENSES		
Advertising	1,945,441	1,515,884
Auditors remuneration	3,795,015	4,213,589
Bank charges	9,812	10,818
Bursaries	195,198	148,132
Catering events	1,745,221	1,170,218
Claims paid	-	402,361
Computer services	1,538,679	1,352,489
Consulting and professional fees	2,540,573	2,584,083
Consumables	796,790	625,947
Contracted services	1,876,488	2,024,548
Fleet services	1,048,668	726,019
Insurance	721,370	526,703
Laundry services	6,200	1,210
Lease rentals on operating lease	564,114	432,822
Other expenses	1,040,966	1,051,111
Outsourced services	261,357	161,851
Postage and courier	2,863	-
Printing and publications	196,033	549,740
Registration fees	296,315	25,093
Rentals of facilities and equipment	278,233	651,733
SITA computer expenses	43	29,520
Subscriptions and membership fees	516,995	332,248
Telephone and fax	185,765	183,147
Training	924,707	957,770
Travel - local	4,895,116	4,534,489
Travel - overseas	6,063,842	737,673
	31,445,804	24,949,198

Other expenses includes expenditure for resettlement costs, data and airtime costs and TV licences.

Catering relates to committee sittings, members enabling claims and PEO events.

Consulting and professional fees includes expenditure relating to translations and transcriptions, as well as legal fees. Contracted services includes expenditure relating to Audio visual, transport and maintenance services.

Travel - overseas includes expenditure relating to the CPA Secretariat function as well as other overseas travel.

* See Note 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022 Restated*
26. CASHFLOW FROM OPERATING ACTIVITIES		
Surplus (deficit)	6,502,353	(1,951,992)
Adjustments for:		
Depreciation and amortisation	4,972,333	4,979,796
Loss/(Gain) on sale of assets and liabilities	61,474	31,144
Transfer to direct charge liability	6,905,359	9,082,728
Contribution to employee benefits	(949,735)	4,754,188
Actuarial gain	(2,650,941)	(2,121,000)
Debt impairment	-	37,062
Changes in working capital:		
Inventories	369,302	34,909
Receivables from non-exchange transactions	(45,409)	(4,000)
Receivables from exchange transactions	(43,781)	84,409
Prepayments	233,612	(292,454)
Payables from exchange transactions	(206,665)	1,420,282
Direct charge liability	(9,082,728)	(4,643,843)
	6,065,174	11,411,229
27. AUDITORS' REMUNERATION		
Fees	3,795,015	4,213,589
28. COMMITMENTS		
AUTHORISED CAPITAL EXPENDITURE		
Already contracted for but not provided for		
• Property, plant and equipment	146,514	2,005,578
• Intangible assets	1,190,476	11,500
	1,336,990	2,017,078
Total capital commitments		
Already contracted for but not provided for	1,336,990	2,017,078
This committed expenditure relates to property, plant and equipment and intangible assets and will be financed through funding received from Provincial Treasury.		
OPERATING LEASES - AS LESSEE (EXPENSE)		
Minimum lease payments due		
- within one year	-	61,605

Operating lease payments represent rentals payable by the legislature for the rental of photocopy machines to Minolco (Pty) Ltd.

* See Note 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022 Restated*
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29. CONTINGENCIES

CONTINGENT LIABILITIES

SITA INVOICE DISPUTE

There are currently SITA invoices for services which are currently under dispute by WCPP. The invoices related to services billed during the transition from modified cash based to accrual based systems. The estimated expenditure is R 208,182.

SUN INTERNATIONAL VS THE PREMIER OF THE WESTERN CAPE AND OTHERS

In this litigation it is alleged that the legislature failed to facilitate adequate public involvement in its processes in respect of the Western Cape Nineteenth Gambling and Racing Amendment Act, and that the legislature failed to consider submissions made during the public involvement processes. The estimated costs are R 230,000.

MOGALE AND OTHERS VS THE SPEAKER OF THE NATIONAL ASSEMBLY AND OTHERS

The applicant in this matter is challenging the public involvement processes followed in Parliament and in the provincial legislatures in respect of the Traditional and Khoi-San Leadership Act, 2019. There was a costs order attached to the judgment for an amount that the WCPP will be liable for, which is yet to be quantified.

CONTINGENT ASSETS

INVESTIGATION FOR FRUITLESS AND WASTEFUL EXPENDITURE

A process is currently underway to determine liability, if any, for Fruitless and Wasteful Expenditure. The estimated recoverable amount is R 158,289.

LITIGATION COST RECOVERY

The court awarded a cost order in the favour of WCPP in terms of the litigation of the former Speaker. The estimated recoverable amount is R 40,000.

30. FINANCIAL INSTRUMENTS DISCLOSURE

CATEGORIES OF FINANCIAL INSTRUMENTS

* See Note 38

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022
2023		
FINANCIAL ASSETS	At amortised cost	Total
Cash and cash equivalents	21,291,390	21,291,390
Receivables from non-exchange transactions	80,400	80,400
Receivables from exchange transactions	117,352	117,352
Long term receivables from non-exchange transactions	3,541	3,541
Long term receivables from exchange transactions	6,577	6,577
	21,499,260	21,499,260
FINANCIAL LIABILITIES	At amortised cost	Total
Payables from exchange transactions	1,143,489	1,143,489
Finance lease obligation	1,769,492	1,769,492
	2,912,981	2,912,981
2022		
FINANCIAL ASSETS	At amortised cost	Total
Cash and cash equivalents	21,977,767	21,977,767
Receivables from non-exchange transactions	77,400	77,400
Receivables from exchange transactions	73,571	73,571
Long term receivables from non-exchange transactions	5,941	5,941
Long term receivables from exchange transactions	9,329	9,329
	22,144,008	22,144,008
FINANCIAL LIABILITIES	At amortised cost	Total
Payables from exchange transactions	2,661,218	2,661,218
Finance lease obligation	973,895	973,895
	3,635,113	3,635,113

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022
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31. RISK MANAGEMENT

FINANCIAL RISK MANAGEMENT

The legislature's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

LIQUIDITY RISK

The legislature's risk to liquidity is a result of the funds available to cover future commitments. The legislature manages liquidity risk through an ongoing review of future commitments and credit facilities. This is further managed by the fact that the legislature receives its funding via the equitable share.

The table below analyses the legislature's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Within 1 year	Between 2 and 5 years
At 31 March 2023		
Payables from exchange transactions	1,143,489	-
Finance lease obligation	977,171	2,894,108
	2,120,660	2,894,108
At 31 March 2022		
Payables from exchange transactions	2,661,218	-
Finance lease obligation	631,800	1,089,644
	3,293,018	1,089,644

CREDIT RISK

Credit risk consists mainly of cash deposits, cash equivalents and receivables. The legislature only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Receivables comprise of a limited customer base. Management evaluated credit risk relating to receivables on an ongoing basis. If receivables are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the receivable, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the management.

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

Financial instrument	2023	2022
Cash and cash equivalents	21,291,390	21,977,767
Receivables from non-exchange transactions	80,400	77,400
Receivables from exchange transactions	117,352	73,571

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022
Long term receivables from non-exchange transactions	3,541	5,941
Long term receivables from exchange transactions	6,577	9,329

MARKET RISK

INTEREST RATE RISK

As the legislature has no significant interest-bearing assets, the legislature's income and operating cash flows are substantially independent of changes in market interest rates.

32. UNAUTHORISED EXPENDITURE

No unauthorised expenditure was incurred during the current financial period ended 31 March 2023.

33. FRUITLESS AND WASTEFUL EXPENDITURE

Opening balance	160,449	158,289
Add: Fruitless and wasteful expenditure - Current year	43,279	2,160
Less: Amounts recovered	(41,164)	-
Less: Amounts written off	(4,275)	-
	<u>158,289</u>	<u>160,449</u>

Accommodation for the value of R 4,275 was booked and paid for, however deemed not suitable and therefore not utilised.

Contravention of the enabling allowance policy in terms of the Members Facilities Guide, resulted in Fruitless and wasteful expenditure of R 39 004, which has been recovered.

Fruitless and wasteful expenditure for the prior year incurred due to interpreter services which were no longer required and WCPP was informed timeously, however the interpreters were not informed that the services would be cancelled, this amount has been transferred to be recovered.

Fruitless and wasteful expenditure for the prior year incurred due to the use of a vehicle by WCPP which is currently still under investigation to determine responsibility.

34. IRREGULAR EXPENDITURE

Opening balance	-	693,791
Add: Irregular Expenditure - current year	22,066	-
Less: Amounts condoned	(22,066)	(693,791)
	<u>-</u>	<u>-</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022
DETAILS OF IRREGULAR EXPENDITURE CONDONED IN CURRENT YEAR		
Services rendered by the service provided before approval	17,657	-
Additional travel and subsistence costs incurred prior to procurement approval being obtained	4,409	-
Contract expired for photocopier machine, payments where however processed subsequent to the expiry.	-	1,978
Declaration of interest submitted after the award was made	-	554,313
BBBEE level of the subcontracted supplier not considered	-	137,500
	22,066	693,791

35. RELATED PARTIES

During the year the Western Cape Provincial Parliament received services from the following parties that are related as indicated:

Department of Transport and Public Works	Occupation of the building free of charge managed by the Department of Transport and Public Works. Refer to note 36 for the rental value which is accounted for as a service in-kind. Parking spaces are also provided for government officials at an approved fee that is not market related. Refer below for transaction detail.
Department of Community Safety	Security services in the Legislature building
Department of the Premier - Corporate Services Centre	Internal Audit services Audit Committee services
Provincial Treasury	Primary funding. Refer to note 20.
Government Motor Transport (GMT)	Management of government motor vehicles. This relationship is based on an arm's length transaction in terms of the approved tariffs. Refer below for transaction and balance detail
Key Management and Members	Refer to note 21&22

RELATED PARTY TRANSACTIONS AND BALANCES

Government Motor Transport (GMT)

Finance Costs	611,594	617,947
Finance lease liability payment	107,639	85,971
Operating leases	448,442	323,294
Outstanding finance lease liability balance (including finance costs)	3,871,279	1,721,444

Department of Transport and Public Works

Parking fees	(31,745)	(15,525)
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022
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36. SERVICES IN-KIND

The Department of Public Works provides an office area to the Western Cape Provincial Parliament at no cost to the legislature. The provision of this service in kind is recognised as revenue and expenditure to the fair value of R 8,910,288 (2022: R 9,583,740).

The South African Police Services provides National Key Point access control services to Western Cape Provincial Parliament at no cost to the legislature. These services were provided for the entire reporting period.

The Department of the Premier provides internal audit and audit committee services to Western Cape Provincial Parliament at no cost to the legislature. These services were provided for the entire reporting period.

National Parliament provided services in the form of training to the Members of Western Cape Provincial Parliament within the financial year for which the value cannot be determined reliably (2022: R 430,236). These services were provided to the Members with no cost to the legislature. We do not see this as a significant impact on the operations of the legislature.

37. BUDGET DIFFERENCES

MATERIAL DIFFERENCES BETWEEN BUDGET AND ACTUAL AMOUNTS

All variances have been included unless they are trivial.

37.1 RECOVERIES

The variance is as a result of unspent Secretarial allowances paid back by Political Party.

37.2 OTHER INCOME

The variance is as a result of revenue received from parking, members meals and boutique sales which was more than the appropriated budget amount.

37.3 INTEREST RECEIVED

The variance is as a result of interest on bank account as well as interest on debts which was more than the appropriated budget amount.

37.4 EMPLOYEE COSTS

The variance is due to vacant posts which were not filled as anticipated.

37.5 MEMBERS REMUNERATION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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The variance is due to there being no member remuneration increase received for the current year.

37.6 FINANCE COSTS

The variance is due to the new vehicles that were acquired which increased the finance costs.

37.7 TRANSFER PAYMENTS

The variance is due to the Constituency Allowance allocation of National Parliament's being less than what we budgeted for.

37.8 GENERAL EXPENSES

The variance is mainly due to the postponement of the digital online platform, ERP additions, CCTV monitoring software and control room upgrade.

DIFFERENCES BETWEEN BUDGET AND ACTUAL AMOUNTS BASIS OF PREPARATION AND PRESENTATION

Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	21,304,266
Basis difference - Operating cash flows	
Receivables	(41,629)
Payables	(73,355)
Direct charge	(9,082,728)
Annual appropriation	(12,707,205)
General expenses	(85,729)
Actual amount in the Cash Flow Statement	(686,380)

CHANGES FROM THE APPROVED BUDGET TO THE FINAL BUDGET

The changes between the approved budget for provincial expenditure and the budget comparison statement for the expenditure items is as a result of the change in classification between the approved budget and the budget comparison in order to meet the requirements of GRAP.

The adjustments incurred between the approved budget and the final budget occurred due to the adjustment budget as well as shifts within expenditure items. These adjustments are as follows

Expenditure	Approved budget	Adjustment	Shifts	Virements	Final budget
Employee related costs	91,187,044	197,059	(4,347,435)	-	87,036,668
Members remuneration	51,765,270	-	(59,538)	-	51,705,732
Finance costs	1,061,000	-	(41,615)	-	1,019,385
Transfer payments	51,775,832	-	(854,957)	-	50,920,875
General expenditure	31,013,854	10,475,941	5,303,545	-	46,793,340
	226,803,000	10,673,000	-	-	237,476,000

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022
38. PRIOR PERIOD ERROR		
During the preparation of the annual financial statements for the current year the following errors were identified.		
LAPTOP BATTERIES		
During the period ended 31 March 2023, it was determined that laptop batteries purchased were included in expenditure and not capitalised.		
Property, plant and equipment - Computer equipment		9,049
General expenses - IT Consumables		(9,049)
Accumulated depreciation and Impairment - Computer equipment		(1,587)
Depreciation, amortisation and impairments		1,587
		-
Statement of financial position		
Property, plant and Equipment		7,462
Statement of Financial Performance		
General Expenses		(9,049)
Depreciation, amortisation and impairments		1,587

39. GOING CONCERN

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

40. EVENTS AFTER THE REPORTING DATE

The Independent Commission for the Remuneration of Public Office Bearers has submitted the proposal for members remuneration to the Presidency for proclamation and proclaimed on 28 June 2023. It was further gazetted by the Western Cape Premier on 18 July 2023. The annual financial statements have subsequently been amended to account for the members increase.

