

*Friday, 7 June 2024]*

No 71 - 2024] SIXTH SESSION, SIXTH PARLIAMENT

# PARLIAMENT OF THE PROVINCE OF THE WESTERN CAPE

## ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

FRIDAY, 7 JUNE 2024

### TABLING

The Secretary:

**Tabling of a document in terms of section 32(1)(a) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000):**

#### **Stellenbosch Municipality**

Second review of the fifth-generation Integrated Development Plan (IDP) 2022–2027.

Copies attached.

### COMMITTEE REPORTS

- 1. Annual Committee Report of the Public Accounts Committee (PAC) for the 2022/23 financial year, as follows:**

#### **Members**

The Committee comprised the following Members:

Mvimbi, LL (ANC) (Chairperson)  
America, D (DA)  
Sileku, I (DA)  
Maseko, LM (DA)  
Cassiem, A (EFF)

#### **Alternate Members**

Baartman, D M (DA)  
Bosman, G (DA)  
Fry, C (DA)

Klaas, T M (EFF)  
 Murray, C (DA)  
 Nkondlo, N D (ANC)  
 Plato, D (DA)  
 Pretorius, G (DA)  
 Smith, D (ANC)  
 Van der Westhuizen, A P (DA)

## **1. Introduction**

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

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

In fulfilment of its mandate the Committee must:

- 1.5 facilitate public participation and involvement in the legislative and other processes of the Committee.
- 1.6 conduct its business in a fair, open and transparent manner.
- 1.7 promote good cooperative governance within the departments and state-owned entities of the Western Cape Government.
- 1.8 report regularly to the House.

## **2. Reporting departments**

The financial statements that were included in the annual reports of the following provincial departments, for the financial year ending 31 March 2023, were examined:

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

## **3. Reporting entities**

The financial statements included in the annual reports of the following public entities, for the financial year ending 31 March 2023, were examined:

- 3.1 Western Cape Language Committee.
- 3.2 Western Cape Cultural Commission.
- 3.3 CapeNature.

- 3.4 Western Cape Destination Marketing, Investment and Trade Promotion Agency (Wesgro).
- 3.5 Western Cape Housing Development Fund.
- 3.6 Government Motor Transport (GMT).
- 3.7 Cape Agency for Sustainable Integrated Development in Rural Areas (Casidra).
- 3.8 Heritage Western Cape.
- 3.9 Western Cape Gambling and Racing Board.
- 3.10 Western Cape Liquor Authority.
- 3.11 Atlantis Special Economic Zone Company SOC Ltd.
- 3.12 Saldanha Bay Industrial Development Zone Licencing Company (SOC) Ltd.

#### **4. Overview of the Committee's activities**

Number of public hearings	21
Number of international study tours	0
Number of oversight visits	0
Number of provincial bills considered	0
Number of NCOP bills considered	0
Workshops or conferences attended	4

#### **5. Oversight activities**

The Public Accounts Committee satisfactorily conducted oversight over the provincial government of the Western Cape during the 2022/23 financial year.

In terms of the strategic plans of WCPP, including the Speaker's parliamentary priorities, the Public Accounts Committee encouraged public participation at all its meetings. When the meetings of the Committee were online and streamed on YouTube, the Chairperson would constantly monitor how many public members viewed the live streaming of the Committee and check for comments under the comments section of the YouTube feed. In addition, the Committee ensured that it maintained its relationships with the AGSA and audit committees in engaging them on the risks identified in the departments and entities of the Western Cape Government.

The Committee commenced the 2022/23 financial year with a briefing meeting by the Department of the Premier, as well as the Provincial Treasury, on the status of the implementation of the Integrated Financial Management System (IFMS) piloted in the Western Cape. The Provincial Treasury briefed the Committee on the Red Ants Security Relocation and Eviction Services (Pty) Ltd matter, including the general sourcing and implementation of transversal departmental contracts utilised by the departments and entities of the Western Cape Government. The Instruction notes that were issued by the National Treasury to government departments and entities of the Western Cape Government for the 2019/20 and 2020/21 financial years were also presented to the Committee.

The Western Cape Education Department also briefed the Committee on the manner in which the Department dealt with the 2020/21 audit-outcome findings and the measures put in place to mitigate a future recurrence. The Provincial Forensic Services briefed the Committee on the first and second quarter's forensic investigations for the 2021/22 financial year across all departments and entities of the Western Cape Government.

During the second quarter of the 2022/23 financial year, the Committee requested and engaged the Department of Human Settlements on the reasons for its 2020/21 financial year audit opinion outcomes and findings of the AGSA, including how the Department will prevent a recurrence of a similar nature. The briefing also entailed an explanation on

the irregular expenditure incurred by the Department during the 2020/21 financial year, including the measures that the Department has put in place to prevent a future recurrence.

During the third and fourth quarters of the 2022/23 financial year, the Committee conducted oversight over 13 departments and their entities in respect of their annual reports for the 2022/23 financial year. The Committee made resolutions on certain matters that were raised in these meetings. The resolutions and requests for information can be viewed under ATC 33 of 2023, which is the Report of the Committee that was tabled in the Western Cape Provincial Parliament on 23 March 2023. The Report pertains to the resolutions and requests for information as per the engagements between the Committee and the departments and entities of the Western Cape on the contents of their 2022/23 annual reports.

The Committee also met with the Department of the Premier on the erroneous overpayments to employees of the WCG during the 2021/22 financial year, mitigating measures in place to avoid a recurrence, the impact of the under expenditures on the operations of the Department and the underspending due to delays in the procurement of the TeamMate licence renewal due to problems with the State Information Technology Agency SOC Ltd (SITA) procurement processes. The Committee also engaged the Provincial Forensic Services on the first and second quarter's forensic investigations for the 2022/23 financial year.

The Chairperson and Committee attended two Executive meetings of the South African Association of Public Accounts Committees (SAAPAC), one Council of Delegates meeting, and one Conference meeting during the year under review. Please see "Workshops or conferences attended" on page 3.

## **6. Legislation**

During the 2022/23 financial year, the Committee dealt with no legislation.

## **7. Facilitation of public participation**

In line with its mandate to facilitate public participation as part of the legislative process, the Committee held 21 public meetings during the 2022/23 financial year, of which 13 of those meetings related to the engagements that were held during the Annual Report period in the months of October 2022 and November 2022.

## **8. Financial particulars**

The Standing Committee was allocated a budget of R169 426 for the 2022/23 financial year. At the end of the financial year, the expenditure attributed to the activities of the Committee accumulated to an amount of R72 752. There was thus an underspending of R96 674. The expenditure related to payment towards the annual reports period advertisements during October and November 2022, including payments for the logistical arrangements for the SAAPAC meeting that the Committee attended.

## **2. Report of the Annual Committee Activities Report of the Parliamentary Oversight Committee (POC) for the 2023/24 financial year, as follows:**

### **Members**

The Committee comprised the following Members at the end of the financial year:

Bosman, G (DA)  
 Cassiem, A (EFF)  
 Kaizer-Philander, WF (DA) (Chairperson)  
 Lekker, PZ (ANC)  
 Maseko, LM (DA)

### **Alternate Members**

Baartman DM (DA)  
 Dugmore, CM (ANC)  
 Klaas, TM (ANC)  
 Plato, D (DA) (until 15 February 2024)  
 Poole, CJ (DA) (from 8 March 2024; please see ATC No 30 of 2024)  
 Sileku, IM (DA)  
 Sayed, MK (ANC)

## **1. Introduction**

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

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

In fulfilment of its mandate, the Committee must:

- 1.8 Facilitate public participation and involvement in the legislative and other processes of the Committee;
- 1.9 Conduct its business in a fair, open and transparent manner;
- 1.10 Conduct oversight over the corporative governance activities of WCPP and to promote good governance; and
- 1.11 Report regularly to the House.

## **2. Reporting institution**

The financial statements included in the Annual Report for the financial year ending 31 March 2023 were examined, as follows:

- 2.1 Western Cape Provincial Parliament

### 3. Overview of the Committee's activities

Number of committee meetings	7
Number of public hearings	3
Number of international study tours	0
Number of oversight visits	1
Number of provincial bills considered	2
Number of NCOP bills considered	0
Workshops or conferences attended	0

### 4. Oversight activities

During the financial year under consideration, the POC mainly conducted oversight over the following information:

- 4.1 The quarterly performance reports of the WCPP;
- 4.2 The financial statement reports of the WCPP;
- 4.3 Embarking on a walkabout from the 4th to the 7th floor of the WCPP precinct to assess the level of maintenance and fire readiness in cases of emergencies; and
- 4.4 The Annual Report of the WCPP for the 2022/23 financial year.

In terms of the strategic plans of WCPP, including the Speaker's parliamentary priorities, the Parliamentary Oversight Committee encouraged public participation at all its meetings streamed online on YouTube. In addition, the Committee ensured that it maintained its relationships with the Auditor-General of South Africa (AGSA) and Audit Committee of WCPP in engaging them on the risks identified in the institution.

The first quarter of the 2023/24 financial year saw the Committee being briefed on an actual live demonstration on how to find and extract information from Hansard on the WCPP website, the Service Level Agreement that was concluded between WCPP and the Department of Infrastructure, including the maintenance schedule for the 2021/22 financial year, and the User Asset Management Plan for the WCPP. In addition, the Committee engaged the WCPP on the Members' Facilities Guide, and the capacity building for Members and the capacity-building opportunities available for Members through the Legislative Sector Support (LSS).

During the second quarter of the 2023/24 financial year, the Committee undertook a walkabout of the seventh, sixth, fifth and fourth floors of the Western Cape Provincial Parliament precinct, including the control room on ground floor, which was undertaken due to the fire that gutted the National Parliament precinct on 2 January 2022. The WCPP also briefed the POC on First Quarterly Performance Report for the 2023/24 financial year (April to June 2023), the Western Cape Provincial Parliament on the First Quarterly Financial Statements for the 2023/24 financial year (April to June 2023) and any feedback by the Western Cape Provincial Parliament on any instructions issued in terms of section 37(6) and section 66(2) of the Financial Management of Parliament and Provincial Legislatures Act, 2009 (Act 10 of 2009).

During the third quarter of the financial year the Committee met with the institution to engage the WCPP on its Annual Report for the 2023/24 financial year, including the Schedule of the institution in terms of the Western Cape Adjustments Appropriation Bill [B 7–2023]. The Committee made resolutions to the institution in order to assist it in gearing towards meeting its constitutional mandate and its functional enhancement abilities, which would ensure that the WCPP operates optimally in delivering on its Strategic Plan over a five-year period. This included that the WCPP provides the Committee with the Report of the Speaker on his personal walkabout of the WCPP

precinct in February 2023, and that the WCPP provides the Committee with the User Assets Management Plan of the institution for the 2022 and 2023 financial years.

During the fourth quarter of the 2023/24 financial year, the Committee met with the institution to be briefed on the WCPP's second and third quarter's financial and performance information for the 2022/23 financial year, including any instructions issued in term of section 37(6) and section 66(2) of the FMPPLA. The Committee also engaged the WCPP on Vote 2: Provincial Parliament in the Schedule to the Western Cape Appropriation Bill [B 1–2024] for the 2024/25 financial year and invited public participation on the Vote 2: Western Cape Provincial Parliament in the Schedule to the Western Cape Appropriation Bill [B 1–2024] for the 2024/25 financial year and considered and adopted its Committee Report on the Western Cape Appropriation Bill [B 1–2024].

## **5. Legislation**

In the 2023/24 financial year the Committee dealt with the following provincial legislation:

- 5.1 Vote 2: Western Cape Provincial Parliament in the Schedule to the Western Cape Adjustments Appropriation Bill [B 7–2023]; and
- 5.2 Vote 2: Western Cape Provincial Parliament in the Schedule to the Western Cape Appropriation Bill [B 1–2024].

## **6. Facilitation of public involvement and participation**

In line with its mandate to facilitate public participation as part of the legislative process, the Committee held one public hearing meeting during the Annual Report period. To give effect to this, the Committee's Annual Report meeting was advertised, informing and inviting the public and stakeholders to participate in public hearings. In addition, the Committee held two public hearing meetings on the following money bills, the Western Cape Adjustments Appropriation Bill [B 7–2023] and the Western Cape Appropriation Bill [B 1–2024], respectively on Vote 2: Western Cape Provincial Parliament.

## **7. Financial particulars**

At the end of the 2023/24 financial year the expenditure attributed to the activities of the Committee accumulated to an amount of R28 931 from an in-year adjusted allocated budget of R33 911, which resulted in a balance of R4 980. The expenditure was incurred on catering for the Committee's meetings during the financial year, as well as contributing to the advertisements for the appropriation, adjustments appropriation and annual report periods.