

Department of Transport & entities 2019/20 Annual Performance Plans: Committee Report

DEPARTMENT OF TRANSPORT

29 October 2019

Chairperson: Mr L Mangcu (ANC) (Acting)

Meeting Summary

The Committee convened to finalise the observations and recommendations on the Draft Report on the Annual Performance Plans of the various entities of the Department of Transport. Members raised points relating to the Key Performance Indicators (KPIs) and Key Performance Areas not being measurable and not aligned to actual service delivery standards, the Committee's oversight role of the finances of the entities, rail safety regulations and non-compliance, mismanagement of finances, overspending and incidents involving the Railway Safety Regulator

Members found the report lacked content and in certain places did not give a true sense of discussions the Committee had with the entities. It was agreed that Members could include additional points in the Report by 31 October 2019. A revised Report would be circulated by 1 November 2019 and another meeting would be convened for Members to discuss the revised recommendations and observations. The Committee was informed the Report was more skeleton in nature as it requires the Committee's discussion on recommendations and observations. There were many discussion points and clarification questions during the previous meeting but they were not captured to avoid confusion between clarity points and observations.

The Committee then adopted its minutes dated 22 October 2019.

Meeting report

Election of Acting Chairperson

The Committee elected Mr L Mangcu (ANC) as Acting Chairperson Mr L Mangcu (ANC).

The Chairperson tendered apologies for Ms N Tolashe (ANC) and Ms N Nolutshungu (EFF).

Draft Report of the Portfolio Committee on Transport on the 2019/20 Annual Performance Plans (APP) of the Entities of the Department of Transport

The Chairperson said the intent was to finalise the observations and recommendations of the Committee's Draft Report on the 2019/20 Annual Performance Plans (APP) of the Entities of the Department of Transport. Members should be clear in their presentations and specify if they are making an observation or recommendation and the entity they are focusing on.

Discussion

Mr C Hunsinger (DA) referred to page 31, paragraph four, where he raised concerns regarding the Key Performance Indicators (KPIs) and Key Performance Areas (KPA) - they were not measurable and were not aligned to actual service delivery standards. There were two processes running parallel – firstly, the misalignment of KPIs and KPAs and, secondly, the role of oversight and ineffectiveness in managing financial matters.

The Chairperson asked the Committee if it supported the recommendation made by Mr Hunsinger on the misalignment between the KPIs and KPAs on service delivery.

The recommendation was supported.

The Chairperson raised Mr Hunsinger's second point regarding the role of oversight and the ineffectiveness in dealing with financial matters, such as Annual Reports, in light of the budgetary process for 2020/21 that is almost complete. Members should not lose sight of the essence of what it wanted to achieve which is finalisation of the Annual Performance Plan (APP). What is the Committee's role? What do Members want to achieve? What is the Committee's view on the role of oversight regarding financial information? Recommendations made by the Committee will not be included in the Report but will form the basis of further engagement.

Mr I Seitholo (DA) said there is a need to engage on the role of the Committee regarding oversight visits. There is a lacklustre approach in terms of accepting what is presented without robustly engaging in the small pieces of the entities, which relate to the targets set for service delivery. What is the Committee's role in overseeing the financial standing of the entities? The Committee must ensure it influences the entities to present to it reports which display good financial standing and good service delivery. He supported the notion of the Committee maintaining oversight of the financial status of the entities.

Mr T Mabhena (DA) referred to page 29, under Railway Safety Regulator (RSR), and said the one line item was insufficient following the observations made by the Committee on the entity, on the basis of the number of incidents reported. Over and above RSR's responsibility of crafting the safety regulations framework, it is also its responsibility to ensure it runs an entity that will ultimately deliver an incident-free service. Despite its current performance, there still were an overwhelming number of incidents that needed to be addressed. He referred to page 30, point 3.7, on the Road Traffic Infringement Agency (RTIA) where he found the one line item was very generic and not a true reflection of what the Committee discussed when it engaged with the entity. The only observation recorded was that the entity was operating on a tight budget. The observations on page 31, 3.9.1, on fraud detection, and 3.9.2, finalising filling of senior management vacancies, were not the only points raised by the Committee during its meeting with the entity.

Mr L McDonald (ANC) referred to page 29 and recalled the in depth discussion the Committee had about the court case pertaining to RSR and the Passenger Rail Agency of SA (PRASA) and the safety challenges of PRASA. He asked for a better reflection of the observations made on the RSR and PRASA's side. RSR sets the regulations on rail safety but PRASA infringes on the regulations. RSR and PRASA are both impacting the lives of commuters who rely on trains daily to commute to work. He said there should be more than a one liner on the RTIA on page 30. On the Road Accident Fund (RAF), the Committee had a longer discussion on the RAF's inability to pay claims to claimants. He found the draft report lacked content and was a poor reflection of the work done by the Committee.

Mr K Sithole (IFP) referred to page 29 and said observations were omitted from the report- this included the APP, matters of compliance and overspending of budget.

The Chairperson said the Committee should refocus – Members need to decide if more content should be included or if the salient points should be recorded. Members should dig deep into their memories into what was discussed and decide which points raised should be included as observations or a recommendations.

Ms M Ramadwa (ANC) said that the document did not include the Department of Transport as part of

the Annual Performance Plan.

Mr P Mey (FF Plus) referred to page 19 regarding RAF's high legal costs and asked why the RAF cannot negotiate a lower rate with the Law Society.

Mr M Chabangu (EFF) asked to engage the Committee's Secretary on the report's findings as some of the information may have been archived.

Mr Hunsinger asked the Chairperson for a deadline on additional information the Committee should submit prior to finalisation of the APP report.

The Chairperson asked the Committee Secretary and Committee Content Advisor to provide input on the process, timeframes and legal requirements the Committee is expected to use as guidelines for its submissions.

The Committee Secretary said that in terms of the normal process, APP's are tabled in Parliament around the end of March every year. The normal process is for a Committee to process the APPs along with the budget report. When the Committee debates on the budget and reports on it, the the APP is also finalised. Due to 2019 being an election year, the APPs were received after the elections. The Committee was not bound by deadlines but was bound to reporting on the APPs. There is sufficient time to process the report. The reason for the report being done now is due to the budget report having a specific deadline and it had to be finalised before the APP report. The budget report on the current APP will be finalised next year. There is no tight deadline for the APP report as Parliament needed to see that the Committee was working on it.

The Committee Content Advisor replied to Ms Ramadwa's question and advised that the APP report differed from the budget report. The budget report included the APP report, the Department's Strategic Plan and the Budget for 2019/20 year. This was always split the two reports between the Department and the entities. The report the Committee is currently considering focuses on the entities. The skeleton report requires the Committee's observations and recommendations in order for it to be finalised. There were many discussion points and clarification questions during the previous meeting but they were not captured to avoid confusion between clarity points and observations. The one liners serve as refreshers for the Committee. Rail safety may be included as an observation and the recommendation can be structured in such a way that it links back to the discussion on the BRRR. Should Members wish to submit additional comments on the report, this would be welcomed. The Department will convene in the next two weeks to finalise its Strategic Plan and APP in order to assist it in ensuring KPI's are better drafted. The Committee will take the Committee's [BRRR](#) recommendations into consideration.

The Chairperson reiterated that the Committee had sufficient time to submit written input on the Report in response to Mr Hunsinger's question.

Mr McDonald proposed the due date for the submissions be Thursday, 31 October 2019, by the close of business. Another meeting should then be convened to consider the recommendations.

The proposal was seconded by Mr Mabhena. Mr Mabhena said it is good practice for the Committee to make recommendations and convene to discuss them so as to set a precedent for future meetings and to avoid a similar scenario of a skeleton report being presented to the Committee. He referred to the meeting with RSR when he challenged it on its role of crafting a regulatory framework. RSR's role encompassed compliance by operators.

The Chairperson confirmed the due date for submissions as Thursday, 31 October 2019, by close of

business. The Committee Secretary would confirm the date of the next meeting.

Mr Hunsinger recalled the compiling of the programme of the engagement, prior to going into the BRRR process. There was a conversation around time allocation and how to manage it based on the number of entities that fall under the Portfolio Committee. The real problem was identified as the view versus the position of the Committee. As the Committee will be dealing with another four cycles of a similar process, he recommended a debriefing session immediately after the engagement is concluded with each entity. During the debriefing session, the Committee can distinguish between its oversight role being of a financial and strategic nature and from there, plant the seed for two different reports. The process will help in generating content for the report from an early stage.

The Chairperson agreed that Mr Hunsinger's recommendation was specific and sound.

Committee Minutes dated 22 October 2019

The Committee Content Advisor, briefly discussed the minutes of the Committee meeting dated 22 October 2019. She reiterated the importance of including a summary, the salient points raised, as well as observations of Members. Members will have a new BRRR in 2020 and the recommendations should feed into the budget review next year, hence the suggestion for additional recommendations to the Minister of Finance. The Finance Ministry will have to submit a reply to the recommendations in the budget review document that Treasury releases. In the budget next year, Members will have a comprehensive view of the Department's APP, Strategic Plan and its budget. The process will then be finalised. The following step will be the quarterly reports - these will include the KPI performance, spending and service delivery levels. The budget and quarterly reports will be followed by a more streamlined BRRR process. She thanked the Committee for its patience and input as it assisted in streamlining the processes. She will submit a draft by Friday, 1 November 2019, in preparation for the next meeting.

The Committee Secretary said that due to the Committee being fairly new, it is important to receive input from Members on how they prefer things to be done, so as to have a framework to adhere to.

The Chairperson raised Mr Hunsinger's point on party politics and cohesion as a Committee. Members should not drive their policies party agendas but persuade one another so that there is a Committee view or a Committee recommendation. He asked the Secretary, in the event of an oversight, if there was a report that was more detailed than just the minutes that may assist Members going forward.

The Committee Secretary advised that the content came from the meetings on the APP as opposed to oversight visits. It was the first time that the Committee interacted with the entities in terms of induction. Should Members decided on conducting oversight at an entity, the report will be more detailed in nature.

Ms Ramadwa replied that although it was an induction meeting, observations and recommendations were made that would assist the Committee with the APP report. She asked for a more detailed report based on the observations and recommendations made.

The Chairperson confirmed that the Committee Secretary had already addressed Ms Ramadwa's concerns.

Committee Minutes dated 22 October 2019 were adopted.

The meeting was adjourned.