



**GAUTENG**  
LEGISLATURE

# ANNUAL REPORT 2010/2011





GAUTENG PROVINCIAL LEGISLATURE

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The Gauteng Provincial Legislature (GPL) is the parliament of the people of Gauteng. The GPL fulfils its, constitutional obligations through its mandates of law-making, oversight and scrutiny, co-operative governance and public participation.

The GPL must therefore, make laws that address the specific needs of the province, conduct oversight in relation to the departments of the province to ensure service delivery, promote co-operative governance for effective decision-making, and ensure public participation to incorporate the views of the people of Gauteng in the working of the GPL.



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# ACRONYMS

Acronym	Description
AG	Auditor-General
ATC	Announcements, Tabling and Committee Reports
AV	Audio Visual
BBBEE	Broad-Based Black Economic Empowerment
BSC	Balanced Scorecard
CBO	Community-Based Organisation
CCTV	Closed Circuit Television
CFO	Chief Financial Officer
CI	Constitutional Imperatives
CPA	The Commonwealth Parliamentary Association
CPS	Centre for Policy Studies
CRM	Customer Relationship Management
CSSL	Committee on the Scrutiny of Sub-ordinate Legislation
EAP	Employee Assistance Programme
ECC	Events Co-ordinating Committee
ED	Executive Director
EEA	Employment Equity Act
EFT	Electronic Funds Transfer
EMS	Emergency Medical Services
ERP	Enterprise Resource Planning
EU	European Union
EULSP	European Union Legislature Services Programme
FIS	Focused Intervention Study
GEYODI	Gender, Youth and People with Disabilities Committee
GPG	Gauteng Provincial Government
GPL	Gauteng Provincial Legislature
GRAP	Generally Recognised Accounting Practice
HC	Human Capital
HR	Human Resources
HRD	Human Resource Development
HRM	Human Resource Management
ICT	Information and Communication Technologies
ID	Identification Document
IEC	Independent Electoral Commission

IoD	Institute of Directorates
IP	Intellectual Property
IPMS	Integrated Performance Management System
ISS	Institutional Support Services
IT	Information Technology
JDA	Johannesburg Development Agency
JMPD	Johannesburg Metropolitan Police Department
JOC	Joint Operating Centre
KM	Knowledge Management
LAC	Legislature Acquisitions Council
LIASA	Library and Information Association of Southern Africa
LIMS	Legislature Information Management System
LoGB	Leader of Government Business
LR	Labour Relations
LSA	Legislature Service Act
LSB	Legislature Services Board
MAC	Members Affairs Committee
MAD	Members Affairs Directorate
M and E	Monitoring and Evaluation
MPL	Member of the Provincial Legislature
MTEF	Medium-Term Expenditure Framework
NCOP	National Council of Provinces
NEHAWU	National Education Health and Allied Workers Union
NIA	National Intelligence Agency
OCPOL	Oversight Committee on the Premier's Office and the Legislature
OD	Organisational Development
OHASA	Occupational Health and Safety Act
OSS	Operational Support Services
PCO	Parliamentary Constituency Office
PEBA	Programme Evaluation and Budget Analysis
PFMA	Public Finance Management Act
PPMS	Personnel Performance Management System
PPP	Public Participation and Petitions
PSOM	Public Service Oversight Model





PSTN	Public Switched Telephone Network
SADC	Southern African Development Community
SALSA	Secretaries Association of Legislatures in South Africa
SANGONET	South African Non-Governmental Organisation Network
SAP	Systems Applications Processes
SAPS	South African Police Services
SCOPA	Standing Committee on Public Accounts
SDA	Skills Development Act
SETA	Sector Education and Training Authorities
SLA	Service Level Agreement
SLIS	Special Libraries and Information Sector
UNISA	University of South Africa
VoIP	Voice-over Internet Protocol



# YOUR VIEW ~ OUR VISION

The Gauteng Provincial Legislature (GPL) was established in 1994 in terms of the 1993 Interim Constitution of the Republic of South Africa. It now exists in terms of section 108 of the 1996 Constitution of the Republic of South Africa (Constitution). The GPL is an autonomous institution, empowered by the Constitution to make laws, oversee the performance of the provincial government, promote co-operative governance and carry out public participation for the electorate of the Gauteng Province. Since its establishment, the GPL has focused its energies on building an institution that gives effect to its constitutional mandates. This has not been a static process. Increasingly, the GPL had to gear itself to respond to broader developments within the national and provincial environment.

The GPL is located in a province characterised by a rapid process of transition, growth and development. South Africa's second decade of democracy has brought with it high expectations from the people of Gauteng, that the vision of a "Better life for all" will become a reality. In this context, there is an increasing expectation that the government will deliver on its promises through effective governance and service delivery. In line with this expectation, is the strategic choice of the GPL to be more visible and active in its role as the voice of the people. The GPL has chosen to assert its role as a key institution of democracy. To achieve this, it has to, amongst other tasks:

- Deliver on its constitutional mandates;
- Position itself as the voice of the people;
- Ensure that the public understands its roles and functions;
- Harness, co-ordinate and motivate its internal resources; and
- Report and communicate its achievements to the people of Gauteng.

In view of the above, the GPL has accelerated its political mandate of mobilising social forces around public participation, whilst also transforming itself into an agent of change, and representing a democratic institution ready to discharge its key role in social transformation, by encouraging public participation in its core activities, thus soliciting the views of the electorate and ultimately converting this vision into reality.

## VISION STATEMENT

Fostering public pride and confidence in democracy and enhancing service delivery to the people of Gauteng.





# MISSION STATEMENT

In observing our constitutional obligations, the GPL will:

- Be a modern, dynamic African legislature of the 21<sup>st</sup> Century;
- Be a caring, responsive, activist and transformative legislature;
- Reflect the values, aspirations and cultures of South Africa;
- Be the most competent accessible, transparent and accountable legislature;
- Foster ethical and good governance;
- Attract, develop and retain skilled and professional staff;
- Create a conducive working environment for all diverse groups; and
- Recognise staff contributions, reward their achievements and provide a stimulating environment.

# CORE VALUES

WE BELIEVE IN AND STRIVE FOR:

<b>Moral Integrity</b>	Being honourable and following ethical principles;
<b>Goal Oriented</b>	Working diligently to achieve results;
<b>Team Work</b>	Being co-operative and working well with others;
<b>Courtesy</b>	Being polite and having respect for individual dignity;
<b>Development</b>	Encouraging the achievement of growth, learning and development;
<b>Economy</b>	Being responsible and careful in spending;
<b>Excellence</b>	Continuous improvement in performance and standards;
<b>Openness</b>	Being sincere and candid in discussions;
<b>Participation</b>	Involvement of everyone in decision-making processes;
<b>Social Equality</b>	No unfair discrimination, directly or indirectly against anyone, on one or more grounds, including race, gender, sex, class, pregnancy, marital status, ethnic or social origin, colour, sexual orientation, age, disability, religion, conscious belief, culture, language and birth; and
<b>Professionalism</b>	Being knowledgeable with a non-partisan positive attitude as well as proficient in executing duties.



# PREAMBLE TO THE CONSTITUTION

*"We, the people of South Africa,*

*Recognise the injustices of our past;*

*Honour those who suffered for justice and freedom in our land;*

*Respect those who have worked to build and develop our country; and*

*Believe that South Africa belongs to all who live in it, united in our diversity.*

*We therefore, through our freely elected representatives, adopt this Constitution as the  
supreme law of the Republic so as to-*

*Heal the divisions of the past and establish a society based on democratic values,  
social justice and fundamental human rights;*

*Lay the foundations for a democratic and open society in which government is based  
on the will of the people and every citizen is equally protected by law;*

*Improve the quality of life of all citizens and free the potential of each person; and*

*Build a united and democratic South Africa able to take its rightful place as a  
sovereign state in the family of nations.*

*May God protect our people.*

*Nkosi Sikelel' iAfrika.*

*Morena Boloka setjhaba sa heso.*

*God seën Suid-Afrika.*

*God bless South Africa.*

*Mudzimu fhatutshedza Afurika.*

*Hosi katekisa Afrika."*





## SECTION I: FOREWORD AND LEGISLATIVE OVERVIEW

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# FOREWORD BY THE SPEAKER



It is an honour to present the *Annual Report of the Gauteng Provincial Legislature* for the financial year 2010/2011 to the people of Gauteng. The report covers the period 1 April 2010 to 31 March 2011. The report is a reflection of our on-going performance towards the achievement of our vision to build a GPL that is driven by the desire to represent and satisfy the political rights of the people of Gauteng. The political rights of the people include the right to petition the GPL, the right to participate in processes of law-making and oversight, and the right to be informed about the decisions of government that affect their lives.

The vision of the GPL is to foster pride and confidence in democracy and enhance government's ability to deliver services to the people of Gauteng. During the 2010/2011 financial year, we have worked tirelessly towards achieving this vision. We have improved our interaction with the

people of Gauteng through our oversight and public participation flagship project called Bua le Sechaba, a listening campaign through which our committees go into an identified community and convene meetings with all stakeholders, namely, the general public; local authorities; public representatives; visit service delivery sites such as hospitals; schools; police stations; Multi-Purpose Community Centres (MPCCs), *etcetera*, and thereafter, compile a report on their engagements and findings. These reports form part of the committees' quarterly and annual reporting process for tabling and debating in the House, and the resolutions have been referred to affected departments for implementation.

Through this approach, the GPL can now claim that it is in touch with the people and understands their needs. I wish to express my gratitude to the people of the Sedibeng region for coming out in their numbers and raising their issues during the Bua le Sechaba campaign of the Health and Social Development Portfolio Committee. We will continue to improve our on-going interaction with the people of Gauteng through this campaign and many other interactive avenues that are being explored. We believe that the relationship between the GPL and the people of Gauteng will grow from strength to strength.

The democratic state, including the GPL, has created many platforms and vehicles to encourage people who may be disgruntled, to raise their voices and be heard. The Constitution of the Republic of South Africa, Act No. 108 of 1996, (Constitution) guarantees every citizen the right to express themselves with regards to the realisation of their interests. However, it is disconcerting that a minority in our communities continue to act outside of the democratic processes, by engaging in acts of violence such as burning houses of councillors and vandalising state property, using their right to demonstrate as an excuse. Whilst the right to demonstrate is respected, violent protests amount to criminal activities that undermine our hard-won democracy, and this should not be tolerated in Gauteng. We encourage the people of Gauteng to use the petitions system of the GPL to raise their concerns and seek solutions. These processes are available to them to communicate with their public representatives.

There is national consensus that legislatures must improve their oversight function over the Executive by ensuring that the various government departments account to the people for their actions. The GPL is doing well in this regard in that all departments now submit their quarterly financial and non-financial performance reports to the GPL for scrutiny and reporting



by our committees. In turn, our committees report their findings to the House on the performance of the departments. This is an important oversight gain in that committees use this reporting requirement as early warning signs, and are thus able to intervene on time where required.

The *House Standing Rules* have been improved in order to make the debates more exciting, and to further improve the accountability of the Executive. The resolutions that are passed in the House increasingly focus on issues of service delivery, and indicate the intention of the GPL to improve the quality of the services delivered to the people of Gauteng.

The GPL continues to interact with other parliaments of the world by, among others, participating in international bodies such as the Commonwealth Parliamentary Association (CPA) and the National Council of State Legislatures. There is on-going learning and sharing of best practices with other parliaments on the continent and beyond. Our oversight methodology, Programme Evaluation and Budget Analysis (PEBA), received international recognition with more parliaments expressing an interest to learn more about it, demonstrating that our pioneering work in the legislative sector continues to grow locally and abroad.

As a result of this good international relations work, the GPL has accepted the invitation to host the CPA Africa Regional Conference and the Inaugural CPA Africa Regional Youth Parliament in 2012. We believe that through these processes, we are contributing towards strengthening democracy by participating in initiatives to create a better Africa and a better world. The Speaker of the GPL has been appointed by the National Speakers' Forum to spearhead the development and implementation of a sector-wide oversight model across all legislatures in South Africa. During the 2011/2012 financial year, road shows to promote the sector's oversight model will be implemented as part of promoting the model and enabling other legislatures to implement it in the 2012/2013 financial year.

As the pioneer in the establishment of the Legislature Services Board (LSB) within the sector, we will, in the 2011/2012 financial year, call for additional nominations for external Board members who will serve on our LSB. The additional external members of the LSB will not only add value to our governance processes, but will position the GPL as a truly transparent organisation that conforms to *King III Report* requirements. The Legislature Services Act (LSA) will also be amended in order to align it to the provisions of the Financial Management of

Gauteng Provincial Legislature Act No. 7 of 2009 (FAMLA).

The implementation of FAMLA will be strengthened through an on-going training programme for all stakeholders. This Act provides a dynamic opportunity to take a quantum leap in improving financial management practices. A major milestone of this piece of legislation is the regularisation of a consultative process between the Speaker and the MEC for Finance on the funding requirements of the GPL. This will ensure that the GPL is adequately funded and is effective in implementing its strategic plan with the necessary resource allocation. The Act also enhances the recognition of the GPL as an autonomous organ of state.

Looking ahead, the GPL will focus on consolidating relations with Institutions Supporting Democracy (ISD). Great strides have been made in our relations with the Public Service Commission (PSC); the Auditor-General (AG); the Independent Electoral Commission (IEC); and the Finance and Fiscal Commission (FFC). In addition, we will pursue formal relations with the Office of the Public Protector; the Human Rights Commission and the Gender Commission. The work of the GPL overlaps significantly with the mandate of these Chapter 9 institutions, and working with them will enable us to be more effective, enhancing the execution of our own mandates.

We will be pursuing relations with Gauteng-based institutions of higher learning in our efforts to develop collaboration in the areas of research; knowledge development; and management. These institutions possess a wealth of information that is very useful for our constitutional mandates. We are committed to working with, and for the people of Gauteng to create a "Better life for all", and ensuring that Gauteng is a better place to live in. Unlike marathon runners who eventually get to the finishing line, our commitment as the GPL is to be like sprinters, and to sprint in the right direction.

I thank you

**LINDIWE MASEKO**  
SPEAKER OF THE GAUTENG PROVINCIAL LEGISLATURE





# LEGISLATIVE OVERVIEW

## CORPORATE GOVERNANCE STATEMENT

### LEGISLATURE SERVICES BOARD

The Legislature Services Board (LSB) was established in terms of the Legislature Service Act No. 5 of 1996. The Board of Directors is appointed in terms of section 4(1) of the Act, and comprises the Speaker of the GPL who acts as Chairperson of the Board; the Deputy Speaker; Chairperson of Committees; Leader of the Democratic Alliance; Leader of the Congress of the People; the Secretary to the Gauteng Provincial Legislature (Secretary); Chairperson of the Audit and Risk Committee; and the Chief Financial Officer. To ensure its efficient operation, and in compliance with best practice and legislative requirement, the Board has appointed a Board Secretary to assist the organisation in carrying out its mandates on behalf of the Board.

### ROLE AND FUNCTION OF THE BOARD OF DIRECTORS

The LSB is ultimately responsible and accountable for the affairs and performance of the GPL and for ensuring the sustainability of the institution. The role of the Board includes but is not limited to the following:

- Ensuring that appropriate systems and procedures are in place to enable the GPL to conduct its business in an honest, ethical and responsible manner;
- Ensuring that effective audit, risk management and compliance measures are in place;
- Reviewing, assessing and guiding management in setting

group strategy and business plans;

- Reviewing and approving strategic plans, policies and operating budgets as well as monitoring financial performance and expenditure; and
- Ensuring accurate, concise, transparent and timely reporting.

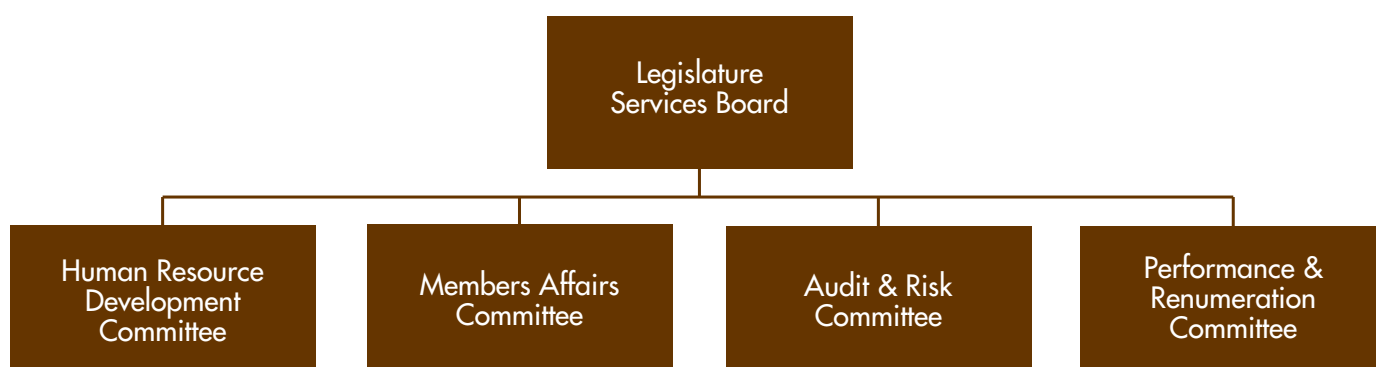
The Board executes its responsibilities by delegating authority to Board committees and management. The functions of the Board committees are described comprehensively in the Terms of Reference of these committees. Powers delegated to management are prescriptive and controlled through the Delegations of Authority to include only limited financial decision-making capacity without prior approval by the Board.

The following are the committees of the Board:

- Human Resource Development Committee;
- Members Affairs Committee;
- Performance and Remuneration Committee; and
- Audit and Risk Committee.

Each committee is governed by its own charter, which determines its Terms of Reference. Meetings of the LSB and its committees are on an annual schedule, and the Board is

### LEGISLATURE SERVICES BOARD STRUCTURE





## THE LSB SUB-COMMITTEES COMPRISE THE FOLLOWING MEMBERS:

### Performance and Remuneration Committee:

Lindiwe Maseko: Chairperson, Steward Ngwenya, Lefokane Meshoe, Brian Goodall (Non-Executive Member) and Peter Skosana (Secretary to the Legislature).

### Human Resource Development Committee:

Steward Ngwenya: Chairperson, Uhuru Moiloa, Siphwe Mgcina, Joyce Pekane, Chwaro Setiloane (Non-Executive Member) and Peter Skosana.

### Members Affairs Committee:

Steward Ngwenya: Chairperson, Uhuru Moiloa, Valentine Mbatha, Brian Hlongwa, Jacqualine Mofokeng, Kenneth Batyi, Refilwe Mogale, Lefokane Meshoe, Moses Mayekiso, Glenda Steyn, Kate Lorimar, Bonginkosi Dhlamini, Rose Gudluza, Jaco Mulder and Peter Skosana.

**Audit & Risk Committee:** John Davis: Non-Executive Member – Chairperson, Mike Madlala, Refilwe Letwaba, Alwyn Martin (Non-Executive Member) and Peter Skosana.

required to conduct a minimum of 4 meetings per year, plus 2 special meetings. Committees make recommendations to the Board, which is the final decision-making structure on policy and strategic issues.

## APPOINTMENT AND INDUCTION OF DIRECTORS

Board members are the organisation's key decision-makers, and individual competence is therefore essential. In addition to their fiduciary duties in protecting GPL's assets, they must act with due diligence and skill, and are therefore, required to have a sound understanding of the business, and extensive knowledge of the organisation. The members of Board committees must have specialist business expertise in respect of the obligations assigned to them as mandated in the Terms of Reference.

Our directors are appointed on the basis of their proven individual track records in business, and wide-ranging expertise gained in different fields. In addition, gender and race are considered in order to reflect our provincial and national demographics. An orientation programme for new directors is in place to ensure that they are adequately trained, and have the required knowledge of the structure, of the institution, operations and policies, to enable them to fulfil their fiduciary duties and responsibilities. Continuous empowerment sessions on good governance are also part of the programme aimed at updating their skills and knowledge.

## FEES FOR NON-EXECUTIVE DIRECTORS

Only external members (Non-Executive Directors) receive a fee for their contribution as members of the Board and Board committees. Fee structures are recommended to the Board by the Chairperson of the Performance and Remunera-

tion Committee, based on market trends and levels of the remuneration of directors.

## THE CHAIRPERSON OF THE BOARD

**The following represents the core functions that the Chairperson fulfils:**

- The Chairperson manages the Board and provides overall leadership and strategic direction;
- Oversees the adoption of appropriate governance principles and implementation, at Board meetings, and that conflicts of interest are managed properly; and
- Ensures that the Board meets at least 6 times per year.

## BOARD EVALUATION

Annually, the Board carries out a self-evaluation process. The evaluation focuses on whether the Board is fulfilling its mandates as contained in the Board Charter as well as examining the Board's effectiveness. The conclusions from the evaluation are reviewed by the Board and, where appropriate, best practice recommendations are made and implemented.

## THE BOARD SECRETARY

The Board Secretary functions within the ambit of the Public Finance Management Act, No. 1 of 1999 (PFMA), *King III Report* and best practice notes, and provides corporate governance advice to the Board and its sub-committees including the Secretary to the Legislature. The Board Secretary reports and has unrestricted access to the Chairperson of the Board and the Chairpersons of all its committees, including the Secretary to the Legislature.





The Board Secretary's functions include the following:

- Providing information on legislation relevant to or affecting the organisation;
- Reporting at any meeting of the Board's committees on any failure to comply with relevant legislation;
- Ensuring that minutes of all LSB meetings and sub-committee meetings are properly recorded and resolutions communicated;
- Ensuring that the organisation submits an annual report on time;
- Ensuring that the organisation has systems and processes in place to address all corporate governance requirements; and
- Managing and facilitating the induction of the Board.

## GOOD CORPORATE GOVERNANCE

Governance is essentially about effective leadership based on an ethical foundation. Compliance takes place within the context of strong leadership and sound governance principles.

The LSB ensures that the GPL complies with all applicable laws and rules; and adherence to codes and standards. All these compliance responsibilities are very onerous, especially where the state is involved. This is exacerbated by the fact that different single provisions in laws, rules, codes and standards cannot be read in isolation, but need to be interpreted in the context of the entire scope of compliance applicable to the GPL.

The GPL has strived to ensure its alignment with the PFMA and *King III Report* on principles of good governance and improved accountability. In its endeavour to respond to, and prioritise financial management, the GPL created a piece of enabling legislation for the GPL called the Financial Management of Gauteng Provincial Legislature Act No. 7 of 2009 (FAMLA).

## MANAGEMENT OF RISK

The specialist intervention of managing risk is handled by an internal audit function that is outsourced by the GPL. In line with the PFMA and the *King III Report* on Corporate Governance, and FAMLA, internal audit provides the Audit and Risk Committee and the GPL management, independent and objective assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancement of the controls and processes.

During the year under review, the Board monitored the corporate governance review implementation plan based on the 10 key risk areas identified for effective corporate governance. One of the key strategic projects approved by the Board, which is part of building a responsive administration to the political imperatives, was the Turn-Around Strategy which resulted in a new organisational structure of the institution. The GPL completed a high level risk assessment process, which enabled the identification of the Top Ten high level material risks to which the institution was exposed, and accordingly evaluated the strategy for managing these risks. The outcome of this risk assessment was formally documented and approved by the Audit and Risk Committee, and subsequently, by the Board. The GPL also developed a Risk Register, based on the strategic priorities of the institution. The risk register informed the development of the Annual Internal Audit Plan, and the risk identification process within all streams, including action plans to mitigate such risks. The risk register now features as a standard agenda item of the Audit and Risk Committee, LSB and senior management meetings.

## FINANCIAL MANAGEMENT

The FAMLA was signed and promulgated on 2 November 2009. A task team constituted by the Secretary to the Legislature focused on its implementation. An implementation plan has been developed for subsequent recommendation and tracking by the Secretariat, and reporting on its progress to the Speaker as the Executive Authority and Chairperson of the Board.

The implementation of FAMLA has progressed well in terms of the quarterly reporting requirements to the Executive Authority. The initial implementation focused on the transitional arrangements as prescribed in Schedule 3 of the Act. Schedule 3 provides that as an interim measure, the GPL continues to comply with the applicable requirements of the PFMA and its regulations where necessary. Until new regulations, as required by FAMLA, come into effect, any policies, regulations or rules concerning the subject matter remain in force.

## DELEGATION OF AUTHORITY

The Board has delegated the management of the organisation to the Secretary to the Legislature, who functions with assistance from Executive Directors. In delegating these powers, the Board has imposed certain restrictions and conditions that they believe to be appropriate for the effective exercise of such delegated powers. The Board approves the delegation of authority annually, whereafter it can be varied or revoked as it deems fit. Having delegated power in this manner, the Board however still has the ultimate duty to monitor management's performance.



# OVERVIEW OF COMMITTEE WORK

## INTRODUCTION

The year under review was indeed a memorable year for South Africa, with the successful hosting of the 2010 FIFA World Cup, a first for the African continent. Whilst the euphoria of the Soccer World Cup captured the imagination of our nation, and certain business processes slowed down, the event did not prevent the GPL and its committees from continuing with their role of driving the implementation of the GPL's constitutional mandates of making laws, undertaking oversight, facilitating public participation and co-operative governance. This report highlights key achievements in the work of the committees during 2010/2011, and sets the tone for the 2011/2012 financial year and beyond.

The GPL has a total of 18 committees composed of Members of the Legislature (MPLs). These committees of the GPL are divided into portfolio and standing committees.

The committees approached their work in 2010/2011 with the mandate to increase oversight of government programmes to ensure the answerability of departments, and of the Executive, to the legislature, on service delivery and effective and efficient use of public resources.

To this end, the improved implementation of the GPL's oversight methodology, known as the Programme Evaluation and Budget Analysis (PEBA), was their main task. Secondly, committees were tasked to increase opportunities for the people of Gauteng to participate in law-making and oversight activities, and to be more visible in the various communities by convening their meetings in these communities; listening to the needs of the people, and creating mechanisms for feedback.

All committees have undertaken Focused Intervention Studies on selected government programmes in order to scrutinise whether government programmes are effective, efficient and economical, and also to determine whether these programmes are making an impact on the quality of life of the people of Gauteng.

The Office of the Chairperson of Committees has, in the year under review, provided strategic leadership to all the committees in oversight and law-making, ensured public participation, managed the internal and external stakeholders, and improved interaction and coordination with the National Council of Provinces (NCOP).

Committees of the House have however, not co-ordinated

their work with similar committees in the local government sphere effectively, and this weakness was in part as a result of variances in the configuration of committees between municipal councils and the GPL. There is however, more confidence in the unfolding municipal systems, and hopefully, this process will result in a complete separation of powers and functions between the Executive and Councils, going forward.

## OVERSIGHT WORK

The oversight model of the GPL provides for committees to scrutinise the work of the departments at various stages, namely:

- The Appropriation Bill stage where departments submit their proposed budgets for approval by the GPL;
- The performance reporting stages where the departments submit their quarterly and annual performance reports to the GPL; and
- Through Focused Intervention Studies.

There has been increased implementation of the oversight model in the year under review. The gains are measured by the increased resolutions of the House that are focused on service delivery, and also improved capacity of the state to dispense its constitutional mandates.

The focus on service delivery issues by our committees is an indication that they are doing more to monitor services delivered to the people of Gauteng. It is however, worth noting that more work is required to measure the satisfaction levels of the people in respect of services delivered by the respective government departments, and to match these with the performance reports from the departments. The implementation of results-based planning to enhance the GPL's PEBA and the full implementation of the GPL Monitoring and Evaluation System will ensure improvement of the evaluation of impact of government programmes in Gauteng.

The increased submission of quarterly performance reports by departments to the GPL, and the subsequent reporting to the House regarding Gauteng Provincial Government (GPG) departmental submissions, is an indication of the improved implementation of our oversight role.

Increased efforts will be devoted to create sufficient time



in the GPL's programme for debate on these performance reports. Quarterly reports can serve as early warning signs, and are useful for committees to identify potential challenges and the required interventions where appropriate. This will require committees to pay sufficient attention to departments' efficiencies with regard to the alignment of inputs to outputs in order to achieve pre-determined outcomes. The outcomes-based mid-term budget cycle of government, and the annual performance plans, will assist committees of the GPL to exercise more robust oversight in respect of the GPG departments.

In addition, the Office of the Chairperson of Committees led by the Leadership and Governance Programme headed by the GPL Speaker, has developed committee-specific budgets to ensure that chairpersons, working together with committee support staff, take more responsibility for ensuring that expenditure is based on the Annual Performance Plans (APP) of committees, which is informed by the strategic goals of Presiding Officers, the strategic plan of Chairpersons of Committees and individual committees' strategic plans.

The role of the Office of the Chairperson of Committees, in collaboration with budget planning in the Office of the Chief Financial Officer, is to monitor the expenditure patterns, and ensure that committees spend according to their strategic plans. This will determine whether the ultimate objectives of committees are achieved, that is, an improved evaluation of the performance of committees, and how this improve-

ment positively impacts on its oversight work in relation to the Executive. It must ultimately answer the question of whether government delivery programmes achieve a positive outcome and impact on the quality of life of the people of Gauteng.

## RECOMMENDATIONS ON THE OVERSIGHT FUNCTION

Committees continuously seek ways to improve their oversight work, and will in the forthcoming financial year, pursue the following:

- Improved public participation in committee work to enhance oversight work. In this regard, committees will be required to convene sector forums wherein organisations of civil society make meaningful inputs into the budgets and annual reports of departments.
- Develop a procedure for the GPL to amend programmes of the government as expected by the Constitution, section 119 (3) which states:
  - "A provincial Act must provide for a procedure by which the provincial legislature may amend a Money Bill." This law will give the GPL the power to change the budgets of departments when it has been established that such budgets will not address the needs of the people of Gauteng.

The GPL committees developed mandates for the following NCOP legislation:

Bill No.	Short Title	Introduced in Parliament	Negotiating Mandate	Final Voting Mandates
4-2010	Division of Revenue	17/2/ 2010	17/3/2010	24/3/2010
5-2010	Social Assistance	2/3/2010	16/8/2010	24/8/2010
9-2010	Black Authorities Act Repeal	21/4/2010	26/10/2010	2/11/2010
15D-2010	Independent Police Investigative Directorate Bill	12/7/2010 ATC 73	27/10/2010	3/11/2010
16D-2010	Civilian Secretariat For Police Service Bill	12/7/2010 ATC 73	27/10/2010	3/11/2010
15D-2010	Independent Police Investigative Directorate Bill	12/7/2010 ATC 73	27/10/2010	3/11/2010
16D-2010	Civilian Secretariat For Police Service Bill	12/7/2010 ATC 73	27/10/2010	3/11/2010
B26B-2010	Higher Education & Training Laws A/B	27/7/2010 ATC 81	3/11/ 2010	18/11/2010
B35-2010	Division of Revenue A/B	27/10/2010 ATC 133	5/11/2010	10/11/2010
15F-2010	Independent Police Investigative Directorate Bill (76) Mediation Committee Amended Bill	12/7/2010 ATC 73 10/3/2011	27/10/2010	3/11/2010
16F-2010	Civilian Secretariat For Police Service Bill Mediation Committee Amended Bill	12/7/2010 ATC 73 10/3/2011	27/10/2010	3/11/2010
20B-2010	Sectional Titles Schemes Management Bill	22/7/2010 ATC	29/3/2011	19/4/2011
21B-2010	Community Schemes Ombuds Service Bill	22/7/2010 ATC	29/3/2011	19/4/2011
B4-2011	Division of Revenue Bill	23/2/2011 ATC 18	30/3/2011	6/4/2011





- Explore relations with information and knowledge management institutions with a view to leverage on their rich database to support oversight work.
- In the transition from output-based oversight, to an outcomes-based budgeting and performance audit of mandates of the GPL, the Auditor-General, and Leader of Government Business (LoGB) should meet to agree on reporting formats in pursuit of a common goal of achieving clean audit reports by 2014.

## LAW-MAKING

We have agreed at the beginning of the 2009 term, that we will develop laws that will enable a better life for the people of Gauteng. During the year under review, the GPL was presented with laws that, through its committees, were diligently considered and passed within the stipulated time periods. These were laws at provincial and national levels.

The following provincial laws were passed:

- i. Provincial Adjustment Act No. 1 of 2011; and
- ii. Gauteng Scrutiny of Sub-ordinate Legislation Act No. 2 of 2011; and the
- iii. Provincial Appropriation Act No. 3 of 2011.

## RECOMMENDATIONS FOR LAW-MAKING

- i. Committees are to improve their oversight of the implementation of laws that are applicable to their portfolios. The focus on the implementation of laws will also include the scrutiny of sub-ordinate legislation;
- ii. Committees are to use their oversight work to identify legislative gaps, and to subsequently initiate appropriate laws that will close such gaps;
- iii. Committee Members will be trained on the GPL law-making framework; and
- iv. The GPL must demand the implementation framework for the regulation of the funeral services industry with clear timeframes when the draft legislation will be presented to the House for consideration.

## CO-OPERATIVE GOVERNANCE STATEMENT

Committees supported one NCOP Provincial oversight visit, and one *"Taking Parliament to the People"* held in the Free State Province during the year under review. There is a need to give more thinking to how this programme should develop more coherent positions on matters affecting Gauteng, and

how these should be taken forward to influence the national planning processes.

There is a weakness of local government to engage on overlapping legislative matters undertaken by the GPL. The concern may be issues pertaining to particular co-operative governance framework, and a seeming loss of dependence. However, it is crucial that these issues are managed as the increased participation of local government in GPL legislative processes could accelerate the resolution of issues like unfunded mandates that local municipalities have to deal with. During the provincial week of the NCOP, the participation of the South African Local Government Association (SALGA) was however noted, with an agreement that it must be sustained and strengthened.

The Gauteng chapter of SALGA, and the Provincial Presiding Officers' Forum should be co-ordinated to ensure that the NCOP legislative agenda reflects service delivery matters affecting the Gauteng Province.

## PUBLIC PARTICIPATION

The mandate of committees on its public participation function is to seek the views of broad sectors of the people of Gauteng, especially the ordinary public and vulnerable groups during the various legislative processes.

During the year under review, the Committee of Health and Social Development implemented the Bua le Sechaba listening campaign in Sedibeng, where the concerns of people on matters of health were heard. Local authorities and health officials were held to account to the people on the quality of services rendered, and health facilities such as hospitals and clinics were visited by the committee for on-site monitoring of service delivery.

The success of this flagship project, which included a feedback campaign, has heralded a new era of public participation and oversight in the GPL. In addition to the above, committees in general continue to invite their stakeholders to their meetings, and to also reflect issues raised by the public in their reports. The decision by the Portfolio Committee of Education to have a similar campaign was postponed due to the public service strike, however, this decision will be revisited in the 2011/2012 financial year.

The pioneering work of involving people in the GPL's work is intended to ensure that the people inform the policy-making processes of the GPL. It is a fact that more works is required to refine and expand our public participation processes in order to improve its effectiveness.





## RECOMMENDATIONS ON PUBLIC PARTICIPATION

Committees will continue to create more opportunities for the people of Gauteng to actively participate in processes of governance. In this regard, the GPL has revised its Public Participation Strategy with a view of focusing on the following:

- i. Empowering people to participate more meaningfully in the legislative processes through targeted public education programmes and production of relevant material;
- ii. Piloting Sector Forums as a mechanism for facilitating the inputs of organised formations in the policy-making process of governance; and
- iii. Implementing additional Sector Parliaments, namely, Children's Parliament; Workers' Parliament; People with Disabilities' Parliament and Faith-based Formations' Parliament. This will be in addition to the existing Women's, Youth's and Elderly Peoples' Parliaments.

## GPL PETITIONS SYSTEM

The GPL adopted the Gauteng Petitions Act, No. 5 of 2002, in line with section 118 of the Constitution. The Act provides for any individual or groups to petition the GPL on any matter within the legislative authority of the province. During the year under review, the province experienced service delivery protests in areas such as Diepsloot, Zandspruit, Boiketlong, and more attention needs to be paid to our public education programme and how the GPL interacts with communities to eliminate what, in some instances, develops into violent protests and the destruction of public property.

The Office of the Chairperson of Committees is concerned that the e-Petitions system of the GPL has not delivered dividends in relation to the investment made to implement it. The opportunity cost of having a system that is not enhancing our public participation process may be contributing to lowering public confidence. In our efforts to build a participatory and representative democracy, more needs to be done in this regard.

## RECOMMENDATIONS ON THE PETITIONS SYSTEM

The Petitions Committee of the GPL, working with the Public Participation and Petitions Unit (PPP) unit should develop strategies to respond to the phenomenon of protests. This intervention should contribute to increased use of the petitions system, and a better response to petitions on the part of government and its agencies. The GPL will use the e-Petitions system as a mechanism to fast-track the submissions of petitions through an SMS and e-mail system, among other measures.

## BENCH-MARKING

Bench-marking exercises are informed by the GPL Policy on Study Tours, conferences and inter-legislature visits. In line with policy, all 5 Manifesto Priority Committees had undertaken the bench-marking exercises. Other committees either participated in the international conferences or inter-legislature visits. All committees have tabled their reports on international study tours to the House.

A review of the Study Tour Policy will, in the next financial year, revise the policy to improve the learning and sharing of best practices in the legislative sector.

A delegation led by the Chairperson of Committees and the Deputy Speaker of the GPL undertook a successful bench-marking tour to Brazil and Chile to study the application of effective monitoring and evaluation of legislatures over the Executive, and a report will be tabled soon in the House for consideration.

The Deputy Chairperson of Committees led a delegation to Australia to explore the committee inquiry process and management within the context of oversight.

Whilst bench-marking is an important element of policy development and implementation, more thought needs to be given to ensure the effectiveness of the approach taken to implement these learning opportunities. The schedule already exists pertaining to when a committee can undertake an international study tour and inter-legislature visits.

## RECOMMENDATION ON STUDY TOURS

The GPL should develop an improved mechanism to ensure that study tours do not duplicate existing research, and where possible, should co-ordinate these through the offices of the chairpersons of committees across the country. It is necessary to improve co-ordination with other spheres of the state and legislatures.

## COMMUNICATION

Through the Office of the Deputy Speaker, the Office of the Chairperson of Committees initiated a training programme on media and communication in the year under review, to ensure increased and more effective communication by chairpersons of committees as spokespersons of their respective committees. The following committees have made progress in this regard: Standing Committee on Public Accounts (SCOPA); Gender, Youth and People with Disabilities (GEYODI); Health and Social Development; Local Government and Housing; and Petitions. There is still much to be done to ensure that all the chairpersons are indeed spokespersons of their committees.



## CONCLUSION

The Speaker congratulates the Office of the Chairperson of Committees and Members of committees for their sterling work during the year under review. The report demonstrates the GPL's resolve and commitment to be an activist legislature that continues to represent the interests and views of the people of Gauteng.

There has indeed been an improvement with regard to committee reports, and in the work of support staff within different committees, and this has to be acknowledged.



## OFFICE BEARERS



**Speaker**  
Lindiwe Maseko



**Deputy Speaker**  
Steward Ngwenya





# OFFICE BEARERS



**Chairperson of Committees**  
Uhuru Moiloa



**Deputy Chairperson of Committees**  
Valentine Mbatha



**Chief Whip**  
Brian Hlongwa



**Deputy Chief Whip**  
Jacqueline Mofokeng



**Leader of Government Business**  
Ntombi Mekgwe





# CHAIRPERSONS OF PORTFOLIO COMMITTEES



**Chairperson**  
Nokuthula Sikakane  
Agriculture and Rural Development



**Chairperson**  
Sizakele Malobane  
Community Safety



**Chairperson**  
Anthony Selepe  
Economic Development



**Chairperson**  
Mamonare Chueu  
Education



**Chairperson**  
Anthony Hope Papo  
Finance



# CHAIRPERSONS OF PORTFOLIO COMMITTEES



**Chairperson**  
Molebatsi Bopape  
Health and Social Development



**Chairperson**  
Errol Magerman  
Local Government and Housing



**Chairperson**  
Joachim Boers  
Infrastructure Development



**Chairperson**  
Nomantu Nkomo-Ralehoko  
Roads and Transport



**Chairperson**  
Nompoti Nhlapo  
Sports, Arts, Culture and Recreation





# CHAIRPERSONS OF STANDING COMMITTEES



**Chairperson**  
Lindiwe Maseko  
Rules and Programming



**Chairperson**  
Godfrey Tsotetsi  
Oversight Committee on the Premier's  
Office and the Legislature



**Chairperson**  
Sipho Makama  
Public Accounts



**Chairperson**  
Steward Ngwenya  
Privileges and Ethics



**Chairperson**  
Refilwe Letwaba  
Scrutiny of Sub-ordinate Legislation



**Chairperson**  
Jacob Khawe  
Petitions Committee



**Chairperson**  
Lindiwe Lasindwa  
Committee on Gender, Youth and People with Disabilities





# WHIPS AND LEADERS OF POLITICAL PARTIES



**Chief Whip**  
Brian Hlongwa  
ANC



**Deputy Chief Whip**  
Jacqueline Mofokeng  
ANC



**Programming Whip**  
Lebogang Maile  
ANC



**Constituency Work Whip**  
Kenneth Batyi  
ANC



**NCOP Whip**  
Refilwe Mogale  
ANC



**Official Opposition Party Leader**  
Jack Bloom  
DA



**Chief Whip of the Official Opposition Party**  
Glenda Steyn  
DA



**Party Leader**  
Lyndall Shope-Mafole  
COPE



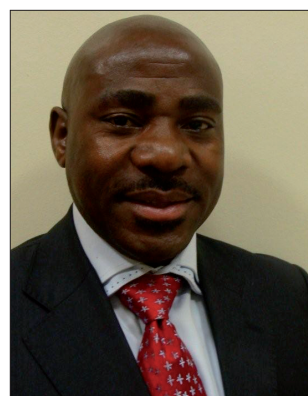
**Party Leader**  
Frederick Mulder  
VF+



**Party Leader**  
Lydia Meshoe  
ACDP



**Party Leader**  
Rose Gudlhuza  
ID



**Bonginkosi Weslely Dhlamini**  
Party Leader  
IFP



## OFFICIAL OPENING, JOHANNESBURG FEBRUARY 2011

**FRONT ROW FROM LEFT:**

JC Moodey (Leader of the opposition); I Vadi (MEC); H Mmemezi (MEC); NF Mazibuko (MEC); BS Nkosi (MEC); BD Creecy (MEC); NP Mokonyane (Premier); LM Maseko (Speaker); S Ngwenya (Deputy Speaker); QD Mahlangu (MEC); GM Nkomfe (MEC); N Mekgwe (MEC); L Maile (MEC); N Mayathula-Khoza (MEC); B Hlongwa (Chief Whip)

**SECOND ROW FROM LEFT:**

VP Skosana (Secretary to the Legislature); J Khawe; N Ndaba; LL Meshoe; Rose Gudlhuza; M Madlala; LF Shope-Mafole; N Sikakane; MF Bopape; AHM Papo; JM Mofokeng; EV Magerman; MP Chueu; UJ Lasindwa; AD Selepe; NL Nhlapo; CG Tsotetsi; N Nkomo-Ralehoko; R Mogale; ES Malobane

**THIRD ROW:**

NP Mbatha-Mthimkhulu; SV Khumalo; D Feldman; B Modise; JB Bloom; TS Wessels; CS Nkhi; BVW Dlamini; JH Boers; K Ndzipho; MA Mgcina; CS Motau; NG Campbell; KN Ramulifho; M Mayekiso; TVW Nkabinde; ME Xayiya; DZS Senokoanyane; RN Ndzuta; WV Mbatha; D Montitsi; N Kolisile; AM Moeng; BL Abrahams; ZK Batyi; UD Mailoa

**FOURTH ROW:**

MS Moriarty; FJ Mulder; GJ Steyn; LB Labuschagne; Dr G Lewis; TCR Walters; HJL Kruger; FP Nel; J Sample; KL Lorimer; PSR Willemburg; RS Letwaba; S Makama; EK Mosunkutu





## SECTION II: EXECUTIVE SUMMARY BY THE SECRETARY TO THE GAUTENG PROVINCIAL LEGISLATURE

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# EXECUTIVE SUMMARY



## INTRODUCTION

The *Annual Report* for the financial year, 2010/2011, represents work in progress towards the implementation of the Strategic Plan, 2009/2014. The report reflects the on-going work undertaken by both MPLs and the staff to create an activist legislature that is responsive to the needs of the people of Gauteng. We note that the year under review was the most memorable for many South Africans because of the successful hosting of the 2010 FIFA World Cup. The event demonstrated the capacity of South Africa to successfully host international events.

The 2010 FIFA World Cup highlighted the importance of sport in nation-building. The work of the GPL continued without hindrance, amidst the hype and festivities of the event. In addition, the report indicates increased public participation in our legislative processes as a result of concerted efforts to make the GPL accessible to the people of Gauteng. The report indicates an increase in oversight in the work of the Executive, supported by House Resolutions that sought to improve the quality of services delivered to the people of Gauteng.

Lastly, the report shows the need to improve our law-making processes, and in particular, the need for MPLs, to initiate laws and to ensure that all laws passed by the GPL are geared towards the enablement of improved livelihoods of the people of Gauteng.

## OVERSIGHT AND SCRUTINY

During the year under review, the GPL focussed on increasing the implementation of PEBA by all committees. To this end, the following achievements have been recorded:

- All committees considered and reported on the quarterly performance of departments;
- More resolutions of the House were focussed on service delivery issues; and
- More committees undertook oversight visits to service delivery sites, such as roads, hospitals and schools.

As a result of these concerted efforts to implement our oversight responsibilities, there has been an equally increased accountability by departments and MECs. The oversight work of the GPL will continue to improve as we implement the Committee Inquiries and the revised *Standing Rules*.

## PUBLIC PARTICIPATION

The GPL is constituted by elected representatives of the people of Gauteng, and its primary responsibility, is to work towards fulfilling the aspirations of the voters. In response to the expectations of the people of Gauteng, the GPL successfully rolled out the Bua le Sechaba listening campaign in Sedibeng. Through this listening campaign, concerns and issues of people were taken up by their elected representatives, and raised in the House during debates. In this way, we can truly claim that we represent the interests of people, thus, implementing our motto, "Your View - Our Vision". We have ensured that the participation of the people of Gauteng in our oversight and law-making processes was meaningful. To this extent, committee reports highlight issues raised by the people.

The GPL also implemented Sector Parliaments for various vulnerable groups, such as Youth and Women. The resolutions of Sector Parliaments are referred to our committees for reporting and debating in the House. In this regard,





House resolutions are crafted to address the various issues and concerns raised by people in all public participation processes. As we continue to improve access to the institution by vulnerable groups, we are resolute in our commitment to seek additional mechanisms to increase the voice of the people. For example, in 2012, we plan to pilot Sector Forums, as well as increase our public education capabilities as part of empowering the people of Gauteng.

## LAW-MAKING

As part of our efforts to improve law-making in the province, we have commissioned research on the Socio-Economic Impact of Laws Passed Since 1994. Thereport is expected to provide an indication of the efficacy of the laws passed. All our committees convened public hearings, allowing the people of Gauteng to participate in our law-making processes. We are embarking on a campaign to empower MPLs to initiate new laws. This campaign is aimed at ensuring that we continue to respond to the needs of the people with legislation that empower them and enable them to improve their lives.

## STAKEHOLDER MANAGEMENT

### National and Provincial Speakers Forums

The GPL participated actively in SALSA, and has been appointed by the sector to develop and lead the implementation of the Sector Oversight Model. Our staff members participate in various forums, such as the Committee Staff Forum; Knowledge Management Forum; Legal Advisors Forum; Public Participation Forum; Table Staff Forum; CFO Forum; ICT Forum; and the Monitoring and Evaluation Forum. The aim in such participation is to exchange best practices and serves as a conduit for a learning and knowledge building process.

The GPL continues to host dignitaries, other legislatures, and researchers who are keen to learn about our oversight methodology. In the year under review, we have hosted regional; national; and international visitors from China; USA; and other African countries. We have also embarked on study tours to other countries to learn about long-term planning; monitoring and evaluation; and committee inquiries. We have participated in international conferences where our researchers presented papers on topical issues.

Our work on stakeholder management will increase in the coming years to include establishing relationships with Insti-

tutions Supporting Democracy (ISDs); institutions of higher learning; and business organisations. Partnerships with these institutions will enhance the capacity of the GPL to implement its mandates.

## REVENUE GENERATING STRATEGY

In trying to supplement our budget, the Secretariat approved the Revenue Generating Strategy to enable the GPL to generate additional revenue.

- The City Hall has been hired out to the public;
- The parking bays in Harry Hoffmeyr parking have been leased;
- The building has been hired out to movie and advertising production agencies;
- Mondi Paper Recycling has also been appointed to collect waste papers.

## LEADERSHIP AND ORGANISATIONAL DEVELOPMENT

The GPL is dedicated to fostering Members and staff's skills development.. We trained all levels of management on leadership principles as part of preparing for the implementation of the GPL leadership programme. We also assessed the impact of the GPL Turn-Around Strategy with the view of improving systems, processes and policies of the GPL as a learning organisation.

We have rolled out FAMLA in pursuance of improved financial management practices. Through this process, every official is accountable for applying financial and risk management in their area of responsibility. A major milestone of this legislation is the regulation of a consultative process between the Speaker and the MEC for Finance on the funding requirements of the institution. This will ensure that the GPL is adequately funded to fully implement its strategic plan with the necessary base line allocation. FAMLA also enhances recognition of the GPL as an autonomous organ of state. The effect of FAMLA will have marked results in Financial Management Policy, making the GPL a leader in the legislative sector in terms of financial reforms. The legislative framework reflects the world's best practice in financial management.





# EXECUTIVE SUMMARY

We have adopted a Collaboration Strategy which provides for all units of the GPL to work in an integrated manner towards supporting the House and its committees. We have commissioned internal capacity to learn and share best practices on M and E for the implementation of our M and E framework. We believe all of the above initiatives will enhance our capacity to provide an effective service to MPLs, enabling improved service delivery to the people of Gauteng.

## FINANCIAL MANAGEMENT

The adopted Risk Management Strategy provided a framework for governing and managing the affairs of the GPL to identify; manage; control; reduce; and eliminate business; financial; and operational risks that may affect the performance of the GPL adversely. The strategy is further used to direct internal audit efforts and priority, and to determine the skills required of managers and staff to improve controls and to manage these risks.

Aligned to the Risk Management Strategy, the GPL conducted a strategic risk assessment session for the 2010/2011 period, and subsequently the Top Ten strategic risks were identified and strategies were developed for implementation to mitigate the risks identified. Progress was monitored on a monthly basis and reported to the Audit & Risk Committee on a quarterly basis.

The Internal Audit function of the GPL continued to operate in line with the approved terms of reference and associated service level agreement, based on the requirements of FAMLA, and the standards for the Professional Practice of the Institute of Internal Auditors..

Internal audits were performed on critical risk areas as reflected on the approved internal audit coverage plan, to determine the adequacy and effectiveness of the internal controls. The outcome of the internal audit reviews was regularly reported to Management; Risk Management Committee; and the Audit & Risk Committee in terms of the Internal Audit Charter and associated service level agreement.

The Fraud Prevention Committee took responsibility for the implementation of the Fraud Prevention plan within the GPL. Comprehensive progress has also been made on the implementation strategy of the Fraud Prevention plan. To introduce the new fraud reporting hot line, a fraud awareness workshop

was also held at the end of the 2010/2011 financial year. The GPL staff was encouraged to utilise the fraud hotline in reporting fraud. Further workshops are planned for the new financial year.

The Office of the Auditor-General has executed the 2010/2011 audit in terms of the approved Audit Strategy. The audit was finalised during July 2011 and the GPL received an unqualified audit opinion with no matters reported.

## HUMAN RESOURCE MANAGEMENT

In the year under review, the GPL had a staff complement of 341, comprising 194 women and 147 men. There are 5 women in senior management; constituting 45% of senior management; and 35% in middle management. There were 5 people living with disability which constituted 1.46% of the staff complement. Two-hundred-and-thirteen staff members were trained. The total cost of training was R1 806, 402.31.

## CONCLUDING REMARKS

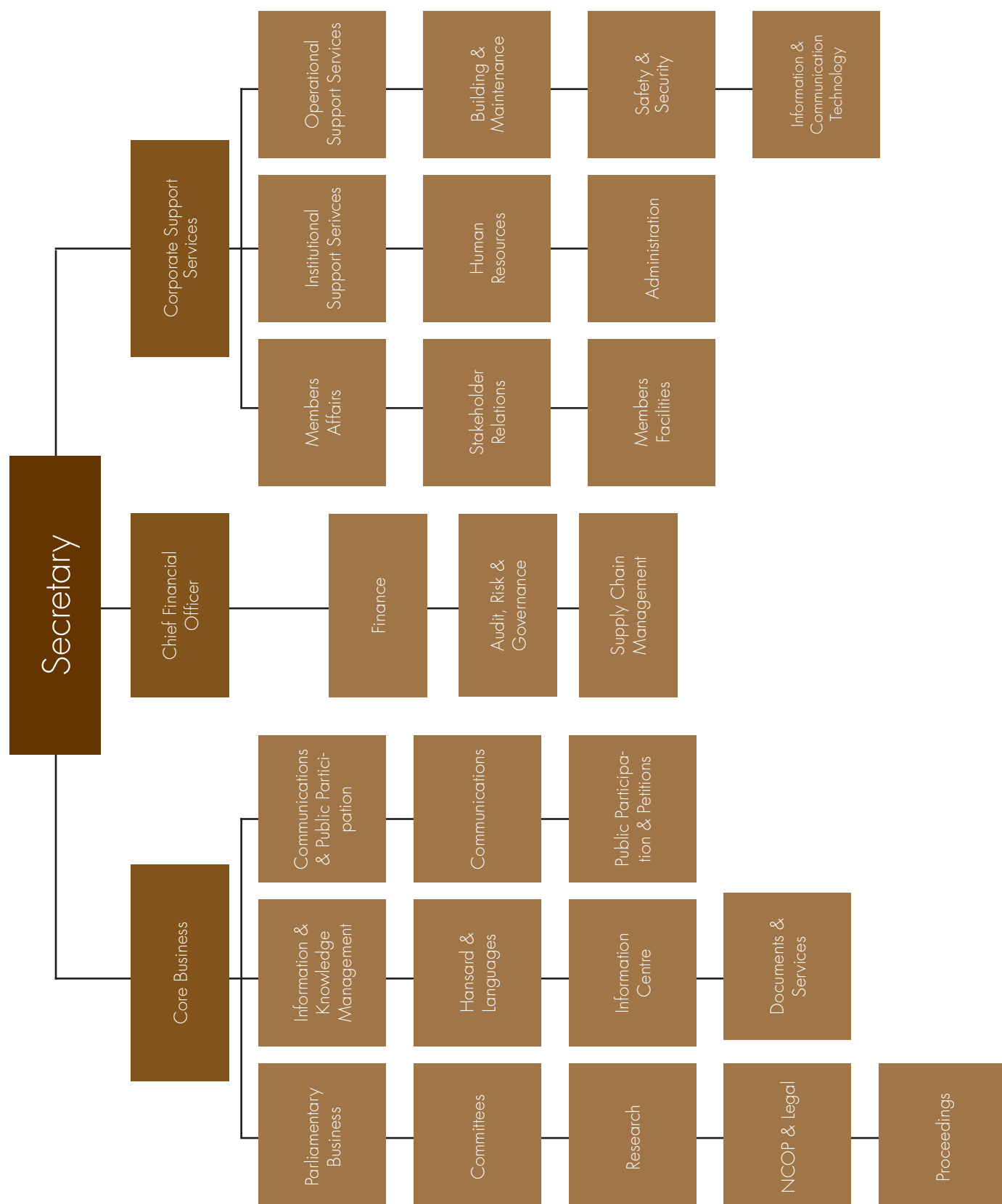
Whereas significant progress has been attained, we have no illusion regarding the amount of work that lies ahead. As an organisation that represents the aspirations and needs of the people of Gauteng, our responsibility goes beyond advocating on their behalf. We are charged with the responsibility of effectively reducing poverty, improving access to quality health services and education, creating safe communities where the children are protected and job opportunities are created for the youth of the province.

The above tasks require us to continue improving our work towards achieving the constitutional mandates of law-making, oversight and public participation.

**VRP SKOSANA**  
**SECRETARY TO THE LEGISLATURE**



# ADMINISTRATION STRUCTURE









## SECTION III: PROGRAMME PERFORMANCE INFORMATION (Non-financial reporting)

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# PROGRAMME 1: LEADERSHIP AND GOVERNANCE

## 1. PURPOSE

The purpose of the Leadership and Governance Programme is to provide strategic direction and leadership to the institution to ensure the execution of its obligations, as well as to build relations and partnerships with other parliamentary institutions, legislatures and other spheres of government. Programme 1 provides strategic leadership to the Legislative Services Board (LSB), Presiding Officers and Office Bearers to ensure delivery of political mandates.

## 2. KEY FUNCTIONS

The key function of the Leadership and Governance Programme is to manage and co-ordinate the:

- Development and implementation of the institutional strategy and budget;
- Development and implementation of the legislative programme;
- Optimal functioning of the House;
- Review and implementation of *Standing Rules*;
- Optimal functioning of the LSB;
- Development and maintenance of inter-institutional relations and partnerships as well as facilitation of co-operative governance;
- Promotion of nation building and good governance;
- Mobilisation of diverse societies in an all-embracing effort to build a sense of shared destiny and common citizenship;
- Mobilisation of civil society to participate in the GPL through public participation programmes;
- Participatory law-making process and effective oversight and governance of the province;
- Strategic management of committees and programmes;
- Political management of the Committee of Chairpersons and committees;
- Implementation of Committee Inquiries;

- Implementation of PEBA;
- Implementation of the ministerial accountability;
- Strategic co-ordination of the GPL's interaction in the NCOP;
- Provision of effective and efficient services to MPLs;
- Training and development programme for MPLs to effectively carry out the mandates of the GPL;
- Functioning of the Office of the Integrity Commissioner;
- Performance assessment of senior management;
- Response to public policy issues; and
- Strengthening relations with political parties, MPLs and the Executive.

## 3. MEASURABLE OBJECTIVES

- To provide policy direction to the institution;
- To ensure effective and efficient functioning of the LSB;
- To ensure the development and implementation of the institutional strategy and budget plan;
- To ensure the development and implementation of the institutional strategy and budget plan;
- To oversee the effective implementation of the recommendations of the PEBA efficacy study;
- To ensure the implementation of Fixed Term Performance Management System;
- To develop and implement the M & E Framework to support the political mandates;
- To improve and build on the best practices of the GPL through bench-marking and liaisons with national and international bodies that are relevant to the legislative sector;
- To adopt a guideline to ensure best practices;





# PROGRAMME 1: LEADERSHIP AND GOVERNANCE

- To ensure best practices and impact on the GPL to be provided;
- To ensure learning and sharing knowledge with other legislatures and relevant institutions; and
- To ensure stakeholder management.

## 4. SUMMARY OF ACHIEVEMENTS

The Programme led planning processes of the institution resulting in the revision of the vision; mission; strategic objectives and values of the GPL. This reconfirmed the institution's alignment to its constitutional mandates. The Speaker's Budget Council was established during the year under review, in an effort to strengthen political leadership and management of all legislative processes. The Speaker's Budget Council further ensured that the budget is allocated in line with priorities as set out in the institution's annual performance plan. The Office of the Speaker led the programming of GPL business, resulting in the seamless co-ordination of oversight; law-making; public participation; and co-operative governance functions. As part of strengthening procedural services, the office commissioned and led the process of reviewing and adopting revised rules.

In an endeavour to uphold corporate governance in the institution, the LSB and its sub-committees conducted a study on the effectiveness of the LSB operations. The enhancement of administrative services; audit; risk; and financial management was ensured. The Members Affairs Committee led the review and adoption of the Study Tour Policy to enhance good governance in relation to inter-institutional visits. The Human Resource Development (HRD) sub-committee steered the evaluation of the implementation of the HRD Strategy. The institution continued to play a leading role in the legislative sector nationally. As part of sharing knowledge and best practices, as well as profiling the GPL, the Speaker presented a number of papers and lectures:

- Harvard University, Harvard Training Institute Government Planning, Policy Development and Implementation Conference, 2010;
- Imo State House of Assembly, Nigeria, West Africa – Public lecture on the oversight function of the GPL, Prospects and Challenges 11 June 2010;
- South Africa, National Parliament – Presentation on the participation of Parliament and legislatures in the

Commonwealth Parliamentary Association (CPA) and the CWP Forums; and

- A presentation of the GPL Oversight Model to the National Speaker Forum attended by the EU.

As part of implementing the Inter-Institutional Relations Strategy which is aimed at information and knowledge sharing, the office participated in the following:

- The National Conference of State Legislatures (NCSL) in Kentucky, USA;
- Undertook a Study Tour to China, Beijing to understudy the Chinese Growth and Development plan with a view of understanding the Legislative Responsibility on vision 2055;
- Presiding Officers and MPLs participated in the 41<sup>st</sup> CPA Africa Regional Conference – Nelspruit, Mpumalanga.
- Presiding Officers participated in the CPA international conference in Kenya.
- The office hosted a number of dignitaries, special visitors and delegations during the year under review as follows:
  - A delegation from Imo State – Nigeria;
  - A delegatoin from Kyunggi, South Korea;
  - A delegation of parliamentarians from Uganda;
  - NCSL delegation of women Legislators;
  - A delegation from the NCSL, USA; and
  - CPA Secretariat.

## Five (5) Committees undertook international study tours as follows:

- Health and Social Development;
- Agriculture and Rural Development;
- Education;
- Economic Development; and





# PROGRAMME 1: LEADERSHIP AND GOVERNANCE

- Community Safety.

## **Four (4) Committees undertook international conferences as follows:**

- Housing and Local Government (The International Social Housing Summit);
- Infrastructure Development (International Conference on Construction and Project Management);
- Public Accounts (Southern African Development Communities of Public Accounts Annual Conference); and
- Transport and Roads (3<sup>rd</sup> International Conference of Public Transport Financing).

The Office of the Speaker took the initiative to make a submission to the Seriti Commission on the improvement of benefits and remuneration of Public Office Bearers.

In promoting good governance and social responsibility, the Office of the Speaker implemented the following projects:

- The Speaker made a presentation to the IEC on the proposal on the number of seats for the GPL.
- The renovation of the Bombani home for abused women and children in partnership with Dimension Data;
- The office, together with the Chinese Consular-General and Hi-Sense, embarked on a social responsibility project in the Thabo Mbeki village, where 300 destitute families were provided food parcels;

- An amount of R15,000,00 was donated to Kwena Molapo high school, as well as a flat screen TV, DVD player and soccer balls;
- A further R15,000,00 has been set aside by Hi-Sense as a bursary for the best performing student;
- CPA Executive Committee (EXCO) meetings were held;
- CWP EXCO meetings were held;
- Chairpersons committee meetings were held;
- Provided political direction and co-ordinated the participation of MPLs, MECs including NCOP Members in the NCOP week;
- Contributed to the successful implementation of the Bua le Sechaba campaign for the Health and Social Development Committee;
- Finalisation of the performance assessment of the Secretary to the Legislature; and
- Staff meetings were held.

## **5. FINANCIAL MANAGEMENT**

The Programme reflects actual expenditure of R18.5million against an adjusted appropriation of R20.4million. The programme realised savings to the value of R1.8million due to the implementation of cost containment measures, such as the reduction in the utilisation of consultants and newspaper subscriptions.

# PROGRAMME 1: LEADERSHIP AND GOVERNANCE

Sub-Programme	Planned			Actual		Reasons For Deviation	Progress Towards Outcomes
	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target		
Office of the Speaker	To provide policy direction to the institution	<ul style="list-style-type: none"> <li>Strategic reviews of Presiding Officers, Chairpersons of Committees and support staff</li> </ul>	Number of reviews conducted	<ul style="list-style-type: none"> <li>Completed strategic reviews of Presiding Officers, Chairpersons of Committees and support staff</li> </ul>	<ul style="list-style-type: none"> <li>3 Strategic review sessions conducted</li> <li>Reviewed Presiding Officer's strategic plan and confirmed the Institutional strategic plan, strategic goals and objectives including the new vision and mission</li> </ul>	No deviation	Effective and efficient policy direction and implementation
	To ensure effective and efficient functioning of the LSB	LSB performance review	Report of the LSB performance reviews	1 LSB performance review completed	1 LSB Review conducted and report adopted by the LSB	No deviation	<ul style="list-style-type: none"> <li>Strengthened the functioning of sub-committees, reviewed the LSB Charters and</li> <li>Identified the need to amend the Legislature Services Act</li> </ul>
	To ensure the development and implementation of the institutional strategy and budget plan	Institutional strategy and budget developed and implemented	Strategy and budget adopted by relevant parties	Adopted strategy and budget	The institutional strategy and budget were completed and adopted	No deviation	GPL annual performance plans were implemented to achieve institutional objectives
		Legislative programme developed and implemented	4 Quarterly programmes submitted to the Programming Committee	Adopted GPL programme	4 Quarterly GPL programmes were adopted by the Programming Committee	No deviation	House sittings and committee business were conducted efficiently
		Tracking reports and procedural briefings	Number of tracking reports and procedural briefings	Tracking of all House sittings and targeted interventions on an <i>ad-hoc</i> basis and deal with specific non-optimal functions	4 Quarterly Tracking Reports received and procedural briefings conducted	No deviation	Effective management of House sittings and committee business
		<u>Standing Rules</u> developed and implemented	4 Meetings per annum and 4 sets of minutes	Revised <u>Standing Rules</u>	4 Rules Committee meetings were conducted and the rules were revised and adopted by the House	No deviation	<u>Standing Rules</u> were revised and adopted
		LSB meetings	Number of LSB meetings per annum	4 LSB meetings conducted	4 LSB meetings were conducted	No deviation	Effective monitoring of Institutional performance
		<ul style="list-style-type: none"> <li>Multi-party engagements and seminars</li> <li>Sector conference</li> </ul>	<ul style="list-style-type: none"> <li>Number of multi-party engagement report</li> <li>Number of sector conference reports</li> </ul>	<ul style="list-style-type: none"> <li>3 Seminars multi-party engagements</li> <li>2 Sector conferences attended</li> </ul>	Target not achieved	Lack of capacity in the Office of the Chairperson of Committees	The promotion of nation building and good governance



Planned					Actual	Reasons For Deviation	Progress Towards Outcomes
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target		
Office of the Speaker	To ensure the development and implementation of the institutional strategy and budget plan	Civil society mobilisation events for public participation programmes	Number of civil society mobilisation events	4 Public participation events with civil society	Presiding Officers and chairpersons attended 4 public participation events such as workshops, committee public hearings and media interviews	No deviation	Improved public participation and the profile of the Institution
		Committee oversight reports	Number of committee oversight reports	Departmental reports with recommendations adopted by the House Implementation of the recommendations of the PEBA efficacy study	Departmental reports with recommendations adopted in the House	No deviation	Improved oversight, accountability and transparency
	To oversee the effective implementation of the recommendations of the PEBA efficacy study	Study tour visits	Study tour reports	Study tours by various committees	<p>The following committees went on 13 Study Tours:</p> <ul style="list-style-type: none"> <li>• Agriculture: China &amp; Kenya</li> <li>• Education: Seychelles &amp; Canada</li> <li>• Economic Development: Italy &amp; Kenya</li> <li>• Safety Committee: Botswana &amp; Canada</li> <li>• Health &amp; Social: Germany &amp; France</li> </ul> <p>The following committees went on international Conferences:</p> <ul style="list-style-type: none"> <li>• Infrastructure Dev: Chengdu &amp; China</li> <li>• Local government &amp; Housing: Amsterdam</li> </ul> <p>The following committees went on national conferences:</p> <ul style="list-style-type: none"> <li>• Health &amp; Social: Durban</li> <li>• Public Accounts: Swaziland</li> <li>• OCPOL: Durban (DDP)</li> <li>• Finance: Durban (DDP)</li> <li>• Local government: Durban (DDP)</li> <li>• Petitions: Durban (DDP)</li> </ul> <p>For these study tour visits, 3 reports were submitted by Health &amp; Social for the Germany and France visits, Infrastructure Development for the Chengdu China visit and Health &amp; Social for the KZN visit</p>	Not all study tour reports were submitted by committees	Learning and sharing of best practices



Sub-Programme		Planned				Actual		Reasons For Deviation	Progress Towards Outcomes
Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target					
Office of the Speaker	To oversee the effective implementation of the recommendations of the PEBA efficacy study	Strategic management of committees and programmes	Annual programme for committees	Implementation of annual programme for committees	<ul style="list-style-type: none"><li>Annual programme for committees adopted by Presiding Officers</li><li>4 Quarterly programmes produced</li></ul>	No deviation	Effective management of committees		
		Meetings of the Chairperson of Committees	Number of meetings of the Chairperson of Committees and minutes thereof	All chairpersons review meetings conducted	4 Quarterly chairpersons review meetings were conducted	No deviation	Effective strategic and political management of committees		
		Attendance at National Chairpersons Forums	Number of National Chairpersons Forums attended	Participated in all National Chairpersons Forums	Chairperson of Committees and the Deputy Chairperson participated in 6 National Chairpersons Forum meetings	No deviation	<ul style="list-style-type: none"><li>Enhanced and strengthened oversight function</li><li>Contributed to the establishment of the National Chairpersons Forum</li></ul>		
		Law-making programmes and NCOP Bills	Number of law-making programmes and NCOP Bills	Strategic co-ordination of NCOP function	<ul style="list-style-type: none"><li>The House provided negotiating mandates to NCOP delegates for submission</li><li>NCOP delegates participated in the proceedings of NCOP and activities such as NCOP week and "Taking Parliament" to the People</li></ul>	No deviation	Improved co-operative governance		
		Developed a programme for MPLs	A training and development programme for MPLs	A training and development programme for MPLs developed and implemented	Annual MPLs training programme adopted and implemented	No deviation	Enhanced skills, knowledge and expertise of MPLs		
	To ensure the implementation of Fixed Term Performance Management System	Office of the Integrity Commissioner supported as required: MPLs' interests declared by all	Number of Members' Interests Registers	A Members' Interests Register developed and MPLs' interests declared by all	A Members' Interests Register was developed and Members' interests declarations were submitted to the Integrity Commissioner	No deviation	Improved accountability and transparency by MPLs		
		4 Performance reviews	Number of performance reviews	4 Quarterly performance reviews conducted	4 Performance and Remuneration Committee review meetings were conducted	No deviation	Annual performance assessments of senior managers were conducted to improve institutional performance		
	To develop and implement the M & E Framework to support the political mandates	Developed M & E Frameworks for Chairpersons of Committees	Number of M & E Frameworks	M & E Framework developed	M & E Framework for committees was finalised and adopted by Presiding Officers	No deviation	Improved performance and accountability		
	To improve and build on the best practices of the GPL through benchmarking and liaisons with national and international bodies that are relevant to the legislative sector	Annual meetings on a set programme with various stakeholders	Number of reports and minutes of meetings of NCSL and CPA conferences and seminars	At least 1 NCSL and 1 regional and international CPA conference attended by Presiding Officers as well as 1 CPA seminar	<ul style="list-style-type: none"><li>Presiding Officers participated in 1 NCSL conference</li><li>Presiding Officers participated in 2 CPA meetings: Africa region and international</li><li>Presiding Officers participated in 1 CPA seminar</li></ul>	No deviation	Learning and sharing of best practices		

Planned				Actual		Reasons For Deviation	Progress Towards Outcomes
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target		
Office of the Speaker	To adopt a guideline to ensure best practices	Annual Speakers' Forums	Number of Speakers' Forums attended	Presiding Officers attended Speakers' Forums	Presiding Officers participated in 4 National Speakers' Forums	No deviation	Improved effectiveness and co-ordination of the legislative sector
	To ensure best practices and impact on the GPL to be provided	Annual Speakers' Forum sub-committee meetings	Number of Speakers' Forum sub-committee minutes	Presiding Officers attended Speakers' Forums sub-committee meetings	Presiding Officers participated in 6 Speakers' Forums sub-committee meetings such as office bearers pension fund	No deviation	Effective representation of MPL's interests and sharing of best practices
	To ensure learning and sharing knowledge with other legislatures and relevant institutions	Hosting of visiting dignitaries, special visitors and delegations	Number of visits by dignitaries, special visitors and delegations hosted	All proposed visits hosted	<p>Hosted 12 delegations on learning and knowledge sharing, special visitors and dignitaries including:</p> <ul style="list-style-type: none"> <li>Harvard University - Harvard Training Institute Government Planning, Policy Development and Implementation Conference 2010</li> <li>Imo State House of Assembly - Public Lecture on the Oversight Function of the GPL: Prospects and Challenges 11- June 2010</li> <li>National Parliament – Presentation on the Participation of National Parliament and legislatures at the CPA and the CWP Forums</li> <li>CPA paper for the parliamentary group on the "International Relations" workshop</li> <li>A paper to the CPA conference on "<u>Women as migrant workers: 'Victims or victors? September 2010'.</u>"</li> </ul>	No deviation	Learning and sharing of best practices
	To ensure learning and sharing knowledge with other legislatures and relevant institutions	Inter-legislature programme implemented	1 Inter-Legislature Programmes	Inter-legislature programme implemented	The 6 visits could not be conducted	The target could not be met as staff turnover has impacted on the inter-legislature visits	Learning and sharing of best practices
	To ensure stakeholder management	Stakeholder management Action Plan	Report on the implementation of the Action Plan	4 Stakeholder meetings conducted	Only 1 of the 4 planned stakeholder meetings was conducted	Lack of capacity in the Office of the Chairperson of Committees affected the planned meetings	Improved stakeholder participation in GPL processes



# PROGRAMME 2: OFFICE OF THE SECRETARY TO THE LEGISLATURE

## 1. PURPOSE

The purpose of the Office of the Secretary is to serve as the custodian of the development and implementation of the GPL strategy, and to provide administrative leadership with service delivery as a key output on all LSB directives. The office is also responsible for monitoring the administration of the effective and efficient management of law-making, oversight, public participation and corporate governance.

## 2. KEY FUNCTIONS

The Office of the Secretary is charged with delivering on all LSB directives, therefore in terms of our business model, we have to ensure the effective management of the service, strategic planning, implementation, monitoring, reporting and evaluation. We also report and respond to issues raised by Oversight Committees with respect to the legislature. This responsibility includes, being accountable for good practice in financial management, human capital development, provision of support to MPLs and political parties. In addition, overseeing the legislative business management and co-ordination; providing contract management; development and management of the institutional calendar; co-ordination and monitoring of institutional meetings, and managing donor funding.

## 3. MEASURABLE OBJECTIVES

- To monitor and Evaluate the efficacy of the GPL service on oversight, public participation, co-operative governance and law-making;
- To implement FAMLA;
- To implement the Institutional Leadership Model;
- To improve decision-making processes of the GPL;
- To implement the approved contract management framework;
- To implement the GPL Turn-Around Strategy;
- To develop the Inter-Institutional Relations Strategy;
- To improve the results of stakeholder satisfaction survey; and
- To support the successful completion of the efficacy of laws project.

## 4. SUMMARY OF ACHIEVEMENTS

The Office of the Secretary led the process of the revision of measurable objectives in the strategic plan of the GPL. The measurable objectives were revised in January 2011, to look at progress in relation to targets for the 2011/2012 financial year. The objective of this exercise was to identify activities that could not be implemented, and institute corrective action.

The office processed and approved the GPL strategic plan and budget allocation to ensure appropriate resourcing of planned activities. Salary negotiations were also finalised with the representative union in the GPL for salary increases that were implemented in the year under review. A continued healthy working relationship with the representative union was ensured in line with the Recognition Agreement.

The GPL Collaboration Framework was adopted and piloted in the year under review, ensuring enhanced collaboration of all relevant support services to the House and its committees. This led to committee and House support being approached with project management principles. The Inter-Institutional Relations Strategy; the Public Participation Strategy; the Leadership Model; as well as the Pay Progression Framework were adopted during the year under review.

A total of 17 policies were processed by the Office of the Secretary, leading to the adoption of 8 policies by the Secretary and the Speaker, respectively. The remaining policies will be considered for approval in the 2011/2012 financial year. Continued performance was ensured through consistent Secretariat meetings where quarterly performance assessments were used as tools to monitor and measure performance, and deviations were corrected. The Secretariat continued to manage institutional risks, by so-doing, minimising the GPL's risk exposure. This was done through the Audit and Risk Committee. Leadership of the service was cascaded to operational units of the institution through meetings of the Extended Secretariat and the Planning Commission.

Improvement in the quality of reports to the LSB and its sub-committees was achieved, and this was associated with improvement in the functioning of sub-committees of the Secretariat, such as the Events Co-ordinating Committee, and Policy Committee. The year under review saw the finalisation of the due diligence exercise on FAMLA, and a report was submitted to the Secretary for consideration in preparation for the implementation of FAMLA in the GPL.

The final approval of the Inter-Institutional Relations Strategy





## PROGRAMME 2: OFFICE OF THE SECRETARY TO THE LEGISLATURE

of the GPL was secured. This strategy will guide the GPL on matters relating to external stakeholders. As indicated earlier, approval of the GPL Leadership Model was achieved, and with this model, leadership practices will be enhanced in the GPL, where appropriately trained managers will live a leadership culture that unleashes the potential of GPL staff, enabling efficient delivery on priorities.

The GPL also developed and approved the Monitoring and Evaluation Strategy, with a view to ensuring the effective monitoring and evaluation of institutional performance. This process has already started to realise benefits in relation to the review of institutional planning processes. An M and E semi-

close-out report was presented to the Secretary to the Legislature, Presiding Officers, Chairpersons of Committees' review session and the Secretariat.

### 5. FINANCIAL MANAGEMENT

The Programme reflects actual expenditure of R8.3million against an adjusted appropriation of R11.9million. The programme incurred an under-expenditure to the value of R3.6million, which is mainly attributable to the positions that were reviewed. Furthermore, this programme incurred a significant under-spending on travel and accommodation due to the 2010 FIFA World Cup.

# PROGRAMME 2: OFFICE OF THE SECRETARY TO THE LEGISLATURE

Sub-Programme	Planned				Actual		
	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons for Deviation	Progress Towards Outcomes
Office of the Secretary to the GPL	To monitor and Evaluate the efficacy of the GPL service on oversight, public participation, co-operative governance and law-making	Satisfaction survey conducted	Stakeholder satisfaction results	Satisfaction survey completed	The annual stakeholder satisfaction survey was completed	No deviation	Enhanced business performance
		M & E environment established	Report of M & E environment	M & E Framework	<ul style="list-style-type: none"> <li>An M &amp; E Framework has been developed.</li> <li>2 M &amp; E reports were produced and these reports assisted the organisation to identify performance trends and planning challenges</li> </ul>	No deviation	Enhanced business performance
		Managing by project approach adopted	Project reports	Train project managers	Managing by project training was provided to the entire Committee Support Unit and other managers in the Parliamentary Business environment	No deviation	Enhanced business performance
		Approved Public Participation Strategy and implementation plan	Public Participation Strategy and implementation plan	Facilitated the approval of the Public Participation Strategy and implementation plan	<ul style="list-style-type: none"> <li>The Public Participation Strategy and the Implementation Plan were approved by the Presiding Officers in March 2011</li> <li>The resource plan for supporting the Public Participation Strategy has been approved by the Presiding Officers and a budget will be allocated for implementation</li> </ul>	No deviation	Enhanced and formalised the processes, systems and mechanisms to enable improved public participation in the GPL
	To implement FAMLA	<ul style="list-style-type: none"> <li>Approved FAMLA booklet,</li> <li>due diligence report,</li> <li>implementation plan,</li> <li>communication plan and training programme</li> </ul>	<ul style="list-style-type: none"> <li>Approved FAMLA</li> <li>adopted due diligence report</li> <li>Approved implementation plan, communication plan and training programme</li> </ul>	Implementation of the Act	<ul style="list-style-type: none"> <li>The due diligence report and the Act were implemented and implementation is ongoing</li> <li>Approved the FAMLA booklet</li> <li>Communication of FAMLA and the awareness drive have focussed on the planning committee</li> <li>A formal training programme will be rolled out during the coming financial year (2011/2012)</li> </ul>	No deviation	The advent of FAMLA presents financial independence for more appropriate funding of GPL priorities and accountability for the GPL
		Training of GPL management on the Leadership Model	Number of managers trained on the Leadership Model	All GPL managers trained on the Leadership Model	<ul style="list-style-type: none"> <li>All layers of management in the GPL have been trained on the principles of Covey leadership</li> <li>30 Staff members were trained on the leadership programme: executive directors, directors, line managers and some senior coordinators</li> <li>A charter that will be signed by all managers, based on the expected behaviours of leadership was finalised during the year under review</li> </ul>	No deviation	Senior management, line managers and supervisors, are now guided by a GPL model on the practice of leadership in the Institution



Planned				Actual			
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons for Deviation	Progress Towards Outcomes
Office of the Secretary to the GPL	To improve decision-making processes of the GPL	<ul style="list-style-type: none"><li>• Secretariat meetings</li><li>• Decision-tracking documents</li></ul>	Frequency of communicating Secretariat decisions	Communicate and follow-up on all Secretariat decisions	12 Meetings of the Secretariat convened to consider and approve the following: <ul style="list-style-type: none"><li>• Salary negotiations for 2010/2011</li><li>• The GPL Annual Performance Plans</li><li>• Collaboration strategy to integrate support to the House and its committees</li><li>• Mid-year performance report and quarterly performance reports</li><li>• Inter-Institutional strategy</li><li>• The Public Participation Strategy</li><li>• The GPL Leadership Model</li><li>• A total of 17 policies were presented for approval to the Secretary and the Speaker respectively. Eight (8) were approved in the year under review - the rest were approved with amendments in the new financial year, 2011/2012</li><li>• Social responsibility strategy</li><li>• Terms of Reference for (paper recycling, courtesy visits)</li><li>• Office space proposal</li><li>• Business continuity plan</li><li>• Delegations of authority</li><li>• GPL M &amp; E Framework</li><li>• Terms of Reference for the GPL Pay Progression Framework</li><li>• Framework on financial donations</li><li>• Proposal on Office Bearers reporting</li><li>• Corporate identity manual,</li><li>• Implemented the GPL programme</li><li>• Business continuity plan</li><li>• Disaster management plans</li><li>• Stream quarterly reports including year-end 4th quarterly reports of all 5 Programmes for the 2010/2011</li><li>• Report on the business case for Harry Hofmeyr parking</li></ul>	No deviation	An effective Secretariat that ensures an efficient GPL



Sub-Programme	Planned				Actual		
	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons for Deviation	Progress Towards Outcomes
Office of the Secretary to the GPL	To implement the approved contract management framework	<ul style="list-style-type: none"> <li>Contract management training programmes</li> <li>Register of approved GPL contracts</li> </ul>	Extent of the use of the Contract Management Framework	Contract management to adhere to the Contract Management Framework and a register of contracts developed	<ul style="list-style-type: none"> <li>The Contract Management Framework document was developed and utilised to guide the GPL on all contract management imperatives</li> <li>A contract register of all approved GPL contracts was developed and presented to the RMC on a quarterly basis</li> </ul>	No deviation	The Contract Management Framework has ensured enhanced contracting practices and management by the GPL
	To implement the GPL Turn-Around Strategy	Initiatives of the Turn-Around Strategy	Initiatives supporting the Turn-Around Strategy	Fostered collaboration between projects	The turn-around strategy was approved by the Secretariat and Presiding Officers. The manage by project approach adopted by the GPL is one of the initiatives intended to foster collaboration between projects, thereby supporting the GPL Turn-Around Strategy	No deviation	Effective integrated planning, implementation and monitoring culture of collaboration on projects throughout the GPL
	To develop the Inter-Institutional Relations Strategy	Adopted Inter-Institutional Relations Strategy	<ul style="list-style-type: none"> <li>Number of MoUs</li> <li>Reports of meetings with ISDs</li> </ul>	Develop and implement the Inter-Institutional Relations Strategy	<p>The Inter-Institutional Relations Strategy was developed.</p> <p>Meetings were convened with the corporate world to raise awareness on the role of the GPL and to share information on the social responsibility project. The following organisations were consulted:</p> <ul style="list-style-type: none"> <li>Standard Bank</li> <li>ABSA</li> <li>Chapter 9 institutions</li> <li>Preliminary arrangements were made to establish relations with ISDs and the office received approval from the Office of the Speaker and signed-off implementation plans</li> <li>The Speaker, Secretary to the GPL and CFO have held meetings on a continuous basis with the Auditor-General</li> <li>The Speaker, Secretary to the GPL and representatives of all political parties held a discussion with Members of the Board of the IEC</li> </ul>	No deviation	<ul style="list-style-type: none"> <li>Collaboration for oversight, and public participation purposes</li> <li>Quality participation of citizens in decision making processes of the GPL</li> </ul>
	To improve the results of stakeholder satisfaction survey	Stakeholder satisfaction results	<ul style="list-style-type: none"> <li>Achieve more than 75% stakeholder satisfaction</li> <li>Trained staff on the Customer Service Charter</li> </ul>	Improve stakeholder satisfaction levels	<ul style="list-style-type: none"> <li>Received stakeholder survey results and communicated this to staff</li> <li>An action plan was developed</li> <li>Consultants were engaged to review progress in relation to action plans</li> </ul>	No deviation	Responsive to survey results
	To support the successful completion of the efficacy of laws project	Quarterly and final report on the efficacy of laws passed since 1994	Contracted service provider and research progress report	Complete the project on the efficacy of laws passed since 1994	The office received progress reports for processing and approval by the Secretariat	No deviation	An accountable GPL



# PROGRAMME 3: CORPORATE SUPPORT SERVICES

## OFFICE OF THE EXECUTIVE DIRECTOR

### 1. PURPOSE

The purpose of the Corporate Support Services Stream is to be a catalyst for service provision to our primary stakeholders MPLs, by deploying systems; processes; policies; people; technologies; infrastructure; and instituting an enabling environment necessary for the effective and efficient functioning of the GPL.

### 2. KEY FUNCTIONS

The mandate of the Corporate Support Stream is to provide dedicated, seamless, and professional support services to all stakeholders of the GPL in order for our primary stakeholders MPLs to execute their Constitutional and legislative mandates. The stream provides support in the areas of Human Resources; ICT; Security; Building; and Administration. The services are provided by the following 3 directorates in the stream:

**Members Affairs Directorate (MA):** The directorate consists of 2 units, that is, the Member's Relations and Member's Facilities

Units which provide MPLs with:

- Facilities and services on training and development;
- Co-ordination of remuneration and employee benefits;
- Administration of personnel records;
- Industrial relations matters; and
- Employee assistance programmes in compliance with legislation regulating the relationship between the GPL and its employees.

Furthermore, to manage MPLs' facilities and promote corporate governance through policy development initiatives, process enhancements, development of skills for MPLs and improved management of party caucuses, improvement and co-ordination of service delivery areas and introduction of sustainable programmes aimed at ensuring that MPLs are best equipped to fulfil their constitutional obligations. The directorate supports the function of the MPLs and parties of the legislature through professional; effective and efficient human resources and finance management systems; effective budgetary control as the key cornerstone, to strengthen the accountability of Party Whips for expenditure, overseeing the prudent use of resources.

**Institutional Support Services (ISS):** The directorate consists of 2 units, that is, Human Resources, and Administration. The directorate provides services in the area of human resources (HR) and administration, which includes implementing human capital practices through the recruitment and retention of the best talent; training and development of talent; remuneration and rewarding of talent; performance management of talent; and providing excellent HR administrative services; professional administrative support services; including, transport management; telecommunications management; switchboard services; canteen and coffee bar services; cleaning services; decor management; hygiene services and art curatorship.

**Operational Support Services (OSS):** The directorate consists of 3 units, that is, Building and Maintenance; Safety, Health and Security; and the ICT Units. Services provided by the directorate include providing a platform for technology through Information Technology (IT), audio and video facilities; infrastructure for business solutions; security; health; wellness and safety of MPLs and staff.

### 3. MEASURABLE OBJECTIVES

- To ensure that there is effective strategic planning for the directorate;
- To apply an effective system of monitoring expenditure against budget;
- To create and sustain a culture of compliance and promote adherence to sound corporate practices;
- To create and sustain compliance processes and ensure that effective and efficient risk management practices are implemented;
- To ensure that there is effective oversight of Human Resources and Administration Units;
- To ensure effective Human Capital Management;
- To provide strategic leadership for all strategic projects in the ISS Directorate;
- To ensure that the business requirements are accounted for in IT through the management of the SAP system;
- To ensure that there is a harmonious relationship between



## PROGRAMME 3: CORPORATE SUPPORT SERVICES

the GPL and its employees by developing a strategy for salary negotiations and negotiating salary increases with the union;

- To foster and create a sound working relationship between Management and the union;
- To ensure effective management of Labour Relations;
- To ensure that retirement benefits of the GPL employees are secured;
- To resource the institution with appropriate skills;
- To attract the best talent for the GPL;
- To conduct exit interviews for all staff leaving the employ of the GPL (excluding political staff);
- To establish a strategic HR partnership with line through dedicated HR support to business streams;
- To establish GPL as a fair and transformed institution;
- To enhance the institutional performance through the following:
  - Development of an enhanced IPMS policy and Performance Correction Policy;
  - To enhance the institutional performance through training of staff;
- To ensure proper implementation of the IPMS system;
- To retain and attract the best talent and performers in the GPL;
- To enhance GPL's competence through a designed, developed and implemented Learning and Development Strategy and Framework;
- To implement a competitive remuneration system;
- To enhance the physical, emotional, personal and financial well-being of GPL employees;
- To implement best practice human resources value chain able to deliver the human performance required by the GPL to meet its strategic goals and operational requirement;
- To ensure effective management of HR administration;
- To provide the institution with adequate transport and logistical support;
- To maintain all GPL vehicles as per policy;
- To ensure that GPL assets are safeguarded and accounted for;
- To improve the working environment by office furniture in all GPL venues and offices in line with policy;
- To provide support to stakeholders through the provisioning of landline and mobile telecommunication facilities (Switchboard and Telephone facilities);
- To provide venue, cleaning and hygiene services;
- To ensure a sound governance framework and best practice administration processes by revising all administration policies;
- To provide world-class customer service in line with institutional policies;
- To provide Mail Room and courier services;
- To provide canteen and coffee bar facilities;
- To render insurance services;
- To establish a panel of transport service providers;
- To provide stationery and consumables;
- To improve safety and security in the GPL;
- To provide protection services;
- To facilitate safety and security in events venues;
- To render risk management through vetting of staff and contractors;
- To ensure proper detection of fire in the building and





## PROGRAMME 3: CORPORATE SUPPORT SERVICES

compliance with the South African National Standards (SANS) 1400, and National Building Regulations and Standards Act 103 1977;

- To ensure risk management and compliance with OHASA;
- To ensure risk management and compliance with the Occupation Compensation of Injuries and Disease Act (COIDA);
- To provide parking facilities at GPL;
- To provide wellness opportunities programme (including gym / fitness centre utilisation);
- To refurbish the 3<sup>rd</sup> and 4<sup>th</sup> floors in the west wing of the main building;
- To renovate the Mayivuke room in the City Hall;
- To renovate the auditorium in the main building;
- To provide adequate office and meeting room space;
- To develop long-term capital project plans, focusing on the improvement of the GPL building for sustainability purposes;
- To provide fully maintained, hygienic, safe and secure offices in the east and west wings of the GPL;
- To develop a concept for the restoration of the organ to orchestral playing standard;
- To examine available external office space for the GPL to occupy in the event of a disaster;
- To develop a culture and conducive environment for effective service delivery through sound partnerships with stakeholders groups;
- To provide a network structure and business applications in alignment with the OD and designed in ICT best practice and standards;
- To improve business processes, procedures and policies to ensure optimum operational efficiency;
- To ensure effective and efficient ERP platform;
- To ensure that technical services are provided in the House and Committee business;
- To ensure stakeholder management;
- To ensure Network availability;
- To ensure basic support for both SAP and R3 systems landscape efficiency in operations from all business streams;
- To provide hardware infrastructure to support the network backbone and business systems;
- To ensure financial management;
- To train Members about the GPL;
- To review MPLs policy frameworks to ensure relevance;
- To train political support staff;
- To enhance institutional performance by conducting performance reviews;
- To develop and maintain a system of good record keeping and management of MPLs and party support staff archives;
- To benchmark legislative business practices locally and internationally to ensure the best practices at GPL;
- To build relationships with primary stakeholders (MPLs) to ensure continuous support to Party Leaders;
- To ensure that effective and efficient audit management practices are implemented;
- To compile and maintain a database of MPLs biographical data;
- To co-ordinate arrangements for approved study tours;
- To co-ordinate the GPL corporate social responsibility;
- To measure service level using the Service Charter;



## PROGRAMME 3: CORPORATE SUPPORT SERVICES

- To monitor and evaluate service reports;
- To facilitate the sports and recreation programme; and
- To facilitate and manage institutional stakeholder surveys.

### 4. SUMMARY OF ACHIEVEMENTS

The following is a summary of the key overall performance of the stream in line with the balanced scorecard approach. The summary will focus on what the Office of the Executive Director (ED) facilitated:

**Budget management:** The stream is generally in line with its allocated budget expenditure and reflected close to 93% expenditure.

**Risk and Audit matters:** The stream developed its own risk and audit tracking tables for continuous evaluation reflected in the body of this report. The management has regular meetings every Friday on risk matters. An audit and risk task tracking register has been developed. The Policy Committee looked at its biggest risks during a meeting on 16 and 17 March 2011 and developed action plans for the Committee to mitigate risks. The following audit areas were contained in the stream, and engagement with the internal auditors were held regularly:

- Asset management;
- Venue management;
- Fleet management;
- Telephone management;
- Systems Applications Processes (SAP); and
- IT audit.

#### **Sub-committee of Secretariat: Policy Committee:**

The Policy Committee held 10 meetings during the reporting period and an extensive two-day meeting on 16 and 17 March 2011. The following milestones were achieved:

- Composition of the Policy Committee was revised;
- An Office Manager and Senior Co-ordinator were appointed in the Office of the Executive Director;

- Policy process and manual were revised;
- Stakeholders were consulted on the policies and a submissions and feedback register was developed;
- The terms of reference for the Policy Committee were revised and adopted by the Secretariat;
- A policy list was developed reflecting all policies in the GPL. This list will be updated by sourcing the said policies; location thereof and status of the policies;
- A Decisions Register for all policies, capturing the history on amendments made to the policies was developed and will serve as a historic knowledge and information base on new policies;
- The new policies of integrated mobile tools and landline telephone policy and a talent attraction policy were adopted by the Policy Committee and is planned for presentation to the Secretariat and then to sub-committees of the Board;
- Twenty-two policies were approved during the reporting period and submitted for final sign-off and implementation in the 2011/2012 financial year; and
- A central repository for policies was created on the G-drive, R-drive and the Intranet.

**Stream management of performance:** The Office of the ED facilitated regular meetings with Directors and Managers to manage performance. Four divisional (with Directors) meetings and 2 quarterly review sessions were held with all Managers. Regular *ad-hoc* meetings were held with teams in the stream on projects, audits and service delivery challenges. Performance and service delivery meetings with key risk units were held regularly during the reporting period and minutes and tracking has been implemented for team excellence.

**GPL Opening February 2011:** During the preparations for the official Opening of the GPL, thorough preparations were made by the stream. The Office of the ED facilitated several meetings with the Corporate Support Stream, 3 in total to deal with readiness and challenges experienced as well as unblocking challenges. A reflection was made on stakeholders' views in the last two openings as well as Events Co-ordinating Committee (ECC) evaluation reports of



the last two openings. The Opening went seamless from the Corporate Support side and stakeholders commended the team.

**Co-ordination processes:** The stream is co-ordinating its activities and programme in line with its performance plan in the form of a stream calendar aligned to the institutional calendar.

**Input into reporting processes:** The stream inputs into the reporting processes by:

- Updating the Risk Register regularly;
- Engaging with the Risk Accountant as a very important partner to the business of the stream; and
- Reporting on policies to Secretariat, sub-committees of the Board (specifically MA and HRD) and the LSB.

**Reporting to Committees of the House:** The stream submitted responses on resolutions related to quarterly report questions to the GEYODI and Oversight Committee on the Premier's Office and the Legislature (OCPOL) Committees as requested. Continuous tracking of responses required by the Oversight Committees is done through a task tracking register of the stream.

**Support to sub-committees of the Board:** The stream supported the HRD and Members Affairs committees of the Board and during the period under review, 5 Members Affairs Committee meetings and 2 HRD meetings were held. The Office of the ED provided additional minute-taking capacity to the Office of the Speaker and to the Members Affairs Committee.

**Filling of vacancies:** Fifty-six positions were filled in the year. Of the 56, 21 were new positions and 35 were replacement positions.

**Legislature Provident Fund:** 2 meetings were held during the reporting period.

**Automated Recruitment process:** The Terms of Reference for the Automated Recruitment System and Recruitment Agencies were developed.

**Exit interviews:** Ten exit interviews were conducted during the reporting period.

**IPMS policy:** The roll-out of the IPMS policy training was concluded during the 4<sup>th</sup> Quarter. The new policy will be implemented in the 2011/2012 financial year.

**Employment Equity:** 13 EE forum members attended a

2-day training session; the EE stats as per the guidelines of the Department of Labour were reported to Governance structures of the GPL; the EE report was sent to the Department of Labour before 30 September 2010.

**Retention strategy:** A draft retention strategy document was developed.

**Work-life balance:** The work-life balance survey results were communicated to staff during an HR Open Day.

**Learning and development:** A total of 58 employees were granted bursaries during the 2010/2011 financial year.

**Venue hire:** 72 events took place in the City Hall and Mayivuke Rooms.

**Members' biographical details booklet:** The draft booklet is in place and is currently being circulated for inputs.

**Social responsibility project:** The social responsibility project was implemented through distribution of food to Bambanani Shelter for abused women and children; donations of redundant GPL assets to the Duncan Sizanani home-based care and the initiation of a project with Mondi Paper to recycle paper to raise funds for identified needy organisations.

**Customer Relationship Management System (CRM):** The CRM system was reconfigured using the service charter for optimum resolution of issues.

**Sports and Recreation:** 4 soccer matches were held in the province.

**Customer satisfaction survey:** The annual satisfaction survey was completed, directorates developed action plans and follow-up meetings were held to ensure that remedial and corrective actions were implemented.

**Security:** A new service provider is in place to assist the GPL with physical security. The new integrated safety and security plan was implemented with other security agencies such as the State Security Agency and SAPS.

**Parking:** The parking business case was approved and implemented.

**Wellness:** Members and staff participated in 5 outside marathon events. 165 staff and 47 Members are regular users of the gym facility.

**Renovations to the building:** The construction and renovation of the 3<sup>rd</sup> and 4<sup>th</sup> floor west wing of the building was completed as well as renovations to the Mayivuke





Rooms. The renovations to the Auditorium included the completion of the construction.

**Long-term renovations plans:** The concept and implementation of plans have been completed and approved for the refurbishment of the exterior walls of the main building; rehabilitation of Beyers Naude Square; refurbishment of the City Hall and refurbishment of offices in the west wing of the building.

**Technical services in the House and Committees:** The technical software and firmware upgrades in the House have been completed. All ageing microphones were replaced in committee rooms. The tender process for the procurement of audio-visual equipment for the auditorium has been completed.

**Anti-virus:** The anti-virus solution was replaced by the more robust and stable McAfee anti-virus solution.

**Network upgrade:** All network devices have been upgraded to the latest operating systems.

## 5. FINANCIAL MANAGEMENT

The Programme's expenditure amounted to R160.5million translating into a 93.7% usage of the allocated budget, with an under-expenditure of R11.3million. Savings were realised on goods and services due to austerity measures that were introduced on IT outsourcing and consultants, licensing fees as well as air travel. In the case of certain line items however, such as telephone usage, recruitment costs as well as transport and shuttle services expenditure exceeded the budget.



## PROGRAMME 3: CORPORATE SUPPORT SERVICES

Sub-Programme	Planned			Actual		
	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation
Institutional Support Services	To ensure that there is effective strategic planning for the directorate	Completed business plans and Budget	<ul style="list-style-type: none"> <li>Approved business plans</li> <li>Approved budget</li> </ul>	Compiled all business plans and budget in line with guidelines	Annual business plans and budget compiled as per set standards	No deviation
	To apply an effective system of monitoring expenditure against budget	<ul style="list-style-type: none"> <li>Expenditure against budget in line with plans</li> <li>Projections aligned to plans</li> </ul>	<ul style="list-style-type: none"> <li>Expenditure reports</li> <li>Projections</li> </ul>	An effective system to monitor expenditure against budget	Expenditure monitored against budget and projections	<ul style="list-style-type: none"> <li>The over expenditure in administration was largely due to increased activities in the core business areas of public participation and committees (Bua le Sechaba campaign) as well as motivations for extension of mobile business tools to employees not ordinarily covered by policy outside the budget process</li> <li>The over expenditure was also due to payments relating to the previous financial year which could not be accommodated due to budget constraints and only paid in the 1<sup>st</sup> quarter of 2011/2012</li> </ul>
	To create and sustain a culture of compliance and promote adherence to sound corporate practices	<ul style="list-style-type: none"> <li>A system of internal controls</li> <li>Good corporate governance practice document</li> <li>Audit recommendations</li> </ul>	<ul style="list-style-type: none"> <li>Internal Audit Reports</li> <li>Register of audit findings</li> <li>Audit tracking report</li> <li>Standard documents approved</li> <li>Delegation of authority</li> <li>Operational procedures</li> </ul>	Track audit findings on a monthly and quarterly basis	<ul style="list-style-type: none"> <li>Implemented all audit recommendations emanating from the follow-up audit report on human capital which was presented by the Auditors in June 2010 to the Audit and Risk Committee</li> <li>In addition, the office developed management comments and implemented follow-up actions for venue, asset and telephone management comments were submitted to the Audit and Risk Committee</li> <li>Regular meetings were held with the Risk Accountant to track progress on audit findings</li> <li>Meetings were also held with internal audit to indicate controls put in place and to track general progress against the relevant audit report</li> </ul>	<ul style="list-style-type: none"> <li>Clearly defined business plans aligned to institutional goals</li> <li>Contribution to delivery on GPL strategic objectives</li> <li>Effective utilisation of resources</li> <li>Expenditure in line with FAMLA regulations contributing to institutional accountability</li> <li>Improved governance</li> <li>Achievement of an unqualified audit</li> </ul>

Planned					Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Institutional Support Services	To create and sustain compliance processes and ensure that effective and efficient risk management practices are implemented	System of risk management	<ul style="list-style-type: none"><li>• Risk Register</li><li>• Action plans</li><li>• Minutes of risk management meetings</li></ul>	Systematic review of risks as per the Risk Register	<ul style="list-style-type: none"><li>• Risk management tracking was conducted as per the Risk Register</li><li>• Regular meetings were held with the Risk Accountant to ascertain progress made against the top 10 Risks (IPMS and contract management)</li><li>• Progress reports were tabled to the Audit and Risk Committee</li><li>• Training of line managers on contract management was postponed to the new financial year</li></ul>	Training of line managers on contract management was postponed due to the congested IPMS training schedule	<ul style="list-style-type: none"><li>• Reduction of high level risks</li><li>• Residual risk managed within acceptable levels</li></ul>
	To ensure that there is effective oversight of Human Resources and Administration Units	Management meetings of HR and Administration units	Reports and minutes of the management meetings	Monitored the implementation of Strategic objectives of the HR and Administration units	<ul style="list-style-type: none"><li>• Management and supervisor meetings were held every Monday</li><li>• The meetings focused on weekly, monthly and quarterly performance against the quarterly plans</li><li>• The meetings also dealt with the alignment of quarterly plans to business plans and the reporting in the month against quarterly plans</li><li>• Monthly financials were also interrogated for progress and to ascertain reasons for deviations</li><li>• HRD Committee reports were developed, submitted and presented for all quarters except the 3<sup>rd</sup> and 4<sup>th</sup> Quarter as the HRD Committee meeting did not convene</li><li>• The Members Affairs reports were also compiled for all quarters and all meetings of the committee were attended</li></ul>	The HRD Committee meeting did not take place in the 3 <sup>rd</sup> and 4 <sup>th</sup> Quarter due to the competing GPL priorities	<ul style="list-style-type: none"><li>• Enhanced service delivery</li><li>• Strategic objectives achieved</li><li>• Increased accountability</li></ul>
	To ensure effective Human Capital Management	Management of ISS staff through: <ul style="list-style-type: none"><li>• Performance Management</li><li>• Training and development</li><li>• Mentoring and coaching</li><li>• Leave monitoring</li></ul>	<ul style="list-style-type: none"><li>• Performance Management reports</li><li>• Training and development programmes</li><li>• Mentoring and coaching reports</li><li>• Leave monitoring reports</li></ul>	Effective Human Capital management	<ul style="list-style-type: none"><li>• Performance reviews were conducted for all quarters of the 2010/2011 financial year for all managers reporting to the director</li><li>• Senior Managers were exposed to various training initiatives such as the Human Resource Seminar, HR Business Partner workshop and job evaluation</li><li>• Leave was approved for employees reporting to the Director, ISS and leave reports were signed-off and submitted to HR on a weekly basis</li></ul>	No deviation	Developed employees and improved execution of strategic objectives





Planned				Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation
Institutional Support Services	To provide strategic leadership for all strategic projects in the ISS Directorate	Reports on the implementation of strategic projects	<ul style="list-style-type: none"> <li>• Training schedules</li> <li>• Attendance register</li> <li>• Project plan</li> </ul>	Project implementation per project charter monitored	Supervised the project for the development of the enhanced IPMS policy and the processes for the training of staff ensuring that the project was completed as per agreed timeframes and within set budget <ul style="list-style-type: none"> <li>• SAP blue prints in place</li> <li>• Request for SAP resource sent to SCM in line with the 3 quotation requirements</li> <li>• A service provider commenced work on FI/CO to allow for the implementation of GRAP work to be concluded in the new financial year</li> </ul>	No deviation
	To ensure that the business requirements are accounted for in IT through the management of the SAP system	SAP blue print as per business requirements	SAP blue print	SAP system blue prints in place and SAP configuration conducted as per business requirements	<ul style="list-style-type: none"> <li>• SAP blue prints in place</li> <li>• Request for SAP resource sent to SCM in line with the 3 quotation requirements</li> <li>• A service provider commenced work on FI/CO to allow for the implementation of GRAP work to be concluded in the new financial year</li> </ul>	No deviation
	To ensure that there is a harmonious relationship between the GPL and its employees by developing a strategy for salary negotiations and negotiating salary increases with the union	<ul style="list-style-type: none"> <li>• Approved salary negotiations strategy</li> <li>• Negotiations conducted with the Union</li> </ul>	Signed salary agreement with the Union	Salary negotiations concluded for implementation by end of July	<ul style="list-style-type: none"> <li>• The salary increase agreement was signed on 6 August. The increases were implemented in the September payroll run and were backdated to July 2010</li> <li>• Salary increases for Senior Managers were announced on 9 of September 2010 and implemented with the September payroll, backdated to July 2010</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation did not take place earlier due to disputes on interpretation of the 2 year agreement signed in the previous financial year</li> <li>• Salaries for Senior Managers are determined by the Performance and Remuneration Committee of the LSB</li> </ul>
	<ul style="list-style-type: none"> <li>• To foster and create a sound working relationship between Management and the union</li> <li>• To ensure effective management of Labour Relations</li> </ul>	<ul style="list-style-type: none"> <li>• Revised Recognition Agreement</li> <li>• ER Policy</li> </ul>	<ul style="list-style-type: none"> <li>• Signed off Recognition Agreement</li> <li>• Approved Policy document</li> </ul>	<ul style="list-style-type: none"> <li>• Engagements with organised labour in line with recognition agreement</li> <li>• Reports presented to the Secretariat, HRD and the LSB on a quarterly basis</li> <li>• Follow-up workshop with Union leadership</li> <li>• Employee satisfaction surveys conducted</li> <li>• Monitor and evaluate implementation of ER policy</li> </ul>	<ul style="list-style-type: none"> <li>• Recognition Agreement signed-off in the 2<sup>nd</sup> quarter and meetings conducted once per quarter in line with the Recognition Agreement</li> <li>• Draft ER Policy was developed, however, not presented to the Policy Committee</li> </ul>	<ul style="list-style-type: none"> <li>• No deviation</li> <li>• The enhanced ER policies were developed but could not be presented to the Policy Committee as other policies were prioritised for deliberations</li> </ul>
					<ul style="list-style-type: none"> <li>• Harmonious relationship with organised labour and employees</li> <li>• Improved service delivery</li> <li>• Updated ER policies that are aligned to the latest trends in the labour environment</li> <li>• The Non-approval of the policies puts the GPL at risk of unfair labour practice</li> </ul>	<ul style="list-style-type: none"> <li>• Harmonious relationship with organised labour and employees</li> <li>• Improved service delivery</li> <li>• Updated ER policies that are aligned to the latest trends in the labour environment</li> <li>• The Non-approval of the policies puts the GPL at risk of unfair labour practice</li> </ul>

Planned					Actual		Progress Towards Outcomes
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	
Institutional Support Services	To ensure that there is a harmonious relationship between the GPL and its employees by developing a strategy for salary negotiations and negotiating salary increases with the Union	Meetings held as per the Recognition Agreement	<ul style="list-style-type: none"><li>Minutes of meetings</li><li>Attendance register</li></ul>	Meetings held quarterly	1 meeting was held per quarter as per the Recognition Agreement	No deviation	Harmonious Union and management relationship leading to enhanced service delivery
	To ensure that retirement benefits of the GPL employees are secured	Provident Fund meetings convened and attended	<ul style="list-style-type: none"><li>Minutes of meetings held</li><li>Attendance register</li></ul>	4 Quarterly meetings	<ul style="list-style-type: none"><li>The 1<sup>st</sup> quarter meeting was held in the 2<sup>nd</sup> quarter</li><li>The 2<sup>nd</sup> quarter meeting was held as scheduled</li><li>The 3<sup>rd</sup> quarter meeting was postponed to the 4<sup>th</sup> quarter</li></ul>	No meeting took place in the 3 <sup>rd</sup> quarter due to the unavailability of key Trustee members and the meeting was postponed to the 4 <sup>th</sup> quarter	Employee benefits were properly administered and accounted for by the Board of Trustees
	<ul style="list-style-type: none"><li>To resource the institution with appropriate skills</li><li>To attract the best talent for the GPL</li></ul>	<ul style="list-style-type: none"><li>Filled vacancies as per standard for newly created positions</li><li>Filled vacancies filled as per standard for existing positions</li></ul>	<ul style="list-style-type: none"><li>Number of vacancies filled as per standard for newly created positions</li><li>Number of vacancies filled as per standard for existing positions</li></ul>	<ul style="list-style-type: none"><li>Vacancies filled as per the standard for newly created positions</li><li>Vacancies filled as per standard for existing positions</li><li>Complied with employment equity recruitment practices</li></ul>	<ul style="list-style-type: none"><li>A total of 60 positions were filled in the year of reporting</li><li>Of the 60, 21 were new positions and 35 were replacement positions</li><li>A total of 31 positions were filled within three months</li><li>Demographic representation in the recruitment was as follows: 34 African females, 15 African males, 4 White females, 2 Coloured females and 1 Indian female</li></ul>	No deviation	<ul style="list-style-type: none"><li>Capacitated and resourced institution</li><li>Enhanced institutional performance</li><li>Satisfied employees</li></ul>
		Feasibility study conducted on automated recruitment systems procure	Terms of reference	<ul style="list-style-type: none"><li>Study for talent attraction</li><li>Automated system and job description</li><li>Compiler</li><li>Enhanced Talent Attraction Policy presented</li><li>Develop and sign-off service level agreements with stakeholders</li></ul>	<ul style="list-style-type: none"><li>Terms of reference for an automated recruitment system developed</li><li>Terms of reference for the recruitment agencies developed</li><li>Draft service level agreement for recruitment agencies developed</li></ul>	System could not be procured as budget was only allocated in February following the budget adjustment process	Capacitated and resourced institution



Sub-Programme	Planned				Actual		
	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Institutional Support Services	To conduct exit interviews conducted for all staff leaving the employ of the GPL (excluding political staff)	Exit interviews for all staff who tended resignations	<ul style="list-style-type: none"> <li>Number of exit interviews held</li> <li>Interview reports</li> </ul>	Conduct exit interviews for all resigned positions in the year	<ul style="list-style-type: none"> <li>Exit interviews conducted for all resignations in the 4 quarters</li> <li>A total of ten exit interviews were conducted</li> </ul>	No deviation	Improved staff retention
	To establish a strategic HR partnership with line through dedicated HR support to business streams	HR service delivery model for line and a Change Management Strategy	Service delivery model and change management strategy	Change Management Strategy and service delivery model developed and implemented.	Not implemented	The proposal could not be presented to the Secretariat due to competing business priorities	<ul style="list-style-type: none"> <li>Improved service delivery</li> <li>Implemented HR initiatives</li> <li>Effective and efficient HR delivery to line</li> </ul>
	To establish GPL as a fair and transformed institution	Training of Employment Equity Forum members	Number of Employment Equity Forum members trained	<ul style="list-style-type: none"> <li>Diversity</li> <li>Management workshops</li> <li>Employment Equity Forums</li> <li>Develop Proposal for reporting on Employment Equity and include</li> <li>Employment Equity targets in managers' Work Plans</li> </ul>	<ul style="list-style-type: none"> <li>13 Forum members attended a 2-day training session</li> <li>The Guideline of the Department of Labour were used to report Employment Equity stats to the governance structures of the GPL</li> <li>The Employment Equity Report was sent to the Department of Labour before 30<sup>th</sup> September 2010 in compliance with requirements</li> <li>Employment Equity Forum met to discuss EE related matters as required</li> <li>Women empowerment is as follows:</li> <li>By the end of the financial year there was 45% females in Senior Management and 35% in Middle Management positions</li> <li>In terms of disability, 12 % of the GPL staff complement were people with disabilities</li> </ul>	No deviation	A transparent, equitable and accountable GPL
	<ul style="list-style-type: none"> <li>To enhance the institutional performance through the following:-</li> <li>Development of an enhanced IPMS policy and Performance Correction Policy</li> </ul>	Approved and implemented IPMS and Performance Correction System	Policy document	Approved and implemented IPMS and performance correction system	<ul style="list-style-type: none"> <li>Enhanced IPMS Policy approved by the USB in June 2010</li> <li>All staff were trained on IPMS</li> </ul>	No deviation	Enhanced institutional performance



Planned					Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Institutional Support Services	To enhance the institutional performance through training of staff	Training conducted for all staff in the enhanced performance management system	Training Attendance Register, schedules	All staff members trained on the Enhanced Performance Management Policy	<ul style="list-style-type: none"><li>The Training Plan was approved for enhanced IPMS training in 3<sup>rd</sup> Quarter</li><li>The Train The Trainer session was held in the 3<sup>rd</sup> Quarter to ensure the transfer of skills from the service provider to HR personnel</li><li>Director's training was conducted in February 2011</li><li>Executive Directors, Senior Management, Middle Management, Supervisors and Staff were trained in February and March as per approved the Training Toll-Out Plan</li></ul>	No deviation	<ul style="list-style-type: none"><li>High performance culture</li><li>Developed and Skilled employees</li><li>improved employees morale</li><li>Enhanced understanding of the IPMS</li></ul>
	To ensure proper implementation of the IPMS system	<ul style="list-style-type: none"><li>The Human Resource quality assessment report finalised and tabled with the Moderating Committee</li><li>Moderating Committee recommendations tabled to the Secretary</li></ul>	Review reports	Conduct IPMS quality assessments for all quarters	<ul style="list-style-type: none"><li>Compliance checks performed on annual submissions for 2009/2010</li><li>Moderating Committee met to finalise deliberations on the HR Report and a recommendation report was sent to the Secretary's Office for approval in the 2<sup>nd</sup> Quarter</li><li>Stakeholders were kept abreast of developments of the IPMS process throughout</li><li>The IPMS appeal process resulted in payments to staff members during the December 2010 pay run</li><li>Performance awards for 2009/2010 were paid to Senior Management in December 2010</li><li>Quarterly compliance and quality checks were performed on 2010/2011 submissions and feedback were given to line managers</li></ul>	No deviation	Improved Accountability and increased institutional performance
	To retain and attract the best talent and performers in the GPL	<ul style="list-style-type: none"><li>Research</li><li>Retention strategy and Work-life balance strategy</li></ul>	<ul style="list-style-type: none"><li>Presentation of the research</li><li>Retention strategy and Work-life balance strategy to Secretariat</li></ul>	Developed and implemented the Research Retention Strategy and work-life balance strategy	<ul style="list-style-type: none"><li>Draft retention strategy document developed</li><li>Work-life balance results were communicated to staff during the HR open day</li></ul>	No deviation	Enhanced employee engagement through career development opportunities



Planned				Actual		Progress Towards Outcomes
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation
Institutional Support Services	To enhance GPL's competence through a designed, developed and implemented learning and Development Strategy and Framework	Skills Audit	Skills Audit Report	<ul style="list-style-type: none"> <li>Conduct Skills Audit</li> <li>Present a Competency Framework</li> </ul>	<ul style="list-style-type: none"> <li>A Competence Framework was developed and all managers were trained on the utilisation of the framework to compile the Skills Audit</li> <li>Skills Audit was conducted and feedback received from GPL business units</li> </ul>	No deviation
		Workplace Skills Plan	Skills Plan submitted to PSETA	Develop workplace skills plan and submit to regulatory bodies in compliance with legislation	<ul style="list-style-type: none"> <li>GPL WSP submitted to PSETA by 30 June 2010</li> <li>Registered the GPL on the WSP MIS System with the PSETA</li> </ul>	No deviation
		Learnerships Framework	Number of Learnerships Frameworks	Conduct a Feasibility Study on the implementation of the Learning Management System	<ul style="list-style-type: none"> <li>Learnerships Framework approved by the LSB in June</li> <li>Learnerships benchmark was done</li> <li>A proposal was developed for the sourcing of possible learning and development</li> <li>Training was conducted on the administration Electronic Systems conducted</li> <li>Enhanced Learning and Development Policy and Procedures finalisation – communication on process enhancement to managers submitted as an interim procedure</li> </ul>	No deviation
		Approved bursary, internship policy	Number of policy documents	Develop Internship and bursary policies	Internship and bursary enhancement policies approved by the LSB in June	No deviation
		Training and bursaries for GPL staff	Number of training interventions conducted and bursaries issued	Provide training and avail bursaries for staff.	<ul style="list-style-type: none"> <li>Training implemented was in line with the strategic objectives</li> <li>Training interventions were conducted for 267 employees</li> <li>A total of 58 employees were granted bursaries</li> </ul>	No deviation
		Red Index Jobs were approved by the Secretariat	List of approved Red Index Jobs	Develop and implement succession planning system	Succession planning framework developed, however, Red Index Jobs were not submitted to the Secretariat	Red Index Jobs List could not be presented to Secretariat due to prioritisation of the IPMS training in the 4 <sup>th</sup> quarter
						Competent and high performing institution equity, efficiency, effectiveness, value for money
						<ul style="list-style-type: none"> <li>Enhanced compliance and public confidence in the GPL processes</li> <li>Equity, efficiency, effectiveness, value for money</li> </ul>
						Competent staff and enhanced institutional performance
						Competent staff and enhanced institutional performance
						Competent staff and enhanced institutional performance

Planned					Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Institutional Support Services	To implement a competitive remuneration system	Remuneration comparison exercise	Report of the exercise	<ul style="list-style-type: none"><li>Implement a competitive remuneration system</li><li>Revise Remuneration Policy</li><li>Remunerate employees</li></ul>	Terms of Reference were developed and approved by the Secretariat and forwarded to supply chain for sourcing of service providers	Terms of reference were delayed due to competing priorities and communication on process enhancement to managers was submitted as an interim measure	<ul style="list-style-type: none"><li>Improved employees moral</li><li>Employees retention</li><li>Competitive employer</li><li>Value for money, economy, equity, efficiency</li></ul>
	To enhance the physical, emotional, personal and financial well-being of GPL employees	Strategies to embed EAP in the GPL	Strategy document	Develop strategies to embed EAP in the GPL	<ul style="list-style-type: none"><li>GPL employees were assisted through the wellness programme in the following areas: Emotional and financial fitness, legal and trauma counselling</li><li>HR held an open day so as to have a better understanding of staff members' needs on a more intimate basis</li><li>HR also held a wellness day</li></ul>	No deviation	<ul style="list-style-type: none"><li>Increased job satisfaction</li><li>Improved employees morale</li><li>Improved emotional, physical and personal financial wellbeing of GPL employees</li><li>Value for money, economy, equity, efficiency</li></ul>
	To implement best practice human resources value chain able to deliver the human performance required by the GPL to meet its strategic goals and operational requirement	Monthly payroll execution	Number of payroll executions	All payroll executed as required.	<ul style="list-style-type: none"><li>Payroll for MPLs and staff was executed accurately on the 15<sup>th</sup> and 25<sup>th</sup> respectively</li><li>Salary increases for staff were effected and increase letters disseminated to all staff</li><li>MPLs' annual increases were effected without default</li><li>Tax tables for 2011/2012 were implemented internally</li></ul>	No deviation	<ul style="list-style-type: none"><li>Retained and motivated employees</li><li>Statutory compliance and contribution to reduced audit findings leading to an unqualified audit</li></ul>
	To ensure effective management of HR administration	Management reports of HR benefits and administration	Number of reports complying with approved policies and best practice	All HR management of medical aid, retirement and leave supported	<ul style="list-style-type: none"><li>Medical aid and retirement benefits were secured for all employees for the 2010/2011 financial year</li><li>All SLAs with service providers were adhered to by the GPL</li><li>Medical aid increases were implemented for the 2011 financial year</li><li>Provident fund statements distributed to staff</li><li>Enhanced leave policy was adopted and systems such as the SAP and leave books aligned to new policy</li><li>SAP leave configuration was configured internally to ensure alignment with revised policy</li><li>All leave records were captured</li><li>2010 leave book audits were performed</li></ul>	No deviation	Accountable HR administration





Planned				Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation
Institutional Support Services	To provide the institution with adequate transport and logistical support	Records of all transport and logistical requirements services provided	Number of transport and logistical requirement services provided	Provide all transport and logistical services	A total of 4471 transport requisitions were serviced in line with the prevailing policy environment 21 requests were cancelled by the clients prior to the date 16 requests were declined as they did not comply with policy	No deviation
	To maintain all GPL vehicles as per policy	GPL vehicle maintenance records	Number of vehicle maintenance records	All GPL vehicles serviced after 10000 km or per the manufacturers' specifications	<ul style="list-style-type: none"> <li>Vehicle costs and travel kilometres were monitored on a weekly basis. Petrol slips were collated and compared with Bank Statements, and reconciliations were prepared and reviewed</li> <li>Complied with the filling of logbooks and the submission of petrol slips for vehicles operated by the VIP Protectors could to be improved</li> </ul>	No deviation
	To ensure that GPL assets are safeguarded and accounted for	Records of GPL asset count	Frequency of asset count	<ul style="list-style-type: none"> <li>Perform bi-annual asset counts</li> <li>Update and sign off asset register</li> <li>Register Reconciliation</li> <li>Asset movement register</li> </ul>	<ul style="list-style-type: none"> <li>Two asset counts were conducted in the year. A total of 11 049 assets were verified, with all 934 assets that were moved properly authorised</li> <li>A total of 626 assets to the value of R2,196, 367.02 were received and bar-coded, scanned and captured in the asset register as per policy prescripts. The process of aligning the Asset Register to GRAP standards was commenced with during the year under review</li> </ul>	No deviation
	To improve the working environment by office furniture in all GPL venues and offices in line with policy	Furnished venues and office space	<ul style="list-style-type: none"> <li>CAPEX memo</li> <li>Purchase order documents</li> <li>Signed off Delivery notes</li> </ul>	Provide adequately furnished and equipped offices to MPLs and staff	Office furniture was procured and delivered during the year in line with policy	No deviation
						Progress Towards Outcomes
						<ul style="list-style-type: none"> <li>Reliable transport service placed at the disposal of the GPL making it possible to deliver on its mandates</li> <li>Effectiveness, efficiency, reliability</li> </ul>
						Reliable fleet contributing to improved service delivery
						Assets of the GPL properly safeguarded contributing to business continuity
						Adequately resourced institution able to meet its delivery expectations

Planned					Actual			
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes	
Institutional Support Services	To provide support to stakeholders through the provisioning of landline and mobile telecommunication facilities (Switchboard and Telephone facilities)	Properly managed switchboard operation	100% uptime	Ensure that telephone etiquette is observed at the switchboard all the time	The switchboard was maintained as per expected standards 95% of the time	No deviation	Improved communication	
		Resourced stakeholder requirements	100% Uptime mobile and telephone facility	Ensure that all MPLs and qualifying staff members are provided with business mobile tools in line with the policy	All MPLs and qualifying staff members were provided with mobile business tools in line with policy	No deviation	Improved communication	
	To provide venue, cleaning and hygiene services	Serviced venue hiring requests	Number of hire contracts	140 Bookings service in a year Provide venue, cleaning and hygiene services	70 Events took place in the City Hall and Mayivuke Rooms	The decline on the hiring out of the City Hall was as a result of the upgrade of Mayivuke Rooms which necessitated temporary closure of the City Hall	Hiring out of the venue contributed to revenue in the GPL budget as revenue was generated	
		Cleaning and hygiene services Conducive clean and hygienic environment	Level of satisfaction around hygiene services	Provide all cleaning and hygiene services as required.	The GPL precinct was cleaned as per set standards	No deviation	Compliance with the Health and Safety Standards (OHASA)	
	To ensure a sound governance framework and best practice administration processes by revising all administration policies	Revised and benchmarked administrative policies Records of venue management, transport provision and telephone services	Satisfaction levels for services provided	Review all relevant policies	The Venue management, transport and logistics, integrated landline and mobile business tool policies for both MPLs and staff were revised and presented to the Policy Committee The integrated mobile and landline policy for MPLs were approved by the LSB	Not all policies could be finalised for approval by the LSB due to the need to accommodate policy drafts to all stakeholders for comment	Regulated environment	
		Revised Stakeholder Service level agreements in line with Service Charter Standards	Number of service level agreements	Review and revise all stakeholder service level agreements in line with Service Charter Standards	SLAs were reviewed with the G-Fleet for the provision of a transport service and requests for extensions were made for the SLAs with Imperial Foods Limited (Pty) Ltd and Glenrand MIB	Delays were experienced in the renewal of the canteen tender as a result of exploring other options in this regards	Value for money on contracts	
	To provide Mail Room and courier services	Records of mail room and of courier services provided	Number of mail room and courier services provided	Provide timely and accurate document collection and delivery services, timely and precise courier services and relevant documentation collected and couriered within 2 days of request	Documentation was collected and delivered within 2 days of request Deliveries were done and finalised through couriers within 24 hours of request	No deviation	Improved decision making	



Planned					Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Institutional Support Services	To provide canteen and coffee bar facilities	Services of the canteen and coffee bar facilities	Level of usage of the canteen and coffee bar facilities	Provide healthy and nutritional food in the canteen and coffee bar	The canteen and coffee Bar services were operational without any interruptions throughout the year	No deviation	Compliance with Health and Safety Standards (OHASA)
	To render insurance services	Insured Staff, MPLs and GPL assets	Number of staff, MPLs and assets insured	Required insurance needs provided for staff, MPLs and assets	Adequate insurance cover was arranged for staff, MPLs and assets of the GPL	No deviation	Indemnity for the institution
	To establish a panel of transport service providers	A panel of transport service providers	Number of transport service providers in the panel	Established a panel of transport service providers that can be adjudicated for tender awards.	A proposal on the establishment of a panel of service providers was made, however not approved	Project on hold pending restructuring of the administration unit	Dependable and reliable transport offering
	To provide stationery and consumables	Records of stationery and consumables provided.	Amounts of stationery and consumables provided	Provide all stationery and consumables requirements within 3 days of requisition date	Stationery was provided within 3 days of requisition date	No deviation	<ul style="list-style-type: none"> <li>Improved service delivery</li> <li>Efficiency Value for money</li> </ul>
	To improve safety and security in the GPL	Safety and security measures	Access control system	Put access control in place and ensure that it is operational	SAPS and new security Service Provider in place until May 2012	No deviation	Safer GPL through new improved security services
Operational Support Services	To provide protection services	Installed security systems for the Speaker	Number of security systems installed	Install 1 security system	1 security system installed	No deviation	Minimised security breaches and increased safety and security
	To facilitate safety and security in events venues	Security provided at venues and events	Safety and security reports	Provided safety and security services for all events	<ul style="list-style-type: none"> <li>Provided safety and security for all institutional events without incidents including the official opening of the GPL</li> <li>No security breaches food poisoning and no incidents were reported</li> <li>The integrated Safety and Security Plan was implemented with other security agencies</li> <li>All foreign delegations visiting the GPL were successfully protected</li> </ul>	No deviation	Enhanced safety and security at GPL events
	To render risk management through vetting of staff and contractors	Security vetted officials	Number of security clearance certificates	All new staff are vetted and screened	<ul style="list-style-type: none"> <li>Newly appointed staff have been screened</li> <li>9 Service providers contracted to the GPL have been screened</li> </ul>	No deviation	Risks have been managed effectively



Planned					Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Operational Support Services	To ensure proper detection of fire in the building and compliance with the South African National Standards (SANS) 1400 National Building Regulations and Standards Act 103 1977	Working fire panel and smoke detectors	Number of functional fire panel and smoke detectors	Installation of fire panel smoke detectors throughout the GPL	Fire panel and smoke detectors were installed	No deviation	Minimised fire risk
	To ensure risk management and compliance with OHASA	Trained Safety Representative, First Aiders and fire fighters	Number of trained Safety Representatives, First Aiders and Fire Fighters	All Safety Representatives, First Aiders and Fire Fighters trained	<ul style="list-style-type: none"><li>7 New Safety Representatives and Fire Fighter were trained</li><li>35 Trained Safety Representatives</li><li>Ongoing review of Safety Policy conducted</li></ul>	No deviation	Minimised legal implications against the institution and implementation of safety audits which contributed to a safer working conditions in the GPL
		Institutional emergency readiness	Number of evacuation drills	Conduct evacuation drills as required.	One evacuation drill was conducted	No deviation	Safer working environment due to quick emergency responses
	To ensure risk management and compliance with the Occupation Compensation of Injuries and Disease Act (COIDA)	Staff wellness programme	Occupational disease and staff wellness report	Implement the staff Wellness programme	No occupational diseases or staff wellness problems were experienced	No deviation	No legal action against the GPL contravening the Occupation Compensation of Injuries and Disease Act as well as improved staff wellness
	To provide parking facilities at GPL	Parking bays at GPL for MPLs, staff and visitors	Percentage of GPL MPLs , staff and visitors securing parking bays	All GPL MPLs, staff and visitors acquired safe parking	<ul style="list-style-type: none"><li>No reported theft at GPL parking bays</li><li>The Harry Hofmeyr parking garage is currently being managed by the GPL and all staff, MPLs and visitors have designated parking bays</li><li>New booms have been installed and a parking business case including the revenue-generating strategy has been approved and implemented</li></ul>	No deviation	Improved safety and secure parking for MPLs, staff and visitors



Planned				Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation
Operational Support Services	To provide wellness opportunities programme (Including gym / Fitness Centre utilisation)	Gym membership and participation in outside events (e.g. marathon and walks)	Number of gym membership and outside events	Full gym membership and participation in outside event	<ul style="list-style-type: none"> <li>165 Staff members and 47 MPLs attended the gym and have become regular members, resulting in an improvement of 9 participants as to the 2 gym participants respectively</li> <li>MPLs and staff also participated in 8 external marathon events</li> </ul>	No deviation
	To refurbish the 3 <sup>rd</sup> and 4 <sup>th</sup> floors in the west wing of the main building	Finished additional office space that complies with the design and building standards which contributes to a safe and conducive environment for the GPL MPLs and staff	Renovated and accessible working space that conforms to design and building standards	Complete construction by renovating 2000 m <sup>2</sup> of unused space by installing the following: <ul style="list-style-type: none"> <li>• Walls</li> <li>• Partitions</li> <li>• Ceilings</li> <li>• Electricity</li> <li>• Plumbing</li> <li>• Carpets</li> <li>• Furniture</li> <li>• Network points and telephones</li> </ul>	Completed the renovation of 2000 m <sup>2</sup> of unused space by fixing and installing the following: <ul style="list-style-type: none"> <li>• Walls</li> <li>• Partitions</li> <li>• Ceilings</li> <li>• Electricity</li> <li>• Plumbing</li> <li>• Carpets</li> <li>• Furniture</li> <li>• Network points and telephones</li> </ul>	No deviation
	To renovate the Mayivuke room in the City Hall	Finished additional committee rooms that comply with the design and building standards and contributes to a safe and conducive environment	Renovated and accessible working space that conforms with designs and building standards	Complete renovating three committee rooms by fixing and installing the following: <ul style="list-style-type: none"> <li>• Walls</li> <li>• Ceilings</li> <li>• Electricity</li> <li>• Heaters</li> <li>• Artistic Gilding</li> <li>• Carpets</li> <li>• Furniture</li> <li>• Curtains</li> <li>• Network points</li> </ul>	Construction completed in renovating 3 committee rooms fixing and installing the following: <ul style="list-style-type: none"> <li>• Walls</li> <li>• Ceilings</li> <li>• Electricity</li> <li>• Heaters</li> <li>• Artistic Gilding</li> <li>• Carpets</li> <li>• Furniture</li> <li>• Curtains</li> <li>• Network points</li> </ul>	No deviation
						Safe and conducive environment for MPLs and staff

Planned					Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Operational Support Services	To renovate the auditorium in the main building	Finished space that complies with the design and building standards and contributes to a safe and conducive environment	Renovated and accessible working space that conforms with designs and building standards	Complete construction by renovating 300 m <sup>2</sup> of heritage space by: <ul style="list-style-type: none"><li>• Creating of floor platform and decking and raising it 150 mm</li><li>• Upgrading electricity</li><li>• Laying of new carpets extending of existing benches, new tables and chairs</li><li>• Building ramps for wheelchair access</li></ul>	Construction completed by renovating 300 M <sup>2</sup> of heritage space by: <ul style="list-style-type: none"><li>• Creating a floor platform and decking by raising it to 150 mm</li><li>• Electricity upgraded</li><li>• New carpets installed</li><li>• Extension of existing benches, new tables and chairs was completed</li><li>• Ramps for wheelchair access were completed</li></ul>	No deviation	Safe and conducive environment for MPLs and staff
	To provide adequate office and meeting room space	Compiled office space and venue management plans for presentation to the Secretariat	Office space and venue management plans prepared and updated	Complete approved office space and venue management plans implemented as per Secretariat approval	Office space plans were completed, presented to the Secretariat and feedback received based on Secretariat decisions	No deviation	Improved and conducive working environment for all MPLs and staff
	To develop long-term capital project plans, focusing on the improvement of the GPL building for sustainability purposes	Long-term capital projects plan catering for renovations for 2010/2011 and 2011/2012 for the GPL building	GPL building renovation concept and implementation plans in place and approved, to include the following: <ul style="list-style-type: none"><li>• Terms of reference</li><li>• Building specification</li><li>• Bill of quantities</li><li>• Tender documents</li></ul>	Upgraded building components and facilities to meet the needs of the GPL as approved for the fiscal 2010/2012 which will include: <ul style="list-style-type: none"><li>• Refurbished the outside wall of the main building, City Hall and offices on the west wing of the building</li></ul>	<ul style="list-style-type: none"><li>• The concept and the implementation plans have been completed and approved for the following projects:</li><li>• Refurbishment of the outside wall of the main building</li><li>• Rehabilitation of the Beyers Naude square</li><li>• Refurbishment of the City Hall</li><li>• Refurbishment of offices on the west wing of the main building</li></ul>	No deviation	Finished building work that complies with the design and building standards for historical buildings aimed at a conducive working environment
	To provide fully maintained, hygienic, safe and secure offices in the east and west wings of the GPL	Fully maintained and secure offices in the east and west wings of the GPL	Building maintenance plans	Developed maintenance plans and ensured compliance to OHASA & SAHRA, including access plans for people with disabilities	<ul style="list-style-type: none"><li>• Intermediary building maintenance plan has been developed</li><li>• Access plans were completed &amp; executed within the GPL within the building's design constraints</li></ul>	No deviation	<ul style="list-style-type: none"><li>• Contribute to a suitable office space that is safe and hygienic for a conducive working environment through daily maintenance</li><li>• Provision of access into and within the GPL for people with disabilities</li></ul>





Planned					Actual		Progress Towards Outcomes
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	
Operational Support Services	To develop a concept for the restoration of the organ to orchestral playing standard	Meeting with the Friends of the Organ Committee to plan the way forward	Minutes generated and plan formulated	Restoration concept developed and accepted	Original restoration concept accepted and approved and initiatives to mobilise funds are underway	No deviation	The restoration of the organ will contribute immensely to the historic prestige of the GPL
	To examine available external office space for the GPL to occupy in the event of a disaster	A list of suitable buildings for business continuity planning for the Institution	Report listing existing buildings around the city	Short list of suitable and accepted buildings that is updated quarterly	A list of suitable buildings has been compiled and is updated quarterly to ensure the availability of building owners around the city	No deviation	A regularly updated list has been compiled on available buildings. The list is reviewed and inserted into the business continuity manual that ensures availability of external office space for the GPL to occupy in the event of a disaster
	To develop a culture and conducive environment for effective service delivery through sound partnerships with stakeholders groups	Technical services in relation to the operations of the House	Technical reports on Chamber systems	Support all House sittings	All House sittings were fully supported and identified risks were mitigated	No deviation	Provision of secured, reliable technical infrastructure and responsive support
		Technical software in the House upgraded	Report	1 software upgrade	The software and firmware upgrades to the neon controllers in the House have been completed	No deviation	Provision of secured, reliable technical infrastructure and responsive support

Planned					Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Operational Support Services	To provide a network structure and business applications in alignment with the OD and designed in ICT best practice and standards	Designed blueprint of Network backbone remodeling, technical roadmap and implementation thereof	Network designed in alignment with ICT best practices and standards	Complete the implementation of phase 1 of the Network Enterprise Composite Model	Phase 1 completed. This is a multi-year project phase 1 was completed this year focusing on the: <ul style="list-style-type: none"><li>• Network design framework and technical roadmap</li><li>• Eliminate on single broadcast, collision and failure by segmenting the existing network into multiple virtual networks, based on departmental boundaries</li><li>• Strengthened the network security posture</li><li>• Installed additional firewall</li><li>• Incorporated an Intrusion Detection and Prevention System into the Internet security edge</li><li>• Mounted network switches in cabinets behind lock and key</li><li>• The Server Farm is now hosted on a completely separate VLAN</li><li>• Internet content filtering technology surf control implemented</li></ul>	No deviation	Network Enterprise Composite Model based on best practises and global standards
	To improve business processes, procedures and policies to ensure optimum operational efficiency	Servers running on the network	Number of servers running on the network	All servers running on the network	Urgent network problems were reprioritised and these tasks were carried out by the IT unit: <ul style="list-style-type: none"><li>• All cluttered loose data cables from the data closets were cleaned, and replaced with proper labels and numbering</li><li>• All network devices have been upgraded to the latest operating systems</li><li>• Network management tools were introduced to simplify tasks for future upgrades and monitoring</li><li>• The anti-virus solution was replaced by a robust a stable McAfee anti-virus solution system</li><li>• Addressed all audit and risks findings including the GRC</li><li>• All user account management issues raised in the Security report were addressed and resolved</li></ul>	No deviation	<ul style="list-style-type: none"><li>• Strengthening the network security posture by following best practices and complying with global standards to improve effective and efficient operations</li><li>• Password policies and controls were enhanced</li></ul>



Sub-Programme	Planned				Actual			Progress Towards Outcomes
	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation		
Operational Support Services	To ensure effective and efficient ERP platform	Developed patch rollout scheme for each SAP environment pool	Report on compliance with standard SAP basis operational procedures	Compliance with standard SAP basis operational procedures	<ul style="list-style-type: none"><li>SAP patches roll-out in HR and FI Module were completed and tests were conducted out and signed off</li><li>Implementation of SAP QAS system, thus completing the global standard and recommended SAP architecture of DEV, QAS and PRD</li></ul>	No deviation	Improved effective and efficient SAP operations leveraging business objectives	
	To improve business processes, procedures and policies to ensure optimum operational efficiency	Business solutions in place	Report on the support for existing business solutions	Support all existing business solutions	Business solution systems maintenance for: <ul style="list-style-type: none"><li>LIMS</li><li>SAP</li></ul>	No deviation	Business applications in alignment with the best practise, standards, improving effective and efficient operations	
	To develop a culture and conducive environment for effective service delivery through sound partnerships with stakeholder groups	<ul style="list-style-type: none"><li>Technical services in relation to the operations of the House and Committees</li><li>Network structure and business applications in alignment with the OD and designed against best practice and standards</li></ul>	<ul style="list-style-type: none"><li>Report on the replacement of microphones in Committee Room A, B, C and Mayivuke Rooms</li><li>Bandwidth upgrade internet fibre backboneimplementation of MPLS-VPN</li><li>3G APN connectivity</li></ul>	<ul style="list-style-type: none"><li>Technical services provided in the House and Committees</li><li>Enhance Fault tolerance, scalability, flexibility and predictability of the underlying internetwork infrastructure</li></ul>	<ul style="list-style-type: none"><li>New microphones were installed in Committee Rooms A, B, C and the Mayivuke Rooms</li><li>Fiber installation is in progress</li><li>Extra 2 mega bandwidth was provided to the GPL at no cost</li></ul>	<ul style="list-style-type: none"><li>No deviation</li><li>The unavailability of fibre cable in the vicinity led to the matter taking longer to be addressed by Neotel and IS</li></ul>	<ul style="list-style-type: none"><li>Support to MPLs, Committees of the GPL and all relevant officials of the Administration</li><li>Enhanced fault tolerance, scalability, flexibility and predictability of the underlying internet work infrastructure</li></ul>	
	To ensure that technical services are provided in the House and Committee business	Technical upgrade of the auditorium	Report on the complete installation of the digital audio visual equipment in the Auditorium	Complete installation of the digital audio-visual equipment in the auditorium	The tender process was finalised to appoint a service provider for the installation of the digital audio visual equipment in the auditorium, recommendations were forwarded to the LAC and the Secretary approved the appointment of the service provider	The project has not been completed due to competing business priorities	Provision of secured, reliable technical infrastructure and responsive support in the auditorium for MPLs, LSB, Presiding Officers, sub-committees of the LSB and Office Bearers in order to enable them to perform their constitutional obligations	



Planned					Actual		Progress Towards Outcomes
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	
Operational Support Services	To ensure stakeholder management	Ratings for service performance improved	Report	Amended and accepted SLA improved relationship with MA	Enhanced support and services to stakeholders including <ul style="list-style-type: none"><li>• Deployed business tools</li><li>• Supported BlackBerry's mail forwarding</li><li>• IT devices were configured, and minor repairs done</li><li>• Updated software to BlackBerry's and Enterprise Server</li><li>• Software deployed</li><li>• Actively participated in other business streams projects</li></ul> Proving technical support to various stakeholder groups: <ul style="list-style-type: none"><li>• LSB</li><li>• Secretariat</li><li>• Sub-committees of the LSB</li><li>• Sub-committees of the Secretariat</li></ul> Management participated in: <ul style="list-style-type: none"><li>• ICT/Heritage Committee</li><li>• Risk Management Committee</li><li>• Members Affairs Committee</li><li>• Disaster Recovery</li><li>• Fraud Prevention</li></ul>	No deviation	Improved the effective and efficiency of operations
		Amended contracts	Report on Contract Management	Full report on Stakeholder Management	<ul style="list-style-type: none"><li>• Regularly evaluated and monitored third party contracts</li><li>• Partnered with legal the unit for advice</li><li>• Implemented and adhered to SLA</li><li>• Conducted periodic performance reviews</li><li>• Served as current Chairperson of the ISM Forum</li></ul>	No deviation	The process of contract management improved the relationship with external stakeholders towards a more effective and efficient service delivery at the GPL
	To ensure Network availability	Improved network performance	Uptime of servers	100% uptime of servers	Amended and put proper network management and monitoring processes in place <ul style="list-style-type: none"><li>• Enhanced maintenance schedules</li><li>• Composite Model phase 1 has not been completed</li></ul>	No deviation	Network structure and business applications in alignment with the best practice standards



Planned					Actual		Progress Towards Outcomes
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	
Operational Support Services	To ensure basis support for both SAP and R3 systems landscape efficiency in operations from all business streams	Record of business processes and procedures	Accelerated SAP benefits in terms of performance and productivity gains with GPL SAP users	Support efficient operations in all business streams	<ul style="list-style-type: none"> <li>Solution manager installed</li> <li>Applied required patches</li> <li>Enhanced the backup process</li> <li>Enhanced the SAP maintenance schedule</li> </ul>	No deviation	<ul style="list-style-type: none"> <li>Improved effective and efficiency of operations leveraging business objectives</li> <li>Accelerated SAP benefits in terms of performance and productivity gains with the GPL SAP users</li> </ul>
	To provide hardware infrastructure to support the network backbone and business systems	Improve business processes, procedures to ensure optimum operational efficiency	Enhanced operations in all business streams	<ul style="list-style-type: none"> <li>Prioritise the issuing of business tools through business</li> <li>enhancing resources</li> </ul>	Issued business tools based on the approved resource model	Insufficient budget to cover all business tools that were due for replacement	Operational efficiency
	To develop a culture and conducive environment for effective service delivery through sound partnerships with stakeholder groups	Provided technology related audio visual equipment	Number of meetings and Sitings successfully conducted with AV equipment	Provision of secured, reliable technical infrastructure and responsive support	Provided technology related audio visual equipment to GPL internal and external events and eliminate microphone failures in committee rooms	No deviation	Efficiency and effectiveness of AV technical support operations
	To ensure financial management	Financial management reports	Number of Financial management reports compliant to Treasury regulations	All financial management reports complied with Treasury regulations	<ul style="list-style-type: none"> <li>Managed monthly and quarterly projections</li> <li>Managed virements from internal and external sources</li> <li>Submitted monthly financial reports</li> <li>Ensured that all assets and services were procured in line with internal SCM processes</li> <li>Efficient and authorised spending was done in line with the strategic objectives of the unit</li> <li>Partnered with SCM on tender evaluation processes</li> </ul>	No deviation	Efficiency and compliance with Treasury regulations

Planned					Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Members Affairs	To train Members about the GPL	MPLs skills development training and strategic implementation	Number of MPLs registered in Institutions of Higher Learning: <ul style="list-style-type: none"><li>• Number of training courses attended</li><li>• Attendance register certificates</li></ul>	73 MPLs enrolled and or trained with Institutions of Higher Learning	8 MPLs enrolled with the institutions of higher learning to further their studies Training attended: <ul style="list-style-type: none"><li>• 51 Visual computer</li><li>• 51 Value based Leadership</li><li>• 49 Media communication</li><li>• 39 Action research</li><li>• 34 Democratic governance and legislatives process</li><li>• 28 Code of conduct and ethics</li><li>• 26 Financial management for non-financial managers</li><li>• Some MPLs participated in Legislative sector capacity building introductory phase</li></ul>	No deviation	Skilled and developed MPLs
	To review MPLs policy frameworks to ensure relevance	Relevant MPLs related policies reviewed	Number of MPLs related policies reviewed	Annual review of MPLs related policies	6 Policies related to MPLs and political support staff were reviewed and amended: <ul style="list-style-type: none"><li>• Travel policy for MPLs</li><li>• Subsistence and travel for MPLs</li><li>• MPLs capacity building</li><li>• Constituency allowances policy</li><li>• Training and development policy for political support staff</li><li>• MPLs executive wellness policy</li></ul>	No deviation	Contribution to good corporate governance
	To train political support staff	Political support staff capacitated to better perform their duties	<ul style="list-style-type: none"><li>• Development plans for political party support staff</li><li>• Training records and programme certificates</li></ul>	Political support staff trained in line with the annual training plans	Development plans for political support staff were compiled and the following training was conducted in line with the annual training plans: <ul style="list-style-type: none"><li>• 8 Political support staff members attended project Management</li><li>• 8 Staff members attended training on emotional Intelligence</li><li>• 8 Attended workshop on policy awareness</li><li>• 20 Staff members attended training on IPMS</li><li>• 11 Staff members attended a Microsoft suits training</li><li>• 16 Staff members attended memory retention and speed writing</li><li>• Newly appointed political support staff were inducted</li><li>• Team building exercises were also conducted</li></ul>	No deviation	Improved capacity of political support staff





Planned					Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Members Affairs	To enhance institutional performance by conducting performance reviews	Performance reviews conducted for political support staff	Quarterly and annual performance reviews	Quarterly and annual performance reviews completed	<ul style="list-style-type: none"> <li>Quarterly and annual performance reviews were conducted for all political support staff according to policy and cycle of performance management of the Institution</li> <li>The IPMS policy was effectively implemented within the political support structures</li> </ul>	No deviation	<ul style="list-style-type: none"> <li>The implementation of the IPMS policy has enhanced the performance management of political parties and individual political support staff</li> <li>Enhanced understanding of the performance management process and procedures was attained</li> </ul>
	To develop and maintain a system of good record keeping and management of MPLs and party support staff archives	Personal files of MPLs and political party support staff	Number of records and archives	Semi-annual audits of personal files and archives maintained and accurate	<ul style="list-style-type: none"> <li>Personal files archives of the MPLs and political support staff were maintained and updated to ensure readily accessibility and use</li> <li>22 Party support staff personal files were audited on monthly basis to promote good governance</li> <li>62 MPLs files were audited for accuracy on a monthly basis</li> </ul>	No deviation	Continuous improvement in records management
	To benchmark legislative business practices locally and internationally to ensure the best practices at GPL	Benchmarks of local and international legislative business practices	Best practice reports of information sharing sessions	Bench-marking documents of legislative business practices	<p>Reports on the best practices shared were with other legislatures.</p> <p>European Union Leadership Programme, ISS, SALSA and capacity building programmes were compiled for MPLs.</p> <p>Report on comparative studies on MPLs facilities in the following areas were completed:</p> <ul style="list-style-type: none"> <li>Constituency allowances</li> <li>MPLs travel allowances</li> <li>Party funding allowances</li> <li>MPLs benefits to guide practice within the institution</li> </ul> <p>A report on the national conference of state legislatures was compiled to gain understanding of international legislative practice</p>	No deviation	Operational efficiency and continuous improvement of systems and processes

Planned					Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Members Affairs	To build relationships with primary stakeholders (MPLs) to ensure continuous support to Party Leaders	<ul style="list-style-type: none"><li>Formalised structures and procedures for courtesy visits to parties</li><li>Quarterly courtesy visits conducted</li></ul>	<ul style="list-style-type: none"><li>Formal document on the procedures for courtesy visits to parties</li><li>Reports on the quarterly courtesy visits</li></ul>	A concept document on courtesy visits and quarterly visits	A formal concept paper guiding courtesy visits to parties was drafted and approved by the Secretariat monthly and quarterly courtesy visits to political parties were conducted in respect of the following: <ul style="list-style-type: none"><li>Presentation of budget and expenditure reports</li><li>Integrated meetings with other Administrations to report on management issues raised by Parties</li></ul>	No deviation	Improved service offering and enhanced primary stakeholder satisfaction
	To ensure that effective and efficient audit management practices are implemented	Adherence to good corporate governance practices	<ul style="list-style-type: none"><li>Unqualified reports on internal and external audits</li><li>Audit tracking report</li></ul>	Clean audits on the management of political parties	A panel of external auditors was appointed to serve Political Parties, Internal Auditors and Members Affairs They raised queries and made recommendations relating to the following: <ul style="list-style-type: none"><li>The development of a medical aid register to track the accuracy of billing</li><li>MPLs' bursary register to track how bursaries are awarded and managed</li></ul>	No deviation	Ensured accountability and enhanced processes
	To compile and maintain a database of MPLs biographical data	MPLs profile database	Number of MPLs profile databases	Compiled and maintained a database of MPLs' biographical data	The following have been accomplished: <ul style="list-style-type: none"><li>A format was circulated to serve as a guideline to update and review biographies</li><li>A process was initiated to have completed biographies approved and signed off by the owner to ensure accuracy</li><li>Procurement processes were followed to procure a service provider to compile the booklet</li><li>MPLs' biographical details for the 4th session of the GPL have been completed</li><li>A draft copy of the biographical booklet has been distributed to Presiding Officers for inputs</li><li>A task team has been constituted to edit the booklet</li></ul>	A database is yet to be completed	Raised the public profile of the MPLs



Planned					Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Members Affairs	To co-ordinate arrangements for approved study tours	<ul style="list-style-type: none"><li>• Checklist for primary stakeholder's study tour compiled and maintained</li><li>• Study tour participants briefed</li><li>• Debriefing and feedback sessions held</li></ul>	Number of approved study tours	Conduct study tour briefings	<p>The directorate had a briefing session for the following countries international study tours:</p> <ul style="list-style-type: none"><li>• Kenya</li><li>• Botswana</li><li>• Seychelles</li><li>• Mauritius</li><li>• China</li><li>• Hong Kong</li><li>• Canada</li><li>• Brazil and Chile</li></ul> <p>A report of the international study tour briefing was compiled and submitted to Members Affairs Committee for consideration and approval.</p> <p>Furthermore to highlight experiences and identifying gaps for possible enhancement of the process</p>	No deviation	Better service provision and satisfaction of our stakeholders
	To co-ordinate the GPL corporate social responsibility	Charity events co-ordinated and organised	Social responsibility programmes	Implement 3 social responsibility projects	<p>The following 3 social responsibility projects were implemented:</p> <ul style="list-style-type: none"><li>• Food distribution to the Bambanani Shelter for abused women and children</li><li>• Donation of GPL redundant assets to the Sizanani home-based care</li><li>• The GPL and Mondi Paper recycling project was initiated to raise funds and to provide for identified needy organisations</li></ul>	No deviation	<ul style="list-style-type: none"><li>• Relationship building with external stakeholders, creating awareness of the role of the institution</li><li>• Created goodwill and positive public and media focus for MPLs and GPL</li></ul>



Planned					Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Members Affairs	To measure service level using the Service Charter	Updated Service charter	Service level as measured by service charter	Annual update of the service charter	The Service Charter not yet updated	Service provider could not be appointed in time due to supply chain management processes	Enhanced primary stakeholder satisfaction
	To monitor and evaluate service reports	Customer relationship management reports	M&E report on customer relationship management	Conduct M&E on customer relationship management	Monthly reports of M&E on customer relationship management conducted	No deviation	Improved service delivery
	To facilitate the sports and recreation programme	Institutional sports and recreation programme	Number of sports and recreation programmes implemented	Implement all institutional sports and recreation programme	<ul style="list-style-type: none"> <li>The directorate facilitated quarterly sporting activities within the institution</li> <li>The Sports and Recreation Policy was formulated to guide process and procedure</li> <li>The Interim Sports Management Committee was formed</li> <li>MPLs and staff were encouraged to form different sporting codes</li> <li>4 Soccer matches within the province have been held to improve relationships with external stakeholders</li> </ul>	No deviation	Enhanced relations between MPLs and staff
					Annual satisfaction surveys were completed and the service level improvement results will be disseminated during the strategic planning session for effective action	No deviation	Improved and efficient service offering to internal stakeholders

[illegible]



# PROGRAMME 4: CORE BUSINESS OFFICE OF THE EXECUTIVE DIRECTOR

## 1. PURPOSE

The purpose of the Core Business Stream is to provide strategic direction to the stream directorates to implement the core functions of the GPL. This includes the promotion of information and knowledge exchange; to support GPL business processes; retention of institutional memory and embedding knowledge management into business processes that support the execution of GPL mandates.

Through the Communications Directorate, the stream supports the enhancement of the GPL's profile, by ensuring that the image, role and products of the GPL are profiled and branded in terms of best practice standards. Furthermore, the stream through the Parliamentary Business Directorate ensures seamless provision of administration, co-ordination and management services to the House and its committees. This includes the provision of procedural advice to committees and Presiding Officers, ensuring the accuracy of document content as well as providing research services.

## 2. KEY FUNCTIONS

The mandate of the Core Business Stream is to implement the vision, mission and goals of the GPL, through the three directorates under its umbrella, namely:

- Parliamentary Business Directorate, comprising the Committees, Proceedings, Research and the NCOP Units;
- Information and Knowledge Management Directorate, comprising the Information Centre; Documents and Services and the Hansard and Languages Units; and
- Communications Directorate comprising the Public Participation and Petitions (PPP) and the Communications Units.

The Core Business Stream is therefore mandated to execute the following functions:

- Co-ordinate and drive the execution of the core mandate of the GPL;
- Provide strategic direction to the stream and its directorates, overall strategic planning, implementation, monitoring and evaluation;
- Financial management and administration of the stream;

- Capacity building within the stream;
- Effective and efficient co-ordination of support functions to the Committees and the House;
- Develop and deliver strategic projects which are organised through directorates;
- Monitoring and evaluation of the key deliverables on law-making, oversight and public participation;
- Improve internal processes including inter-directorate planning and stream planning and accountability;
- Foster good relations with internal and external service providers and support to GPL stakeholders;
- Co-ordinate the interface between the Office of the Speaker and committees of the House;
- Co-ordinate provincial law-making processes; and
- Promote information and knowledge sharing to support GPL business processes, retention of institutional memory, and embedding knowledge management into business processes that support the GPL mandates.

## 3. MEASURABLE OBJECTIVES

- To facilitate the report on the annual performance of the GPL;
- To undertake team building sessions on an annual basis for the stream;
- To ensure effective strategic management and direction to the stream;
- To ensure financial management of the office;
- To ensure effective human capital development and management;
- To implement the Institutional Project Management tool for the stream;
- To implement institutional M & E Framework in core business;





## PROGRAMME 4: CORE BUSINESS OFFICE OF THE EXECUTIVE DIRECTOR

- To implement the business model of the GPL;
- To facilitate the stream report to the LSB, Presiding Officers, Office Bearers and the Secretariat;
- To hold stakeholder workshops for the stream;
- To co-ordinate the activities and outputs of the stream;
- To further strengthen stakeholder relations with other legislatures;
- To co-ordinate a study on international best practice in the legislative business;
- To facilitate the inter-legislature exchange programmes for sharing and learning exercise for the stream in consultation with the institutional plan;
- To implement the improved and adopted Resolutions Tracking System and processes;
- To implement revised House Rules;
- To implement House Resolutions regarding relations with ISDs;
- To ensure improved research services;
- To improve relations between the GPL, NCOP and local government;
- To study the efficacy of the committee system and services;
- To implement the adopted Committee Inquiries Act;
- To revise reporting requirements to the GPL in order to improve Oversight;
- To explore policy management processes as an area of oversight focus for the GPL;
- To implement the Collaboration Strategy of the GPL;
- To support the participation of stakeholders;
- To improve the provision of professional research services;
- To improve the profile of the GPL;
- To implement the Leadership Model of the GPL;
- To implement the Bua le Sechaba campaign;
- To study the Efficacy of Laws Passed Since 1994;
- To explore mechanisms to improve law-making processes of the province;
- To improve Stakeholder Management Services;
- To develop and maintain systems for effective information dissemination;
- To mainstream public participation across GPL processes;
- To mobilise and educate stakeholders to participate in legislative processes and taking programmes to the people;
- To implement Sector Parliaments;
- To increase the number of petition submissions;
- To encourage the GPL to participate in community work;
- To enhance and maintain stakeholder relations;
- To facilitate the process of drafting the Public Participation;
- To report to the Speaker as required by the Rules of the House;
- To facilitate the Resolution Tracking System and processes by delivering the Electronic Workflow System;
- To strengthen relations with Chapter 9 institutions and institutions that support democracy by facilitating access to information services and knowledge products;
- To provide information to support and enhance the research agenda by providing aligned information services;
- To support committee work, Committee Inquiries and Ministerial Accountability processes by providing



## PROGRAMME 4: CORE BUSINESS OFFICE OF THE EXECUTIVE DIRECTOR

required supporting information;

- To support committee work and House Plenary services by providing an electronic and manual repository for the storage and archiving of documents and records;
- To support committee work and House Plenary services by providing effective printing services;
- To provide a record capturing and management service for the House and committees;
- To facilitate capacity building by developing and strengthening existing relationships and partnerships with relevant forums, professional bodies and independent bodies;
- To embed Knowledge Management practices in GPL functions and processes;
- To deliver a functional Digital Attendance Register for MPLs;
- To support constituency work by providing relevant information service to MPLs;
- To provide language services to the House and committees;
- To support committee work and House services by providing refreshment services to support the House and committees;
- To enhance strategic management of the directorate;
- To provide management control and guidance, monitoring stream outputs, realigning meetings for effectiveness; and
- To ensure financial management of the directorate.

### 4. SUMMARY OF ACHIEVEMENTS

#### **Compilation of the *Gauteng Provincial Legislature Annual Report, 2009/2010 (Annual Report):***

Core Business managed the compilation of the 2009/2010 *Annual Report* which was produced and submitted to the GPL within the specified timelines. Copies of the citizen's version of the *Annual Report* were printed in Xitsonga; English;

Afrikaans; isiZulu; Sepedi; as well as in Braille.

**The Public Participation Strategy:** The strategy was revised and adopted by the GPL in the last quarter of the year under review.

**The NCOP Provincial Oversight Week:** This event was successfully co-ordinated and the report was tabled at the NCOP.

**GPL provincial delegation:** Quality support was provided to the GPL provincial delegation for the joint sittings of Parliament and the NCOP.

**The GPL and local councils MoU:** The presentation for the adoption of the MoU between the GPL and the local councils in the province.

**Support to the House and Committees:** Effective support was provided to the House and its committees, including the successful delivery on committee support work in the form of committee schedules, successful co-ordination of 92 committee meetings; and 29 House sittings; research analyses and procedural legal advice.

**The record** of the House and committees has been developed and managed effectively, was made available to MPLs and the members of the public on request, and all audit query publishing backlog removed. A language service has also been provided to facilitate public participation in House and committee activities.

**The stream** also succeeded in identifying an electronic MPL attendance register that will be rolled out in the institution in the 2011/2012 financial year.

**Co-ordinated** one programming meeting, and revised the operational manuals of the NCOP and House Proceeding Units. Successfully marketed services and products to support committees, research and corporate activities during the Information Centre Open Day, and positive feedback has been received from stakeholders. The stream also successfully convened the SALSA KM Forum meeting in Ba-Phalaborwa.

**Processed 91** Announcements, Tablings and Committee Reports (ATC); 55 Order Papers; 29 Question Papers; 23 Oral Questions; 105 Written Questions; and 3 Motions. Scrutinised and referred 41 reports, mainly all 1<sup>st</sup> Quarterly reports, and all annual reports including from entities and



Agencies. Published the revised candidates list of the DA, and processed the papers for the swearing in of the new Members of that party. Successfully facilitated the tabling and adoption of FIS reports in the House.

**Profiling the GPL:** The front desk proposal; the draft Gift Policy; and a memorabilia shop proposal were developed, and the corporate video was completed and presented to the ECC. The Corporate Identity Manual has been completed and the draft is in circulation for inputs.

**International conferences:** Two researchers presented papers at 2 international conferences in Nigeria.

**Paper usage:** A manual to guide the GPL community on how to minimise paper usage has been developed, and will be published in the new financial year. The amount of paper that is provided to political parties has been reduced, and will be reviewed in line with the adoption of the Political Party Fund Act. The procurement of bottled still water with the

GPL logo has reduced the budget by 50%, and this further promotes the GPL brand.

## 5. FINANCIAL MANAGEMENT

The Core Business Stream reflects actual expenditure of R85.6million against an adjusted appropriation of R87.5million translating into expenditure of 98%. The underspending of R1.7million, variance, R700 thousand was attributable to vacant positions of the stream office manager, which was filled in 2011/2012. Whilst R1million rand was savings that resulted from the implementation of the austerity measures.



# PROGRAMME 4: CORE BUSINESS OFFICE OF THE EXECUTIVE DIRECTOR

Planned					Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Office of the Executive Director, Core Business	To facilitate the report on the annual performance of the GPL	Audited Annual Report	Report on the annual performance of the GPL	<ul style="list-style-type: none"><li>1 annual report workshop</li><li>Establish a task team and</li><li>Publish 1 annual report</li></ul>	<ul style="list-style-type: none"><li>The annual report Task Team was established and 5 workshops were conducted in the process of developing the annual report</li><li>The Task Team met as specified in the terms of reference and an editorial team was also established</li><li>The annual report was produced and submitted to the GPL on 30 September 2010</li><li>Copies of the citizen's version of the Annual Report were also printed in isiTsonga, English, Afrikaans, isiZulu, Sepedi as well as in Braille</li><li>All versions of the annual report were distributed to the GPL stakeholders in December 2010</li></ul>	No deviation	<ul style="list-style-type: none"><li>An audited annual report on the performance of the GPL was produced within prescribed timelines and distributed to stakeholders</li><li>The citizens' versions of the report was also published in 5 languages and in Braille</li><li>Access to the annual report in multiple languages was ascertained</li><li>This contributed towards the promotion and development of previously marginalised languages, by so-doing, restoring the dignity of those languages</li><li>Compliance with legislation was also achieved</li></ul>
		Scheduled team building sessions	Scheduled team building sessions	1 Session per year for the stream	1 Team building session was conducted with the management of the Core Business Stream in the 4 <sup>th</sup> quarter	No deviation	1 team building session was conducted
	To ensure effective strategic management and direction to the stream	Strategic planning sessions of the stream (annual review and planning session)	1 Strategic planning session	A reviewed business plan and budget based on emerging priorities for the year and the development of a stream business plan for 2011/2012	One strategic planning session for the stream was conducted and an annual business plan for 2011/2012 was developed	No deviation	1 strategic planning session was conducted in the 2 <sup>nd</sup> quarter and as a result, a performance plan for 2011/2012 was developed
		Quarterly performance reviews	All staff performance reviews completed	4 Quarterly performance reports	4 Quarterly performance reports were completed within the timelines of the respective quarters	No deviation	The quarterly performance reports contribute towards accountability and transparency in resource utilisation in the GPL



Planned					Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Office of the Executive Director, Core Business		Quarterly management meetings	4 Quarterly management reports	4 Quarterly management meetings conducted	3 Quarterly management meetings were conducted and the reports thereof were developed, to inform planning for the 2011/2012 financial year	The 1 management meeting that was not achieved clashed with the institutional strategic planning Session and was therefore moved forward and merged with the 2 <sup>nd</sup> quarter (28 - 29 July 2010) management meeting	The quarterly management meetings contribute towards effective strategic management and operational efficiency in the GPL
	To ensure financial management of the office	Expenditure reports	Approved expenditure reports	4 Quarterly expenditure reports completed and approved by Finance	<ul style="list-style-type: none"> <li>4 Quarterly financial reports were completed and submitted within the specified timelines, all culminating in the annual financial report</li> <li>The Office of the Executive Director co-ordinated the development of the risk register for implementation by all sub-programmes, with the purpose of controlling and managing all risks as linked to the measurable objectives of the directorates</li> </ul>	No deviation	The quarterly reports contribute to effective utilisation of financial resources
	To ensure effective human capital development and management	Staff development programmes	Number of staff development programmes implemented	2 Staff development programmes implemented	The stream management underwent the FranklinCovey leadership and the IPMS training during the course of the year and 4 Quarterly IPMS reviews were conducted for all the Core Business staff members	No deviation	Human capital development enhances staff capacity for optimal service delivery
	To implement the Institutional Project Management tool for the stream	Project management tools	Number of projects implemented using the project management tool	All Core Business Stream projects implemented using the project management tool	<ul style="list-style-type: none"> <li>The model of managing-by-project has been implemented</li> <li>All Core Business Stream processes have been converted into projects. These are House sittings, committee business and the Bua le Sechaba campaign</li> <li>The model of Managing-by-Project is also applied to all GPL commemorative events and sector parliaments</li> </ul>	No deviation	The stream introduced the managing-by-project approach to business operations

Planned						Actual	
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Office of the Executive Director, Core Business	To implement institutional M & E Framework in core business	Progress reports on the implementation of the M & E Framework	Stream units applying the M & E Framework	M & E Framework implemented	<ul style="list-style-type: none"> <li>The GPL adopted the M &amp; E Framework and its key principles are currently implemented on an ongoing basis across the stream</li> <li>The M &amp; E task team meets regularly to monitor the implementation of the framework</li> </ul>	No deviation	The GPL -wide framework will contribute towards instant and accurate feedback on the business of the GPL, optimal service delivery, operational efficiency and effective monitoring and evaluation
	To implement the business model of the GPL	Procedural manuals	Progress reports on the development of the procedural manuals	Procedural manual for the stream developed	Of the 5 piloted units, only the Proceedings Unit completed its aspects of the Procedural Manuals	Some units have developed aspects of the Procedures manual while others are still in the process of completing theirs. The manual is still to be finalised and consolidated into one Procedures manual for the Core Business Stream	The manual will contribute towards effective governance, information and knowledge management, and optimal service delivery
		Events co-ordinated through the ECC meetings	Number of ECC co-ordinated events	6 Quarterly ECC and 2 special ECC meetings	6 Quarterly and 9 special ECC meetings were held	No deviation	Institutional events contribute towards enhancing the profile of the GPL among the people of Gauteng
		8 Institutional events evaluated by the ECC	Evaluation reports	2 Quarterly ECC evaluations of events	2 Quarterly evaluation meetings were held and one of these was for the Bua le Sechaba project	No deviation	Progress towards operational efficiency in the delivery of institutional events
		ECC task teams established on celebratory and commemorative days	Number of ECC task teams established	6 Task teams established	All annual commemorative events and the 6 Sector Parliaments were team-driven and were implemented in line with the Institutional calendar and the recommendations of the task team	No deviation	Collaboration and team development has been enhanced





Sub-Programme	Planned				Actual		
	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Office of the Executive Director, Core Business	To facilitate the stream report to the USB, Presiding Officers, Office Bearers and the Secretariat	Reports and decision-tracking documents presented to the political and administrative leadership	Number of reports and decision-tracking documents presented to the political and administrative leadership	All annual reporting requirements are met	4 Quarterly reports were developed for tabling to the USB, Presiding Officers, Office Bearers and the Secretariat	No deviation	The reporting and tracking of decisions contribute towards the consistent implementation of institutional corporate governance enhanced through administrative accountability
	To hold stakeholder workshops for the stream	Action plans for stakeholder workshops	Number of stakeholder workshops	Conduct 2 workshops	<ul style="list-style-type: none"> <li>2 Stakeholder Workshops were held to develop action plans for the Stakeholder Survey</li> <li>A revised stakeholder database for the management of sub-programmes was developed</li> </ul>	No deviation	The Stakeholder Management Workshops contribute towards effective core business support and stakeholder relations in line with the GPL's strategy
	To co-ordinate the activities and outputs of the stream	Stream calendar developed	Stream calendar	1 Annual calendar, 4 quarterly updates linked to the legislative programme	The stream developed 1 annual calendar and 4 quarterly calendars that were revised weekly	No deviation	Effective management of the calendar contributes towards integrated, efficient and effective service delivery
	To further strengthen stakeholder relations with other legislatures	Attendance and presentations at SALSA workshops, other provincial legislatures and Speaker's Forum	<ul style="list-style-type: none"> <li>Number of SALSA workshops attended and presentations made</li> <li>Legislature visits and presentations made</li> <li>Speaker's Forum attended and presentations made</li> </ul>	<ul style="list-style-type: none"> <li>4 SALSA workshops</li> <li>3 Papers prepared and presented at SALSA, legislatures and Speaker's forum</li> </ul>	<ul style="list-style-type: none"> <li>4 SOM workshops and meetings were attended by the stream, as well as 2 project team meetings</li> <li>3 Papers were prepared and presented at other legislatures</li> <li>A draft SOM was presented at one of the SALSA Workshops</li> <li>3 SOM writing team meetings and 1 SALSA Development Seminar was attended</li> <li>3 Papers were written and presented to the South African legislative sector, including the SOM, a case study on the Gauteng PEBA model and a paper to the Harvard Training Institute</li> </ul>	No deviation	Enhancement of the execution of the GPL mandates by learning and sharing experiences in the legislative sector
	To co-ordinate a study on international best practice in the legislative business	International benchmarking study tour by a cross-functional team	Cross-functional study tour proposal	<ul style="list-style-type: none"> <li>1 International study tour</li> <li>Study tour report with recommendations</li> </ul>	<ul style="list-style-type: none"> <li>A 7-day study tour was undertaken by a cross-functional team in March 2011 to the Parliament of Australia in Queensland</li> <li>A study tour report with recommendations was completed</li> </ul>	No deviation	<ul style="list-style-type: none"> <li>Study tours for benchmarking on best practices contribute to the enhancement of oversight and scrutiny and stakeholder relations</li> <li>Enhanced oversight and scrutiny and stakeholder relations</li> </ul>

Planned					Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Office of the Executive Director, Core Business	To facilitate the inter-legislature exchange programmes for sharing and learning exercise for the stream in consultation with the institutional plan	Inter-Legislature exchange programmes	Number of inter-Legislature programmes implemented	4 Quarterly 3 day Inter-legislature exchange programmes	<ul style="list-style-type: none"><li>2 Groups from the Proceedings Unit visited the national Parliament as part of the inter-legislature exchange programmes over 6 days</li><li>Hosted and presented various GPL models to the delegation of the Parliament of Uganda over 4 days</li><li>Hosted the KZN Legislature for 2 days and shared best practices of the GPL in the areas of oversight and scrutiny, the organisation of committee services, the new financial administration of the GPL and mechanisms for public participation</li></ul>	No deviation	<ul style="list-style-type: none"><li>KZN adopted the ground-breaking Gauteng PEBA model as a guide to their current OD processes in their committees function, illustrating the leading role of the GPL in the legislative sector</li><li>Enhanced oversight and scrutiny and stakeholder relations</li></ul>
	To implement the improved and adopted Resolutions Tracking System and processes	Install the SMART Resolutions Tracking accountability processes; committee and House processes	<ul style="list-style-type: none"><li>Number of SMART Resolutions from the House</li><li>Rate of responses from departments</li><li>Number of referred resolutions</li><li>Quality of resolutions, that is, the balance between service delivery and administrative concerns</li></ul>	<ul style="list-style-type: none"><li>All House Resolutions should be SMART, mostly focused on service delivery issues and 100% departments' responses to the resolutions</li><li>Speaker to refer all resolutions to the relevant authorities for implementation</li><li>Implement the e-Resolution System</li></ul>	The Resolutions Tracking System was fully implemented	No deviation	<ul style="list-style-type: none"><li>SMART Resolutions have been developed and tracked by the institution</li><li>The administration will conduct a workshop to assess the effectiveness of the Resolutions Tracking Framework thus far</li></ul>
	Parliamentary Business	To implement revised House Rules	<ul style="list-style-type: none"><li>House Resolution on the revised rules</li><li>Tracking Report on the adherence to rules</li><li>Programme for rolling out the Rules</li></ul>	<ul style="list-style-type: none"><li>Training plans for MPLs, staff and other stakeholders</li><li>Capacitated stakeholders</li><li>Number of rules booklets produced</li><li>Number of rulings made on the basis of rules</li></ul>	<ul style="list-style-type: none"><li>Completed capacity-building for stakeholders</li><li>Full implementation of all House Rules</li><li>MPLs' adherence to rules</li></ul>	<ul style="list-style-type: none"><li>Revised rules have been fully implemented</li><li>Training was conducted for staff and GPL stakeholders</li><li>Tracking on adherence was done and where MPLs did not comply, a reminder or an announcement during procedural briefs was made regarding the specific non-compliance</li></ul>	No deviation



Planned					Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Parliamentary Business	To implement House Resolutions regarding relations with ISDs	Report on stakeholder relations between the House Committees and ISDs	<ul style="list-style-type: none"> <li>Number of relations formed between House committees and ISDs</li> <li>Rate of use of ISDs reports in committee business</li> <li>Number of meetings between ISDs and committees</li> </ul>	<ul style="list-style-type: none"> <li>Effective relations between the ISDs and House committees</li> <li>GPL access to information gathered by ISDs for oversight and law-making</li> </ul>	<ul style="list-style-type: none"> <li>The Oversight Committee on the Office of the Premier and the GPL established relations with the University of Pretoria and also continued working with the Public Service Commission</li> <li>The Finance Committee continued its working relationship with the Finance and Fiscal Commission</li> <li>The OCPOL and Finance Committees used information and interaction from these bodies during the budget and other oversight processes of the GPL</li> </ul>	No deviation	Improved Oversight work of the GPL as a result of accessing information and expertise from these bodies to strengthen oversight
	To ensure improved research services	Revised research analysis format	<ul style="list-style-type: none"> <li>Number of researchers using the new format</li> <li>Quality of committee reports</li> </ul>	Revised research analysis format implemented	<ul style="list-style-type: none"> <li>Research analysis adopted</li> <li>All the researchers are complying with the requirements of the revised research analysis format</li> </ul>	No deviation	<ul style="list-style-type: none"> <li>The quality of research analyses and other related outputs as inputs to the committee reports has improved with a ripple effect and there was an improvement in the quality of committee reports</li> <li>The external auditors gave a positive opinion for the improved research analyses</li> </ul>
	To improve relations between the GPL, NCOP and local government	MoUs between the GPL, NCOP and local government	<ul style="list-style-type: none"> <li>Number of councils that adopted the MoUs</li> <li>Number of signed MoUs</li> <li>Implementation plans for MOUs</li> <li>Funding for the MoUs</li> </ul>	Implement the MoUs with a focus on the petitions and the Public Accounts Committees	<ul style="list-style-type: none"> <li>Supported the adoption of MoU by the Provincial Speakers' Forum</li> <li>Resolutions of the Speakers' Forum on the implementation of the MoU, supported the NCOP's Taking Parliament to the People in the province of the Free State in Gwa-Gwa (Charles Mopeli Stadium, Mafikeng) on 14-19 November 2010</li> <li>Supported 2 Provincial Weeks Programmes of the NCOP</li> </ul>	No deviation	<ul style="list-style-type: none"> <li>Improved relations between the GPL, local councils in Gauteng and the NCOP will enhance Oversight, Law-Making and co-operative governance, and ensure that matters of provincial interest are advanced at the NCOP level and thus placed on the national agenda</li> <li>Local councils in the province are yet to formally adopt the MoU through council resolutions</li> </ul>
	To study the efficacy of the committee system and services	Research report on the efficacy of the committee system and processes as well as recommendations	Adopted research report on the efficacy of the committee system	Complete the study on the committee system and services	The study was completed and the research report on the efficacy of the committee system was adopted	No deviation	The project on the Committee Efficacy Study has been completed, implementation of recommendations will lead to enhanced support to committees and the House in the future



Planned					Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Parliamentary Business	To implement the adopted Committee Inquiries Act	Pilot study for the inquiries process	<ul style="list-style-type: none"><li>House Resolutions on the Bill</li><li>Assenting to the Act</li><li>Adopted Pilot Study Plan</li><li>Refurbished committee venues</li><li>Training programme for MPLs and staff</li><li>Number of MPLs and staff attending training</li></ul>	Implementation of the Committee Inquiries Act commenced	<ul style="list-style-type: none"><li>Promulgated the Committee Inquiries Act for the Province</li><li>Refurbishment of committee venues is progressing</li><li>Training programme for MPLs and staff has been developed</li></ul>	No deviation	Finalisation of preparation and actual roll-out in the 2011/2012 financial year will bring the GPL closer to achieving enhanced oversight that was intended when introducing the Committee Inquiries
	To revise reporting requirements to the GPL in order to improve Oversight	Approved formats of reporting	<ul style="list-style-type: none"><li>The number of workshops with stakeholders on the format</li><li>House Resolutions on the format</li></ul>	<ul style="list-style-type: none"><li>100% compliance with the reporting requirements by GPG and the GPL</li><li>Implementation of PEBA imperatives in full</li></ul>	<ul style="list-style-type: none"><li>In terms of the revised rules, reporting requirements improved to include the tabling of Annual Performance and further to have all Annual Reports tabled in the House to ensure a 100% compliance</li><li>All quarterly reports due in the financial year were submitted</li></ul>	No deviation	Submission of Oversight Reports has improved and this has led to enhanced and progressive Oversight over the Executive
	To explore policy management processes as an area of oversight focus for the GPL	Approved research proposal	<ul style="list-style-type: none"><li>Appointed task team</li><li>Number of Task Team meetings and reports of those meetings</li></ul>	<ul style="list-style-type: none"><li>Research proposal</li><li>Established task team</li></ul>	Not achieved	Development of the task team and its Terms of Reference was overtaken by competing priorities	<ul style="list-style-type: none"><li>Improved policy management processes in the province</li><li>No progress has been made towards the intended outcome</li></ul>



Planned						Actual	
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Parliamentary Business	To implement the Collaboration Strategy of the GPL	Integrated Support Services to the House	<ul style="list-style-type: none"> <li>Adopted the Collaboration Strategy</li> <li>Adopted the Management by Project approach</li> <li>Training programmes for project management</li> <li>Number of Project Plans</li> </ul>	Pilot Collaboration Strategy at CSU	<ul style="list-style-type: none"> <li>The Collaboration Strategy was finalised,</li> <li>project scoping was done for the institution and individual committees</li> <li>Training has been provided to CSU staff</li> </ul>	No deviation	Improved support to committees as a result of better co-ordination of support services by project management particularly at lower levels
	To support the participation of stakeholders	Stakeholder Management Strategy	<ul style="list-style-type: none"> <li>Annual stakeholder participation plans of committees</li> <li>Number of workshops with stakeholders</li> <li>Database of stakeholders</li> </ul>	4 Annual stakeholder workshops per cluster	4 Stakeholder sessions were held by committees	No deviation	<ul style="list-style-type: none"> <li>Effective public participation in committee work</li> <li>There has been notable involvement of stakeholders in the work of committees</li> </ul>
	To improve the provision of professional research services	Book reviews, published conference proceedings, each researcher established networks with research institutions and professional bodies	<ul style="list-style-type: none"> <li>Policy briefs</li> <li>Research articles published</li> <li>One independent research report per researcher</li> </ul>	<ul style="list-style-type: none"> <li>4 Policy briefs</li> <li>4 Book reviews</li> <li>12 Published conference proceedings</li> <li>6 Research articles published</li> <li>Each researcher established networks with research institutions and professional bodies</li> <li>One independent research report per researcher</li> </ul>	<ul style="list-style-type: none"> <li>12 Book reviews published and 2 Not accepted for publication</li> <li>6 Conference proceedings published</li> <li>3 Articles submitted to external journals</li> <li>Affiliated to 8 professional bodies (4 individual and 4 group affiliations)</li> <li>1 Completed independent research report</li> </ul>	<ul style="list-style-type: none"> <li>Insufficient responses to the calls for articles</li> <li>Inadequate responses to calls for conference abstracts/papers</li> <li>Researchers focusing more on their committee work</li> <li>Compact legislative calendar</li> <li>Only 3 researchers were invited by the media for commentaries</li> </ul>	Improved research services of the GPL

Planned					Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Parliamentary Business	To improve the profile of the GPL	Brown bag sessions, seminars, opinion articles commentaries on public policy issues (audio visual media)	Reports of the sessions	<ul style="list-style-type: none"> <li>6 Brown bag sessions</li> <li>2 Seminars</li> <li>4 Opinion articles</li> <li>4 Commentaries on public policy issues (audio/audio visual media)</li> </ul>	<ul style="list-style-type: none"> <li>5 Brown bag sessions held</li> <li>2 Internal and 4 External seminars attended</li> <li>4 Opinion articles submitted to the external publishers</li> <li>3 Commentaries plus 1 opportunity to chair an international round table discussion</li> </ul>	No deviations	Improved research services of the GPL
	To implement the Leadership Model of the GPL	Unit staff attendance of the Covey Leadership training	Report of the leadership training	All managers to complete the Franklin Covey Training Programme and sign a public pledge on leadership practice	Not achieved	The Franklin Covey leadership training was delayed and took place in the first quarter of 2011/2012	Improved leadership capacity in the GPL
	To implement the Bua le Sechaba campaign	Bua le Sechaba campaigns	<ul style="list-style-type: none"> <li>Project plans for the campaigns</li> <li>Reports of the campaign with recommendations</li> </ul>	2 Campaigns for the Education and Health Committees	1 Health and Social Development Bua le Sechaba campaign and feedback session were held	The Education component will be implemented in September 2011 as per the decision of the Speaker	<ul style="list-style-type: none"> <li>Informed public as a result of the feedback session that provided information and progress made by the department on matters raised</li> <li>Effective public participation and involvement in GPL work</li> </ul>
	To study the efficacy of Laws Passed since 1994	Research progress reports	Research proposal and implementation plan	<ul style="list-style-type: none"> <li>Research proposal</li> <li>Implementation plan</li> <li>Contracting of a Service Provider</li> <li>Conduct a study on the efficacy of laws passed since 1994 over 3 years commencing in 2011/2012</li> </ul>	<ul style="list-style-type: none"> <li>A detailed research proposal and project implementation plan has been developed and reviewed</li> <li>The project is now on its first phase of implementation</li> </ul>	No deviation	The first phase of the project has been implemented
Parliamentary Business	To explore mechanisms to improve law-making processes of the province	Framework for GPL Law-making	Approved proposal	Framework for Law-making of MPLs and committee Bills developed	Draft framework developed for MPLs and committees	Draft still in discussion and not yet adopted	Development of the draft framework is in progress towards enhancing the capability of MPLs and committees to make laws
	To improve Stakeholder Management Services	Programme of action to respond to the Stakeholder satisfaction survey	Directorate plan of action, units' plan of action, individual staff plan of action	<ul style="list-style-type: none"> <li>Survey conducted and results reviewed</li> <li>Score more than 70% on the annual internal Stakeholder Satisfaction Survey</li> </ul>	<ul style="list-style-type: none"> <li>All the units have submitted their plans of action to improve the directorate's internal Stakeholder Satisfaction Survey</li> <li>The implementation of the Collaboration Strategy has been used as a mechanism to improve the result of the annual internal stakeholder satisfaction survey</li> </ul>	No deviation	<ul style="list-style-type: none"> <li>An increased level of collaboration amongst the units in the directorate and units with other directorates has been registered</li> <li>The formal and informal satisfaction reports indicate some improvement in this regard</li> </ul>





Planned					Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Communications	To develop and maintain systems for effective information dissemination	Public education workshops and public participation interventions	Functional e-Petitions system	e-Petitions system implemented	The e-Petitions system has been developed, launched and loaded on the system	No deviation	This is part of the GPL's efforts to use technology to promote public participation
	To mainstream public participation across GPL processes	Public participation internal and external collaborative plans	Plans for partnering with relevant sector stakeholders in GPL events	All annual public participation events to be implemented collaboratively	The following events were hosted during the year under review and these involved the relevant internal and external sector stakeholders: <ul style="list-style-type: none"> <li>• Africa Day</li> <li>• Youth Parliament</li> <li>• Women's Parliament</li> <li>• Inaugural Sector Parliament for Persons with Disabilities</li> <li>• Senior Citizen's Parliament</li> <li>• GPL Opening 2011</li> <li>• 16 Days of Activism on no violence against Women and Children</li> <li>• World Aids Day</li> <li>• Commonwealth Day</li> </ul>	No deviation	Opportunity for the GPL to commemorate national events and events are also used as a mechanism through which the GPL promotes public participation
	To mobilise and educate stakeholders to participate in legislative processes and taking programmes to the people	Media plan for the Bua le Sechaba campaign	Level of publicity for the Bua le Sechaba campaign	Provide publicity for the Bua le Sechaba campaign	Even though 2 Bua le Sechaba campaigns were planned for the Health and Education Committees, only the Health Committee campaign as well as its feedback session has been completed. Media publicity was provided	The Education component will be implemented in September 2011 as per the decision of the Speaker	<ul style="list-style-type: none"> <li>• Well informed stakeholders</li> <li>• Meaningful participation in legislative processes</li> </ul>

Planned					Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Communications	To implement Sector Parliaments	Annual Sector Parliaments	Number of Sector Parliaments held	2 Sector Parliaments	The following sector parliaments were held: <ul style="list-style-type: none"><li>• Youth Parliament</li><li>• Women's Parliament</li><li>• Parliament for Persons with Disabilities</li><li>• Senior Citizens</li></ul> The target was met and exceeded. Initially two Sector Parliaments were planned and approved for the year under review. Two additional emerging priorities were further introduced. Additional Sector Parliaments included one for Persons with Disabilities and the Senior Citizen's Parliament	No deviation	Platform for the GPL to interact with designated groups such as women, youth, the elderly and persons with disabilities
		Public hearings	Number of public hearings	1 Quarterly hearing, informed by the section 75 and 76 Bills referred by the NCOP	5 Public hearings were held	No deviation	Enhanced public participation in the legislative processes
		Public participation road shows	Number of road shows	4 Public participation road shows	There were 2 road shows in Carletonville and Bronkhorstspuit	The 2 remaining road shows were replaced by regional workshops in preparation for the 4 Sector Parliaments	Improved public participation
		Exhibitions	Number of exhibitions	Facilitate 4 exhibitions	The target was exceeded The unit held exhibitions during the launch of the following PCOs: <ul style="list-style-type: none"><li>• Kempton Park</li><li>• Grace Flatela</li><li>• Ipelegeleng</li><li>• Sophiatown</li><li>• ASEDI Community Development and Resource Centre</li></ul>	No deviation	Improved public participation and informed citizens



Planned					Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Communications	To implement Sector Parliaments	Sector Forums	Number of Sector Forums	Facilitate 28 Sector Forums	3 Sector Forums were facilitated in the year under review	The implementation of the Sector Forums was deferred to the 2011/2012 financial year in order to allow for proper conceptualisation and scoping, monitoring and evaluation	Mobilisation of stakeholders to participate in the legislative processes
		Public Education Workshops	Number of Public Education workshops	Facilitate 240 workshops	A total of 179 workshops were held	61 Workshops were not facilitated due to other emerging projects and the funds being redirected	Improved participation and increased submissions to the GPL
	To increase the number of petition submissions	Petitions submitted	Petitions register and the number of petitions submitted	Facilitate the resolution of all petitions received	Resolved 90% of petitions received and the remaining 10% is still being processed by the Standing Committee	No deviation	<ul style="list-style-type: none"><li>• To resolve petitions consistently</li><li>• Enhanced public participation in GPL processes</li></ul>
	To encourage the GPL to participate in community work	Nelson Mandela Legacy Project	Approved concept paper, action plan and media plan	Annual Nelson Mandela Legacy Project	This year's Mandela Day did not take place event	The event coincided with a congested legislative programme of House sittings and committee activities	Opportunity for the GPL to use the values of Dr Nelson Mandela to promote nation building and democracy
		Stakeholder networking sessions	Approved concept paper, action plan and media plan	4 Networking sessions to profile the GPL through the Speaker and Presiding Officers	The performance target for this output was exceeded. 6 Networking sessions were held to profile Chairpersons and their committees: <ul style="list-style-type: none"><li>• SCOPA Chairperson during the Hearing for Gauteng Public Entities</li><li>• Auditor-General's report during the Hearing on Gauteng Public Entities</li><li>• Health and Social Development Chairperson during the Hearing on Gauteng Public Entities</li><li>• Health and Social Development Chairperson during the substance abuse seminar</li><li>• Education Chairperson during the Public Hearing on the Basic Education Laws Amendment Bill</li><li>• Sports Chairperson during the event of the 2010 World Cup</li></ul>	No deviation	Profiling the Speaker, Presiding Officers and Office Bearers



Planned					Actual	
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation
Communications	To encourage the GPL to participate in community work	Stakeholder networking sessions	Media interviews and media networking sessions	56 Profiling sessions	The Official Opening of the GPL afforded the Speaker and MPLs a wide range of media networking sessions, including: <ul style="list-style-type: none"><li>• Media networking session with the Speaker</li><li>• Media networking session with the Chairperson of Committees</li><li>• Networking session for the Director of Communications with magazine editors and TV/ Radio Producers</li><li>• Networking during the Bua le Sechaba campaign</li><li>• The Speaker of the GPL participated in radio advertorials, including on YFM, Kaya FM, SABC TV, Metro FM, SA FM and Jozi FM</li><li>• GEYODI Chairperson on Soweto TV during the 16 Days of Activism, as well as Kaya FM and YFM</li><li>• Chairperson of Committees has been interviewed on Jozi FM, YFM and Kaya FM on the visit to Correctional Services</li><li>• Press interviews and coverage for the Chairperson of Committees during the visit to Correctional Services, as well as in the <i>Star</i>, <i>Beeld</i> and the <i>Sowetan</i></li><li>• <i>Daily Sun</i> coverage of GPL staff during the 16 Days of activism</li><li>• Interviews with the Speaker and Petitions Chairperson by SA FM and Jozi FM in March 2011</li><li>• Facilitation of advertorials for the HR Directorate, Agriculture and CSSL Committees</li></ul>	
					No deviation	Profiling of the GPL



Planned				Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation
Communications		Publications	<ul style="list-style-type: none"> <li>Educational material</li> <li>MPLs' business cards</li> <li>Office Bearers' posters</li> <li>Wall poster</li> <li>Photos and -cards</li> </ul>	Meet all the institutional demands	<p>The following materials were produced:</p> <ul style="list-style-type: none"> <li>MPLs' business cards</li> <li>Various branded materials including banners</li> <li>Poster on three spheres of government</li> <li>How laws are made</li> <li>Z-cards</li> <li>Guide to the GPL booklet</li> <li>budget booklet</li> </ul>	No deviation
	To encourage the GPL to participate in community work	Branding, marketing and advertising material	Approved concepts	Meet all the institutional demands relating to events, workshops, conferences and media platforms, intranet/ website and publications	<p>All events were appropriately branded, including the:</p> <ul style="list-style-type: none"> <li>Opening of the GPL</li> <li>Special House sitting on Freedom and Human Rights Day</li> <li>Africa Day</li> <li>Heritage Day</li> <li>16 Days of Activism</li> <li>World Aids Day</li> <li>4 Sector Parliaments</li> <li>CPA</li> <li>Bua le Sechaba campaign</li> <li>Media Networking sessions</li> <li>Budget Speech presentation</li> <li>Women's Workshops</li> <li>Budget Process workshops</li> </ul>	No deviation
	To enhance and maintain stakeholder relations	Stakeholder briefing sessions	<ul style="list-style-type: none"> <li>Stakeholder mobilisation plan</li> <li>Number of briefing sessions</li> </ul>	4 Briefing sessions held	<ul style="list-style-type: none"> <li>Quarterly reports for the briefing sessions were completed</li> <li>Introduced Corporate Stakeholder sessions which resulted in sponsorship and partnership for GPL programmes</li> <li>Created partnerships with corporations that enabled the institution to invite more stakeholders to the Opening of the GPL</li> <li>The partnerships resulted in securing sponsorships to the value of over R800 000</li> </ul>	No deviation
						Enhanced stakeholder relations
						<ul style="list-style-type: none"> <li>Enhanced the profile of the GPL</li> <li>Enhanced public awareness of special events and commemorative days</li> </ul>
						Profiling of the GPL and its stakeholders

		Planned			Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Communications	To facilitate the process of drafting the Public Participation Report to the Speaker as required by the Rules of the House	<ul style="list-style-type: none"><li>Approved Public Participation</li><li>Reports to the Speaker</li></ul>	Approved concepts and report structure	4 Reports presented in the House	Not achieved	<ul style="list-style-type: none"><li>The new <u>Standing Rules</u> of the House were implemented in the last quarter</li><li>The reports will be developed and presented in the new financial year</li></ul>	<ul style="list-style-type: none"><li>Ensured effective communication of the GPL mandates, Bills, institutional projects, resolutions and programmes timeously through internal and external communication systems</li></ul>
	To facilitate the Resolution Tracking System and processes by delivering the Electronic Workflow System	Functional Electronic Workflow System that will expedite the tracking of resolutions and core business processes	<ul style="list-style-type: none"><li>Accurate report</li><li>Timing of the report</li></ul>	Project implementation and training	A progress report was produced on the roll-out of electronic solutions, which started with the capturing of petitions into the system. Reports received from departments have been captured by the Proceedings unit as part of initiating resolutions tracking, a process that commenced in the Committee Support unit.	No deviation	The Resolution Tracking System is in place and operational to enhance House and committee processes
Information and Knowledge Management	To strengthen relations with Chapter 9 institutions and institutions that support democracy by facilitating access to information services and knowledge products	Institutional memberships and subscriptions	<ul style="list-style-type: none"><li>Number of institutional subscriptions</li><li>Timing of renewal of current running and new periodical subscriptions</li></ul>	<ul style="list-style-type: none"><li>15 Institutional memberships</li><li>Quarterly journal and electronic database subscriptions (New and currently running)</li></ul>	<ul style="list-style-type: none"><li>Target exceeded</li><li>26 Institutional memberships secured</li><li>34 Journals were renewed</li><li>4 Databases were renewed</li></ul>	No deviation	Strengthened and rigorous oversight resulting from independent information supplied
	To provide information to support and enhance the research agenda by providing aligned information services	<ul style="list-style-type: none"><li>Report of the assessment of information needs for the research agenda</li><li>Collaborated research activities</li></ul>	<ul style="list-style-type: none"><li>Relevant and timely provision of information</li><li>Number of feedback reports</li></ul>	Meet all research information needs	Relevant information was supplied proactively to stakeholders and as per requests	No deviation	<ul style="list-style-type: none"><li>Expanded body of knowledge that informed oversight, law-making, Public Participation and institutional projects</li><li>Improved quality of research</li></ul>





Sub-Programme	Planned					Actual	
	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Information and Knowledge Management	To support committee work, Committee Inquiries and Ministerial Accountability processes by providing required supporting information	<ul style="list-style-type: none"> <li>Information materials supply services that support committee work</li> <li>New books</li> </ul>	<ul style="list-style-type: none"> <li>Relevant and timely provision of information</li> <li>Number of feedback reports</li> <li>Timely delivery of books to support primary stakeholders</li> </ul>	On-going supply of information	<ul style="list-style-type: none"> <li>Information was provided timeously upon request and pro-actively</li> <li>1 Feedback report was compiled based on feedback from stakeholders</li> <li>316 New books were acquired to support committee work</li> <li>Committee work supported by timely relevant information service as informed by the positive feedback received from stakeholders</li> <li>New materials acquired to support House and committee work</li> </ul>	No deviation	Information services were provided to support accountability processes in the GPL
	Parliamentary business monitoring facilities, products and services		Timing of renewal of current running and new electronic database subscriptions	Quarterly journal and electronic database subscriptions (New and currently running)	<ul style="list-style-type: none"> <li>39 Journals were renewed</li> <li>1 New journal was acquired</li> <li>4 Databases were renewed</li> </ul>	No deviation	Incisive and improved scrutiny of performance by the Executive
	To support committee work and House Plenary services by providing an electronic and manual repository for the storage and archiving of documents and records	Electronically and manually archived documents and records	Electronic and manual documents and records	12 Month provision of archiving and storage of documents and records	<ul style="list-style-type: none"> <li>Provided storage and archiving services for all House and committee documents as per the adopted legislative programme and Order Paper</li> <li>12 Monthly statistical reports were generated</li> <li>All House Plenary and committee records were properly stored to ensure speedy retrieval of documents by stakeholders</li> </ul>	No deviation	Effective electronic and manual repository for the storage and archiving of documents and records
	To support committee work and House Plenary services by providing effective printing services	Printed and bound documents for committees	<ul style="list-style-type: none"> <li>100% Availability of paper for printing</li> <li>Printing equipment serviced and functional</li> </ul>	Meet all committee printing needs throughout the year	<ul style="list-style-type: none"> <li>4 Quarterly reports were produced</li> <li>Quality printing, photocopying and binding of all House and committee documents was done</li> </ul>	No deviation	All requisitioned documents were printed and bound within the required period in support of informed debates in the House and committees

Planned					Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Information and Knowledge Management	To provide a record capturing and management service for the House and committees	Records of House and committee proceedings	Functional digital recording system	Implement the second phase of the digital recording system	<ul style="list-style-type: none"><li>Digital recording and transcribing system installed and configured, training has been conducted, focus will now be on the roll-out</li><li>Archiving of records completed</li></ul>	No deviation	Enhanced records capturing and management services
	To facilitate capacity building by developing and strengthening existing relationships and partnerships with relevant forums, professional bodies and independent bodies	Professional membership subscriptions	Number of professional membership subscriptions	4 Professional memberships	<ul style="list-style-type: none"><li>Target was exceeded</li><li>6 Professional memberships were secured</li></ul>	No deviation	<ul style="list-style-type: none"><li>Sustained and strengthened networks for knowledge sharing on matters of best practice in the sector</li><li>Broadened knowledge base</li><li>Expanded professional networks for knowledge sharing</li></ul>
	To embed Knowledge Management practices in GPL functions and processes	<ul style="list-style-type: none"><li>A record of processes for retention, institutional memory and knowledge sharing</li><li>Knowledge Management Programme for staff</li></ul>	<ul style="list-style-type: none"><li>Professional capacity</li><li>Accurate reporting</li><li>On time reporting</li><li>Number of Information KM conferences, workshops and seminars</li></ul>	<ul style="list-style-type: none"><li>Embed Knowledge Management practices</li><li>5 IKM Conferences</li></ul>	<ul style="list-style-type: none"><li>4 Quarterly reports were produced on KM</li><li>6 Conferences were attended</li><li>3 Workshops were attended</li><li>Attended more than planned conferences due to materialisation of unanticipated yet highly relevant KM conferences that would add value to the GPL KM programme</li></ul>	No deviation	<ul style="list-style-type: none"><li>Project deliverables and outputs were monitored towards the development of the GPL Knowledge Management Strategy to support institutional performance</li><li>Better capacitated staff to manage the institution's knowledge efficiently and effectively</li></ul>
	To deliver a functional Digital Attendance Register for MPLs	Functional Electronic Attendance Register for MPLs	Accurate timing of the report on the digital attendance register	Deliver a functional Digital Attendance Register for MPLs	4 Quarterly Attendance reports were generated albeit manually as the digital register was not yet in place	The Digital Attendance Register has been procured, but the installation has been delayed and will be rolled out in the 1 <sup>st</sup> quarter of 2011/2012	Accurate Attendance reports assist in tracking MPLs' attendance of House sittings and committee meetings and generating reports for Party Whips

Planned						Actual	
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Information and Knowledge Management	To support constituency work by providing relevant information service to MPLs	A record of information services to MPLs	<ul style="list-style-type: none"> <li>Accurate reporting</li> <li>Quarterly statistics</li> </ul>	Meet all information needs of MPLs	<ul style="list-style-type: none"> <li>Quarterly statistics were compiled to gauge how comprehensive the constituency based information service was</li> <li>792 News alerts were circulated on various constituencies targeting relevant MPLs</li> </ul>	No deviation	<ul style="list-style-type: none"> <li>Improved representation of constituencies by MPLs</li> <li>Focused information on constituencies and service delivery</li> </ul>
	To provide language services to the House and committees	A record of language services provided	Quarterly statistical report	Meet all language services demands of the House and committees	<ul style="list-style-type: none"> <li>All designated documents were translated</li> <li>Interpreting was provided for all designated proceedings</li> <li>Terms were extracted from documents and speeches of the MPLs</li> </ul>	No deviation	Efficient House and committee proceedings
	To support committee work and House services by providing refreshment services to support the House and committees	Refreshments provided for all House, Committee and Secretariat meetings	Number of meetings where refreshments were provided	Provide refreshments for all House, committee and Secretariat meetings	Provided refreshments to all House and committee meetings as per the adopted legislative quarterly programme and Order Papers	No deviation	<ul style="list-style-type: none"> <li>No concerns relating to refreshments were raised</li> <li>Provision of refreshments ensures smooth running of House and committee meetings as it minimises movement during proceedings</li> </ul>
	To enhance strategic management of the directorate	Strategic planning sessions of stream (annual review and planning session)	Business Plan completed and approved	1 Business plan for the directorate	Business Plan for 2011/2012 completed and approved in the second quarter	No deviation	Improved business processes to address the mandates and goals of the GPL to ensure moral authority, transparency and accountability
		Quarterly performance reviews	Number of quarterly performance reports	4 Quarterly performance reports submitted within timeframes	4 Quarterly reports were submitted in the reporting period	No deviation	Improved strategic management in the directorate
		Quarterly management meetings	Number of management meetings Minutes of the meetings	4 Quarterly management meetings with accompanying minutes	4 Quarterly working meeting aimed at compiling the quarterly report were held	No deviation	<ul style="list-style-type: none"> <li>Optimal operational efficiency</li> <li>Improved business processes to address mandates and goals of the GPL to ensure moral authority, transparency and accountability</li> </ul>
		Monthly management meetings	<ul style="list-style-type: none"> <li>Number of meetings held</li> <li>Minutes of the meetings</li> </ul>	10 Monthly management meetings with accompanying minutes	10 Monthly management meetings were held in the reporting period	No deviation	Optimal operational efficiency, monitoring and evaluation, good management, good governance, internal controls in place
	To provide management control and guidance, monitoring stream outputs, realigning meetings for effectiveness	Expenditure reports	Number of expenditure reports	4 Quarterly expenditure reports	4 Expenditure reports were submitted in the reporting period	No deviation	Effective utilisation of financial resources in line with good governance practices
	To ensure financial management of the directorate						





# PROGRAMME 5: OFFICE OF THE CHIEF FINANCIAL OFFICER (CFO)

## EXECUTIVE OFFICE OF THE CFO

### 1. PURPOSE

The purpose of the Office of the CFO is to provide professional Financial, Risk and Supply Chain Management services to our stakeholders through service excellence to support the realisation of the GPL strategic goals and objectives. The office strives to raise financial resources equitably and efficiently to ensure adequate funding for the implementation of the institutional strategic plan and ensures the efficient and effective demand and supply chain management system.

The office promotes strong financial and risk management controls through partnership processes with Programme Managers, Chairpersons of Committees and Accounting Officers of Parties participating in the GPL. It must ensure financial integrity whilst striving to achieve a balance between budget priorities and expenditure through interaction with all internal and external stakeholders.

The office is also responsible for ensuring continuous implementation of FAMLA to enhance the fiscal stability, accountability and integrity of the GPL.

The CFO's office is the integrity arm of the GPL and consists of highly skilled staff who are committed to providing a high level of service to accomplish its strategic goals and objectives.

The Programme comprises the following directorates:

- Financial Management;
- Supply Chain Management; and
- Audit, Risk and Governance.

### 2. KEY FUNCTIONS

The key function of the Office of the Chief Financial Officer is to enhance the financial stability, accountability and integrity of the GPL. The office strives to raise financial resources equitably and efficiently, and to manage the financial assets and liabilities soundly.

The Executive Office of the CFO provides strategic guidance and direction to the overall programme. It has a legislative mandate to strengthen the GPL's financial policy, effective risk management processes, transparency and effective financial

management in respect of revenue, expenditure, assets and liabilities.

The 2010/2011 financial year marked the third anniversary of the fully established Office of the CFO, which is now fully recognised in the new GPL organisational structure. In order for the office to be effective, a number of key positions still need to be filled. This will allow the programme to continue to perform the high quality work as it has in the past, whilst at the same time capitalising on its new stature, positioning and capacity to drive the office to new heights within the GPL.

### 3. MEASURABLE OBJECTIVES

- To ensure efficient and effective financial management;
- To ensure cash management;
- To ensure payment of Party facilities in line with relevant Acts and policies;
- To ensure efficient and effective budget management;
- To ensure effective demand and supply management and improved SCM administration;
- To ensure improved and intensified asset management;
- To ensure the promotion of Affirmative Procurement through monitoring and maintaining approved institutional policies;
- To ensure effective management of the tender process in line with applicable legislation;
- To ensure effective and efficient travel management;
- To ensure effective joint contract management with Corporate Legal;
- To ensure improved and effective management of vendor database;
- To ensure effective and efficient Risk Management Programme for the GPL;
- To facilitate and organise the annual external audit process;



## PROGRAMME 5: OFFICE OF THE CHIEF FINANCIAL OFFICER (CFO)

- To ensure effective and efficient management of Internal Audit function as guided by audit coverage plan;
- To ensure efficient and effective corporate governance;
- To facilitate and organise the annual external audit process; and
- To ensure effective and efficient Risk Management Programme for the GPL.

### 4. SUMMARY OF ACHIEVEMENTS

The GPL obtained an unqualified audit opinion with no matters of emphasis. There were no material findings on the annual performance report as well as compliance with laws and regulations. The GPL therefore, attained a "clean audit" for the 2010/2011 financial year.

Annual Performance and Financial Plans were developed for the CFO Stream and approved by the Board. The stream also co-ordinated and finalised the 2011/2012 strategic plan for the institution. The strategic plan and the budget for 2011/2012 were presented to the Speaker's Budget Lekgotla and the LSB for adoption. The approved strategic plan was then submitted to Treasury and subsequently aligned to the final allocation from Treasury after certification by all Programme Managers.

Budget Council meetings were held to consider annual performance and financial plans for 2011/2012 for recommendation to the Speaker and the LSB. Meetings were also conducted to consider emerging priorities and pressing issues for the adjustment budget. The adjustment budget was presented to the LSB and approved for onward submission to the Provincial Treasury.

A meeting was facilitated between the Speaker and MEC of Finance to initiate consultative processes on funding requirements for 2011/2012. Meetings were also held with the Head of Treasury to discuss funding requirements for the 2011/2012 MTEF and adjustment budget. Treasury was further engaged to fund other emerging priorities through the adjustment budget for 2010/2011.

Implementation plans were developed for FAMILA. Regulations were also finalised and tabled at the Secretariat for adoption. Transitional arrangements for GRAP and FAMILA implementation were developed and approved by the Executive Authority as recommended by the Accounting Officer. Consultants were appointed to assist with the transition from modified cash basis

to accrual accounting and GRAP implementation.

Austerity and cost-cutting measures were continuously implemented to realise savings. The standard menu on catering for committees was approved by the Speaker and implemented. Revenue-generation measures were also developed and adopted for implementation.

CFO Stream Executive meetings were held immediately after the LSB and the Secretariat meetings to communicate decisions of the LSB and the Secretariat. Tasks emanating from the Secretariat and the LSB were updated on the tracking register. The monthly reporting register was tracked to ensure compliance with submission of all reports for the stream.

The CFO also prepared a proposal for the Speaker on salary increments for senior management, prepared responses to questions and resolutions of oversight committees – SCOPA, GEYODI and OCPOL, reviewed and approved revised job profiles and associated job grading of the SCM and Finance Directorates and finalised and appointed the following new positions emanating from the OD of the CFO Stream:

- Director SCM;
- Junior Accountant;
- Payroll Officer;
- SCM Officer;
- Goods Receiving Officer; and
- 3 x Admin Secretaries to each Directorate in the Office of the CFO Stream.

The Finance team also visited Parliament to conduct a benchmarking exercise on the transition from modified cash basis to accrual basis accounting systems, facilitated the corporate governance review in line with the Internal Audit Coverage Plan, conducted the tracking and monitoring of the Stakeholder Management survey and finalised the evaluation audit on the LIMS project. The report was presented to the Secretariat and tabled to the Speaker. In line with the recommendations, PricewaterhouseCoopers was appointed to conduct a forensic audit on the LIMS project.

The Asset Disposal Committee finalised the disposal of remaining assets in the Duncan Hall and facilitated and prepared a report



## PROGRAMME 5: OFFICE OF THE CHIEF FINANCIAL OFFICER (CFO)

of the Political Party Fund for tabling by the Speaker in the House. The Delegations of Authority was revised in line with the new Organisational Structure. The Audit of the 2009/2010 financial year was concluded with the final audit report submitted at the end of July 2010. The GPL once again achieved an unqualified audit with only two matters of emphasis, that is, improving matters of the UIF for MPLs and payment of accounts within 30 days.

The Office of the CFO developed the External Audit Strategy in preparation for the 2010/2011 external audit and the implementation thereof to achieve an unqualified audit. The CFO also participated in the Presiding Officers and Chairpersons' strategic planning sessions. Bi-lateral discussions and engagements with committee chairpersons and relevant committee staff were undertaken to confirm annual performance plans and associated budgets – budgets were determined and allocation letters were issued to committee chairpersons for certification.

The CFO participated in the National SALSA CFO Forum as Chairperson of the Forum and also attended the SALSA conference in North-West Province. Closer liaison with the Members Affairs Directorate was maintained to ensure service excellence to MPLs. Monthly reports for parties were prepared and distributed at Members Affairs meetings. Regular meetings were held with the Office of the AG and relations remain extremely cordial on a professional basis. In its assessment of the GPL as an Auditee, the AG rated the GPL a maximum 5 out of 5.

Regular meetings were held with Treasury whilst the recognition of constitutional roles was respected. Business and Financial Planning, the Director, Finance and Planning, and Budget Manager, engaged regularly with all directorates and respective programme managers to finalise the budget for 2011/2012 as well as the reprioritisation of projects for 2010/2011 in order to spend within available resources. Programme managers were continuously engaged to resolve their budget-related matters.

Scheduled meetings were also conducted to determine planned activities to inform expenditure projections. Guidance and feedback on budgetary matters are provided both on a formal and informal basis. Regular engagements with all directorates and respective programme managers were conducted to finalise expenditure projections.

The Risk Management Officer engaged regularly with all directorates and respective programme managers to address audit issues and update tracking reports on risk management. Courtesy calls were made to travelling MPLs to ensure that all

travel arrangements were satisfactory. A proactive approach was adopted to eliminate travel problems by having regular meetings with travelling candidates. Meetings were also held with SARS to discuss tax matters affecting the GPL and MPLs.

### 5. FINANCIAL MANAGEMENT

The Programme reflected actual expenditure of R17.4million against the adjusted budget of R18.3million for the financial year.

This represented 94.9% utilisation of the budget. The Programme underspent by R940,000 or 5.1%. The underexpenditure is primarily registered under personnel expenditure due to delays in filling vacant positions such as that of Director Risk and Governance as well as the Risk and SCM Compliance Officers due to difficulties experienced in attracting incumbents in this field. It is however noted that the asset management payroll budget was included in the stream. The transition of the asset management function from Stream Corporate Support Services to the CFO programme did not transpire during the financial year.





## PROGRAMME 5: OFFICE OF THE CHIEF FINANCIAL OFFICER (CFO)

Planned				Actual		
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation
Financial Management	To ensure efficient and effective financial management	Payment to suppliers made without fail	Statement of payments made to suppliers	Supplier payments within 30 days of receipt of invoice	Supplier payments were made within 30 days from the date the Finance Unit received invoices from service providers. This averted complaints of late payments to service providers	No deviation
		Sundry payments made without fail	Statement of payments made in respect of sundry payments	Weekly sundry payments	Sundry payments were processed timely in line with applicable regulations and legislation	No deviation
		<ul style="list-style-type: none"> <li>In-year monitoring reports produced</li> <li>Completion of accurate financial reports</li> </ul>	Acknowledgement letters received from Provincial Treasury	Monthly in-year Monitoring reports	Accurate and reliable in-year monitoring report submitted to Treasury on 15 <sup>th</sup> of each month with no adjustments	No deviation
	To ensure cash management	<ul style="list-style-type: none"> <li>Fund requisition to Treasury</li> <li>Determined expenditure projections</li> </ul>	Bank statement confirming receipt	<ul style="list-style-type: none"> <li>Monthly funds requisitions</li> <li>Monthly expenditure projections</li> </ul>	<ul style="list-style-type: none"> <li>Monthly funds requisitions to Provincial Treasury were submitted on time</li> <li>Accurate monthly expenditure projections were determined</li> </ul>	No deviation
	To ensure payment of Party facilities in line with relevant Acts and policies	Party facilities paid for	Statement of payments/transfers made to parties	Party facilities payments within 30 days	Party facilities payments were processed within 30 days from the date of receipt of invoice	No deviation
					Progress Towards Outcomes	
					<ul style="list-style-type: none"> <li>Improved stakeholder management through sustained business relations with suppliers</li> <li>Ensured liabilities of the institution were honoured</li> <li>Ensured compliance with applicable legislation (FAMLA)</li> <li>Averted an adverse audit report</li> <li>Maintained compliance with applicable legislations</li> <li>Ensured that liabilities of the institution were honoured</li> <li>Enhanced transparency and accountability of the GPL</li> <li>Enhanced decision making on financial matters relating to the GPL</li> <li>Ensured accountability on the implementation of the allocated financial resources</li> </ul>	
					A sound cash flow management was maintained	
					Enhanced multiparty democracy within the GPL	

Sub-Programme	Planned				Actual		
	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Financial Management	To ensure payment of Party facilities in line with relevant Acts and policies	Constituency allowance paid to Political Parties on time	Constituency allowance reports	Monthly Constituency allowance payments	Constituency allowances were paid on 15 <sup>th</sup> of each month in line with agreed time lines	No deviation	Enhanced multiparty democracy within the GPL
		Training and development	Training reports	Training and development payments within 30 days	Training and development payments were made within 30 days from the date of receiving invoice	No deviation	Enhanced multiparty democracy within the GPL MPLs were empowered for effective oversight
		Travel Facility	Number of travel facilities	Travel facility payments within 30 days	Travel facility payments were paid within 30 days from the date of receiving invoice	No deviation	Enhanced multiparty democracy within the GPL
	To ensure efficient and effective budget management	Political Party Funding	Payments made to Political Parties on time	Political Party Funding payments	Political Party Funding payments were processed in 1 <sup>st</sup> and 3 <sup>rd</sup> Quarters of the financial year in line with applicable regulations	No deviation	Enhanced multiparty democracy within the GPL
		<ul style="list-style-type: none"><li>Adopted Institutional Strategic Plan</li><li>Budget Statement Adjustment</li><li>Budget Statement Virement</li></ul>	Budget documents tabled by the MEC for Finance	Annual Performance plan and Annual budget	<ul style="list-style-type: none"><li>The development of the institutions Annual Performance Plan was concluded during July 2010</li><li>The GPL final 2011/2012 budget was approved by Provincial Treasury and tabled at in the House during February 2011</li><li>The institution's Adjustment Budget was approved by Provincial Treasury and tabled in the House during December 2010</li></ul>	No deviation	<ul style="list-style-type: none"><li>Ensured accountability on the implementation of the Strategic Plan</li><li>Ensured adequate funding for the implementation of the Strategic Plan</li></ul>
Supply Chain Management	To ensure effective demand and supply management and improved SCM administration	Procurement Plan	Level of implementation of the Procurement Plan	100% Processing of requisitions within required timeframes	All duly approved and released requisitions were processed in line with the applicable SCM processes	No deviation	<ul style="list-style-type: none"><li>Contribution towards corporate governance</li><li>Compliance with applicable legislation</li></ul>
		Vetting of the GPL Acquisition Council completed	Vetting report	Annual vetting of LAC members	Names of LAC members were submitted to the Security Unit for vetting	No deviation	<ul style="list-style-type: none"><li>Compliance with Corporate Governance</li><li>No conflict of interest</li></ul>
		Vetting of SCM Practitioners	Number of vetted SCM Practitioners	Annual vetting of SCM practitioners	<ul style="list-style-type: none"><li>Names of SCM practitioners were submitted to the Security Unit</li><li>(Vetted SCM practitioners)</li></ul>	No deviation	<ul style="list-style-type: none"><li>Compliance with Corporate Governance</li><li>No conflict of interest</li></ul>



Sub-Programme	Measurable Objective	Planned				Actual		Progress Towards Outcomes	
		Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation			
Supply Chain Management	To ensure effective demand and supply management and improved SCM administration	2 Workshops on SCM procedures and processes	Workshop training material	2 Workshops on SCM procedures and processes	The awareness workshops are pending the approval of the SCM Policy by the end of the 1 <sup>st</sup> Quarter of the new financial year	<ul style="list-style-type: none"><li>SCM Policy is pending approval</li><li>Compliance with Corporate Governance (SCM processes) was maintained in line with existing policy and SCM prescripts</li></ul>	It is envisaged that the workshops will enhance the demand and supply management		
		Bar coded assets	Asset report	Efficient asset management					
		Verified assets	Asset report						
	To ensure improved and intensified asset management	Counted assets	Asset report	Daily maintenance of the register	This function is not executed in the SCM Directorate	The Asset Management function was not transferred to the SCM Directorate during the financial year	The outputs were however realised in the Administration Unit under the Corporate Support Stream		
		Updated Asset Register	Fixed Asset Register						
		Reconciliation of asset movement	Updated inventory report	Efficient asset management					
	To ensure the promotion of Affirmative Procurement through monitoring and maintaining approved institutional policies	BBBEE compliant tenders	Register of awarded tenders	5 BBBEE compliant tenders	<ul style="list-style-type: none"><li>5 Tenders were recommended by the LAC to the Accounting Officer and were awarded: Banking Services, Office Furniture, Research, AV Upgrade and Rehabilitation of the West Wing of the City Hall</li><li>The language services tender was approved directly by the Accounting Officer during the period as the LAC did not convene due to competing GPL priorities</li></ul>	No deviation	Contribution to service delivery and redress of past economic imbalances		
		Affirmative Procurement	Newspaper advert Attendance register	Information sessions				Information was shared with service providers	No deviation
		Evaluated and adjudicated GPL tenders in line with applicable legislation	<ul style="list-style-type: none"><li>Advertised tenders</li><li>Newspaper adverts</li><li>Bid responses received</li><li>Attendance Register</li><li>Declaration of interest</li><li>Evaluation report</li></ul>	Advertise all tenders in line with SCM policy				4 Tenders were advertised in line with the SCM Policy and two tenders were subjected to the closed tender through the Accounting Officer's approval	No deviation
	To ensure effective management of the tender process in line with applicable legislation	Adjudicated tenders in line with applicable legislation		Evaluate all tenders	6 Tenders were evaluated before the expiry of the validity period	No deviation	<ul style="list-style-type: none"><li>Contribution towards service delivery</li><li>Good corporate governance practice</li></ul>		
				Effective adjudication of 6 tenders	<ul style="list-style-type: none"><li>6 Tenders were adjudicated</li><li>3 Of the 6 tenders were adjudicated outside the validity period after approval for extension was granted</li></ul>	No deviation	Good corporate governance practice		



Planned					Actual		Progress Towards Outcomes
Sub-Programme	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	
Supply Chain Management	To ensure effective management of the tender process in line with applicable legislation	Appointments and issued award letters to service providers	LAC report signed by the Chairperson or the Secretary to the Legislature	Generate 6 LAC reports	<ul style="list-style-type: none"><li>6 LAC reports were considered and signed by the Accounting Officer according to the approved Delegations of Authority</li><li>Although in the IT services the tender report was signed by the Accounting Officer, it has not been awarded yet</li></ul>	No deviation	Enabling MPLs to carry out their mandates effectively
		Advertised tender awards	Tender awards in Government Tender Bulletin	Advertise all tenders in the government tender bulletin	All tender awards were advertised in the Government Tender Bulletin	No deviation	Compliance with SCM processes
	To ensure effective and efficient travel management	Realised air travel, accommodation and car hire in line with requisition needs	<ul style="list-style-type: none"><li>E-tickets</li><li>Facilitate accommodation, shuttle and car hire vouchers</li><li>Facilitate Travel Visas</li><li>Secure appointments with travel clinics</li><li>Provide statements of payments to agencies</li></ul>	Process all travel requisitions within 2 days of receipt	All travel requisitions were processed and finalised in line with SCM prescripts	No deviation	<ul style="list-style-type: none"><li>Compliance with SCM processes</li><li>Enhanced support to business</li><li>Transparency, equity and fairness of SCM processes were demonstrated</li></ul>
		Audited and reviewed contract management	Audit reports	Provide an effective joint contract management	Audits were conducted by line function	No deviation	Compliance with SCM processes
	Risk Management	To ensure effective joint contract management with Corporate Legal	Accurate and complete Contract Register	Contract register	Regular maintenance of register	All contracts are accounted for in the Contract Register	No deviation
Training for programme managers on contract management			Training report	Provide an effective joint contract management	The intended workshop was not realised	The workshop on contract management was not conducted due to competing priorities	Compliance with SCM processes
To ensure improved and effective management of vendor database		Database of vetted suppliers updated	Database	Regular maintenance of database	All vendor application forms have been captured on the system and approved	No deviation	Compliance with SCM processes
To ensure effective and efficient Risk Management Programme for the GPL		Strategic Risk Register adopted maintained	Risk Register	Annual risk assessment	A special risk workshop was conducted during the 3rd Quarter of the 2010/2011 period to re-confirm the strategic risks of the institution and record progress made in managing the risks identified	No deviation	Monitoring the aspects of risk management throughout the institution



Sub-Programme	Planned					Actual	
	Measurable Objective	Output	Indicator	Annual Target	Actual Performance Against Target	Reasons For Deviation	Progress Towards Outcomes
Risk Management	To ensure effective and efficient Risk Management Programme for the GPL	Operational Risk Registers developed per sub-programme	Risk Register tabled at the Secretariat	Annual assessment	Risk Registers are maintained per sub-programme	No deviation	Monitoring the aspects of risk management throughout the institution
	To facilitate and organise the annual external audit process	Auditing by the Auditor-General including other external institutions	Audit Report	Facilitate and organise the annual external audit	<ul style="list-style-type: none"> <li>The external audit for the 2009/2010 period was finalised on 31 July 2010 and presented to the Audit Committee and the LSB for adoption</li> <li>The planning phase of the 2010/2011 external audit commenced during the 4th Quarter of 2010/2011 and controls are in place to ensure finalisation by 31 July 2011</li> </ul>	No deviation	<ul style="list-style-type: none"> <li>Conformed to good governance</li> <li>Complied with statutory requirements</li> </ul>
	To ensure effective and efficient management of Internal Audit function as guided by audit coverage plan	The Internal Audit Plan	<ul style="list-style-type: none"> <li>Approved Internal Audit Plan</li> <li>Audit report</li> </ul>	Provide an effective and efficient management of the Internal Audit function	<ul style="list-style-type: none"> <li>The Audit and Risk Committee adopted the Internal Audit Coverage Plan during the 2<sup>nd</sup> Quarter of the 2010/2011 period</li> <li>Internal audits were conducted and presented to the ARC in line with the approved plan</li> </ul>	No deviation	Assurance provided on effectiveness and adequacy of internal controls
	To ensure efficient and effective corporate governance	<ul style="list-style-type: none"> <li>Fraud Prevention Plan</li> <li>Quarterly Risk Management Plan</li> <li>Quarterly Audit and Risk Committee meetings</li> </ul>	<ul style="list-style-type: none"> <li>FPP responsibility matrix</li> <li>Quarterly Fraud Prevention Committee reports</li> <li>Minutes of meetings</li> </ul>	Provide an efficient and effective corporate governance	<ul style="list-style-type: none"> <li>The Fraud Prevention Committee only met once</li> <li>The Risk Management Committee met 5 times during the 2010/2011 period</li> <li>The Audit and Risk Committee met 4 times during the 2010/2011 period as required by the charter adopted by the LSB</li> <li>The committee also had two special meetings in the 2<sup>nd</sup> Quarter</li> </ul>	<ul style="list-style-type: none"> <li>The Fraud Prevention Committee did not meet as required due to conflicting priorities</li> <li>No deviation</li> <li>No deviation</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring the aspects of risk management throughout the institution</li> <li>Adherence to the provisions of FAMA as well as <i>King II Report</i> and <i>King III Report</i></li> </ul>
	To facilitate and organise the annual external audit process	Implementation plan for the internal and external audit recommendations	Audit tracking reports	Enhance good corporate governance and legislative compliance	Progress on implementation of audit findings were monitored and reported on accordingly	No deviation	Enhancing the GPL's internal control environment through effective implementation
	To ensure effective and efficient Risk Management Programme for the GPL	Evaluation and assessment of LSB and committees	Assessment report	Provide an effective and efficient risk management	<ul style="list-style-type: none"> <li>The 2009/2010 review of the LSB and its sub-committees was finalised during the 3rd Quarter as per the 2010/2011 Coverage Plan</li> <li>The 2010/2011 review will be conducted during the 1<sup>st</sup> Quarter of 2011/2012</li> </ul>	No deviation	Identifying weaknesses and implementing corrective action to ensure an effective and efficient LSB and sub-committees function



## SECTION IV – THE AUDIT COMMITTEE

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# GAUTENG PROVINCIAL LEGISLATURE

## REPORT OF THE AUDIT COMMITTEE

We are pleased to present our report for the financial year ended 31 March 2011.

## AUDIT COMMITTEE MEMBERS AND ATTENDANCE

The Audit Committee consists of the members listed hereunder and should meet at least 4 times per annum as per its approved charter. During the current year 6 meetings were held.

Name of Member	Number of Meetings Attended
JL Davis (Chairperson)	6
AR Martin	4
V.P. Skosana	6
R. Letwaba	5
M. Madlala	1

## AUDIT COMMITTEE RESPONSIBILITY

The Audit Committee reports that it has complied with its responsibilities arising from section 45(1) of the FAMILA. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

## THE EFFECTIVENESS OF INTERNAL CONTROL

The system of internal control applied by the Gauteng Provincial Legislature over financial and risk management is effective, efficient and transparent.

In line with the FAMILA and the *King III Report* on Corporate Governance requirements, Internal Audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the Internal Auditors, the Audit Report on the Annual Financial Statements and the management report of the Auditor-General, it was noted that no matters were reported indicating any

material deficiencies in the system of internal control or any deviations there from. Accordingly, we can report that the system of internal control for the period under review was efficient and effective.

## EVALUATION OF FINANCIAL STATEMENTS

The Audit Committee has:

- reviewed and discussed the audited annual Financial Statements to be included in the Annual Report, with the Auditor-General and the Accounting Officer;
- reviewed the Auditor-General's management report and management's response thereto; and
- reviewed changes in accounting policies and practices.

The Audit Committee concurs and accepts the Auditor-General's conclusions on the annual Financial Statements, and is of the opinion that the audited annual Financial Statements be accepted and read together with the report of the Auditor-General.

## INTERNAL AUDIT

The Audit Committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the department in its audit.

## AUDITOR-GENERAL SOUTH AFRICA

The Audit Committee has met with the Auditor-General South Africa to ensure that there are not unresolved issues.

**JL DAVIS**  
CHAIRPERSON OF THE AUDIT COMMITTEE



## SECTION V – THE ANNUAL FINANCIAL STATEMENTS

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## GENERAL INFORMATION

<b>Country of incorporation and domicile</b>	South Africa
<b>Member</b>	Peter Skosana
<b>Registered office</b>	Cnr President and Loveday Streets
	Johannesburg
	2001
<b>Business address</b>	Cnr President and Loveday Streets
	Johannesburg
	2001
<b>Postal address</b>	Private Bag X52
	Johannesburg
	2000
<b>Bankers</b>	The Standard Bank of South Africa Limited
<b>Auditors</b>	Auditor General of South Africa
<b>Secretary to the Legislature</b>	Peter Skosana

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A report of the member has not been prepared as the entity is a wholly owned controlled entity of which is incorporated in South Africa. The annual financial statements set out on pages 107 to 162, which have been prepared on the going concern basis, were approved by the accounting officer on 31 May 2011 and were signed on its behalf by:

**PROVINCIAL SECRETARY**  
**PETER SKOSANA**





# REPORT OF THE AUDITOR-GENERAL

## TO THE GAUTENG PROVINCIAL LEGISLATURE ON VOTE NO. 2: GAUTENG PROVINCIAL LEGISLATURE

### REPORT ON THE FINANCIAL STATEMENTS

#### Introduction

1. I have audited the accompanying financial statements of the Gauteng Provincial Legislature (GPL), which comprise the statement of financial position as at 31 March 2011, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information, as set out on pages 121 to 162.

#### Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Financial Management of Gauteng Provincial Legislature Act, 2009 (Act No. 7 of 2009) (FAMLA), and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996, section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA) and section 56(1) of FAMLA, my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and *General Notice 1111 of 2010* issued in *Government Gazette 33872 of 15 December 2010*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control

relevant to the GPL's preparation and fair presentation of the financial statements 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 GPL's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### Opinion

7. In my opinion, the financial statements present fairly, in all material respects, the financial position of the GPL as at 31 March 2011, and its financial performance and cash flows for the year then ended in accordance with SA Standards of GRAP and the requirements of the FAMLA.

#### Emphasis of matters

8. I draw attention to the matters below. My opinion is not modified in respect of these matters:

#### Restatement of corresponding figures

9. As disclosed in note 28 to the financial statements, the corresponding figures for 31 March 2010 were restated as a result of the first time adoption of SA Standards of GRAP during 31 March 2011 in the financial statements of the Gauteng Provincial Legislature at, and for the year ended, 31 March 2010.

#### Material underspending of the budget

10. As disclosed in note 37 to the financial statements, the GPL materially underspent on capital expenditure which amounted to R11 000 000.

#### Report on other legal and regulatory requirements

11. In accordance with the PAA and in terms of *General Notice 1111 of 2010*, issued in *Government Gazette 33872 of 15 December 2010*, I include below my findings on the annual performance report as set out on pages 34 to 106 and material non-compliance with laws and regulations applicable to the legislature.



# REPORT OF THE AUDITOR-GENERAL

## TO THE GAUTENG PROVINCIAL LEGISLATURE ON VOTE NO. 2: GAUTENG PROVINCIAL LEGISLATURE

### **Predetermined objectives**

12. There are no material findings on the annual performance report.

### **Compliance with laws and regulations**

13. There are no findings concerning material non-compliance with laws and regulations applicable to the GPL.

### **Internal control**

14. In accordance with the PAA and in terms of *General Notice 1111 of 2010*, issued in *Government Gazette 33872 of 15 December 2010*, I considered internal control relevant to my audit, but not for the purpose of expressing an opinion on the effectiveness of internal control. There are no significant deficiencies in internal control that resulted in a qualification of the auditor's opinion on the financial statements and/or findings on predetermined objectives and/or material non-compliance with laws and regulations.

*Auditor - General*

Johannesburg  
29 July 2011



AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*



# REPORT OF THE ACCOUNTING OFFICER

## FOR THE YEAR ENDED 31 MARCH 2011

### REPORT OF THE ACCOUNTING OFFICER TO THE EXECUTIVE AUTHORITY AND PROVINCIAL LEGISLATURE OF THE REPUBLIC OF SOUTH AFRICA

#### 1. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

This report reviews the progress made during the reporting year by describing the main financial achievements (and challenges) against the key financial objectives of the Gauteng Provincial Legislature (GPL). In line with the strategic goal of Leadership and Corporate Governance, systems of good Corporate Governance, effective administration and good Financial Management Systems continued during the financial year.

##### 1.1 BUDGETING PROCESS AND ALLOCATION

Goals and objectives were the prime outputs of the Strategic Planning process. The defined objectives (outputs of the Strategic Planning and Policy making Process) were then translated into plans which were consistent with the Policies, Political Priorities and guidelines laid down by the Political Leadership.

Further refinements and enhancements to our budgeting process were applied during the financial year. A strategic focus was infused to drive the budget process with the ultimate goal of arriving at a budget that is informed by GPL strategic business objectives. These developments synchronised effectively with the performance budgeting approach as adopted by the GPL.

For the year under review, the GPL received a total budget allocation of R310.1 million to implement its strategic plan. This represents an increase of 33.3% increase as compared to the budget allocation of the previous financial year. During the year, projected expenditure to the end of the financial year identified the need for additional funding in respect of statutory and contractual obligations, accruals from the previous financial year and emerging priorities. The approach adopted to meet the additional funding requirements was first to identify savings and under spending internally before requesting additional funds from the Treasury. After this process, the GPL then submitted a motivation to the Provincial Treasury requesting additional funding to finance the remaining projected over-expenditure. Included in the final budget was an amount of R15.7million allocated

through the adjustment budget in respect of the following:

- R10million allocated to political parties as political party funding to mobilise citizens to participate in the local government elections as part of deepening democracy and participation;
- R2.5million to fund salary adjustments as agreed between the GPL Management and National Education, Health and Allied Workers Union (NEHAWU);
- R2.1million for the replacement of the City Hall chairs;
- R427,000 to fund the development of the GPL law-making framework and the piloting Sector Forum for the 5 priority committees;
- R310,000 in respect of software licenses for the Automated Recruitment and Talent Development systems;
- R196,000 for the migration from a modified cash to accrual basis of accounting and implementation of the GRAP standards in compliance to the Financial Management of Gauteng Provincial GPL Act, 2009 (FAMLA); and
- R106,000 for the implementation of the Monitoring and Evaluation system.

An additional amount of R53.7million was received as a statutory appropriation in respect of remuneration for Political Office Bearers. This amount is distinct from the GPL voted budget and falls within the ambit of the Direct Charges Act.

##### 1.2 EXPENDITURE ANALYSIS

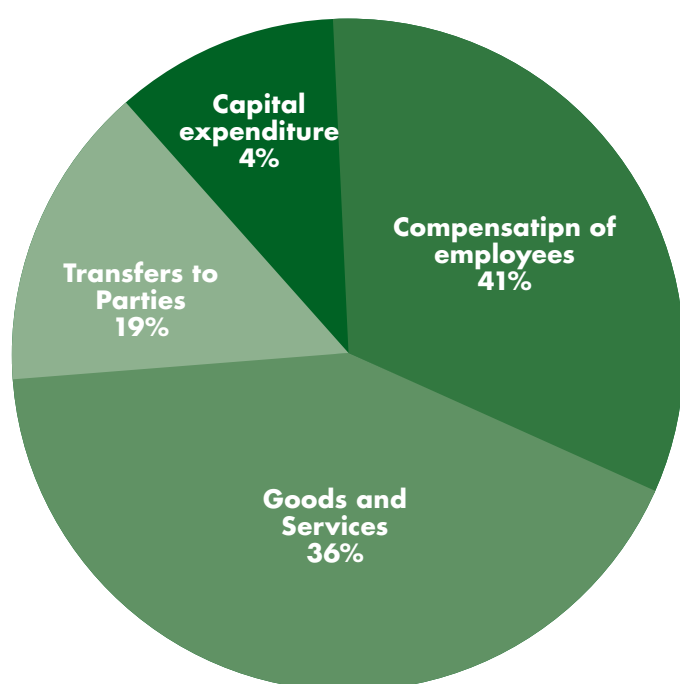
The GPL spent R290.4million (2010: R232.6million) of the total allocated budget. This represents 93.65 % utilisation of the total voted funds for the year. The Institution has realised an under spend of R19.7million, primarily attributable to the deferment of capital projects, approved positions as per the organisational structure not filled as well as the realisation of savings through the implementation of cost containment measures. Actual spending is classified in the table below:





# REPORT OF THE ACCOUNTING OFFICER FOR THE YEAR ENDED 31 MARCH 2011

ECONOMIC CLASSIFICATION	% SPENT 2010/11	ACTUAL SPENDING 2010/11	ACTUAL SPENDING 2009/10	% GROWTH
Compensation of employees	41.0%	119 065	103 824	14.68%
Goods and services	36.2%	105 020	100 579	4.42%
Transfer to parties	18.7%	54 449	22 000	147.50%
Capital expenditure	4.1%	11 909	6 147	93.74%
TOTAL	100.0%	290 443	232 550	24.89%



The total expenditure of the current financial year increased by 24.89% as compared to the previous financial year. An analysis of the financial growth linked to the Institutional strategy has revealed the following strategic growth areas:

- An increased allocation to provide support to committees of the House and support structures in line with the GPL Business Model and Strategy;
- Increased capacity in Research to ensure support to the work oversight, law-making and public participation programmes;

- A notable geared increase in Members facilities, capacity building and funding allocation to political parties; and
- More focus on corporate governance processes and enhancement of business tools.

## 1.3 UNDER / OVER SPENDING AND SAVINGS

The GPL under spent by R19.7million of its total allocated budget. Lack of spending on capital projects and capital items is the primary contributing factor to the under spend for the reporting year. The under spend in this category has been determined at R12.7million. The main capital under spend items are stated below:

- Under expenditure on the auditorium conversion project;
- The installation of the audio visual equipment has been deferred to the 2011/2012 financial year; and
- Under spending on furniture incorporating the acquisition of the City Hall chairs and other IT equipment not acquired during the financial year.

As reflected on the annual Financial Statements, a further contributing item to the under spend was incurred on approved positions not filled during the financial year. It is anticipated that these positions would be filled in the early part of the new financial year.

The following under expenditure items were also noted during the financial year:

- The balance of the political party funding and constituency allowance for the Freedom Front Plus party was



# REPORT OF THE ACCOUNTING OFFICER

## FOR THE YEAR ENDED 31 MARCH 2011

retained due to the audit report of the party not submitted as required by the Political Party Fund Act;

- All planned international and local trips could not be undertaken in the Offices of the Speaker and Secretary to the Legislature due to other Institutional priorities; and
- Under-spending on travel and workshop and functions of committees as a result of reduced level of activity linked to the local government election period and political decision to reduce the number of delegates on international study tours.

Whilst under spending has been reported above, overspending occurred in the following operational areas:

- Transport and shuttle service were overspending as a result of poor and inadequate planning for the current financial year which was also exacerbated by accruals from the previous financial year. This will be corrected during the year-end adjustments through the movement of fund from savings.
- Poor management, the non-functioning of the soft-locking system, the delay in implementation of integrated business tools policy and the extension of business tools to other staff members to enable them to function properly led to an overspend in telephone budget. Steps have been taken to ensure that the soft-locking system is fully functional.
- Recruitment costs were under-funded with a commitment that external agencies will not be utilised for recruitment purposes. However, during the course of the year, it became necessary to utilise external agencies, especially to recruit for scarce skills.
- Internal Audit fees were also exceeded due to accruals that were carried over from the previous financial year.

### 1.4 SAVINGS THROUGH AUSTERITY MEASURES

It is credible to note that savings to the value of R8million were realised on goods and services primarily due to the implementation of austerity measures as introduced by the Institution's leadership. The savings were realised in the following areas:

- Stationery, printing, cleaning materials, plant services,

advertising, postage and courier services, communications and consumables due to operational efficiencies.

- Effective utilisation of in-house capacity and use of professional services and consultants only when absolutely necessary;
- Reduction in the number of delegates and international study tours;
- Reduction in newspaper subscriptions as Members and staff continuously access newspapers via the internet as the Institution subscribed to on line newspaper facilities to curb costs;
- The implementation of the HR training plan resulted in properly co-ordinated training programmes for staff stringently linked to performance reviews;
- Savings on IT outsourcing due to the termination of the contractor and implementation of interim measures whilst considering the cost benefit analysis of in sourcing versus outsourcing;
- A saving was realised in the parking management area as a result of the GPL taking over the management of its parking facilities; and
- Reduction on maintenance and repairs as the contingency budget was not utilised.

### 2. ENHANCED FINANCIAL MANAGEMENT

The implementation of the new Financial Management of Gauteng Provincial Legislature Act, 2009 (FAMLA) with effect from 1 April 2010 required preparation during the past year which will be continued with an ongoing intensive training programme and continuous interaction with the legislative sector.

The FAMLA provides a dynamic opportunity to make a quantum leap in improving financial management practices. Through this process, every official is accountable for applying financial and risk management in their area of responsibility. A major milestone of this piece of legislation is the regularisation of a consultative process between the Speaker and the MEC for Finance on the funding requirements of the institution. This will ensure that the GPL is adequately funded to fully implement its strategic plan with



# REPORT OF THE ACCOUNTING OFFICER

## FOR THE YEAR ENDED 31 MARCH 2011

the necessary base line allocation. The Act also enhances the recognition of GPL as an autonomous organ of state.

The effect of FAMLA will have marked results in financial management policy bringing the GPL into the forefront of the sector financial reforms. The legislative framework reflects the world best practice in financial management.

The process of control over budgets and monthly reporting operated satisfactorily during the year. The Planning and Budget Unit regularly met with Programme and Sub-Programme Managers providing guidance on business planning and budget implementation. Financial performance and expenditure projections were monitored on a monthly basis and reported at stream meetings for interrogation and scrutiny.

Actual and projection reports were submitted to Provincial Treasury on a monthly and quarterly basis in line with formats and timelines provided by Provincial Treasury. The timing of monthly reports provides management with an 'early warning' of deviations from planned results and targets. These were also reported at the Audit and Risk Committee on a quarterly basis.

Programme and sub-programme managers updated quarterly expenditure projections to provide action plans for implementation of the budget and reasons for any deviations. This process allowed managers to identify gaps timeously and institute the necessary plans to achieve the identified objectives. The commitment register has been fully implemented. This provides Programme Managers with on-line information on outstanding purchase requisitions, purchase orders and payments made to date.

The GPL identifies itself as a learning organisation which is performance driven. Accordingly, training of staff serving on various Supply Chain Committees as well as risk management was arranged during the year. This process was in line with the objectives of the Office of the Chief Finance Officer (CFO) in ensuring that responsible managers are given the necessary skills required to optimise financial management and further enhance achievement of organisational objectives.

### 3. SUPPLY CHAIN MANAGEMENT PRACTICES

The GPL is committed to the broader achievement of socio-economic goals. It has put in place processes that are

aligned to the aims and objectives of both the Broad-Based Black Economic Empowerment Act (BBBEE) and the Preferential Procurement Policy Framework Act (PPPFA). The Institution also developed a Supply Chain Management policy which is aligned to the FAMLA ensuring enhanced Supply Chain Management standards. Provision for the promotion of BBBEE is also made in the policy to further emphasise the significance as orchestrated in both the Acts.

Through the adoption of the preferential procurement strategy, a preference mechanism has been introduced in the procurement of all goods and services to target especially Historically Disadvantaged Individuals (HDIs). Reasonable progress has been made in its implementation but not to its full extent. A Compliance Officer position has been created to oversee and ensure full implementation in this regard. The following achievements against targets were noted for the reporting year:

- Total spend on goods and services was R93.1million (2010: R60.1million);
- BBBEE spend was R50.1million or 53.84% against a target of 60% (2010: R25.6 / 42.6%);
- R25.7million or 27.64% was spent on women with target at 30% (2010: R11.7million / 19.48%);
- R6.3million or 6.83% was spent on youth against a target of 10% (2010: R476,179 / 0.79%); and
- Total spend on People with Disabilities (PwD) was R93,000 at 0.1% against a 5% target (2010:) R9 719 / 0.02%.

Refined tender processes will largely contribute to the achievement of the set BBBEE goals as they encompass preferential procurement points that will benefit existing and emerging businesses managed and owned by HDIs, Women, Youth, People with Disabilities (PwD) with preference to those located in the Gauteng Province. This initiative will assist in the realisation of the projected BEE spend for the MTEF. The Chief Financial Officer will monitor progress in achieving these targets.

### 4. CONSTRAINTS

Further configuration of the SAP system is still required specifically in the SCM area to ensure accurate and complete





# REPORT OF THE ACCOUNTING OFFICER

## FOR THE YEAR ENDED 31 MARCH 2011

information and that reporting is fully automated. This project will be undertaken in the new financial year.

Lack of office space requirements has now reached acute proportions. The City Hall is fully occupied and not adequate to meet current demands. Contingency plans have been finalized through the City Hall Rehabilitation project and securing of additional office space in the 1066 Building in Pritchard Street, Johannesburg.

### 5. CORPORATE GOVERNANCE

The Legislature Services Board (LSB) continued to focus on improving corporate governance and consolidating the effective operation of the Board. In line with the GPL's efforts to improve decision-making, meetings of the sub-committees of the Board preceded the scheduled meetings of the LSB.

The GPL strives to adhere rigorously to the principles of good governance, accountability and ethics in all its undertakings. Adherence to these principles assures the GPL of more effective executive decision-making and allocation of internal resources. This requires not only that the GPL adheres to the prescriptive framework found in legislation and regulations, but also that the GPL's corporate governance structures are aligned with the relevant provisions of the *King Report*.

#### 5.1 AUDIT AND RISK COMMITTEE

In line with section 46 of the FAMILA, the Audit and Risk Committee met on a quarterly basis and reviewed Financial Statements, monitored progress on risk management, reviewed accounting policies and systems of internal control. The Committee also scrutinised reports submitted by both internal and external auditors on compliance levels, materiality, and the effectiveness of systems and provided valuable support to the Office of the CFO in relation to financial management and accountability.

Both internal and external auditors have unrestricted access to the Audit and Risk Committee, which ensures that their independence is in no way impaired. Meetings are attended by the appropriate members of executive management, including those involved in risk management, control and finance. The committee operated in accordance with the charter as approved by the LSB.

The LSB annually reviews the performance of the Audit and

Risk committee through a comprehensive evaluation process undertaken by independent consultants.

#### 5.2 RISK MANAGEMENT

The Accounting Officer has and maintains effective, efficient and transparent systems of risk management and internal control. Risk management is an integral part of the institutions activities to reduce risks to acceptable levels.

The Risk Management Committee met four times during the financial year. The mandate of the committee is to oversee and co-ordinate the risk management process. Management remain responsible for the identification, assessment and management of risk. The responsibility is not limited to the Secretariat but includes the total management structure within each stream.

The adopted Risk Management Strategy provided a framework for governing and managing the affairs of the GPL to identify, manage, control, reduce or eliminate business, financial and operational risks that may affect the performance of the GPL adversely. The strategy is further used to direct internal audit effort and priority, and to determine the skills required of managers and staff to improve controls and to manage these risks.

The Risk Management Officer continuously engaged with Management to update the risk register and report to the Risk Management Committee and Audit and Risk Committee on progress in implementing actions to mitigate risks and reduce risks to acceptable levels and levels of tolerance. The Risk Register was updated in line with the outcome of the high level risks based on the strategic priorities of the Institution. The Risk Register informed the development of the annual Internal Audit Plan and the risk identification process for all Programmes of the GPL. The risk register now features as a standard agenda item at the Audit and Risk Committee, LSB and senior management meetings.

During the financial year, the BarnOwl System was acquired and implemented. All elements of the risk register will be captured and managed through the system which will also provide detailed reports for tabling with the Audit and Risk Committee. The system will also serve as a tracking and monitoring tool for all levels of management.



# REPORT OF THE ACCOUNTING OFFICER FOR THE YEAR ENDED 31 MARCH 2011

## 5.3 INTERNAL AUDIT

The Internal Audit function of the GPL continued to operate in line with the approved terms of reference and associated service level agreement based on the requirements of the FAMLA and Standards for the Professional Practice of Internal Audit of the Institute of Internal Auditors.

Internal audits were performed on critical risk areas as reflected on the approved internal audit coverage plan to determine the adequacy of the system of internal control. The outcome of the internal audit reviews was regularly reported to Management, Risk Management Committee and the Audit & Risk Committee in terms of the Internal Audit Charter and associated service level agreement.

The Internal Audit Function provided objective and independent assurance to management and the Audit and Risk Committee on the adequacy and effectiveness of internal controls, risk management and governance processes of the GPL. This was accomplished mainly through regularity, performance, and information technology and compliance audits. In pursuing this activity, the Internal Audit is guided by a fully functional Audit and Risk Committee at all times.

## 5.4 FRAUD PREVENTION PLAN

A fraud prevention plan has been adopted which is aligned to the Risk Management strategy. Both documents have been communicated to staff and also loaded on the GPL intranet for awareness and reference purposes. The Fraud Prevention Plan (FPP) Operational Committee took responsibility for the implementation of the fraud prevention plan within the GPL. Comprehensive progress has been made on the implementation strategy of the fraud prevention plan. A fraud awareness workshop was also held at the end of the 2010/2011 financial year during which utilisation of the new fraud reporting hot line was strongly encouraged. Further workshops are planned during the new financial year.

## 5.5 MANAGEMENT PROCESSES TO MINIMISE CONFLICT OF INTEREST

A register has been established for all Members to disclose any conflicts of interest. Same will be extended to all staff in the new financial year. On evaluation of tenders, the register is cross referenced with the tender documents to ensure no conflict of interest exists.

## 5.6 IMPLEMENTATION OF CODE OF CONDUCT

The GPL consistently strives at entrenching and enforcing ethical and moral behaviour throughout the Institution and building a corporate culture on a foundation of integrity as reflected in the adopted values statement. Accordingly, the code of conduct has recently been reviewed through the fraud prevention strategy initiatives and will be adopted in the new financial year.

The GPL enjoyed a sound and stable relationship with the Trade Union over past year. In ensuring that there are good labour relations between the Union and Management, the GPL has formalised this through a recognition agreement in order to facilitate the term, manner and the scope of the relationship envisaged.

## 5.7 EFFECTIVENESS OF HEALTH, SAFETY AND ENVIRONMENT ISSUES

There has been no reported crime or instances of injuries to people within the GPL's precinct in the year. The level of hygiene within the GPL is viewed as satisfactory. The GPL building is however in need of refurbishment. Plans have been prepared for the phased refurbishment and rehabilitation of the GPL building and its environment which has been included in the budget for the 2011/2012 financial year.

## 6. NEW / PROPOSED AND DISCONTINUED ACTIVITIES / ACTIVITIES TO BE DISCONTINUED

Activities will continue to be carried out in terms of the constitutional and legal mandate of the GPL.

## 7. ASSET MANAGEMENT

The GPL manages its assets within the framework of the FAMLA. An asset management policy has also been developed and approved by the LSB. A working asset management system is in place to ensure protection of assets and records. An Asset Management Unit (AMU) has been established under the SCM Directorate in the Office of the CFO. This will be fully implemented in the new financial year.

A concerted effort is under way to strengthen the overall control of assets and monitoring compliance on an ongoing basis through enhanced individual accountability for assets and regular physical counts of assets.





# REPORT OF THE ACCOUNTING OFFICER FOR THE YEAR ENDED 31 MARCH 2011

## 8. PERFORMANCE INFORMATION

In line with the requirements of FAMLA, the Accounting Officer after the end of each quarter reported to the Executive Authority the GPL's performance in implementing the annual performance plan in that quarter.

Performance information plays a significant role in governance and accountability and consequently more focus was applied on the quality and timeliness of the information.

Performance and financial reports were prepared for each quarter and also submitted to relevant internal and external stakeholders. The reports seek to present the state of affairs of the GPL and its performance against predetermined objectives at the end of each reporting period.

Programme performance is reported at dedicated Secretariat meetings on a quarterly basis. Emphasis was given to the development, communication and introduction of tools, procedures and structures for business planning and performance monitoring. Various strategies have been put in place to ensure the GPL's broad objectives are achieved.

The GPL has entrenched performance reporting as an integral part of an effective accountability framework.

## 9. IMPORTANT POLICY DECISIONS AND STRATEGIC ISSUES FACING THE GPL

The GPL in the execution of its mandate will undertake the following primary initiatives to enhance the way it functions:

- Emphasis on the oversight model and role of committees whilst continuing to put in place appropriate systems for executive accountability;
- Focussing on the development of procedures, skills and resources for effective and continuous oversight as embedded in the Turnaround Strategy;
- Improving the effectiveness of the LSB and Secretariat by the application of principles of good governance;
- To operate efficiently and effectively to satisfy the strategic imperatives of the business by improving the efficacy of the existing structures;
- Efficient, economical and effective utilisation of limited resources with due cognizance of the fiscal constraints

and liquidity challenges facing the Province;

- Allocate resources efficiently by directing more resources towards the constitutional mandate and making the work of elected representatives more effective; and
- Maintaining effective, efficient and transparent systems of financial management, risk management, internal control and internal audit.

## 10. STANDING COMMITTEE ON PUBLIC ACCOUNTS COMMITTEE (SCOPA) RESOLUTIONS

The following resolutions were deemed necessary by the SCOPA.

SCOPA RESOLUTION	PROGRESS
The Committee noted that accruals which exceeded the payment terms of 30 days amounted to R1,303,000 and that the difference between such accruals and available funds amounting to R1,205,000 would therefore have constituted unauthorized expenditure had the amounts due been paid on time. Resolution: That the GPL submit a progress report on the effectiveness of measures put in place to improve the management of the timeous payment of invoices by 31 January 2011.	A report regarding the control measures was submitted to SCOPA by the stipulated date.
The Committee is concerned that the GPL did not always effect payment to creditors within 30 days on receipt of invoices as required by Section 38(1)(f) and 76(4) of the PFMA . Resolution: That the Speaker ensures that the Accounting Officer complies with the requirements of all applicable legislations and ensure that creditors are paid within the stipulated timeframes and a progress report should be provided to SCOPA on the 31 March 2011.	A report containing measures to address the weakness was submitted to SCOPA by the stipulated date.
The Committee notes that the Legislature Information Management System (LIMS) project was under investigation to evaluate compliance and value for money. Resolution: The Speaker to submit the LIMS investigation report within seven days of finalisation thereof.	The evaluation audit report on LIMS was submitted to the Committee within the stipulated timeframe.





# REPORT OF THE ACCOUNTING OFFICER FOR THE YEAR ENDED 31 MARCH 2011

## 11. FIRST TIME ADOPTION OF GENERALLY RECOGNISED ACCOUNTING PRACTICE (GRAP)

Section 54 of the FAMILA prescribes that for each financial year, the Accounting Officer must prepare Annual Financial Statements in accordance with the standards of generally recognised accounting practice.

In compliance with the provision, the annual Financial Statements have been prepared in accordance with the effective standards of GRAP including any interpretations, guidelines and directives issued by the Accounting Standards Board. The annual Financial Statements have therefore been prepared on an accrual basis which necessitated adoption of new accounting policies consistent with GRAP.

The adoption of GRAP and consequent transition from modified cash basis to accrual basis of accounting is a significant milestone in the history of the GPL. It is clear that this provision of FAMILA has provided an opportunity to strengthen the GPL by developing a solid financial management approach that ensures that the GPL become the example that it should be in terms of best practice in South Africa.

## 12. OTHER

There are no other facts or circumstances that may have an effect on the GPL's financial of affairs.

## 13. APPROVAL

The Annual Financial Statements set out on pages 121 to 162 have been approved by the Accounting Officer.

PETER SKOSANA  
SECRETARY TO THE LEGISLATURE (ACCOUNTING  
OFFICER)  
31 MAY 2011



# STATEMENT OF FINANCIAL POSITION

## AS AT 31 MARCH 2011

	Notes	2011	2010
<b>Assets</b>			
<b>Current Assets</b>			
Inventories	10	1,989,641	682,057
Trade receivables from exchange transactions	11	2,718,854	–
Other receivables from non-exchange transactions	12	717,156	624,320
Prepayments	9	–	290,137
Unauthorised expenditure	33	2,638,196	2,638,196
Cash and cash equivalents	13	25,685,586	8,429,689
		<b>33,749,433</b>	<b>12,664,399</b>
<b>Non-Current Assets</b>			
Heritage assets	3	27,478,517	24,738,154
Property, plant and equipment	4	33,732,969	27,778,876
Computer software and development costs	5	22,410,233	21,860,204
		<b>83,621,719</b>	<b>74,377,234</b>
<b>Total Assets</b>		<b>117,371,152</b>	<b>87,041,633</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Finance lease obligations	14	852,990	632,206
Operating lease liability	7	685,132	12,898
Trade and other payables from exchange transactions	17	19,026,540	13,368,142
Provisions	15	15,525,722	10,778,602
13th cheque payable		675,917	626,133
SARS (UIF)	16	1,434,313	1,248,640
Voted funds		245,673	245,673
		<b>38,446,287</b>	<b>26,912,294</b>
<b>Non-Current Liabilities</b>			
Finance lease obligations	14	245,052	799,325
Operating lease liability	7	35,638	720,770
		<b>280,690</b>	<b>1,520,095</b>
<b>Total Liabilities</b>		<b>38,726,977</b>	<b>28,432,389</b>
<b>Net Assets</b>		<b>78,644,175</b>	<b>58,609,244</b>
<b>Net Assets</b>			
Accumulated surplus		<b>78,644,175</b>	<b>58,609,244</b>



## STATEMENT OF FINANCIAL PERFORMANCE

### FOR THE YEAR ENDED 31 MARCH 2011

	Notes	2011	2010
Revenue	19	366,647,215	295,124,000
Other income	20	674,642	1,866,212
Operating expenses		(341,445,659)	(288,819,997)
<b>Operating surplus</b>		<b>25,876,198</b>	<b>8,170,215</b>
Investment revenue	22	934,531	763,137
Finance costs	23	(162,798)	(129,656)
<b>Surplus for the year</b>		<b>26,647,931</b>	<b>8,803,696</b>

## STATEMENT OF CHANGES IN NET ASSETS

### FOR THE YEAR ENDED 31 MARCH 2011

	Accumulated surplus	Total net assets
<b>Balance at 01 April 2009 as restated</b>	<b>49,805,548</b>	<b>49,805,548</b>
Changes in net assets		
Surplus for the year	8,803,696	8,803,696
Total changes	<b>8,803,696</b>	<b>8,803,696</b>
Opening balance as previously reported	<b>58,609,244</b>	<b>58,609,244</b>
Adjustments		
Repayment to Provincial Treasury	(6,613,000)	(6,613,000)
<b>Balance at 01 April 2010 as restated</b>	<b>51,996,244</b>	<b>51,996,244</b>
Changes in net assets		
Surplus for the year	26,647,931	26,647,931
Total changes	<b>26,647,931</b>	<b>26,647,931</b>
<b>Balance at 31 March 2011</b>	<b>78,644,175</b>	<b>78,644,175</b>





# CASH FLOW STATEMENT

## FOR THE YEAR ENDED 31 MARCH 2011

	Notes	2011	2010
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Grants		363,928,361	288,511,000
Interest income		934,531	763,137
Other receipts		547,254	1,735,866
		<b>365,410,146</b>	<b>291,010,003</b>
<b>Payments</b>			
Employee costs		(178,472,288)	(165,446,133)
Suppliers		(157,745,204)	(115,797,590)
		<b>(336,217,492)</b>	<b>(281,243,723)</b>
<b>Net cash flows from operating activities</b>	25	<b>29,192,654</b>	<b>9,766,280</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	4	(7,778,453)	(2,841,546)
Purchase of heritage assets	3	(2,740,363)	–
Purchase of computer software and development costs	5	(738,757)	(1,993,081)
<b>Net cash flows from investing activities</b>		<b>(11,257,573)</b>	<b>(4,834,627)</b>
<b>Cash flows from financing activities</b>			
Finance lease payments		(741,866)	(269,097)
Distributions to owners		49,784	626,133
Operating leases		12,898	–
<b>Net cash flows from financing activities</b>		<b>(679,184)</b>	<b>357,036</b>
<b>Net increase in cash and cash equivalents</b>		<b>17,255,897</b>	<b>5,288,689</b>
Cash and cash equivalents at the beginning of the year		8,429,689	3,141,000
<b>Cash and cash equivalents at the end of the year</b>	13	<b>25,685,586</b>	<b>8,429,689</b>



# ACCOUNTING POLICIES

## FOR THE YEAR ENDED 31 MARCH 2011

### 1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board. These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies are disclosed below. These accounting policies are inconsistent with the previous period. The changes are set out in note 28 - First time adoption of Standards of GRAP.

#### 1.1 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

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

##### Trade and other receivables

The GPL, assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the GPL, 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 trade 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 (service) amounts of individual assets and cash-generating units 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. GPL 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, estimates are prepared of the recoverable service amount of each asset.

##### Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 15 - Provisions.

##### Useful lives of property, plant and equipment, software and development costs

The GPL's management determines the estimated useful lives, residual value and related depreciation charges for property, plant and equipment, software and development costs. This estimate is based on the pattern in which an asset's future economic benefits or service potential are expected to be consumed by the entity.

##### Effective interest rate and deferred payment terms

The GPL uses an appropriate interest rate, taking into account guidance provided in the accounting standards, and applying professional judgement to the specific circumstances, to discount future cash flows.

#### 1.2 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 GPL; and
- the cost or fair value 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



# ACCOUNTING POLICIES

## FOR THE YEAR ENDED 31 MARCH 2011

of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an item of property, plant and equipment is acquired at no cost, or for a nominal cost, 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 non-monetary asset's fair value is not determinable, it is deemed cost is the carrying amount of the asset 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, or to replace a 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.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

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.

Major spare parts and stand by equipment which are expected to be used for more than one period are included in property, plant and equipment. In addition, spare parts and stand by equipment which can only be used in connection with an item of property, plant and equipment are accounted for as 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.

Subsequent to initial measurement property, plant and equipment are depreciated on a straight line basis over their expected useful lives to their expected residual values. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets, or where shorter, the term of the relevant lease.

Depreciation commences when the asset is ready for its intended purpose. The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Average useful life
Leasehold property	Over the lease period
Plant and machinery	8 Years
Furniture and fixtures	10 Years
Motor vehicles	5 Years
Office equipment	8 Years
IT equipment	8 Years
Computer software	10 Years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate. The residual value of motor vehicles is estimated at 20% of the cost.

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

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

The gain or loss arising from the derecognition of an item property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item. Such difference is recognised





## ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2011

in surplus or deficit when the item is derecognised.

Compensation from third parties for an item of property, plant and equipment that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

### Transitional provision

The GPL changed its accounting policy for property, plant and equipment in 2011. The change in accounting policy is made in accordance with the transitional provision as per Directive 8 of the GRAP Reporting Framework.

According to the transitional provision, the GPL is not required to measure property, plant and equipment for reporting periods beginning on or after a date within three years following the date of initial adoption of the Standard of GRAP on Property, plant and equipment. Library books have accordingly been recognised at provisional amounts, as disclosed in note 4. The transitional provision expires on 30 June 2012.

The exemption from applying the measurement requirements of the Standard of GRAP on Property, plant and equipment implies that any associated presentation and disclosure requirements need not be complied with for library books not measured in accordance with the requirements of the Standard of GRAP on Property, plant and equipment.

### 1.3 COMPUTER SOFTWARE AND DEVELOPMENT COSTS

An asset is identified as an intangible asset when it:

- is capable of being separated or divided from the entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, assets or liability; or
- arises from contractual rights or other legal rights, regardless whether those rights are transferable or separate from the GPL or from other rights and obligations.

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 GPL; and
- the cost or fair value of the asset can be measured reliably.

Computer software and development costs are initially measured at cost. Where an intangible asset is acquired at no cost or for a nominal cost, its cost is its fair value as at the date of acquisition. Expenditure on the research phase of an internal project is recognised as an expense when it is incurred. An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale;
- there is an intention to complete and use or sell it;
- there is an ability to use or sell it;
- it will generate probable future economic benefits or service potential;
- there are available technical, financial and other resources to complete the development and to use or sell the asset; and
- the expenditure attributable to the asset during its development can be measured reliably.

Subsequent to initial measurement intangible assets are carried at cost less any accumulated amortisation and any accumulated 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 computer software and development costs, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other computer software and development costs amortisation is provided on a straight line basis over their expected useful lives to their estimated residual values.

The amortisation period, residual value, if any, and the amortisation method for intangible assets are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite, is an indicator



# ACCOUNTING POLICIES

## FOR THE YEAR ENDED 31 MARCH 2011

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 computer software and development costs.

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

Item	Useful life
Computer software and development cost	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 an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the intangible asset. Such difference is recognised in surplus or deficit when the intangible asset is derecognised.

### 1.4 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

A heritage asset is recognised when, it is probable that future economic benefits or service potential associated with the asset will flow to the GPL, and the cost or fair value of the asset can be measured reliably.

#### Initial measurement

Heritage assets are initially measured at cost.

Where a heritage asset is acquired at no cost or for a nominal cost, or through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

#### Subsequent measurement

Subsequent to initial measurement heritage assets are carried at cost less any accumulated impairment losses.

#### Impairment

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

#### Derecognition

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

### 1.5 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.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
  - receive cash or another financial asset from another entity; or
  - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

#### Classification

The entity has the following types of financial assets (classes



## ACCOUNTING POLICIES

### FOR THE YEAR ENDED 31 MARCH 2011

and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Cash and cash equivalents	Financial asset measured at amortised cost
Other receivables from non exchange transactions	Financial asset measured at amortised cost

The GPL 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
Trade and other payables from exchange transactions	Financial liability measured at amortised cost
Employee vendors	Financial liability measured at amortised cost

#### Initial recognition

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

The GPL recognises financial assets using trade date accounting.

#### Initial measurement of financial assets and financial liabilities

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

When the GPL enters into a concessionary loan agreement, it first assesses whether the substance of the concessionary loan is in fact a loan. On initial recognition, the GPL analyses a concessionary loan into its component parts and accounts for each component separately. The GPL accounts for that part of a concessionary loan that is:

- a social benefit in accordance with the Framework for the Preparation and Presentation of Financial Statements, where it is the issuer of the loan; or
- non-exchange revenue, in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), where it is the recipient of the loan.

#### Subsequent measurement of financial assets and financial liabilities

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

- Financial instruments at fair value;
- Financial instruments at amortised cost; and
- Financial instruments at cost.

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.

#### Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the GPL establishes fair value by using a valuation technique. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the entity uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, the GPL calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (that is, without modification or repackaging) or based on any available observable market data.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable





# ACCOUNTING POLICIES

## FOR THE YEAR ENDED 31 MARCH 2011

on demand, discounted from the first date that the amount could be required to be paid.

### Gains and losses

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

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

### Derecognition Financial assets

The GPL derecognises financial assets using trade date accounting. The GPL derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the GPL transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the GPL, 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 GPL :
  - derecognises the asset; and
  - recognises separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset is 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 differ-

ence between the carrying amount and the sum of the consideration received, is recognised in surplus or deficit.

### Financial liabilities

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

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).

### Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Gains and losses relating to a financial instrument or a component that is a financial liability, is recognised as revenue or expense in surplus or deficit.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the GPL has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### 1.6 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.

### 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.



## ACCOUNTING POLICIES

### FOR THE YEAR ENDED 31 MARCH 2011

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. The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement a right to use the asset. The classification of the lease is determined as follows:

#### Operating leases - lessor

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

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

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

Any contingent rent is recognised separately as revenue when received or receivable and are not straight-lined over the lease term.

#### Operating leases - lessee

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

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.

Any contingent rent is recognised separately as an expense

when paid or payable and is not straight-lined over the lease term.

#### 1.7 INVENTORIES

Inventories are initially measured at cost except where inventories are acquired at no cost, or for nominal consideration, 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 GPL incurs to acquire the asset at the reporting date.

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

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

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the GPL.

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



# ACCOUNTING POLICIES

## FOR THE YEAR ENDED 31 MARCH 2011

the amount of inventories recognised as an expense in the period in which the reversal occurs.

### 1.8 IMPAIRMENT OF CASH-GENERATING ASSETS

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

#### Identification

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

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

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

Irrespective of whether there is any indication of impairment, the entity also tests a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount.

This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset is tested for impairment before the end of the current reporting period.

#### Value in use

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

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

#### Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

#### Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable 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 cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

#### Reversal of impairment loss

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

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable 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 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 cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.





# ACCOUNTING POLICIES

## FOR THE YEAR ENDED 31 MARCH 2011

### 1.9 IMPAIRMENT OF NON-CASH-GENERATING ASSETS

Cash-generating assets are those assets held by the GPL with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

#### Identification

The GPL 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 GPL estimates the recoverable service amount of the asset.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

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

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

#### Value in use

Value in use of an asset is the present value of the asset's remaining service potential.

The present value of the remaining service potential of an

asset is determined using the depreciated replacement cost approach.

#### Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the 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 GPL will not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an oversized or overcapacity asset. Oversized 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 GPL 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 GPL



# ACCOUNTING POLICIES

## FOR THE YEAR ENDED 31 MARCH 2011

estimates the recoverable service amount of that asset.

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

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

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

### 1.10 SHARE CAPITAL / CONTRIBUTED CAPITAL

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

### 1.11 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 employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within 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 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 cellphones) for current employees.

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

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

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The GPL measures 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 entity recognises the expected cost of bonus, incentive and performance related payments when the GPL 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 entity has no realistic alternative, but to make the payments.

#### Post-employment benefits: Defined contribution plans

When an employee has rendered services to the GPL during a reporting period, the GPL recognises the contribution payable to a defined contribution plan in exchange for those services:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds



## ACCOUNTING POLICIES

### FOR THE YEAR ENDED 31 MARCH 2011

the contribution due for service before the reporting date, the GPL 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 contribution in the cost of an asset.

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

#### 1.12 PROVISIONS AND CONTINGENCIES

Provisions are recognised when:

- the GPL 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 GPL 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 deficits.

If an entity 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 the the GPL:

- 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;
  - when the plan will be implemented; and
- 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 GPL.





# ACCOUNTING POLICIES

## FOR THE YEAR ENDED 31 MARCH 2011

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 27 - Contingencies.

### 1.13 REVENUE FROM EXCHANGE TRANSACTIONS

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

#### Measurement

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

#### 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 GPL;
- 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.

#### Interest

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

- it is probable that the economic benefits or service potential associated with the transaction will flow to the GPL; and

- the amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

### 1.14 REVENUE FROM NON-EXCHANGE TRANSACTIONS

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, the GPL either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

#### 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 GPL 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.

#### Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the GPL. When, as a result of a non-exchange transaction, the GPL 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 decreased the amount of the reduction in the liability is recognised as revenue. Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Public Finance Management Act (Act No. 29 of 1999), and is recognised when the recovery thereof from the responsible board members or officials is virtually certain.

#### 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 GPL.



## ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2011

and the fair value of the assets can be measured reliably.

### 1.15 CONDITIONAL GRANTS AND RECEIPTS

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the GPL has complied with any of the conditions embodied in the agreement. To the extent that the conditions have not been met a liability is recognised.

### 1.16 BORROWING COSTS

It is inappropriate to capitalise borrowing costs when, and only when, there is clear evidence that it is difficult to link the borrowing requirements of an entity directly to the nature of the expenditure to be funded that is, capital or current.

Borrowing costs are recognised as an expense in the period in which they are incurred.

### 1.17 COMPARATIVE FIGURES

When the presentation or classification of items in the annual Financial Statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current period, the correction is made retrospectively as far as is practicable, and the prior period comparatives are restated accordingly. Where there has been a change in accounting policy in the current period, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

### 1.18 UNAUTHORISED EXPENDITURE

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

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 IRREGULAR EXPENDITURE

Irregular expenditure as defined in section 1 of the Public Finance Management Act (Act No. 29 of 1999) as expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including:

- this Act; or
- the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- any provincial legislation providing for procurement procedures in that provincial government.

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the Financial Statements must also be recorded appropriately in the irregular expenditure register. In such an instance the note to the Financial Statements must be updated to reflect this.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. The note to the Financial Statements must be updated to reflect this. Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the Financial Statements must be updated with the amount condoned.

### 1.20 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.



# ACCOUNTING POLICIES

## FOR THE YEAR ENDED 31 MARCH 2011

### 1.21 BUDGET INFORMATION

The GPL is typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

A statement of comparison of budget and actual amounts and a reconciliation have been included in the annual financial statements, as the annual financial statements and the budget are not on the same basis of accounting. (Refer to note 37 - Statement of comparison of budget and actual amounts and note 39 - Reconciliation to cash flow statement).

### 1.22 RELATED PARTIES

The GPL operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

Key management is defined as being individuals with the authority and responsible for planning, directing and

controlling the activities of the GPL, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions. GPL regards all individuals at senior management as key management per the definition of the financial reporting standard.

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 GPL. Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

This Standard has been approved by the Board but its effective date has not yet been determined by the Minister of Finance.

The entity has adopted the standard for the first time in the 2011 annual Financial Statements.

The impact of the amendment is set out in note 28 - First time adoption of Standards of GRAP.





# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

### 2. NEW STANDARDS AND INTERPRETATIONS

2.1 Standards and interpretations effective and adopted in the current year.

#### **GRAP 1: Presentation of financial statements**

The standard prescribes the basis for presentation of general purpose financial statements to ensure comparability with the entity's financial statements of previous periods and with financial statements of other entities. The standard sets out overall considerations for the presentation of financial statements, guidelines for their structure and minimum requirements for their content.

The effective date of the amendment is for years beginning on or after 01 April 2010.

The entity has adopted the standard for the first time in the 2011 annual financial statements.

#### **GRAP 2: Cash flow statements**

The objective of this standard is to require the provision of information about the historic changes in the cash and cash equivalents of an entity by means of a cash flow statement which classifies cash flows during the period from operating, investing and financing activities.

The effective date of the standard is for years beginning on or after 01 April 2010.

The entity has adopted the standard for the first time in the 2011 annual financial statements.

#### **GRAP 3: Accounting policies, change in accounting estimates and errors**

The standard prescribes the criteria for selecting and changing accounting policies together with the accounting treatment and the disclosure of change in accounting policies, change in accounting estimates and corrections of accounting errors.

The effective date of the amendment is for years beginning on or after 01 April 2010.

The entity has adopted the amendment for the first time in the 2011 annual financial statements.

The impact of the amendment is set out in note 28 - First time adoption of Standards of GRAP.

#### **GRAP 4: The Effects of Changes in Foreign Exchange Rates**

The initial application of GRAP 4 will have no impact on the annual financial statements.

The entity has adopted the standard for the first time in the 2011 annual financial statements.

The impact of the standard is set out in note 28 - First time adoption of Standards of GRAP.

#### **GRAP 9: Revenue from Exchange Transactions**

The definition of revenue in terms of GRAP 9 incorporates the concept of service potential. Revenue is the gross inflow of economic benefits or service potential when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

Entities may derive revenue from exchange or non-exchange transactions.

An exchange transaction is one in which the GPL receives resources or has liabilities extinguished, and directly gives approximately equal value to the other party in exchange.

Non-exchange revenue transaction is a transaction where an entity receives value from another entity without directly giving approximately equal value in exchange.

An entity recognises revenue when it is probable that economic benefits or service potential will flow to the GPL and the GPL can measure the benefits reliably.

GRAP 9 clarifies that this Standard only applies to revenue from exchange transactions.

The effective date of the standard is for years beginning on or after 01 April 2010.

The entity has adopted the standard for the first time in the 2011 annual financial statements.

The impact of the standard is set out in note 28 - First time adoption of Standards of GRAP.

#### **GRAP 12: Inventories**

GRAP 12 includes the definition of current replacement costs as the cost the GPL would incur to acquire the asset on the reporting date. GRAP 12 also includes the principal of



# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

service potential associated with the item that will flow to the GPL as part of recognition criteria for inventories as well as the concept of goods purchased or produced for distribution at no charge or for a nominal consideration, which is specific to the public sector.

Initial measurement is required at cost (an exchange transaction) and where inventories are acquired at no cost or nominal consideration (non-exchange transaction), their cost shall be their fair value at acquisition date.

Subsequent measurement shall be at lower of cost and net realisable value except if inventories 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.

If the above applies then subsequent measurement shall be at the lower of cost or current replacement cost.

The retail method of measurement of cost is excluded from GRAP 12.

The following ASB Directive also needs to be considered:

Directive 8 - Transitional provisions for parliament and provincial legislatures requires retrospective application of the Standard.

The effective date of the standard is for years beginning on or after 01 April 2010.

The entity has adopted the standard for the first time in the 2011 annual financial statements.

The impact of the standard is set out in note 28 - First time adoption of Standards of GRAP.

### GRAP 13: Leases

GRAP 13 incorporates additional guidance on the concept of substance and legal form of a transaction, to illustrate the difference between lease and other contracts and on operating lease incentives.

In certain circumstances, legislation may prohibit the entering into certain types of lease agreements. If the GPL has contravened these legislative requirements, the GPL is still required to

apply the requirements of GRAP 13.

Other than the abovementioned requirements, there is no other impact on the initial adoption of GRAP 13.

The effective date of the standard is for years beginning on or after 01 April 2010.

The entity has adopted the standard for the first time in the 2011 annual financial statements.

The impact of the standard is set out in note 28 - First time adoption of Standards of GRAP.

### GRAP 14: Events after the reporting date

An event, which could be favourable or unfavourable, that occurs between the reporting date and the date the annual financial statements are authorised for issue.

GRAP 14 requires the date of authorisation for issue is the date on which the annual financial statements have received approval from management to be issued to the executive authority.

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).

An entity shall adjust the amounts recognised in its annual financial statements to reflect adjusting events after the reporting date.

An entity shall not adjust the amounts recognised in its annual financial statements to reflect non-adjusting events after the reporting date.

The effective date of the standard is for years beginning on or after 01 April 2010.

The entity has adopted the standard for the first time in the 2011 annual financial statements.

The impact of the standard is set out in note 28 - First time adoption of Standards of GRAP.



# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

### GRAP 17: Property, Plant and Equipment

GRAP 17 does not require or prohibit the recognition of heritage assets but if an entity recognises heritage assets the GPL needs to comply with GRAP 17 disclosure requirements.

Additional commentary has been included to clarify the applicability of infrastructure assets to be recognised in terms of GRAP 17.

Where an entity acquires an asset through a non-exchange transaction, that is, for a nominal or no consideration, its cost is its fair value as at the date of acquisition.

The disclosure requirement for temporarily idle, fully depreciated property, plant and equipment and for property, plant and equipment that are retired from active use is required in GRAP 17 whereas IAS 16 only encourages this disclosure.

The following ASB Directive also needs to be considered:

Directive 8 - Transitional provisions for parliament and provincial legislatures requires retrospective application of the Standard.

The effective date of the standard is for years beginning on or after 01 April 2010.

The entity has adopted the standard for the first time in the 2011 annual financial statements.

The impact of the standard is set out in note 28 - First time adoption of Standards of GRAP.

### GRAP 23: Revenue from Non-exchange Transactions

Revenue from non-exchange transactions arises when an entity receives value from another entity without directly giving approximately equal value in exchange. An asset acquired through a non-exchange transaction shall initially be measured at its fair value as at the date of acquisition.

An inflow of resources from a non-exchange transaction recognised as an asset shall be recognised as revenue, except to the extent that a liability is recognised for the same inflow. As an entity 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 will reduce the carrying amount of the liability recognised as recognise an amount equal to that reduction.

The effective date of the standard is for years beginning on or after 01 April 2010.

The entity has adopted the standard for the first time in the 2011 annual financial statements.

The impact of the standard is set out in note 28 - First time adoption of Standards of GRAP.

### GRAP 24: Presentation of Budget Information in the Financial Statements

An entity should present a comparison of the budget amounts for which it is held publicly accountable and actual amounts either as a separate additional financial statement or as additional budget columns in the financial statements currently presented in accordance with Standards of GRAP. The comparison of budget and actual amounts shall present separately for each level of legislative oversight:

- the approved and final budget amounts;
- the actual amounts on a comparable basis; and
- by way of note disclosure, an explanation of material differences between the budget for which the GPL is held publicly accountable and actual amounts, unless such explanation is included in other public documents issued in conjunction with the financial statements, and a cross reference to those documents is made in the notes.

Where an entity prepares its budget and annual financial statements on a comparable basis, it includes the comparison as an additional column in the primary annual financial statements.

Where the budget and annual financial statements are not prepared on a comparable basis, a separate statement is prepared called the 'Statement of Comparison of Budget and Actual Amounts'. This statement compares the budget amounts with the amounts in the annual financial statements adjusted to be comparable to the budget.

A comparable basis means that the budget and annual financial statements:

- are prepared using the same basis of accounting that is, either cash or accrual;
- include the same activities and entities;





# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

- use the same classification system; and
- are prepared for the same period.

The effective date of the standard is for years beginning on or after 01 April 2010.

The entity has adopted the standard for the first time in the 2011 annual financial statements.

The impact of the standard is set out in note 28 - First time adoption of Standards of GRAP.

### **GRAP 102: Intangible Assets**

GRAP 102 excludes guidance on accounting for intangible assets acquired as part of an entity combination and in-process research and development costs acquired in an entity combination.

The recognition criteria includes the concept of the probable flow of service potential.

GRAP 102 distinguishes between impairment loss of cash generating and non-cash-generating assets.

Intangible assets acquired at no or for a nominal cost shall be measured on acquisition date at its fair value.

In GRAP 102 the identifiability criterion in the definition of an intangible asset has been expanded to include contractual rights arising from binding arrangements, and to exclude rights granted by statute.

Additional guidance included in GRAP 102 to explain that distinction should be made between assets associated with the item of property, plant and equipment and the intangible asset.

Guidance on web site costs has been included in GRAP 102 from SIC 32 Intangible Assets – Web Site Costs.

The following ASB Directive also needs to be considered:

Directive 8 - Transitional provisions for parliament and provincial legislatures requires retrospective application of the Standard.

The effective date of the standard is for years beginning on or after 01 April 2010.

The entity has adopted the standard for the first time in the 2011 annual financial statements.

The impact of the standard is set out in note 28 - First time adoption of Standards of GRAP.

### **GRAP 103: Heritage Assets**

GRAP 103 defines heritage assets as assets which have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

The standard required judgment in applying the initial recognition criteria to the specific circumstances surrounding the entity and the assets.

GRAP 103 states that a heritage asset should not be depreciated but an entity should assess at each reporting date whether there is an indication that it may be impaired.

The following ASB Directive also needs to be considered:

Directive 8 - Transitional provisions for parliament and provincial legislatures requires retrospective application of the Standard.

The effective date of the standard is for years beginning on or after 01 April 2010.

The entity has adopted the standard for the first time in the 2011 annual financial statements.

The impact of the standard is set out in note 28 - First time adoption of Standards of GRAP.

### **IGRAP 1: Interpretation of GRAP: Applying the Probability Test on Initial Recognition of Exchange Revenue**

An entity assesses the probability of each transaction on an individual basis when it occurs. Entities shall not assess the probability on an overall level based on the payment history of recipients of the service in general when the probability of revenue is assessed at initial recognition.

The full amount of revenue will be recognised at initial recognition. Assessing impairment is an event that takes place subsequently to initial recognition. Such impairment is an expense. Revenue is not reduced by this expense.



# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

The effective date of the interpretation is for years beginning on or after 01 April 2010.

The entity has adopted the interpretation for the first time in the 2011 annual financial statements.

The impact of the interpretation is set out in note 28 - First time adoption of Standards of GRAP.

### **GRAP 21: Impairment of Non-cash-generating Assets**

Non-cash-generating assets are assets other than cash-generating assets.

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

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

- Depreciated replacement cost approach;
- Restoration cost approach; and
- Service units approach.

The effective date of the standard is for years beginning on or after 01 April 2010.

The entity has adopted the standard for the first time in the 2011 annual financial statements.

The impact of the standard is set out in note 28 - First time adoption of Standards of GRAP.

### **GRAP 26: Impairment of Cash-generating Assets**

Cash-generating assets are those assets held by an entity with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

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

The effective date of the standard is for years beginning on or after 01 April 2010.

The entity has adopted the standard for the first time in the 2011 annual financial statements.

The impact of the standard is set out in note 28 - First time adoption of Standards of GRAP.

### **GRAP 25: Employee Benefits**

The objective of GRAP 25 is to prescribe the accounting and disclosure for employee benefits.

GRAP 25 must be applied by an employer in accounting for all employee benefits, except share based payment transactions.

This Standard has been approved by the Board but its effective date has not yet been determined by the Minister of Finance.

The entity has adopted the standard for the first time in the 2011 annual financial statements.

The impact of the standard is set out in note 28 - First time adoption of Standards of GRAP.

### **IAS 39: Financial Instruments**

The standard prescribes recognition, measurement, presentation and disclosure requirements for financial instruments. Financial instruments are defined as those contracts that results in a financial asset in one entity and a financial liability or residual interest in another entity. A key distinguishing factor between financial assets and financial liabilities and other assets and liabilities, is that they are settled in cash or by exchanging financial instruments rather than through the provision of goods or services.

Financial assets and financial liabilities are initially recognised at fair value. Where an entity subsequently measures financial assets and financial liabilities at amortised cost or cost, transactions costs are included in the cost of the asset or liability.

Concessionary loans are loans either received by or granted to another entity on concessionary terms, e.g. at low interest rates and flexible repayment terms. On initial recognition, the fair value of a concessionary loan is the present value of the agreed contractual cash flows, discounted using a market related rate of interest for a similar transaction. The difference between the proceeds either received or paid and the present value of the contractual cash flows is accounted for



# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

as non-exchange revenue by the recipient of a concessionary loan in accordance with Standard of GRAP on Revenue from Non-exchange Revenue Transactions (Taxes and Transfers), and using the Framework for the Preparation and Presentation of Financial Statements (usually as an expense) by the grantor of the loan.

Financial assets and financial liabilities are subsequently measured either at fair value or, amortised cost or cost. An entity measures a financial instrument at fair value if it is:

- a derivative;
- a combined instrument designated at fair value, that is, an instrument that includes a derivative and a non-derivative host contract;
- held-for-trading;
- a non-derivative instrument with fixed or determinable payments that is designated at initial recognition to be measured at fair value;
- an investment in a residual interest for which fair value can be measured reliably; and
- other instruments that do not meet the definition of financial instruments at amortised cost or cost.

IAS 39 requires extensive disclosures on the significance of financial instruments for an entity's statement of financial position and statement of financial performance, as well as the nature and extent of the risks that an entity is exposed to as a result of its annual financial statements. Some disclosures, for example the disclosure of fair values for instruments measured at amortised cost or cost and the preparation of a sensitivity analysis, are encouraged rather than required.

IAS 39 does not prescribe principles for hedge accounting. An entity is permitted to apply hedge accounting, as long as the principles in IAS 39, Financial instruments: Recognition and measurement are applied.

This Standard has been approved by the Board but its effective date has not yet been determined by the Minister of Finance.

The entity has adopted the standard for the first time in the 2011 annual financial statements.

The impact of the amendment is set out in note 28 - First time adoption of Standards of GRAP.

### 2.2 STANDARDS AND INTERPRETATIONS ISSUED, BUT NOT YET EFFECTIVE

The entity has not applied the following standards and interpretations:

#### **GRAP 18: Segment Reporting**

Segments are identified by the way in which information is reported to management, both for purposes of assessing performance and making decisions about how future resources will be allocated to the various activities undertaken by the entity. The major classifications of activities identified in budget documentation will usually reflect the segments for which an entity reports information to management.

Segment information is either presented based on service or geographical segments. Service segments relate to a distinguishable component of an entity that provides specific outputs or achieves particular operating objectives that are in line with the entity's overall mission. Geographical segments relate to specific outputs generated, or particular objectives achieved, by an entity within a particular region.

This Standard has been approved by the Board but its effective date has not yet been determined by the Minister of Finance.

The entity expects to adopt the standard for the first time once it becomes effective.

The impact of this standard is currently being assessed.

#### **GRAP 105: Transfer of Functions Between Entities Under Common Control**

The objective of this Standard is to establish accounting principles for the acquirer and transferor in a transfer of functions between entities of common control.

This Standard has been approved by the Board but its effective date has not yet been determined by the Minister of Finance.

The entity expects to adopt the standard for the first time once it becomes effective.





# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

It is unlikely that the standard will have a material impact on the entity's annual financial statements.

### GRAP 106: Transfer of Functions Between Entities Not Under Common Control

The objective of this Standard is to establish accounting principles for the acquirer in a transfer of functions between entities not under common control.

This Standard has been approved by the Board but its effective date has not yet been determined by the Minister of Finance.

The entity expects to adopt the standard for the first time once it becomes effective.

It is unlikely that the standard will have a material impact on

the entity's annual financial statements.

### GRAP 107: Mergers

The objective of this Standard is to establish accounting principles for the combined entity and combining entities in a merger.

This Standard has been approved by the Board but its effective date has not yet been determined by the Minister of Finance.

The entity expects to adopt the standard for the first time once it becomes effective.

It is unlikely that the standard will have a material impact on the entity's annual financial statements.

	2011			2010		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
<b>3. Heritage assets</b>						
Heritage assets	<b>27,478,517</b>	<b>-</b>	<b>27,478,517</b>	<b>24,738,154</b>	<b>-</b>	<b>24,738,154</b>
<b>Reconciliation of heritage assets - 2011</b>						
				Opening balance	Additions	Total
Heritage assets				<b>24,738,154</b>	<b>2,740,363</b>	<b>27,478,517</b>
<b>Reconciliation of heritage assets - 2010</b>						
					Opening balance	Total
Heritage assets					<b>24,738,154</b>	<b>24,738,154</b>

Heritage assets consists of paintings, artwork with a carrying amount of R1,938,154 (2010: R1,938,154) and the main provincial parliament building with a carrying amount of R25,540,363 (2010: R22,800,000).



# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

	2011			2010		
	Cost / Valuation	Accumulated deprecia- tion and accumulated impairment	Carrying value	Cost / Valuation	Accumulated deprecia- tion and accumulated impairment	Carrying value
<b>4. Property, plant and equipment</b>						
Leasehold equipment	2,248,736	(1,329,871)	918,865	1,840,359	(623,075)	1,217,284
Plant and machinery	7,492,282	(288,084)	7,204,198	6,672,106	(213,937)	6,458,169
Furniture and fixtures	8,097,700	(214,219)	7,883,481	6,544,673	(154,567)	6,390,106
Motor vehicles	5,550,148	(1,055,477)	4,494,671	2,789,471	(714,935)	2,074,536
Office equipment	323,041	(10,418)	312,623	275,276	(7,253)	268,023
IT equipment	13,410,877	(491,746)	12,919,131	11,729,538	(358,780)	11,370,758
<b>Total</b>	<b>37,122,784</b>	<b>(3,389,815)</b>	<b>33,732,969</b>	<b>29,851,423</b>	<b>(2,072,547)</b>	<b>27,778,876</b>

<b>Reconciliation of property, plant and equipment - 2011</b>				
	Opening balance	Additions	Depreciation	Total
Leasehold equipment	1,217,284	408,377	(706,796)	918,865
Plant and machinery	6,458,169	820,175	(74,146)	7,204,198
Furniture and fixtures	6,390,106	1,553,027	(59,652)	7,883,481
Motor vehicles	2,074,536	2,760,677	(340,542)	4,494,671
Office equipment	268,023	47,765	(3,165)	312,623
IT equipment	11,370,758	1,681,339	(132,966)	12,919,131
	<b>27,778,876</b>	<b>7,271,360</b>	<b>(1,317,267)</b>	<b>33,732,969</b>
<b>Reconciliation of property, plant and equipment - 2010</b>				
Leasehold equipment	79,439	1,636,905	(499,060)	1,217,284
Plant and machinery	6,423,124	104,134	(69,089)	6,458,169
Furniture and fixtures	6,019,052	423,823	(52,769)	6,390,106
Motor vehicles	1,475,033	894,050	(294,547)	2,074,536
Office equipment	180,352	90,161	(2,490)	268,023
IT equipment	9,935,426	1,557,302	(121,970)	11,370,758
	<b>24,112,426</b>	<b>4,706,375</b>	<b>(1,039,925)</b>	<b>27,778,876</b>
<b>Assets subject to finance lease (net carrying amount)</b>				
Leasehold equipment			<b>918,865</b>	<b>1,217,284</b>



# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

### Transitional provisions

#### Property, plant and equipment recognised at provisional amounts

The GPL has made use of the transitional provision for GRAP 17: Property plant and equipment, included in Directive 8 for the measurement of its library books. The library books have been recorded at a nominal carrying value of zero, ie provisional amounts. Steps taken to establish the values of the library books recognised at provisional amounts due to the initial adoption of GRAP 17, are as follows: A valuator has been contracted to perform a valuation in the next financial year of all the library books that could not be valued.

The GPL expects to fully comply with the measurement requirements of GRAP 17: Property plant and equipment, in the next financial period.

	2011			2010		
	Cost / Valuation	Accumulated amortisa- tion and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisa- tion and accumulated impairment	Carrying value
<b>5. Computer software and development costs</b>						
Computer software	<b>22,845,024</b>	<b>(434,791)</b>	<b>22,410,233</b>	<b>22,106,267</b>	<b>(246,063)</b>	<b>21,860,204</b>

#### Reconciliation of computer software and development costs - 2011

			Opening balance	Additions	Amortisation	Total
Computer software			<b>21,860,204</b>	<b>738,757</b>	<b>(188,728)</b>	<b>22,410,233</b>

#### Reconciliation of computer software and development costs - 2010

Computer software			<b>20,700,733</b>	<b>1,310,587</b>	<b>(151,116)</b>	<b>21,860,204</b>
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# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

2011		
	Loans and receivables	Total
<b>6. Financial assets by category</b>		
<b>The accounting policies for financial instruments have been applied to the line items below:</b>		
Trade receivables from exchange transactions	2,718,854	2,718,854
Other receivables from non-exchange transactions	717,156	717,156
Cash and cash equivalents	25,685,586	25,685,586
	<b>29,121,596</b>	<b>29,121,596</b>
<b>2010</b>		
	<b>Loans and receivables</b>	<b>Total</b>
Other receivables from non-exchange transactions	624,320	624,320
Cash and cash equivalents	8,429,689	8,429,689
	<b>9,054,009</b>	<b>9,054,009</b>
<b>7. Operating lease liability</b>		
Current liabilities	<b>(720,770)</b>	<b>(733,668)</b>
<b>8. Employee benefit obligations</b>		
<b>Defined contribution plan</b>		
It is the policy of the GPL to provide retirement benefits to all its employees. A number of defined contribution provident funds, all of which are subject to the Pensions Fund Act exist for this purpose.		
The GPL is under no obligation to cover any unfunded benefits		
The total economic entity contribution to such schemes for the year	24,617,457	20,666,220
The amount recognised as an expense for defined contribution plans for the year	24,617,457	20,666,220
<b>9. Prepayments</b>		
The prepayment for the period ended 31 March 2010 relates to professional fees paid to internal auditors for services to be rendered. There were no prepayments in the current year.		



# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
<b>10. Inventories</b>		
Consumable stores	1,989,641	682,057
<b>11. Trade receivables from exchange transactions</b>		
Direct charges claims	2,718,854	–
<b>12. Other receivables from non-exchange transactions</b>		
UIF receivable from members	717,156	624,320
<b>13. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Cash on hand	5,900	5,900
Bank balances	25,679,686	8,423,789
	<b>25,685,586</b>	<b>8,429,689</b>
<b>14. Finance lease obligations</b>		
<b>Minimum lease payments due</b>		
- within one year	959,046	774,989
- in second to fifth year inclusive	205,072	842,789
	1,164,118	1,617,778
less: future finance charges	<b>(66,076)</b>	<b>(186,247)</b>
<b>Present value of minimum lease payments</b>	<b>1,098,042</b>	<b>1,431,531</b>
<b>Present value of minimum lease payments due</b>		
- within one year	852,990	632,206
- in second to fifth year inclusive	245,052	799,325
	<b>1,098,042</b>	<b>1,431,531</b>
Non-current liabilities	245,052	799,325
Current liabilities	852,990	632,206
	<b>1,098,042</b>	<b>1,431,531</b>

It is GPL's policy to lease certain equipment, cellphones and 3G devices under finance leases.

The average lease term is 2-5 years and the interest rate used is the prime interest rate applicable for each financial year.

Interest rates are linked to prime at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

The GPL's obligations under finance leases are secured by the lessor's charge over the leased assets. Refer note 4.



# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

<b>15. Provisions</b>				
<b>Reconciliation of provisions - 2011</b>				
	<b>Opening Balance</b>	<b>Additions</b>	<b>Utilised during the year</b>	<b>Total</b>
Bonus provision	4,707,754	8,730,797	(4,707,754)	8,730,797
Leave pay provision	6,070,848	724,077	–	6,794,925
	<b>10,778,602</b>	<b>9,454,874</b>	<b>(4,707,754)</b>	<b>15,525,722</b>
<b>Reconciliation of provisions - 2010</b>				
Bonus provision	4,707,754	4,707,754	(4,707,754)	4,707,754
Leave pay provision	3,793,954	2,276,894	–	6,070,848
	<b>8,501,708</b>	<b>6,984,648</b>	<b>(4,707,754)</b>	<b>10,778,602</b>

The leave pay provision represents the potential liability in respect of leave outstanding.

The bonus pay provision represents the potential liability in respect of performance bonuses to be paid out.

	<b>2011</b>	<b>2010</b>
<b>16.SARS (UIF)</b>		
The amount payable to SARS is the UIF for members that has not yet been deducted from them. The liability to SARS regarding members is still under discussion.		
<b>17. Trade and other payables from exchange transactions</b>		
Trade payables	<b>19,026,544</b>	<b>13,368,144</b>
It is the policy of the GPL to pay all suppliers within 30 days. All the payables at year end were within 30 days. The amount disclosed therefore approximates the fair value of the trade payables.		





# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

### 18. Financial liabilities by category

The accounting policies for financial instruments have been applied to the line items below:

2011		
	Financial liabilities at amortised cost	Total
Trade and other payables	19,026,545	19,026,545
2010		
	Financial liabilities at amortised cost	Total
Trade and other payables	13,368,144	13,368,144

	2011	2010
<b>19. Revenue</b>		
Equitable share	310,148,001	232,648,000
Direct charges claim	56,499,214	62,476,000
	<b>366,647,215</b>	<b>295,124,000</b>
<b>20. Other revenue</b>		
Sundry income	4,440	572,930
Finance lease interest accrued	–	37,510
City hall booking revenue	138,368	320,940
Parking income	263,281	–
Aid assistance	128,000	480,000
Insurance refund	130,421	392,832
Foreign currency refund	10,132	–
Gain on sale of assets	–	62,000
	<b>674,642</b>	<b>1,866,212</b>
<b>21. Employees and members related costs</b>		
Basic benefits	53,849,461	44,125,679
Performance bonus	8,308,408	5,769,384
Medical aid - company contributions	4,872,424	3,997,984
UIF	1,141,395	996,136
13th cheque payable	675,917	626,133
Leave pay provision charge	724,077	2,276,894



# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
Cellphone allowance	212,798	9,381
Post-employment benefits - pension - defined contribution plan	14,572,983	11,096,366
Travel, motor car, accommodation, subsistence and other allowances	11,111,300	11,346,568
Overtime payments	4,352,853	4,453,677
PAYE	21,753,822	14,105,633
	<b>121,575,438</b>	<b>98,803,835</b>
<b>Remuneration of provincial secretary</b>		
Annual remuneration	730,315	526,163
Car allowance	229,952	239,937
Performance bonuses	114,976	101,016
Contributions pension funds	169,015	157,958
Contribution to medical aid	20,478	62,410
	<b>1,264,736</b>	<b>1,087,484</b>
<b>Remuneration of chief finance officer</b>		
Annual remuneration	606,713	443,502
Car allowance	256,973	239,937
Performance bonuses	102,789	135,463
Contributions to pension funds	92,510	96,458
Contribution to medical aid	71,696	66,856
	<b>1,130,681</b>	<b>982,216</b>
<b>Remuneration of executive director - Corporate services</b>		
Annual remuneration	683,005	548,139
Car allowance	382,013	369,452
Performance bonuses	109,147	96,733
Contribution to medical aid	26,448	24,666
	<b>1,200,613</b>	<b>1,038,990</b>
<b>Remuneration of executive director - Core business</b>		
Annual remuneration	675,874	549,408
Car allowance	109,147	141,663
Performance bonuses	95,477	83,884
Contributions to pension funds	65,501	61,216
Contribution to medical aid	65,501	66,886
	<b>1,011,500</b>	<b>903,057</b>



# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
<b>Remuneration of members</b>		
Speaker	1,420,489	1,303,201
Deputy Speaker	1,116,082	1,023,928
Chief Whip	1,014,652	930,873
Political office bearers	14,611,568	13,405,108
Members	9,874,749	16,923,929
Members' pension and medical aid contributions	12,588,041	11,827,250
Members' allowances	15,873,634	15,581,834
	<b>56,499,214</b>	60,996,123
<b>22. Investment revenue</b>		
<b>Interest revenue</b>		
Bank	<b>934,531</b>	<b>763,137</b>
<b>22. Investment revenue</b>		
<b>Interest revenue</b>		
Bank	<b>934,531</b>	<b>763,137</b>
The amount included in investment revenue arising from non-exchange transactions amounted to R934,531.		
<b>23. Finance costs</b>		
Finance leases	<b>162,798</b>	<b>129,656</b>
<b>24. Auditors' remuneration</b>		
Fees	<b>1,160,328</b>	<b>1,198,387</b>
<b>25. Cash generated from operations</b>		
Surplus	26,647,931	8,803,696
<b>Adjustments for:</b>		
Depreciation and amortisation	1,505,997	1,191,041
Finance lease payments	726,877	361,244
Interest on finance leases	128,248	129,657
Finance lease accrued interest	34,550	(37,513)
UIF for members	185,672	185,673
Movements in operating lease assets and accruals	–	328,178
Movements in provisions	4,747,118	1,769,415
<b>Changes in working capital:</b>		
Inventories	(1,307,584)	(682,057)
Trade receivables from exchange transactions	(2,718,854)	–





# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
Other receivables from non-exchange transactions	(92,838)	(92,836)
Prepayments	290,137	229,836
Trade and other payables from exchange transactions	5,658,400	(2,420,054)
Voted funds	(6,613,000)	–
	<b>29,192,654</b>	<b>9,766,280</b>
<b>26. Commitments</b>		
<b>Authorised expenditure</b>		
<b>Already contracted for but not provided for</b>		
• Property, plant and equipment	282,784	–
• Current expenditure	1,167,347	1,117,416
	<b>1,450,131</b>	<b>1,117,416</b>
This committed capital expenditure relates to purchase of a motor vehicle and will be financed by existing cash resources.		
<b>Operating leases - as lessee (expense)</b>		
<b>Minimum lease payments due</b>		
- within one year	641,592	2,785,665
- in second to fifth year inclusive	234,377	875,970
	<b>875,969</b>	<b>3,661,635</b>
Operating lease payments represent rentals payable by the GPL for certain of its office properties. Leases are negotiated for an average term of 3 years and rentals escalate at an average of 11% annually. No contingent rent is payable.		

### 27. Contingencies

#### Contingent liabilities

High court litigation between the GPL and Member Bloom.

Mr Bloom challenged his suspension from the House, stating that the Speaker did not apply the necessary rules should his case be successful his suspension will be uplifted and the GPL will be liable for the settlement of attorney and counsel fees estimated to the value of R150,000.

Contractual dispute between the GPL and Orion.

This claim emanates from a contractual dispute between the GPL and Orion. The GPL is of the opinion that there was an agreement with Orion to terminate their contract in February 2009. The GPL had settled all outstanding payment before the end of the contract. The GPL received summons in the current financial period wherein Orion is claiming R120,000 for the period between February 2009 and October 2009. The GPL held a meeting with Orion and the reasons are not clear as to their claims. The matter is yet to go to trial as the attorneys are still raising technical issues.

Settlement agreement between the GPL and employee.

The employee alleges that the GPL promised him a promotion. The court case was postponed as there has been correspondence between the employee's attorney and the GPL's legal services. Should the employee's settlement be successful, the potential financial effect for the GPL will be R500,000.



# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

Labour matter between the GPL and employee.

The GPL has a potential liability with regard to the reinstatement of an ex-employee to her previous position.

The compensation amount of R120,000, which is the equivalent of 6 months salary, will be payable. Further legal costs to the amount of R17,321 in respect of the respondent's attorneys are also payable. The potential liability for the applicant's attorneys should the GPL lose the matter on appeal cannot be determined.

Interest and penalties levied on late payments of PAYE and UIF for employees.

The GPL is disputing the interest and penalties levied by SARS. The outstanding interest and penalties dates back from 1997. The GPL has provided SARS with proof of payments from 1999 and requested SARS to waive all penalties and the discounting of levied interest on the GPL account dating back from 1997. SARS has not responded to the GPL's communiqué. The potential obligation for the GPL is R844,095.

Interest on late payment of UIF for members.

The amount payable to SARS is the UIF for members that has not yet been deducted from them. The liability to SARS regarding members is still under discussion. If this is successful, there is likely to be interest and penalties charged and the amounts payable for interest have been estimated as follows:

	2011	2010
Interest	697,366	570,336

### Contingent asset

High Court Order: Provisionally winding up of Monitoring South Africa (Pty) Ltd.

The GPL renewed its annual subscription with Monitoring SA during August 2010 amounting to R107,114. The North Gauteng High Court, Pretoria issued an order on 15 March 2011 to provisionally wind up Monitoring SA. The GPL received the order during May 2011. GPL is in the process of filing a claim with liquidators for reimbursement of the amount of R107,114 paid for annual subscription.

	Notes	As reported under previous basis	Effects of transition to GRAP	GRAP
<b>28. First-time adoption of standards of GRAP</b>				
The GPL reported on the modified cash basis in the previous year. On principle these standards of GRAP adopted in the current year have been applied retrospectively and the 2010 comparatives contained in these annual financial statements differ from those published in the annual financial statements published for the year ended 31 March 2010.				
The date of transition was 1 April 2010 and the effect of the transition was as follows.				
<b>Reconciliation of net assets at 01 April 2010 (date of transition to the new standards)</b>				
Property, plant and equipment	4	25,157,132	2,621,744	27,778,876
Heritage assets	3	37,652,367	(12,914,213)	24,738,154
Intangible assets	5	24,413,446	(2,553,242)	21,860,204



# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

	Notes	As reported under previous basis	Effects of transition to GRAP	GRAP
<b>Total non-current assets</b>		<b>87,222,945</b>	<b>(12,845,711)</b>	<b>74,377,234</b>
Trade and other receivables	11	–	624,320	624,320
Prepayments	9	290,137	–	290,137
Inventories	10	1,000	681,057	682,057
Unauthorised expenditure	33	2,638,196	–	2,638,196
Cash and cash equivalents	13	8,429,689	–	8,429,689
<b>Total current assets</b>		<b>11,359,022</b>	<b>1,305,377</b>	<b>12,664,399</b>
Voted funds		245,673	–	245,673
Trade and other payables	17	4,955,187	8,412,955	13,368,142
Provisions	15	8,412,802	2,365,800	10,778,602
SARS (UIF)		186,321	1,062,319	1,248,640
13 <sup>th</sup> cheque payable		626,475	(342)	626,133
Finance lease liabilities	14	2,114,689	(683,158)	1,431,531
Operating lease liabilities	7	4,500,448	(3,766,780)	733,668
<b>Total liabilities</b>		<b>21,041,595</b>	<b>7,390,794</b>	<b>28,432,389</b>
<b>Total assets less total liabilities</b>		<b>77,540,372</b>	<b>(18,931,128)</b>	<b>58,609,244</b>
Accumulated surplus		6,157,162	52,452,082	58,609,244
<b>Reconciliation of net assets at 31 March 2011</b>				
Property, plant and equipment	4	–	33,732,969	33,732,969
Heritage assets	3	–	27,478,517	27,478,517
Intangible assets	5	–	22,410,233	22,410,233
<b>Total non-current assets</b>		<b>–</b>	<b>83,621,719</b>	<b>83,621,719</b>
Trade and other receivables	11	–	3,436,010	3,436,010
Inventories	10	–	1,989,641	1,989,641
Unauthorised expenditure	33	2,638,196	–	2,638,196
Cash and cash equivalents	13	25,685,586	–	25,685,586
<b>Total current assets</b>		<b>28,323,782</b>	<b>5,425,651</b>	<b>33,749,433</b>
Voted funds		245,673	–	245,673





# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

	Notes	As reported under previous basis	Effects of transition to GRAP	GRAP
Trade and other payables	17	–	19,026,540	19,026,540
Provisions	15	–	15,525,722	15,525,722
SARS (UIF)		–	1,434,313	1,434,313
13 <sup>th</sup> cheque payable		–	675,917	675,917
Finance lease liability	14	–	1,098,042	1,098,042
Operating lease liability	7	–	720,770	720,770
<b>Total liabilities</b>		<b>245,673</b>	<b>38,481,304</b>	<b>38,726,977</b>
<b>Total assets less total liabilities</b>		<b>28,078,109</b>	<b>50,566,066</b>	<b>78,644,175</b>
Accumulated surplus		<b>28,323,782</b>	<b>50,320,393</b>	<b>78,644,175</b>

### Notes

#### Changes in non current assets

The change in non current assets is as a result of the recognition of property, plant and equipment, heritage assets and software and development costs.

#### Changes in current assets.

The main changes in current assets were as a result of the following:

Inventory - the recognition of closing inventory as an asset.

Trade and other receivables - the recognition of members' contributions to UIF that have not been deducted from members.

#### Changes in liabilities

This is as a result of recognising the accruals for the period.

Provisions: The provisions are an estimation of the performance bonus due, 13<sup>th</sup> cheque due and leave pay provision.

UIF for members: This is amount due to SARS for the UIF calculated on members. The GPL has not deducted or remitted and UIF for members to SARS.

Finance and operating lease liabilities: This is the recognition of the obligation the GPL has on their finance leases.

	Notes	As reported under previous basis	Effects of transition to GRAP	GRAP
<b>Reconciliation of surplus or deficit for 2011</b>				
Revenue	19	366,647,215	-	366,647,215
Other income	20&22	1,516,334	92,839	1,609,173
Operating surplus		368,163,549	92,839	368,256,388



# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

Administrative expenses		(339,769,047)	(1,676,612)	(341,445,659)
Finance costs	23	-	(162,798)	(162,798)
Accumulated surplus		28,394,502	(1,746,571)	26,647,931
Accumulated surplus		<b>28,394,502</b>	<b>(1,746,571)</b>	<b>26,647,931</b>

### Notes

The significant differences in administrative cost are as follows:

Recognition of provisions increasing expenditure.

Recognition of depreciation also increasing expenditure.

Recognition of accruals, expenses incurred but not yet paid for has increased expenditure.

Recognition of interest on UIF contributions for members outstanding to SARS.

Capital expenditure has not been expensed in the current year but capitalised instead. This has decreased the operating expenditure in the current year.

	Notes	As reported under previous basis	Effects of transition to GRAP	GRAP
<b>Reconciliation of surplus or deficit for 2010</b>				
Revenue	19	295,124,000	-	295,124,000
Other income	20&22	2,499,002	130,347	2,629,349
Operating surplus		297,623,002	130,347	297,753,349
Administrative expenses		(294,024,610)	5,204,613	(288,819,997)
Finance costs	23	-	(129,656)	(129,656)
Net surplus		3,598,392	5,205,304	8,803,696
<b>Accumulated surplus / loss</b>		<b>3,598,392</b>	<b>5,205,304</b>	<b>8,803,696</b>

### Notes

The significant differences in administrative cost are as follows:

Recognition of provisions increasing expenditure.

Recognition of depreciation also increasing expenditure.

Recognition of accruals, expenses incurred but not yet paid for has increased expenditure.

Recognition of interest on UIF contributions for members outstanding to SARS.

Capital expenditure has not been expensed in the current year but capitalised instead. This has decreased the operating expenditure in the current year.



# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
<b>29. Related parties</b>		
Controlled entities	Provincial Treasury	
Refer to Note 21 for remuneration of key management and members.		
<b>Related party balances</b>		
<b>Amounts included in Trade receivable (Trade Payable) regarding related parties</b>		
Provincial Treasury	2,718,854	(245,673)
<b>Related party transactions</b>		
<b>Revenue received from Provincial Treasury</b>		
Voted funds	310,148,001	232,648,000
Direct charges claim	56,499,214	62,476,000
<b>Amounts paid to Political parties</b>		
Political party funding	49,229,356	36,484,000

The legislature receives a grant from Provincial Treasury based on the approved budget for all their operating expenditure.

### 30. Risk management

#### Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities.

The GPL's liquidity risk is a result of the funds available to cover future commitments. The GPL manages liquidity risk through an ongoing review of future commitments and managing available cash resources.

Cash flow forecasts are prepared and adequate funding is requested from Provincial Treasury on an ongoing basis.

#### Credit risk

Credit risk consists mainly of cash deposits, cash equivalents and trade receivables. GPL only deposits cash with major commercial banks with high quality credit standing and limits exposure to any one counter-party.

### 31. 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.

### 32. Events after the reporting date

High Court Order: Provisionally Wound up Monitoring South Africa (Pty) Ltd.

The GPL renewed its annual subscription with Monitoring SA during August 2010 amounting to R107,114. The North Gauteng High Court, Pretoria issued an order on 15 March 2011 to provisionally wound up Monitoring SA. The GPL received the order during May 2011. The GPL is in the process of filing a claim with liquidators for reimbursement of the amount of R107,114 paid for annual subscriptions.





# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
<b>33. Unauthorised expenditure</b>		
Unauthorised expenditure	<b>2,638,196</b>	<b>2,638,196</b>
The unauthorised expenditure was recommended for approval by the Public Accounts Committee, in line with the Gauteng Unauthorised Expenditure Act, No 2 of 2004. The amount will be written off upon receipt of funds from Provincial Treasury.		
<b>34. Fruitless and wasteful expenditure</b>		
Fruitless and wasteful expenditure	<b>-</b>	<b>101,000</b>
The fruitless and wasteful expenditure was in respect of the cancellation of costs paid to a service provider for a woman's dinner event that was postponed. The expenditure was condoned in the current year.		
<b>35. Irregular expenditure</b>		
Opening balance	306,000	-
Add: Irregular expenditure - current year	-	306,000
	<b>306,000</b>	<b>306,000</b>
<b>Analysis of expenditure awaiting condonation per age classification</b>		
Current year	-	306,000
Prior years	306,000	-
	<b>306,000</b>	<b>306,000</b>
<b>Details of irregular expenditure not recoverable (not condoned)</b>		
Irregular expenditure constitutes a deviation from the normal procurement procedure whereby officials obtained goods and services directly from service providers excluding supply chain management in the aquisition of such goods and services.	306,000	
<b>36. Reconciliation to cash flow statement</b>		
Reconciliation of budget surplus/deficit with the net cash generated from operating, investing and financing activities:		
Operating activities		
Actual amount as presented in the budget statement	30,934,828	6,280,594
Basis differences	(1,742,174)	4,111,819
<b>Net cash flows from operating activities</b>	<b>29,192,654</b>	<b>10,392,413</b>



# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
<b>Investing activities</b>		
Actual amount as presented in the budget statement	(10,750,480)	(6,016,962)
Basis differences	(507,093)	1,182,335
<b>Net cash flows from investing activities</b>	<b>(11,257,573)</b>	<b>(4,834,627)</b>
<b>Financing activities</b>		
Actual amount as presented in the budget statement	(679,184)	(269,097)
<b>Net cash generated from operating, investing and financing activities</b>	<b>17,255,897</b>	<b>5,288,689</b>

2011							
	Original budget	Budget adjustments	Final budget	Actual outcome	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
<b>37. Statement of comparative of budget and actual information</b>							
<b>Financial Performance</b>							
Investment revenue	–	–	–	934,531	(934,531)	–%	–%
Transfers recognised - operational	310,148,000	–	310,148,000	366,647,215	(56,499,215)	118%	118%
Other own revenue	–	–	–	674,642	(674,642)	–%	–%
<b>Total revenue (excluding capital transfers and contributions)</b>	<b>310,148,000</b>	<b>–</b>	<b>310,148,000</b>	<b>368,256,388</b>	<b>(58,108,388)</b>	<b>119%</b>	<b>119%</b>
Employee costs	(118,843,000)	(3,549,000)	(122,392,000)	(184,080,998)	61,688,998	150%	155%



# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2011

2011							
	Original budget	Budget adjustments	Final budget	Actual outcome	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
Depreciation and asset impairment	–	–	–	(1,505,997)	1,505,997	–%	–%
Finance charges	–	–	–	(162,798)	162,798	–%	–%
Other expenditure	(166,619,000)	1,449,000	(165,170,000)	(155,858,664)	(9,311,336)	94%	94%
<b>Total expenditure</b>	<b>(285,462,000)</b>	<b>(2,100,000)</b>	<b>(287,562,000)</b>	<b>(341,608,457)</b>	<b>54,046,457</b>	<b>119%</b>	<b>120%</b>
<b>Surplus/ (Deficit) for the year</b>	<b>24,686,000</b>	<b>(2,100,000)</b>	<b>22,586,000</b>	<b>26,647,931</b>	<b>(4,061,931)</b>	<b>118%</b>	<b>108%</b>
<b>Capital expenditure and funds sources</b>							
<b>Total capital expenditure</b>	<b>24,686,000</b>	<b>–</b>	<b>–</b>	<b>11,257,573</b>	<b>(11,257,573)</b>	<b>–%</b>	<b>46%</b>

### THE VARIANCES ARE EXPLAINED AS FOLLOWS:

#### Revenue

The variance in the revenue is as a result of direct claims for the remuneration of members amounting to R56.5million.

#### Employee costs

The variance in the employee costs is as a result of the remuneration of members. The remuneration of members is not funded by the GPL's budget. It is paid by the GPL and is reimbursed on by the provincial treasury.

#### Operating expenses

A total amount of R8million savings on goods and services is attributable to the measures that were introduced by the Speaker during the 2009/10 financial year, these are briefly discussed below:

- The reduction in newspaper subscriptions as members and staff are continuously encouraged to access newspapers via the internet has reduced expenditure. The GPL has subscribed to on – line newspaper facilities to reduce costs. A total savings of R1.2million was realised on printing, publications and subscriptions.
- The implementation of the HR training plan has reduced expenditure by a total saving of R502,096. The following was implemented on training:
  - The annual HR training plan was strictly informed by the various business units training requirements and through the outcome of IPMS reviews and skill audits.





## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

- Staff affected by training dates were consulted prior to scheduling of training to avoid non – attendance (fruitless and wasteful expenditure).
- The GPL reserved the right to recover the cost of training from any employee, who failed to attend training without any acceptable explanation, after he/she had confirmed attendance.
- The reduction in the appointment of consultants as they are now only utilised upon compelling needs. A saving of R4.2million has been realised on consultants.
- IT outsourcing R1million saving was as a result of the termination of the contract with the service provider, which was subsequently replaced by the appointment of contract employees.
- Professional services had a saving of R1million as a result of the reduction in the utilisation of external service providers.
- Parking management has a saving of R117,000. This was realised in this area as a result of the Institution taking over the management of its parking facilities.

### **Capital expenditure**

The Institution has under spent by R11million on the capital budget. The under expenditure is mainly on the auditorium conversion project, the replacement of city hall chairs and furniture and equipment of which tendering processes were not concluded at the end of the financial year. Furthermore, savings were realised on the refurbishment of the 3<sup>rd</sup> and 4<sup>th</sup> floors as well as Mayivuke rooms. These funds have been earmarked for revamping offices in the new financial year. Under spending on machinery and equipment will be utilised in the new financial year for the aquisition of the city hall chairs, additional office furniture for the Institution, computers and servers.



# DETAILED STATEMENT OF FINANCIAL PERFORMANCE

## FOR THE YEAR ENDED 31 MARCH 2011

	Notes	2011	2010
<b>Revenue</b>			
Government grants & subsidies		<b>366,647,215</b>	<b>295,124,000</b>
<b>Other income</b>			
Sundry income		4,440	572,930
Accrued interest		–	37,510
Hall bookings revenue		138,368	320,940
Parking income		263,281	–
Aid assistance		128,000	480,000
Insurance refund		130,421	392,832
Foreign currency refund		10,132	–
Gain on sale of assets		–	62,000
Interest received	22	934,531	763,137
		<b>1,609,173</b>	<b>2,629,349</b>
<b>Expenses</b>			
		<b>(341,445,659)</b>	<b>(288,819,997)</b>
<b>Operating surplus</b>			
Finance costs	23	<b>(162,798)</b>	<b>(129,656)</b>
<b>Surplus for the year</b>			
		<b>26,647,931</b>	<b>8,803,696</b>
<b>Operating expenses</b>			
Accommodation		(6,290,697)	(2,607,916)
Accounting fees		(4,704,344)	(1,902,385)
Administration and management fees		(297,787)	(388,345)
Advertising		(1,705,270)	(1,388,218)
Assets expensed		–	(7,805)
Auditors' remuneration	24	(1,160,328)	(1,198,387)
Bank charges		(96,701)	(96,542)
Cleaning		(238,279)	(405,831)
Computer expenses		(721,324)	(570,820)



## DETAILED STATEMENT OF FINANCIAL PERFORMANCE

### FOR THE YEAR ENDED 31 MARCH 2011

	Notes	2011	2010
Conferences and seminars		(3,042,320)	(2,164,135)
Consulting and professional fees		(11,330,886)	(19,491,019)
Consumables		(691,250)	(458,322)
Contracted services		(4,758,923)	(1,859,464)
Depreciation, amortisation and impairments		(1,505,997)	(1,191,041)
Employee costs		(184,080,998)	(161,815,499)
Entertainment		(529,326)	(836,314)
Gifts		(677,659)	(249,253)
IT expenses		(2,660,687)	(2,550,424)
Insurance		(658,762)	(392,533)
Lease rentals on operating lease		(4,862,362)	(4,632,022)
Levies		(4,958,160)	(3,563,923)
Licencing fees		(3,584,829)	(1,398,421)
Magazines, books and periodicals		(96,478)	(25,270)
Placement fees		(798,646)	(1,905,749)
Political party fund		(49,729,356)	(36,484,000)
Postage		(50,903)	(258,116)
Printing and stationery		(1,145,478)	(1,654,984)
Repairs and maintenance		(7,885,176)	(5,713,709)
Research and development costs		–	16,873
Special events		(1,085,716)	(4,463,495)
Staff bursaries		(1,269,621)	(197,406)
Subscriptions		(1,135,300)	(759,801)
Telephone and fax		(9,197,347)	(8,056,248)
Training		(7,495,307)	(10,370,333)
Travel - local		(15,547,564)	(9,076,096)
Travel - overseas		(7,388,407)	(701,026)
Uniforms		(47,420)	(2,018)
Venue expenses		(16,051)	–
		<b>(341,445,659)</b>	<b>(288,819,997)</b>

The supplementary information presented on pages 163 and 164 does not form part of the annual financial statements and is unaudited.





## SECTION VI – OUTLOOK 2011/2012

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# OUTLOOK FOR 2011/2012

In the year 2011/12, the GPL will focus on the following key Strategic and Operational interventions to realise its goals through:

## 1. STRENGTHENING OVERSIGHT AND SCRUTINY:-

- Review of the committee system to the extent to which structural, operational and systems changes have had an impact on the ability of the Committee Support Unit along with other immediate support structures of the House committees to deliver as expected in the context of the GPL.
- Putting in place mechanisms for implementing the Committee Inquiries Act, through learning best practices on Committee Inquiries processes, focussing on priority areas such as Education; Community Safety; Health and Social Development; and Economic Development and Rural Development.
- Training of Members and piloting of Committee Inquiries.
- Creating an enabling environment for oversight by completing the Auditorium as an additional committee space.
- Improve recording, archiving, and transcribing systems and services for the House and committees.

## 2. ENHANCING ADMINISTRATIVE ACCOUNTABILITY, TRANSPARENCY AND IMPROVING INSTITUTIONAL PERFORMANCE AND LEGISLATIVE COMPLIANCE THROUGH IMPLEMENTING THE:-

- IPMS by developing management processes and procedures to improve institutional performance.
- Integrated Results Based Planning, Budgeting, M&E and Reporting.
- GPL Monitoring and Evaluation Framework.
- The GPL/GPG collaborative project on the "Standardisation of Performance Information for Oversight".
- Effective management of information and knowledge:

Foster effective sharing of information and knowledge by embedding knowledge management practices in the GPL and enhance the level of innovation, performance and quality decision-making.

- Institutional performance and compliance mechanism to enhance priority areas such as employment equity targets.

## 3. MAKING LAWS THAT ARE RESPONSIVE TO THE NEEDS OF THE PEOPLE OF GAUTENG THROUGH CONDUCTING THE STUDY OF THE SOCIO-ECONOMIC IMPACT OF LAWS PASSED SINCE 1994.

## 4. ENABLING THE PEOPLE OF GAUTENG TO PARTICIPATE EFFECTIVELY IN DECISION-MAKING PROCESSES THAT AFFECT THEIR DAILY LIVES THROUGH THE EFFECTIVE IMPLEMENTATION OF:-

- Sector Fora.
- Develop mechanisms for feedback pertaining to public participation in GPL processes.
- Public Participation Strategy: Re-engineering public participation processes and systems using lessons from the public participation intervention project, including the esourcing capacity to implement the strategy, and;
- Key GPL public participation events where the people of of Gauteng are invited as guests of the GPL.

## 5. BUILDING PARTNERSHIPS TO ENABLE THE GPL TO FULFIL ITS CONSTITUTIONAL MANDATES BY:-

- Profiling the GPL and its role as a representative body of the people of Gauteng.
- Collaborating with institutions supporting democracy, research institutions, CBOs and NGOs and Corporate Citizens.
- Building partnerships with Civil Society (Corporate citizens, electorate, trade unions, NGOs, youth, women and organisations of persons with disabilities).



# OUTLOOK FOR 2011/2012

- Conducting research on Constituency Offices with a view to establishing resource requirements and how they are effectively utilised.
- Developing an integrated approach for conducting formal courtesy visits to parties on a quarterly basis.
- Consolidating and maintaining the GPL stakeholder database.
- Developing a strategy for partnerships with institutions of higher learning in order to design training curriculum based on the training and development needs of the GPL.

## 6. ENHANCING SUPPORT TO MEMBERS AND POLITICAL PARTIES THROUGH IMPROVING SERVICE OFFERING UTILISING AN INTEGRATED APPROACH TO MEMBERS AND PARTIES.

VRP SKOSANA  
SECRETARY TO THE LEGISLATURE



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**GAUTENG**  
LEGISLATURE

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PR236/2011

ISBN: 978-0-621-40326-8