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2016/17 ANNUAL REPORT: ANALYSIS OF PARLIAMENT'S PERFORMANCE AGAINST PREDETERMINED OBJECTIVES

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1. INTRODUCTION

This brief provides an analysis of the performance of Parliament against its predetermined objectives for the 2016/17 financial year. In addition, the brief will highlight a select number of Human Resource matters.



2. PERFORMANCE AGAINST PREDETERMINED OBJECTIVES

Parliament reported an achievement rate of 49% against the predetermined objectives for 2016/17, that is 20 of 41 indicators were met.¹ This is a slight improvement of 3.5 per cent compared to the 45.5 per cent achievement rate of the previous year.²

Despite the improvement in the achievement rate against predetermined targets, Parliament's performance does not correlate with the allocated budget of R2.382 billion and the expenditure rate of 89.5 per cent for 2016/17.³

The poor performance of Parliament does not bode well for budgetary consideration, particularly from a public value perspective (i.e. the public demands value for their taxes).

Discrepancies between the 2016/17 Annual Performance Plan (APP) and the 2016/17 Annual Report (AR) were noted and these are:

- Some indicators are stated differently in the APP when compared to what is reported in the AR;
- Some targets set in the APP have been restated in the AR;
- The performance of some indicators listed in the APP was not reported on in the AR and therefore the total number of indicators and targets set in the APP is different to the total number of indicators and targets reported on in the AR;
- Additional indicators and targets are reported on in the AR that does not appear in the APP; and
- The performance reported against some indicators are not verifiable.

The section that follows will provide an overview of the performance at programme level.

¹ Parliament (2017), p. 51.

² *Ibid* (2017), p. 51.

³ Parliament (2017a), p. 5.



2.1. Programme 1: Strategic Leadership and Governance

According to the AR, Programme 1 achieved 2 of 3 targets (i.e. an achievement rate of 66.6 per cent).⁴ Parliament failed to table all governance documents, tabling only 4 of 19 referral documents in 2016/17. The failure to table all referral documents was attributed to an ineffective tabling process. Tabling improved in the fourth quarter due to the development of a standard operating procedure (SOP) for tabling governance documents.

Table 1: Performance of Programme 1

Programme	Strategic Objective	Indicator	2016/17 Target	2016/17 Performance	Achieved (Yes/No)
Strategic Leadership and Governance	Improve strategic, advisory, executive, administrative and logistical support to the Executive Authority.	% improvement in provision of support services	75%	This indicator is not reported on in the AR	
		AR reports on % of governance schedule implemented	100%	100%	Yes
		AR reports on % of governance documents tabled for referral	100%	21%	No
	Improve independent, objective and professional analysis and advice on matters related to the budget and other Money Bills tabled in Parliament by increasing advisory and analytical reports from 8 to 19 by 2019.	Number of analytical reports per year	17 (AR indicates target as 22)	23	Yes

Source: Parliament (2015 and 2017)

The following discrepancies are noted between the APP and AR:

- AR reports on two additional indicators (highlighted in red in Table 1 above);
- AR failed to report the performance against the indicator measuring the percentage improvement in provision of support services; and
- The target for the indicator measuring the number of analytical reports per year was stated as 17 reports in the APP, but the figure has been revised upwards to 22 reports in the AR.

⁴ Parliament (2017), p. 53.



2.2. Programme 2: Administration

The AR reports that Programme 2 achieved 4 of 5 targets (i.e. an achievement rate of 80.0 per cent).⁵ The indicator measuring the percentage (i.e. 100%) compliance with applicable laws and regulations was not achieved as only 6 of 10 prescripts were met. Reasons given for the poor performance were ineffective mechanisms for processing tenders as well as supplier payments.

Table 2: Performance of Programme 2

Programme	Strategic Objective	Indicator	2016/17 Target	2016/17 Performance	Achieved (Yes/No)
Administration	Improve the usefulness, relevance and accessibility of integrated development programmes for Members by developing and implementing a Member's Capacity Building and Development Strategy by 2019.	Progress on implementation of Members' Capacity-Building and Development strategy	Strategy developed and implemented	Strategy implemented	Yes
		% of capacity building programme executed	100%	100% (4 of 4 programmes were executed)	Yes
	Improve co-ordination, cooperation and intergovernmental relations of Parliament with Provincial Legislatures by implementing a revised Sector Strategy by 2019.	% of Speakers' Forum and SALSA resolutions followed up and actioned	100%	100%	Yes
	Develop and implement efficiency measures to establish the present level of efficiency and to reduce inefficiencies by 1% of total budget per year.	% saving of total budget	15% (AR indicates the target as 1%)	AR reports 1.02% (Savings of R5,537 million of a total operating budget of R544.039 million)	Yes
		% improved efficiency in line with SOP framework	1%	This indicator is not reported on in the AR	
Strengthen strategic management, governance and compliance by implementing the prescripts of the Financial Management of Parliament and Provincial Legislatures Act.	% compliance with applicable laws and regulations.	100%	60% (6 of 10 prescripts met)	No	

Source: Parliament (2015 and 2017)

⁵ Parliament (2017), p. 57.



The following discrepancies between the APP and AR is noted, see Table 2 above:

- The target for the indicator measuring the percentage saving of total budget was stated as 15% in the APP but the figure has been revised downwards to 1% savings in the AR;
- Moreover, the reported performance of 1.02% is a saving against the total *operating* budget and not the total budget (i.e. the APP is referring to the total institutional budget); and
- The performance against the indicator measuring the percentage in improved efficiency in line with the SOP framework (as stated on page 25 of the APP), was not reported on in the AR.

2.3. Programme 3: Core Business

Programme 3 has a total of 22 targets of which 7 were achieved (i.e. an achievement rate of 31.8 per cent).⁶

Targets not achieved, include:

- 100 per cent, policy advice provided within 7 days – it cannot be verified whether the reported achievement rate of 91 per cent was in the agreed timeframe;⁷
- Information requests processed within allocated time – only 555 information requests of a total of 729 was processed due to the unavailability of information as a result of inactive databases;⁸
- 100 per cent of minutes produced within 3 days – only 1 251 of 1 498 minutes were produced within the agreed timeframe due to capacity constraints and an ineffective monitoring system;⁹
- 100 per cent of reports produced within 8 days – only 316 of 345 reports were produced within the agreed timeframe due to capacity constraints and an ineffective monitoring system;¹⁰

⁶ Parliament (2017), p. 65.

⁷ Parliament (2017), p. 69.

⁸ Parliament (2017), p. 71.

⁹ Parliament (2017), p. 72.



- 100 per cent of Hansard reports produced within 5 days – only 127 of 133 reports were produced within the agreed timeframe which has been attributed to weaknesses in coordination and unavailability of staff due to leave and unprotected strike;¹¹
- 100 per cent, interpretation services available for House sittings – only 105 of 133 sittings were provided with interpretation services. This has been attributed to weaknesses in coordination and unavailability of staff due to leave and unprotected strike;¹²
- 100 per cent, translation services provided within agreed timeframes – only 6 726 of a total 6 822 requests for translation services were complied with in the agreed timeframe. This has been attributed to weaknesses in coordination and unavailability of staff due to leave and unprotected strike;¹³
- A refined Oversight and Accountability Model was not implemented due to a lack of alignment between the indicators and targets listed in the APP and the actual performance;¹⁴
- Legislative Model was not implemented, as it was implemented as a programme (i.e. Oversight and Accountability Programme);¹⁵
- Oversight mechanism was not implemented as it was implemented as a programme (i.e. Oversight and Accountability Programme);¹⁶
- 12.5 per cent of the population participating in parliamentary processes was targeted, but only 8.7 per cent of the population participated in parliamentary processes. According to the AR, the scope, research design and survey sampling may have impacted on the survey result of 8.7 per cent;¹⁷
- 100 per cent of international parliamentary reports tabled – only 37 of 48 reports were prepared. The reason for the poor performance has been attributed to the non-sitting of the Parliamentary Group on International Relations (PGIR) at the allocated time;¹⁸
- 100 per cent of international agreements analysed – only 13 of 18 agreements were analysed. The AR reports that internal controls will be strengthened;¹⁹ and

¹⁰ Parliament (2017), p. 73.

¹¹ Parliament (2017), p. 74.

¹² Parliament (2017), p. 76.

¹³ Parliament (2017), p. 78.

¹⁴ Parliament (2017), p. 80.

¹⁵ Parliament (2017), p. 81.

¹⁶ *Ibid* (2017), p. 81.

¹⁷ Parliament (2017), p. 84.

¹⁸ Parliament (2017), p. 85.



- 100 per cent of parliamentary ceremonies provided with professional protocol and ceremonial services – only 6 of 16 reports on protocol provision was provided. Poor performance of this target has been attributed to the approach to reporting.²⁰

The following discrepancies between the APP and AR is noted, see Table 3 below:

- With regard to the indicator measuring the percentage of procedural advice provided within 5 days (as stated on page 30 of the APP), has been revised upwards to 7 days in the AR;
- The indicator measuring the percentage of reports produced within 10 days (as stated on page 30 of the APP), has been revised downwards to 8 days in the AR;
- The indicator measuring the percentage of Hansard reports produced within 2 days (as stated on page 30 of the APP), has been revised upwards to 5 days in the AR;
- 2 Taking Parliament to the people campaigns were targeted for 2016/17 as stated on page 34 of the APP. The target is stated as 1 in the AR;
- The AR reports on an additional indicator (i.e. percentage of publication of tracking documentation). This indicator does not appear in the APP;
- The performance against the indicator measuring the percentage of the population informed about Parliament (as stated on page 34 of the APP), was not reported on in the AR; and
- There is an anomaly with regard to the strategic objective "Enhance parliamentary international engagement by increasing the percentage of reports on parliamentary international relations engagements for consideration from 75% to 95% by 2019". As the three indicators used to measure this objective all target 100 per cent. Parliament to clarify the target.

¹⁹ Parliament (2017), p. 86.

²⁰ Parliament (2017), p. 86.



Table 3: Performance of Programme 3

Programme	Strategic Objective	Indicator	2016/17 Target	2016/17 Performance	Achieved (Yes/No)
Core Business	Improve the average turnaround time for the provision of procedural and legal advice, content advice, research products, minutes and reports and other products to the Houses, Committees and Members by 2019.	Within agreed timeframes - % of House Papers available on sitting days.	100%	100% (335 of 335)	Yes
		% Procedural advice provided within 5 days	100% (AR indicates target as 100% within 7 days)	AR reports 100% (698 of 698) within 7 days	Yes
		% Legal advice provided within 7 days	100%	100% (72 of 72)	Yes
		% Policy advice on International Relations provided within 7 days	100%	91% (not verifiable whether this achievement rate was within the 7 day timeframe).	No
		% of Research Papers provided within agreed timeframes	100%	100% (1 320 of 1 320)	Yes
		% Information Request processed within allocated time	100%	76% (555 of 729)	No
		% of Minutes produced within 3 days	100%	84% (1 251 of 1 498)	No
		% of Reports produced within 10 days	100% (AR indicates target as 100% within 8 days)	92% (316 of 345)	No
		% Hansard Reports produced within 2 days	100% (AR indicates target as 100% within 5 days)	95% (127 of 133)	No
		% Interpretation services available for House sittings	100%	79% (105 of 133)	No
		% of Translation services provided within agreed timeframes	100%	99% (6 726 of 6 822)	No
		% of Documentation requests (in terms of the promotion of Access to Information Act) processed within agreed timeframes	100%	100% (4 of 4)	Yes
	Refine and implement the Oversight and Accountability Model to ensure that the Executive implements objectives of the MTSF 2014-2019 by 2019.	Phase of implementation	Model implemented	Model developed and not implemented	No

Source: Parliament (2015 and 2017)



Programme	Strategic Objective	Indicator	2016/17 Target	2016/17 Performance	Achieved (Yes/No)
Core Business	Develop and implement a legislative model to ensure enhanced quality of support, advice and systems for lawmaking by 2019.	Phase of implementation	Model implemented	Draft model developed	No
		AR reports on % publication of tracking documentation	100%	100% (147of147)	Yes
	Develop and implement a co-operative government oversight mechanism to ensure enhanced co-ordination of programmes of government by 2019.	Phase of Implementation	Mechanism Implemented (AR indicates target as mechanism developed)	Mechanism developed, but not implemented	No
		Phase of Public Participation Model Implementation	Model implemented	Model implemented	Yes
	Increase access and improve the quality of participation in the process of Parliament through enhanced programmes to ensure participatory democracy.	% of population informed about Parliament	10.75%	This indicator is not reported on in the AR	
		Population having access to participate in parliamentary processes	No target indicated in APP (AR indicates target as 5%)	11.5%	Yes
		Population participating in parliamentary processes	No target indicated in APP (AR indicates target as 12.5%)	8.7%	No
		Number of Taking Parliament to the People campaigns	2 (AR indicates target as 1)	2	Yes
		Number of People's Assembly campaigns	1	AR reports that the target is not applicable	
		Number of Women's Parliament campaigns	1	1	Yes
		Number of Youth Parliament campaigns	1	1	Yes
		Enhance parliamentary international engagement by increasing the percentage of reports on parliamentary international relations engagements for consideration from 75% to 95% by 2019.	% of international parliamentary reports tabled	100%	77% (37 of 48)
	% of international agreements analysed		100%	72% (i.e. 13 of 18)	No
	% of parliamentary ceremonies provided with professional protocol and ceremonial services		100%	38% (6 of 16 reports on protocol provision)	No

Source: Parliament (2015 and 2017)



2.4. Programme 4: Support Services

The AR reports that Programme 4 achieved 4 of 7 targets (i.e. an achievement rate of 57.1 per cent).²¹ The analysis findings show that only 3 indicators were achieved (see Table 4 below). The achievement rate of Programme 4 is therefore 42.9 per cent.

Targets not achieved, include:

- Stakeholder management was completed but not implemented as per the APP;²²
- Communication strategy was developed and approved but not implemented as per the APP;²³
- Percentage of the population who are aware of Parliament – only 9.75 per cent of the population are aware of Parliament compared to the targeted 10.75 per cent;²⁴ and
- Percentage of clients satisfied with service levels – only 66.6 per cent of the targeted 70 percent client satisfaction levels was achieved.²⁵

²¹ Parliament (2017), p.88.

²² Parliament (2015), p.38.

²³ Parliament (2015), p.39.

²⁴ Parliament (2017), p.91.

²⁵ Parliament (2017), p.95.



Table 4: Performance of Programme 4

Programme	Strategic Objective	Indicator	2016/17 Target	2016/17 Performance	Achieved (Yes/No)
Support Services	Improve relationship with stakeholders by developing and implementing a stakeholder management plan and by increasing Members' satisfaction through an integrated and independent scientific survey by 2019.	Progress on Implementation of stakeholder management plan	Implement stakeholder management plan (Phase 1)	Plan completed but not implemented	No
		% of clients satisfied with service levels	70%	71.5%	Yes
	Improve the communication of the business of parliament in order to increase public involvement by developing and implementing a comprehensive communication strategy by 2019.	Phase of Implementation	Implement strategy	Strategy developed and approved, but not implemented	No
		% of population who are aware of Parliament	10.75%	9.75%	No
	Leverage current, new and innovative technologies to meet the information and communication needs of members and staff by increasing universal access of integrated information services from 40% to 80% by 2019.	% of universal access to web-based and mobile platforms	60% web-based and mobile access	63% web base and mobile access	Yes
	Optimise facilities' usage and provide adequate and appropriate functional space by creating a conducive working environment to achieve an increased level of satisfaction from 68% to 85% by 2019.	% of clients satisfied with service levels	70%	66.6%	No
	Increase availability of strategic competences, talent and skills by developing and increasing performance on the talent management index by 15% by 2019.	% increase in talent management index	5%	6.4%	Yes

Source: Parliament (2015 and 2017)



2.5. Programme 5: Associated Services

According to the AR, Programme 5 achieved 4 of 4 targets (i.e. an achievement rate of 100 per cent).²⁶ The analysis findings show that only 3 indicators were achieved, which is therefore an achievement rate of 75 per cent.

Programme 5 failed to implement an Integrated Seamless Service Strategy as targeted in the APP.²⁷

Table 5: Performance of Programme 5

Programme	Strategic Objective	Indicator	2016/17 Target	2016/17 Performance	Achieved (Yes/No)
Associated Services	Ensure greater effectiveness of members in fulfilling their functions by reviewing the facilities needs of Members and by integrating services into a seamless support service.	Phase of Integrated services strategy	Integrated seamless service implemented	Seamless service design report completed; Business case submitted for approval	No
		Phase of facilities reviewed	Resourced and implemented	This indicator is not reported on in the AR	
		AR reports on Handbook published by 31 Oct	Published by 31 Oct	Handbook published by 31 Oct 2016	Yes
	Reduce average turnaround time for the processing and payment of reimbursements to Members from 3 to 2 working days by 2019	Average number of days to reimburse Members	2 (AR indicates target as 2.7)	2.44	Yes
	Ensure effective financial management by improving payment and compliance of transfer payment by 2019.	Number of payments made (indicator in AR is stated as % of payments made compliant to policy)	65 (AR indicates target as 100%)	62 (AR reports 100%)	Yes

Source: Parliament (2015 and 2017)

²⁶ Parliament (2017), p. 99.

²⁷ Parliament (2015), p. 47.



The following two discrepancies between the APP and AR were noted:

- The performance against the indicator measuring whether Member's facilities are resourced and implemented as stated on page 47 of the APP was not reported on in the AR; and
- The AR reports on an additional indicator (i.e. Handbook published by 31 Oct). This indicator does not appear in the APP.

3. HUMAN RESOURCE MATTERS

This section will specifically highlight vacancies, employee turnover and sick leave utilisation, as these three indicators impacts on operational performance.

3.1. Vacancies

Table 6: Vacancies

Vacancies by skill and salary band	Number of Posts	Frozen	Number of Active Posts	Number of Posts Filled	Active Vacant	Active Vacancy Rate
Lower Skilled (Level A)	154	27	127	118	9	7,1%
Skilled (Level B)	359	85	274	266	8	2,9%
Highly Skilled Production (Level C)	878	141	737	702	35	4,7%
Highly Skilled Supervision (Level D)	291	67	224	210	14	6,3%
Senior Management (Level E)	29	6	23	22	1	4,3%
Top Management (Level F)	3	1	2	2	0	0,0%
Total	1 714	327	1 387	1 320	67	4,8%

Source: Parliament (2017) and own calculations. Note: *The active vacancy rate was calculated based on the following formula: active vacant posts divided by the total number of active posts.*



Parliament has a total of 1 714 posts in 2016/17 of which 327 posts are frozen. A total of 1 320 posts are filled and 67 posts are vacant. Parliament therefore had a vacancy rate of 4.8 per cent for 2016/17, see Table 6 above.

Lower skilled posts had the highest vacancy rate at 7.1 per cent in 2016/17, followed by highly skilled supervisory posts at 6.3 per cent. Highly skilled production posts had the third highest vacancy rate at 4.7 per cent but when accounting for warm bodies, it has the highest number of vacant posts at 35 for the year under review. It also has the highest number of frozen posts at 141.

Parliament indicates that vacancy rates for the different skill categories are as follows:

- Lower skilled at 0.65 per cent;
- Skilled at 0.58 per cent;
- Highly skilled production at 2.52 per cent;
- Highly skilled supervisory at 1.01 per cent;
- Senior management at 0.07 per cent; and
- Top management at 0 per cent.

It is not clear from the table on page 166 in the AR, how Parliament calculated the vacancy rate. Parliament would need to clarify the formula used to calculate the vacancy rate.



3.2. Employee Turnover

Table 7: Turnover Rate

Employee Turnover by skill and salary band	Number of Employees per band as 1 April 2016	Resignations	Turnover rate
Lower Skilled (Level A)	127	0	0,0%
Skilled (Level B)	273	3	1,1%
Highly Skilled Production (Level C)	737	32	4,3%
Highly Skilled Supervision (Level D)	218	10	4,6%
Senior Management (Level E)	19	1	5,3%
Top Management (Level F)	2	0	0,0%
Total	1 376	46	3,3%

Source: Parliament (2017)

The turnover rate for 2016/17 is 3.3 per cent, with the highest turnover rate of employees being in the senior management category at 5.3 per cent, followed by employees in the highly skilled supervisory category at 4.6 per cent, see Table 7 above.

Highly skilled production posts had the third highest turnover rate at 4.3 per cent, but when accounting for total number of resignations it had the highest number at 32 for the year under review.



3.3. Sick Leave Utilisation

Table 8: Sick Leave

Sick Leave by skill and salary band	Total Days taken	Number of Employees using sick leave	Percentage of employees using sick leave	Average days per employee	Average Daily Rate	Estimated Cost per employee
Lower Skilled (Level A)	1 542	118	7,7%	13,1	R1 110,51	R14 511,92
Skilled (Level B)	2 279	244	10,7%	9,3	R1 305,64	R12 194,89
Highly Skilled Production (Level C)	5 028	594	11,8%	8,5	R2 147,99	R18 181,98
Highly Skilled Supervision (Level D)	926	161	17,4%	5,8	R4 341,31	R24 969,27
Senior Management (Level E)	33	7	21,2%	4,7	R6 462,76	R30 467,30
Top Management (Level F)	0	0	0,0%	0,0	R0,00	R0,00
Total	9 808	1 124	11,5%	8,7	R2 561,37	R22 350,45

Source: Parliament (2017) and own calculations.

A total of 9 808 sick days were taken in 2016/17 at an average of 8.7 days per employee and at an estimated costs of R22,350.45 per employee, see Table 8 above.

The lower skilled employees account for the highest average number of sick days per employee at 13 days, followed by skilled employees at 9 sick days on average and highly skilled production employees at 8.5 sick days on average.

The highly skilled production category had the highest number of employees utilising sick leave in 2016/17 at 594 employees, followed by the skilled category at 244 employees and highly skilled supervisory category at 161 employees.



4. CONCLUSION

Parliament's performance is below par and thus serious consideration should be given by the administration as how to improve the performance of the institution, particularly from a public value perspective.

Capacity issues were given as reasons for the poor performance against a number of predetermined objectives. Furthermore, capacity issues appear to be the primary contributor to the poor levels of performance in the Core Business programme.

Human Resource matters also highlight a number of vacancies and resignations within the highly skilled production and supervisory employee categories. More concerning is the high number of employees utilising sick leave and the high average number of sick days taken by employees throughout the institution.

Parliament will have to review its Human Resource needs in line with the operational requirements of the institution, as well as its management of human resources in terms of ensuring optimal performance.

Issues for the consideration of the Committee:

- Parliament to clarify the discrepancies in respect of indicators and targets stated in the APP and that which was reported on in the AR.
- Parliament to clarify how an "unprotected strike" in November 2015 affected the performance of the Core Business Programme as it relates to Hansard reports, translation and interpretation services in the 2016/17 financial year.
- Parliament to clarify the formula used to determine the vacancy rate stated in the AR.
- Parliament to clarify the vacancies and resignations within the highly skilled production and supervisory categories. Which programme/division has the highest number of vacancies and resignations in terms of these skill categories?
- Parliament to report to the Committee on the steps it will take to improve the institution's performance.



References

- Parliament (2017), *Parliament of the Republic of South Africa Annual Report 2016/17*.
- Parliament (2017a), *Monthly Financial Statements for March 2017*.
- Parliament (2015), *Draft Annual Performance Plan 2016/17 to 2018/19, 31 May 2015*.