



# ANNUAL REPORT

## 2020/21



## VISION

A Bargaining Council positioned to advance and influence change in the labour market environment.

## MISSION

Promoting sound labour relations through collective bargaining and dispute management, locally and internationally.

## VALUE STATEMENTS

Integrity

Efficiency

Accountability

Good governance

Equity



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# 1. Foreword

We are honoured to present to you the Annual Report of the Public Service Coordinating Bargaining Council (PSCBC) for the financial period 1 April 2020 to 31 March 2021. This Report will detail the activities and achievements of the PSCBC in the previous year which we trust you will find informative and enjoyable to read.

The year 2020 was unquestionably distinct. The world was hit by an invisible enemy, which necessitated drastic and immediate change that inevitably affected every sphere of society and normal ways of doing business. When the corona virus hit South Africa earlier in 2020, subsequently resulting in the national lockdown as declared by the President of the Republic in March 2020, we knew that we were to expect a year different from all others.

In light of the unprecedented challenges posed by the Corona Virus pandemic, the PSCBC adjusted its business model to deliver on its mandate and realise the core objectives within the constraints of the pandemic. Amid the challenges, 2020/21 presented an opportunity for the leadership to steer the organisation through innovative and responsive approaches to produce the quality outputs.

During the reporting period, Council successfully concluded and signed PSCBC Resolution 1 of 2020, which relates to the amendment of PSCBC Resolution 5 of 2001.

To honour its constitutional obligation, Council convened a successful virtual Annual General Meeting on 29 June 2020.

Once again, the PSCBC obtained an unqualified audit report concerning its overall undertakings for the year 2020/2021. This achievement alludes to the competence and persistence of PSCBC's management and robust corporate governance structure in the face of bleak economic forecasts.

A further commendable area is the investment toward capacity development for Council members and staff of the PSCBC through the International Labour Organisation (ILO) and other training programs which are detailed in the report. It is also important to mention that over and above our primary objectives, the PSCBC plays an important role through its Corporate Social Responsibility Initiatives by offering socio-economic support to the vulnerable local communities.

As the reporting period drew to a close, Parties to Council had initiated the process of Public Sector Wage Negotiations, with Labour having tabled their demands for consideration and further deliberations.

This report also gives us an opportunity to convey our appreciation to the Executive Committee, Council members, the General Secretary and the staff of the PSCBC for upholding the values of Council and making it possible for the PSCBC to grow from strength to strength.

It would be remiss for us not to acknowledge and recognise the selfless efforts of our frontliners who offered service during the peak of the Covid-19 pandemic and beyond. In this regard, we would like to salute all the public servants in their respective disciplines for the services they have offered to the country at large.

We also offer our sincere condolences to the families who that lost their members during this daunting period. In the same spirit, we pay tribute to our departed colleagues and comrades who have passed on during the reporting period. May their souls rest in power.



**PSCBC**

**ANNUAL REPORT 2020/21**

In closing, in the words of the former President of South Africa, the late Mr Nelson Mandela:

“I learned that courage was not the absence of fear, but the triumph over it. The brave man is not he who does not feel afraid, but he who conquers that fear.”

We wish to encourage the labour fraternity and the society at large to remain courageous and hopeful as we pursue our ambitions for a progressive South Africa.



Mrs Ingrid Dimo

**Chairperson**



Mr Casper Nanto

**Vice Chairperson - Labour**

## 2. Executive Summary

The year 2020 has been unique, to say the least. We could define it as a year of evolution toward a stronger corporate identity. The winds of change steered by the global Coronavirus pandemic have infiltrated every aspect of PSCBC's operations, from our activities to our engagements with stakeholders, and our day-to-day methods of doing business. Nonetheless, we have weathered the storm. We have assumed our organisational responsibilities and it is my pleasure to walk you through the major milestones of the 2020/2021 financial year and give you a taste of the commendable achievements which you will encounter throughout the report.

The promotion of labour peace in the public service through Collective bargaining and Dispute Management remains our top priority and we fervently ensure that we keep the vision of the PSCBC alive and relevant at all times. The Covid-19 pandemic presented daunting opportunities for PSCBC to effectively deliver on its mandate because most of the work, such as negotiations, conciliations, arbitrations, Council meetings, etc. had to be convened virtually, subsequent to the announcement of a national lockdown declared by President Cyril Ramaphosa on 23 March 2020.

The PSCBC supported the measures put in place by government to prevent the spread of the Covid-19 pandemic. In this regard, PSCBC ensured adherence to directives of by government by applying a twofold response strategy. Internally, we kept our employees informed about the relevant preventative measures and information on mental, physical and emotional wellness. We also provided our employees with protective face masks and offered them training on Covid-19 awareness. In addition, the PSCBC established a Covid-19 Committee and also developed a new policy on the Work-From-Home (WFH) model, which we later in 2020 workshopped staff on. Externally, we ensured that our stakeholders are kept abreast of the latest developments with regard to the activities of Council and developments around the pandemic through our website and social media platforms.

Owing to our need to always provide the best service and reasonable platforms for parties to engage, we deemed saw it imperative to invest in obtaining licences for online meetings on from Zoom and Microsoft Teams to allow unlimited access to online consultations. In addition, we have upgraded our boardroom IT facilities to swiftly accommodate virtual meetings and conferencing. These platforms have allowed us to expeditiously carry out our core functions and to deliver on our mandate, even under what eventually became the "new normal".

During the reporting period, the PSCBC facilitated and ensured a successful conclusion of the following collective agreement:

**PSCBC Resolution 1 of 2020**, which relates to the amendment of PSCBC Resolution 5 of 2001, annual leave. The agreement followed the President's declaration of a national state of disaster resulting from the outbreak of Covid-19 and the lockdown measures that were accordingly put in place to manage the spread thereof. The agreement was welcomed by all parties to Council and enjoyed the majority status on 29 June 2020.

Council honoured its constitutional obligation by successfully hosting a virtual 23rd Annual General Meeting (AGM) on 29 June 2020. The Annual Report for the 2019/20 Financial Year was presented at the AGM and endorsed by Parties.



The PSCBC held a two-day Dispute Management Committee Workshop from 11 to 12 November 2020 in Pretoria. The purpose of the workshop was to deliberate on the Dispute Management Processes, including Enforcement Procedure in the Public Service in terms of section 33 and 33A of the LRA.

In its quest to continually build the capacity of its constituencies, Council participated at the following international conferences:

**SASLAW 23rd Annual Hybrid Conference from 5-6 November 2020.** The virtual conference brought together labour law practitioners, HR and IR professionals, trade union officials, public sector employees, and people interested in the discipline of labour law, for discussions on Collective Bargaining issues, as well as other important issues in the labour sector.

**ALLS Hybrid Conference from 23-24 November 2020** under the theme: Decent work in Developing African Countries: Contemporary Legal and social challenges. The Conference presented a platform for member countries to share experiences with Covid-19 and the impact this has had on employment. Council also presented a paper at the conference on Bargaining Councils pre and post the Covid-19 pandemic.

PSCBC, jointly with General Public Service Sector Bargaining Council (GPSSBC) and the Public Service Sector Education & Training Authority (PSETA), conducted an **Awareness Training Programme on COVID-19 Occupational Health and Safety and Workplace readiness** for the Public Service. The Workshops were conducted across all the nine Provinces in November 2020.

**The PSCBC 2020 Women's Day commemoration was convened virtually on 27 August 2020** under the topic: Covid-19 - A game changer: The event comprised a panel of speakers who that lead interesting discussions and deliberated on a range of issues affecting women, particularly within the context of trying times resulting from the Covid-19 pandemic.

In a year when the need was greater than ever, the PSCBC rose to the occasion and embarked on the following **Corporate Social Responsibility (CSR)** interventions, which will be outlined in detail under the Communications Section of this report:

We donated medical equipment, masks and sanitizers to the Olievenhoutbosch Clinic in Pretoria. We further donated PPE's, mattresses and blankets to the 10th Commandment Community Care Centre (A Rehabilitation Centre in Tembisa) to alleviate some of the strain experienced during the pandemic.

One of the contentious issues that Council grappled with in this period was the non-implementation of PSCBC Resolution 1 of 2018. However, as per clause 16.3 of the PSCBC constitution and PSCBC Resolution 03 of 2017, Council commenced started the process of negotiations for a wage adjustment and other conditions of service on 1 March 2021 with the submission of demands from Labour. These negotiations take place against the backdrop of the application for leave to appeal the Labour Appeal Court judgement on the implementation of Clause 3.3 of PSCBC Resolution 1 of 2018, at the Constitutional Court. In facilitating the process, the PSCBC is duly aware of these challenges and fully respects the view and opinion of both parties to council.

In a year of turmoil, the PSCBC has remained strong because of our values — *Integrity, Efficiency, Accountability, Good Governance, Equity*, which that are the underpinnings of our focus on doing what is right. These are values that have guided our processes for 23 years and are even more relevant to the challenges brought on by Covid-19.

In conclusion, I would like to convey my gratitude to the leadership of Council, as well as stakeholders and staff who have remained committed to the PSCBC vision in the past year. A huge thank you as well to the frontliners who boldly confronted the pandemic head on by showing commitment to serving South Africa, even during the most daunting time.

Finally, I would like to extend words of comfort and condolences to those who have lost their loved ones due to Covid-19. I trust that better days are yet to come and the sun will shine again.



Mr Frikkie De Bruin

**General Secretary**

## 3. LEGISLATIVE MANDATE

### 3.1 Overview

The Public Service Co-ordinating Bargaining Council (PSCBC) (the Council), whose Constitution was registered on 13 October 1997, was established in terms of Section 35 of the Labour Relations Act (LRA), No. 66 of 1995, as amended. The Constitution was periodically reviewed and amended to accommodate the needs of the Council.

In performing its functions, the Council has a legislative mandate as per Section 37 of the LRA to deal with matters that:

- (a) are regulated by uniform rules, norms and standards that apply across the Public Service;
- (b) apply to terms and conditions that apply to two or more Sectors; and
- (c) are assigned to the State as Employer in respect of the Public Service and that are not assigned to the State as Employer in any other Sector.

In establishing the Council, the LRA sought to provide a platform for the State as the Employer, and the Public Service Unions as Social Partners to engage constructively over matters of Mutual Interest.

### 3.2 Objectives

The Constitution lists the following objectives for the Council:

The objectives of the Council, within its registered scope, are to:

- (a) generally enhance labour peace in the Public Service;
- (b) promote a sound relationship between the Employer and its Employees;
- (c) in terms of the Act and its constitution, negotiate and bargain collectively to reach agreement on matters of mutual interest to the Employer and Employees represented by admitted Trade Unions in the Council;
- (d) provide mechanisms for the prevention and resolution of Disputes between—
  - (i) the Employer and Trade Unions admitted to the Council;
  - (ii) the Employer and Trade Unions not admitted to the Council; and
  - (iii) the Employer and Employees,where the Employer has the requisite authority to resolve such Disputes;
- (e) conclude, supervise and enforce Collective Agreements;
- (f) comply with its powers and duties in terms of the Act and its constitution;
- (g) consider and deal with such other matters as may affect the interests of the Parties to the Council; and

- (h) promote effective communication and co-ordination between the Council and sectors designated in terms of **clause 21.3** of its Constitution.

### 3.3 Powers and duties

The powers and duties of the Council are to:

- (a) negotiate and conclude Collective Agreements in respect of matters regulated by Section 36(2) of the Act, which may include negotiating minimum standards on such matters;
- (b) supervise and enforce Collective Agreements concluded in the Council;
- (c) prevent and resolve Labour Disputes;
- (d) resolve Disputes between the Parties to the Council in terms of the Act and the Dispute Resolution Procedures of the Council;
- (e) resolve the Disputes of Parties who are not Parties to the Council, but who fall within the registered scope of the Council, in terms of Section 51(3) of the Act and the Dispute Resolution Procedures of the Council;
- (f) establish and administer a fund to be utilised for resolving Disputes, Collective Bargaining and general administration of the Council and the Sectoral Councils;
- (g) develop proposals for submission to NEDLAC or any other appropriate forum on policy and legislation that may affect Labour Relations in the Public Service;
- (h) determine by Collective Agreement those matters which may not be an issue in dispute for strike or a lock-out;
- (i) designate Sectors, vary their scope, amalgamate or disestablish Sectoral Councils in the Public Service;
- (j) co-ordinate, among the Sectoral Councils, and between such Councils and the Council, the functions and operations of such Councils, including those related to Collective Bargaining and Administration;
- (k) determine, in consultation with Sectoral Councils, appropriate standards of financial control and service that such Councils must maintain;
- (l) provide operational services to Sectoral Councils, if they contribute to efficiency or administrative convenience, and are appropriate for the sharing of skills, expertise or resources, including the following:
  - (i) providing policy and guidelines regarding the appointment, training and payment of Panellists;
  - (ii) management and maintenance of Case Management Systems and Policy;
  - (iii) training of Users and Parties regarding the dispute resolution framework in the Public Service;
  - (iv) provision to the Public, the Parties and the Sectoral Councils of information services relevant to the functions of the Council;
  - (v) providing accommodation to Sectoral Councils, except for the ELRC;

- (vi) formulation and maintenance of Human Resource Policy and systems for the Council and Sectoral Councils, and training of their staff;
- (vii) collection of uniform Levies from Employees and the Employer, and proportional disbursement of such Levies to Sectoral Councils; and
- (viii) the determination of uniform Levies by the Council and the effective date thereof.
- (m) where a Sectoral Council becomes dysfunctional in the view of the Council, and in consultation with such Council, provide such assistance and fulfil such functions as are required;
- (n) raise, borrow, lend, levy and invest funds; and
- (o) exercise any other power or duty that may be necessary or desirable to achieve the objectives of the Council.

## 4. GOVERNANCE STRUCTURES

### 4.1 Leadership

Clause 13.2 of the PSCBC Constitution provides for the election/appointment of a Chairperson and Vice-Chairpersons of Council, who serve for a 24-month term.



**Ms Ingrid Dimo**  
**PSCBC Chairperson**



**Mr Casper Nanto**  
**PSCBC Vice Chairperson**  
**(Labour)**



**Mr Frikkie De Bruin**  
**PSCBC General Secretary**

## 4.2 Executive Committee (EXCO)



**Main Member**  
**Nomsa Rilityane - DPSA**



**Alternate Member**  
**Victor Sakala - DPSA**



**Main Member**  
**Maile Ngake - DOH**



**Alternate Member**  
**Johan Griesel - SAPS**



**Main Member**  
**Mmapitso Mashele - DAFF**



**Alternate Member**  
**Salie Faker - DBE: WC**



**Main Member**  
**Louise Esterhuyse - OTP: WC**



**Alternate Member**  
**Bassie Malwane - NWPG**



**Main Member**  
**Simphiwe Gada - DENOSA**



**Alternate Member**  
**Thandeka Msibi - DENOSA**



**Main Member**  
**Mompoti Galorale - SADTU**



**Alternate Member**  
**Shiyinduku Thwala - SADTU**



**Alternate Member**  
**Johan Griesel - SAPS**



**Alternate Member**  
**Basil Manuel - NAP TOSA**



**Main Member**  
**Oupa Sebiloane - POPCRU**



**Alternate Member**  
**Thulani Ngwenya - POPCRU**

### 4.3 Financial Committee (FINCOM)

The FINCOM, which is a sub-committee of the EXCO of the Council, makes recommendations to the EXCO on financial matters. The following members served on the FINCOM for the reporting period:



**Nobukhosi Xulu**  
**NEHAWU**



**Alida Portland**  
**DENOSA**



**Lindiwe Motswane**  
**SADTU**



**Sebuti Masemola**  
**POPCRU**



**Herman Brynard**  
**DPSA**



**Khabonina Masemola**  
**National Treasury**



**Andile Mnone**  
**DPSA**

## 5. COLLECTIVE BARGAINING UNIT CBU

### 5.1 Overview

The primary function of the PSCBC is to negotiate and conclude collective agreements in respect of matters regulated by Section 36(2) of the Labour Relations Act (the LRA).

The PSCBC has as parties to Council the eight Principal Trade Unions within the Public Service (*DENOSA, HOSPERSA, NAPTOSA, NEHAWU, POPCRU, PSA, SADTU and SAPU*) and the State as Employer, represented by the Department for Public Service and Administration (*DPSA*).

The PSCBC is also empowered in terms of its constitution and the Act to establish structures, and may choose to delegate some of its functions to these structures, within the confines of its constitution. The following are the structures within the PSCBC:

- The PSCBC Executive Committee (EXCO)

*May, amongst others, exercise and perform the powers, functions and duties of the Council relating to governance and administration matters.*

- PSCBC Committees/ Task Teams

*Execute the functions and duties delegated by Council and report back to Council.*

- PSCBC Provincial Chambers

*Amongst others, negotiate and conclude collective agreements within their area of jurisdiction, and supervise and enforce such agreements. Deal with matters within their jurisdiction or referred to or delegated to them by Council.*

Collective Bargaining Unit (CBU) is a Unit within the PSCBC responsible for providing a platform for negotiations in the public service. Through the CBU, the PSCBC is able to provide an effective and efficient platform through which Council structures in the public service are able to bargain collectively and conclude agreements on matters of mutual interest within the sector.

The report to follow will be highlighting the work done by the CBU during the reporting period, with focus on the following:

- Meetings of Council and EXCO, including Wage Negotiations;
- Stakeholder Reports and Presentations to the Council (GEMS/GEPF/GPAA/GEHS Processes);
- Provincial Co-ordinating Chambers of the PSCBC;
- 2020/2021 Resolutions;
- New and existing Committees and related reports;
- Capacity Building for Parties to Council;
- Research, and
- The Year Ahead.



## 5.2 Meetings

The constitution of the PSCBC provides that Council must meet once every month and one such meeting must be the Annual General Meeting. Additional meetings may be called as and when there are specific/urgent matters to be addressed.

The constitution also provides that the PSCBC EXCO must meet at least once every 3 months. In addition, special EXCO meetings may be called to address specific/urgent matters.

### 5.2.1 2021/2022 – WAGE NEGOTIATIONS

The term of the PSCBC Resolution 1 of 2018 came to an end on 31 March 2021. A new agreement on the cost of living adjustment and conditions of service had to be concluded for the 2021/2022 cycle.

On 01 March 2021, Labour tabled a list of demands in line with Clause 16.1 of the PSCBC constitution for the Employer to consider.

The tabling of the demands put into motion a process outlined in the PSCBC Resolution 3 of 2017 (*Negotiation Protocol Agreement*), and on 15 and 16 March 2021, the PSCBC held the pre-negotiations session for the wage negotiations at Valley Lodge in Magaliesburg. 15 March 2021 was set aside for party caucuses, with the pre-negotiation session allocated for 16 March 2021.

The pre-negotiation session was conducted by the Chairperson of Council and it involved presentations by Organized Labour, the Employer, Standard Bank and Bowmans Law Firm on the economic outlook of the Country.

There was an intense debate on the fiscal strategy of Government and the ability of the State to adjust the cost of living of public servants as per the demands tabled by Labour. However, there was a meeting of minds when coming to the following:

- Covid-19 pandemic being one of the issues that created challenges in the country.
- The public service not being bloated.
- Fraud, maladministration, wastage and corruption in government.
- Prevailing inequalities, poverty and the growing unemployment in the country.

- Bail-out of SOEs caused by poor governance and management.

In line with the constitution and clause 3.1 of the PSCBC Resolution 3 of 2017, the session agreed on a wage negotiation timetable.

By the end of the reporting period, parties had not yet begun the negotiations; however, few meetings were held for parties to continue to share information and have discussions on the negotiations process to be followed.

The graph below illustrates the number of Council, EXCO and special Council meetings related to wage negotiations that were held during the reporting period:



### 5.3 Stakeholder reports and presentations to council

During the reporting period, the following reports and presentations were received from stakeholders of Council:

#### 5.3.1 Government Employees Pension Fund (GEPF)

The GEPF brought the following matters to Council for consideration:

#### 5.3.2 Government Employees Pension Ombud

The GEPF presented the intension of its Board of Trustees (BOT) to establish the complaints handling mechanism in the form of a voluntary Government Employees Pension Ombud.

A workshop to discuss the matter further would be conducted in the next reporting period.

#### 5.3.3 Interim Actuarial Valuation

The GEPF notified Council that, given the prevailing economic climate of the Country, the GEPF-BOT took a decision to postpone the statutory valuation to March 2021. This was to protect members from the adverse effect that would have resulted if the Factors were adopted based on abnormal assumptions.

#### **5.3.4 The Supreme Court of Appeal Judgement on the matter between the PSA and others vs GEPF and Others**

The GEPF brought the Supreme Court of Appeal ruling on the issue of consultation to the attention of Council, given the implications it could have for to the PSCBC.

#### **5.3.5 Pension Backed Housing Guarantee Law Amendment**

The GEPF presented the proposed Law Amendments on Pension Backed Housing Guarantee.

The matter will be addressed as part of the agenda for the GEHS Working Committee in the next reporting period.

The report on the GEHS Consultative Structure is covered under Committee Reports.

#### **5.3.6 Government Employees Medical Aid Scheme (GEMS)**

GEMS presented the following matters during the reporting period:

- 2021 Membership Growth Assumption
- CPI and SEP Assumption
- Other Assumptions
- Tariffs
- Benefit Changes
- Affordability Compared to other Schemes
- % of income spent on contributions
- 0% Contribution Increase
- 5% Contribution Increase
- Recommended Contribution Increase
- Recommended 6.75% Contribution Increase
- Implementation of the 2021 contribution increases and the adjustment of medical subsidy for employees who are members of gems.

#### **5.3.7 PAST DISCRIMINATORY PRACTICES - GPAA**

Council continues to monitor the implementation of Resolution 2 of 2018 in terms of addressing the Past Discriminatory Practices.

The matter is expected to be closed in the next reporting period.

#### **5.3.8 Government Employees Housing Scheme (GEHS)**

The GEHS Consultative Structure was revived during the reporting period and will commence work in the next reporting period.

## 5.4 2020/2021 RESOLUTIONS

Council concluded a single resolution in the reporting period:

### 5.4.1 PSCBC RESOLUTION 1 OF 2020 - AGREEMENT ON THE AMENDMENT OF PSCBC RESOLUTION 5 OF 2001 - ANNUAL LEAVE

The agreement was concluded following the concerns by public servants that at the end of June 2020, some of them would lose the leave credits that they were not able to utilise as a result of the lockdown that was introduced subsequent to the Covid-19 outbreak.

The Agreement was a once off arrangement for purposes of the 2019 annual leave cycle; it adjusted clause 7.1(d) of PSCBC Resolution 5 of 2001 to read as follows for the 2019 leave cycle:

*"The remaining days of the unused leave cycle shall be utilised within a 24-month period. The 24-month period will end 31 December 2020. All remaining unused leave for the 2019 annual leave cycle shall fall away thereafter. However, where leave due is not taken due to the employer's service delivery requirements, such leave shall be paid at the end of the 24 month period."*

The adjustment meant that public servants would have a six months extension within which to utilise the capped leave that they would have forfeited at the end of June 2020.

The Agreement was welcomed and enjoyed the 100% majority status on 29 June 2020.



### 5.4.2 STATUS REPORT: IMPLEMENTATION OF PSCBC RESOLUTION 1 OF 2018

In the last quarter of the 2019/2020 reporting period, the Employer approached Council with the request to review clause 3.3 of the PSCBC Resolution 1 of 2018 (the Agreement), as it had been established that the State could not afford to implement the last leg of the Agreement.

Clause 3.3 of the Agreement provided as follows:

The salary adjustment for the period 01 April 2020 to 31 March 2021, effective from 01 April 2020, for employees on salary levels 1 to 12 will be as follows:

- Levels 1 to 7 : Projected CPI + 1.0%
- Level 8 to 10 : Projected CPI + 0.5%

- Level 11 to 12 : Projected CPI

As the parties deadlocked, a dispute was declared. The matter went as far as the Labour Appeal Court (LAC), where an application was made by some of the parties on the side of Labour for an order to enforce the implementation of the collective agreement for the 2020/2021 financial period.

The application was opposed by the DPSA and National Treasury. A counter-application was filed by National Treasury with the LAC seeking an order declaring the salary increases for the 2020/2021 financial period unlawful and invalid.

The LAC ruled in favour of National Treasury by declaring that the salary increases for the 2020/2021 financial period were unlawful and invalid, because the Executive contravened certain regulations in agreeing to the salary increases without National Treasury's approval.

Labour has now referred the matter to the Constitutional Court to have the LAC judgment reversed. The Constitutional Court is expected to hear the matter in the next reporting period.

## **5.5 COMMITTEES**

Committees are established in terms of clause 18 of the constitution of the PSCBC to assist and support the collective bargaining process of Council.

### **COMMITTEES ESTABLISHED IN THE REPORTING PERIOD**

#### **5.5.1 PSCBC Bursary Committee**

Clause 9.2 of the PSCBC Resolution 2 of 2019, required the Employer to conduct an investigation to determine the feasibility of providing a bursary scheme for children of public service employees.

The investigation was conducted and the report thereof was presented to Council.

Council took a decision to establish the Bursary Committee to look into the recommendations from the investigation.

The terms of reference for the committee will be finalized in the next reporting period.

The matter is also part of Labour's demands for the 2021/2022 wage negotiations.

#### **5.5.2 PSCBC GEHS Consultative Structure**

The GEHS Consultative Structure was created following growing concerns from Labour in Council that very little was happening in terms of ensuring that Council receives reports on the progress made.

During the period under review, the Consultative Structure was in the process of finalising the terms of reference for consideration by EXCO and endorsement by Council.

Part of the mandate of the Consultative Structure has been tabled by Labour as a demand in the 2021/2022 wage negotiations.

### **5.5.3 PSCBC Working Committee on Essential Services**

Section 72 of the LRA allows for parties to negotiate and conclude a collective agreement that provides for the maintenance of minimum services for a designated essential service.

Council established the Working Committee on Essential Services to consider minimum services for each designated essential service in the public service, and make recommendations to Council.

The terms of reference for the Working Committee will be finalised in the next reporting period.

### **5.5.4 PSCBC Committee on the Management of Trade Union Membership**

The Committee was established to commence work toward implementing the decisions taken at the strategic planning session on trade union membership.

EXCO and Council endorsed the Committee's terms of reference.

The Committee has commenced work on its mandate, and Council would receive reports in the next reporting period.

## **COMMITTEES FROM THE PREVIOUS REPORTING PERIODS STILL IN OPERATION**

### **5.5.5 GEMS Working Committee**

The GEMS Working Committee was established in terms of Resolution 4 of 2017 to consider the performance of the Scheme on an ongoing basis.

The Committee has been working on the following in the reporting period:

- 2021 Benefit Design Training
- Feedback on Board of Trustees Elections 2020 and 2020 AGM
- Feedback on Board Composition Appeal
- Presentation: Update on Covid-19
- GEMS Satisfaction Survey
- GEMS Health 2020

### **5.5.6 National Implementation Task Team (NITT)**

The NITT was established in terms of Clause 8.1.1 of Resolution 1 of 2019 to monitor the 2019 reconfiguration of government departments at a national level and report to Council.

The NITT has been monitoring the commendable work done by the Departmental and Provincial Task Teams

in ensuring the implementation of Resolution 1 of 2019. The NITT continued to receive requests for workshops on the implementation of Resolution 1 of 2019. The table below illustrates the workshops requested and conducted in the reporting period:

| STRUCTURE              | DATE             |
|------------------------|------------------|
| Northern Cape Province | 19 November 2020 |
| KwaZulu-Natal Province | 17 November 2020 |



The table below illustrates the work done by the task teams and the status as at 31 March 2021:

| NEW PORTFOLIO                                                    | AFFECTED DEPTS. | PROCESS  | STATUS    |
|------------------------------------------------------------------|-----------------|----------|-----------|
| <b>NATIONAL DEPARTMENTS</b>                                      |                 |          |           |
| Dept. of Agriculture, Land Reform and Rural Development (DALRRD) | DAFF and DRLR   | Merger   | Pending   |
| Dept. of Mineral Resources and Energy (DMRE)                     | DMR and DOE     | Merger   | Finalised |
| Dept. of Sport, Arts and Culture (DSAC)                          | SRSA and DAC    | Merger   | Finalised |
| Department of Communications and Digital Technologies (DCDT)     | DOC and DTPS    | Merger   | Finalised |
| Department of Trade, Industry and Competition (DTIC)             | the dti and EDD | Merger   | Finalised |
| Department of Women, Youth and Persons with Disabilities (DWYPD) | DPME and DOW    | Transfer | Finalised |
|                                                                  | DSD and DOW     |          | Finalised |

| NEW PORTFOLIO                                                | AFFECTED DEPTS.              | PROCESS  | STATUS    |
|--------------------------------------------------------------|------------------------------|----------|-----------|
| The Presidency                                               | DPME and The Presidency      | Transfer | Finalised |
| Department of Communications and Digital Technologies (DCDT) | DOC, GCIS and The Presidency | Transfer | Finalised |
| Department of Environment, Forestry and Fisheries (DEFF)     | DEA and DAFF                 | Transfer | Pending   |
| Department of Public Works and Infrastructure (DPWI)         | NT and DPW                   | Transfer | Pending   |
| Department of Public Works and Infrastructure (DPWI)         | DPW and EDD                  | Transfer | Finalised |
| <b>PROVINCES</b>                                             |                              |          |           |
| North West                                                   | 6 Departments                | Transfer | Finalised |
| Limpopo                                                      | 2 Departments                | Merger   | Finalised |
| Gauteng                                                      | 3 Departments                | Transfer | Finalised |
| Northern Cape                                                | 2 Departments                | Merger   | Pending   |

### 5.5.7 Covid-19 Committee

The Committee was established in the previous reporting period following the declaration of the national state of disaster by the President as a result of Covid-19 outbreak and the measures that were subsequently put in place to manage the spread thereof. The Committee was tasked with the responsibility to constructively engage on how to implement the control measures within the public service as announced at different levels of the pandemic.

In the reporting period, deliberations centred centered largely on whether or not to conclude a collective agreement to manage comorbidities in the public service.

While there was no agreement to conclude a collective agreement on the matter, the Employer committed to develop mechanisms to address crisis situations going into the future.

The matter was removed from the agenda of Council to afford the Employer time to finalise the draft framework.

It also has to be noted that the conclusion of a collective agreement to deal with disaster management forms a part of Labour's demands for the 2021/2022 wage negotiations.

### 5.5.8 Constitutional Amendment Committee

The Committee began its work in July 2019 and had set aside days to have extensive deliberations on the inputs made. However, due to the impact of Covid-19 in the Country, the issues relating to the implementation of the last leg of PSCBC Resolution 1 of 2018, and the 2021/2022 wage negotiations, the Committee has not been able to convene as planned.

## 5.6 Provincial Co-Ordinating Chambers of the PSCBC

Provincial Co-ordinating Chambers of the PSCBC were established in all Provinces in terms of Resolution 9/2003 as amended by Resolution 2 of 2005, which provides guidelines on the functioning of the Chambers.

### 5.6.1 CHAMBER MANAGEMENT COMMITTEES

The management committees of Chambers comprise the Chairperson, the Vice-Chairperson - Employer, the Vice Chairperson - Labour and the Secretary of the Chamber. The role of these structures is to ensure that Chambers comply with the provisions of Resolution 9 of 2003 as amended by Resolution 2 of 2005.

Decisions of the management committee must be reached through consensus. In the event that consensus cannot be reached, such matters shall be referred directly to the Chamber.

The table below illustrates the management committees in all the nine provinces for the reporting period:

| PROVINCE                   | MANAGEMENT COMMITTEE MEMBERS                                                                                                                                             |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Eastern Cape<br>(CCPECP)   | Chairperson: Vacant<br>Vice-Chairperson - Employer: Vacant<br>Vice-Chairperson - Labour: Mr T. Koya<br>Secretariat: Mr T. Tshinavha (PSCBC)                              |
| Free State<br>(CCPFSP)     | Chairperson: Ms A. Matiwane<br>Vice-Chairperson - Employer: Mr A. Mopeli<br>Vice-Chairperson - Labour: Mr P.J. Mpiti<br>Secretary: Mr R. Thurston (Seconded by Employer) |
| Gauteng<br>(CCPGP)         | Chairperson: Mr. V. Mbense<br>Vice-Chairperson - Employer: Vacant<br>Vice-Chairperson - Labour: Ms J. James<br>Secretariat: Mr T. Tshinavha (PSCBC)                      |
| Kwazulu-Natal<br>(CCPKZNP) | Chairperson: Mr S. Nene<br>Vice-Chairperson - Employer: Vacant<br>Vice-Chairperson - Labour: Vacant<br>Secretariat: Mr T. Tshinavha (PSCBC)                              |
| Limpopo<br>(CCPLP)         | Chairperson: Mr M. Chilwane<br>Vice-Chairperson - Employer: Mr S. Ntwampe<br>Vice-Chairperson - Labour: Ms K Matome<br>Secretary: Mr T. Mphahlele (PSCBC)                |
| Mpumalanga<br>(CCPMP)      | Chairperson: Mr M. Mabasa<br>Vice-Chairperson - Employer: Vacant<br>Vice-Chairperson - Labour: Vacant.<br>Secretariat: Mr T. Mphahlele (PSCBC)                           |
| North West<br>(CCPNWP)     | Chairperson: Mr T. Modiboa<br>Vice-Chairperson - Employer: Mr O. Tshekoesele<br>Vice-Chairperson - Labour: Vacant<br>Secretariat: Mr T. Tshinavha (PSCBC)                |
| Northern-Cape<br>(CCPNCP)  | Chairperson: Rodger Scholtz<br>Vice-Chairperson - Employer: Thabo Ntsheno<br>Vice-Chairperson - Labour: Vacant<br>Secretariat: Mr T. Mphahlele (PSCBC)                   |
| Western Cape<br>(CCPWCP)   | Chairperson: Mr E Mfingwana<br>Vice-Chairperson - Employer: Ms C. Esau<br>Vice-Chairperson - Labour: Ms A. Mosefic<br>Secretariat: Mr T. Mphahlele (PSCBC)               |

### 5.6.2 Chamber meetings - April 2020 to March 2021

The national state of disaster announced by the President on 26 March 2020 and the various lockdown restrictions that followed thereafter, meant that Chambers could not meet and engage on issues as per the norm.

Considering the state of affairs, Council took a decision to hold meetings on a virtual basis. This was mainly to ensure that parties at national and provincial level continue to engage, most importantly, on the safety of employees during the pandemic, and further, to ensure that they do so in the safety of their homes or areas convenient for them.

Challenges were experienced in the initial stages of virtual meetings. There were issues of members not having data or being unfamiliar with technology, the lack of resources and network stability, amongst others. Since a number of Chamber meetings were not quorate, they could not continue.

In worst cases, after the President of the Republic announced the issue of gatherings, Chambers were allowed to hold physical meetings, provided that they commit to reduce the number of members to attend meetings, and they prove to Council that they have secured a venue that can ensure adequate social distancing and adhering to Covid-19 protocols by those attending.

For the better part of the reporting period, the majority of Chambers managed to hold successful virtual meetings. Council is not oblivious to virtual fatigue and calls for the return to physical meetings; however, the safety of parties is a priority, particularly when considering the anticipated third wave of infections in the coming winter months.

The return to normality is something that Council is likely to consider in the third quarter of the next reporting period, subject to the lifting of the declaration of the national state of disaster.

#### CCPECP

No meetings were held; the Chamber is awaiting the intervention by Council.

#### CCPFSP

|                  |   |                  |
|------------------|---|------------------|
| 21 August 2020   | - | Normal           |
| 21 August 2020   | - | AGM              |
| 06 November 2020 | - | Normal/No Quorum |
| 19 February 2021 | - | Normal           |

#### CCPGP

|                  |   |                    |
|------------------|---|--------------------|
| 15 July 2020     | - | Normal/No Quorum   |
| 12 August 2020   | - | Normal/ Reconvened |
| 28 August 2020   | - | AGM                |
| 02 October 2020  | - | Normal             |
| 11 February 2021 | - | Special/No Quorum  |
| 23 February 2021 | - | Special            |

|               |   |         |
|---------------|---|---------|
| 04 March 2021 | - | Special |
| 19 March 2021 | - | Normal  |
| 29 March 2021 | - | Special |

#### **CCPKZNP**

|                   |   |                   |
|-------------------|---|-------------------|
| 27 July 2020      | - | Normal            |
| 20 August 2020    | - | AGM               |
| 15 September 2020 | - | Special           |
| 23 October 2020   | - | Normal/ No Quorum |
| 29 October 2020   | - | Reconvened        |
| 25 November 2020  | - | Special/No Quorum |
| 01 December 2020  | - | Reconvened        |
| 12 February 2021  | - | Normal/No Quorum  |
| 24 February 2021  | - | Reconvened        |

#### **CCPLP**

|                   |   |                  |
|-------------------|---|------------------|
| 11 August 2020    | - | Normal/No Quorum |
| 25 August 2020    | - | Reconvened       |
| 28 August 2020    | - | AGM              |
| 04 September 2020 | - | Special          |
| 14 December 2020  | - | Normal           |
| 15 February 2021  | - | Normal           |
| 23 February 2021  | - | Special          |
| 24 March 2021     | - | Special          |

#### **CCPMP**

|                  |   |                  |
|------------------|---|------------------|
| 24 July 2020     | - | Normal/No Quorum |
| 04 August 2020   | - | Reconvened       |
| 14 August 2020   | - | AGM              |
| 30 October 2020  | - | Normal           |
| 05 February 2021 | - | Normal           |

#### **CCPNWP**

|                |   |         |
|----------------|---|---------|
| 26 June 2020   | - | Normal  |
| 17 July 2020   | - | Special |
| 29 July 2020   | - | Special |
| 14 August 2020 | - | AGM     |

|                  |   |                   |
|------------------|---|-------------------|
| 09 October 2020  | - | Normal            |
| 06 November 2020 | - | Normal/No Quorum  |
| 19 November 2020 | - | Reconvened        |
| 08 December 2020 | - | Special/No Quorum |
| 05 March 2021    | - | Normal/No Quorum  |
| 16 March 2021    | - | Reconvened        |

#### **CCPNCP**

|                  |   |                  |
|------------------|---|------------------|
| 06 June 2020     | - | Normal/No Quorum |
| 17 June 2020     | - | Reconvened       |
| 20 August 2020   | - | Normal and AGM   |
| 09 December 2020 | - | Normal           |
| 11 March 2021    | - | Normal/No Quorum |
| 23 March 2021    | - | Reconvened       |

#### **CCPWCP**

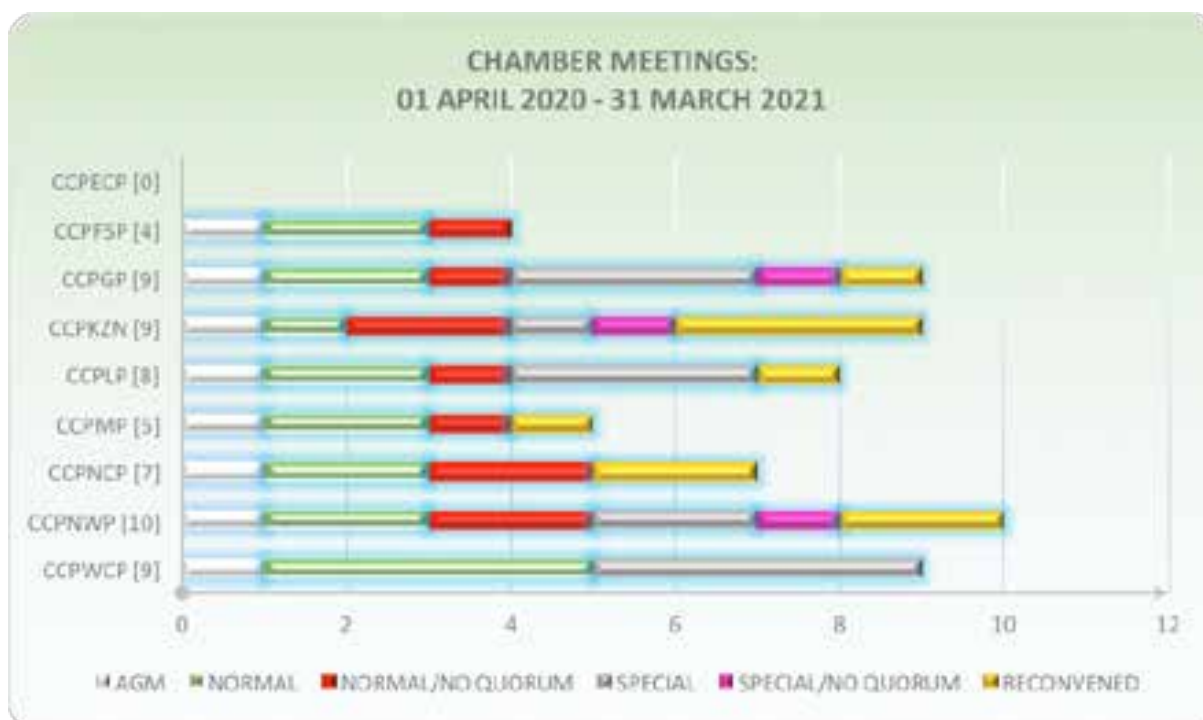
|                   |   |         |
|-------------------|---|---------|
| 28 May 2020       | - | Special |
| 19 June 2020      | - | Normal  |
| 31 July 2020      | - | Special |
| 21 August 2020    | - | AGM     |
| 09 September 2020 | - | Special |
| 17 September 2020 | - | Normal  |
| 05 October 2020   | - | Special |
| 24 November 2020  | - | Normal  |
| 12 March 2021     | - | Normal  |



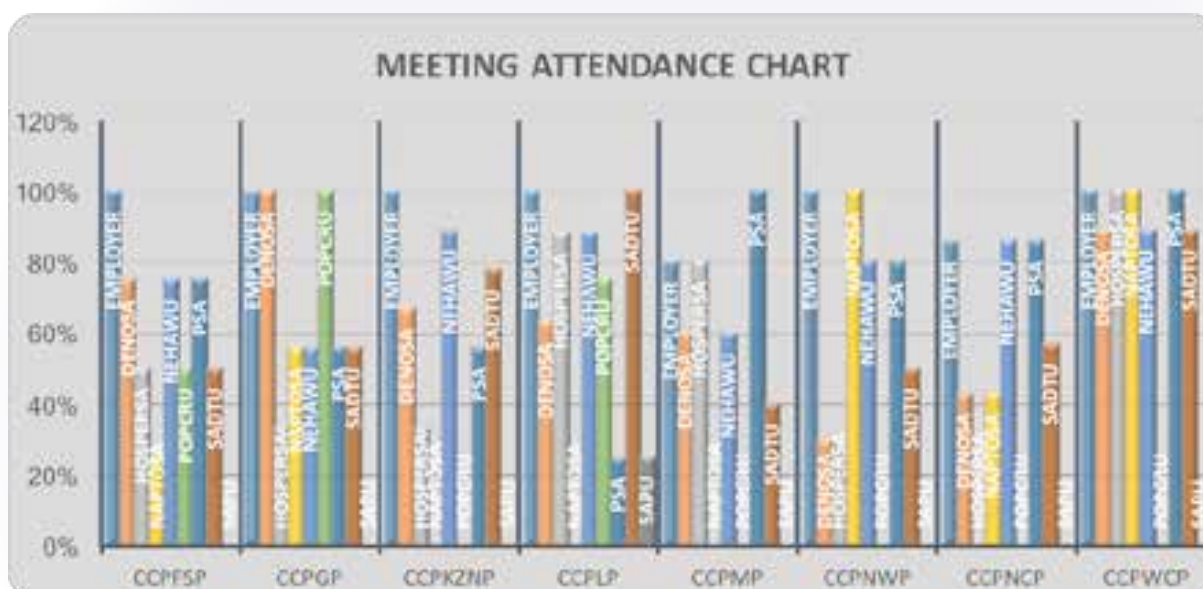
**PSCBC**

**ANNUAL REPORT 2020/21**

The graphs below illustrate the number of chamber meetings held in various provinces during the reporting period:



The graphs below illustrate the overall attendance of parties in each province over the reporting period



### 5.6.3 COMMON AGENDA ITEMS

The table below illustrates the common agenda items discussed in Chambers in the reporting period:

| AGENDA ITEM                                              | CHAMBERS                             |
|----------------------------------------------------------|--------------------------------------|
| Filling of Vacant Funded Posts                           | CCPECP, CCPLP, CCPMP, CCPNWP, CCPNCP |
| Occupational Health and Safety                           | CCPECP, CCPGP, CCPNCP, CCPWCP        |
| Safety of Staff in all Provincial Government Departments |                                      |
| Conditions of Buildings                                  |                                      |

### 5.6.4 Chamber intervention sessions

The CCPECP was the only Chamber with challenges in the reporting period. In the previous reporting period, Labour in the CCPECP had declared the Chamber dysfunctional. Since then, the Chamber has not been able to meet, and a request was made to Council for intervention.

It has been a challenge for Council to convene the physical intervention session in the reporting period due to the Covid-19 outbreak and the effects thereof.

The need to bring the CCPECP back into operation is important to Council and there is a plan to put a process in place in the next reporting period to assist parties to find a solution to the impasse.

It emerged clearly in Annual General Meetings of Chambers that more training needs to come to Chambers. This was one area that Council had planned to see through in the reporting period. Unfortunately, this was also affected by the pandemic.

Plans are in place to work around the challenges in the next reporting period to ensure that Chambers receive the necessary training to enhance the quality of negotiations at provincial level.

## 5.7 Capacity building for parties to council

This is one of the areas that has been experiencing difficulties in seeing it through amid the pandemic. However, Council did its best to ensure that it continued to deliver on the objective to develop and capacitate its members, despite the restrictions put in place to curb and manage the spread of Covid-19.

Council negotiators attended the following capacity building programs during the reporting period:

### 5.7.1 SASLAW 23<sup>rd</sup> Annual Hybrid Conference

Council attended the SASLAW 23<sup>rd</sup> Annual Hybrid Conference on 5 and 6 November 2020 at the Focus Rooms, Linbro Park in Johannesburg, as well as virtually through a virtual conference company, My Planner.

The Conference aimed to bring together labour law practitioners, HR and IR professionals, trade union officials, public sector employees, and all those interested in the discipline of labour law, for discussions on the following topics, amongst others:

- Collective Bargaining in the Public Sector;
- Majoritarianism, the Royal Bafokeng Judgment;

- Important cases from the Labour Court, Labour Appeal Court and the Constitutional Court September 2019 to August 2020;
- The abuse of the Protected Disclosures Act to escape the consequences of employee misconduct;
- Post-pandemic labour law;
- Workplace Bullying;
- COVID-19 Comeback: Best practices for adapting your workplace to our strange new world.

### 5.7.2 ALLS Hybrid Conference - Botswana

The Conference took place on 23-24 November 2020. However, the event was only presented from a virtual platform following the introduction of new restrictions on public gatherings by the Botswana Government.

The Conference presented a platform for member countries to share experiences with Covid-19 and the impact this has had on employment. Council also presented a paper at the conference on *Bargaining Councils pre and post the Covid-19 pandemic*.

The Conference was well received.

## 5.8 Research Component

The research is a component within the Collective Bargaining Unit. Its primary objective is to assist the Council to conduct research and provide reports with findings and recommendations to support decision-making by the Council.

*The Unit's responsibilities include:*

- To design and carry out research on Collective Bargaining and Dispute Resolution in the Public and Private sectors.
- To design appropriate research methodology, techniques and tools for the Council.
- Analysis of statistical data to support the Councils decision making.

During this reporting period, the research component worked on the following:

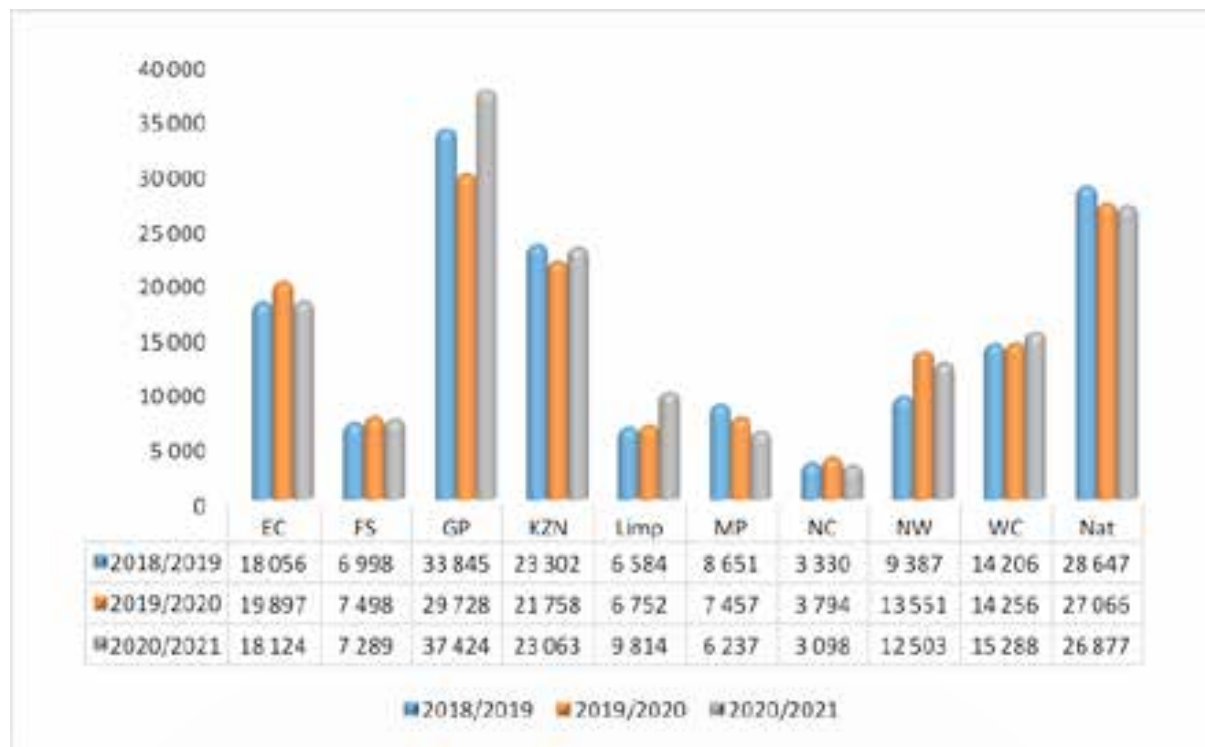
### 5.8.1 Agency Fee Payers Report

The report is developed annually in order to provide an overview of public servants who do not belong to trade unions. The report compares statistics between year 2018 and 2020. The report also breaks down the data by provincial departments in amongst all provinces.

### Key findings

The overall number of public servants not belonging to a trade union has increased by 7 960 between 2019 and 2020.

## Total Number of Employees Paying Agency Fees

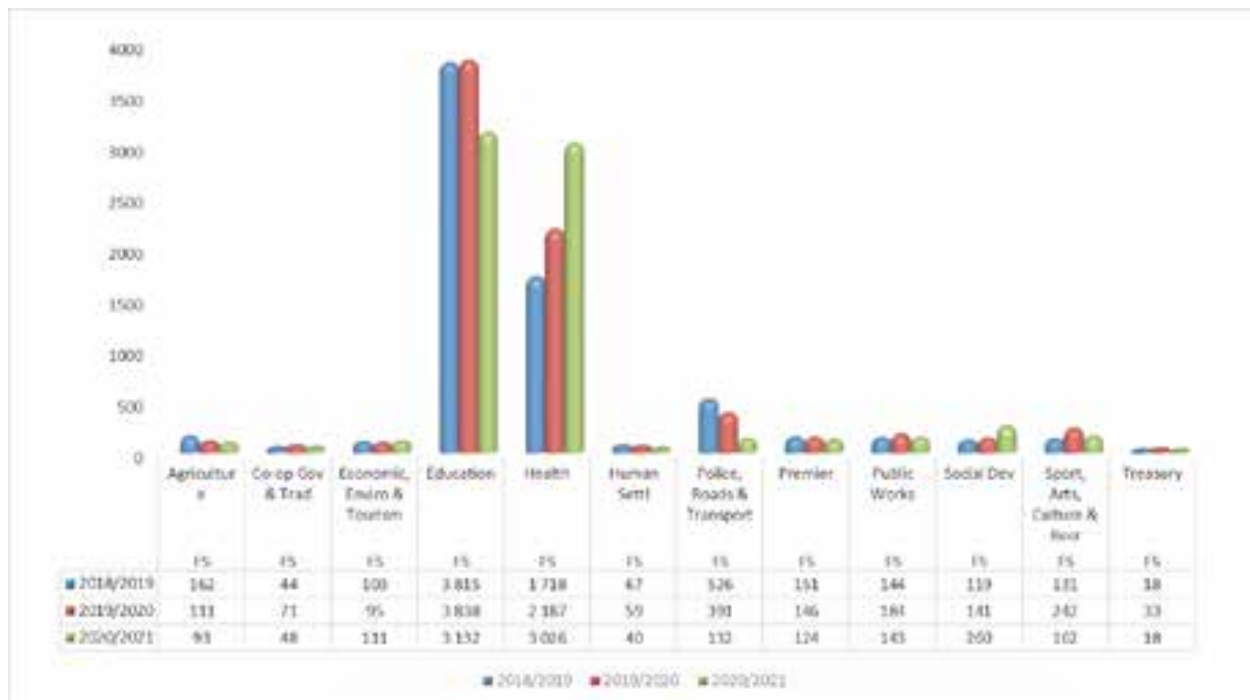


### 5.8.2 Provincial Breakdown of Agency fee payers

#### Eastern Cape



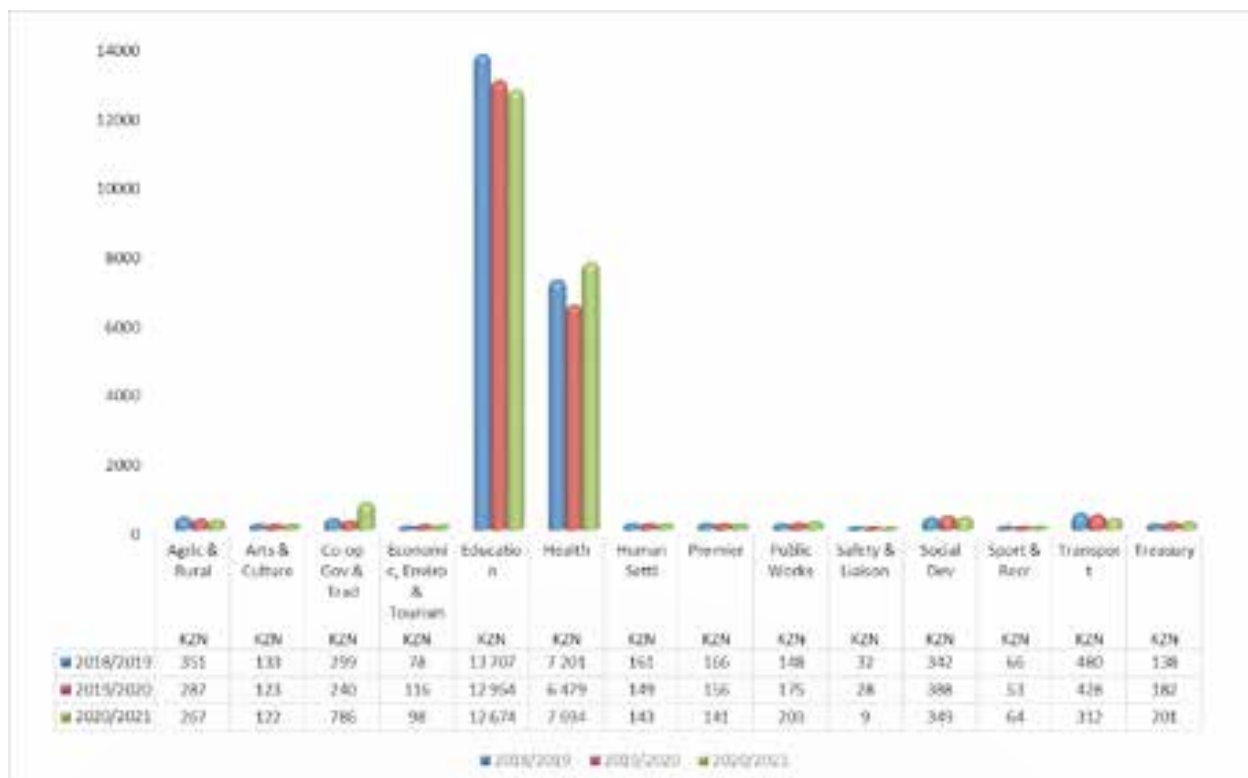
## Free State



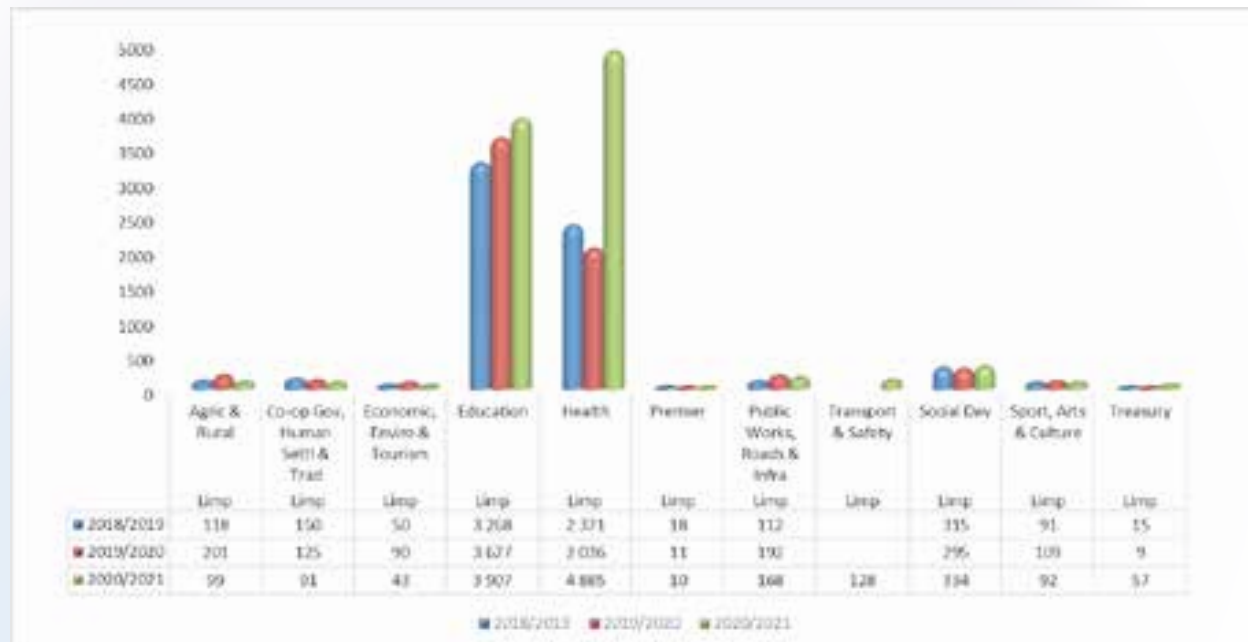
## Gauteng



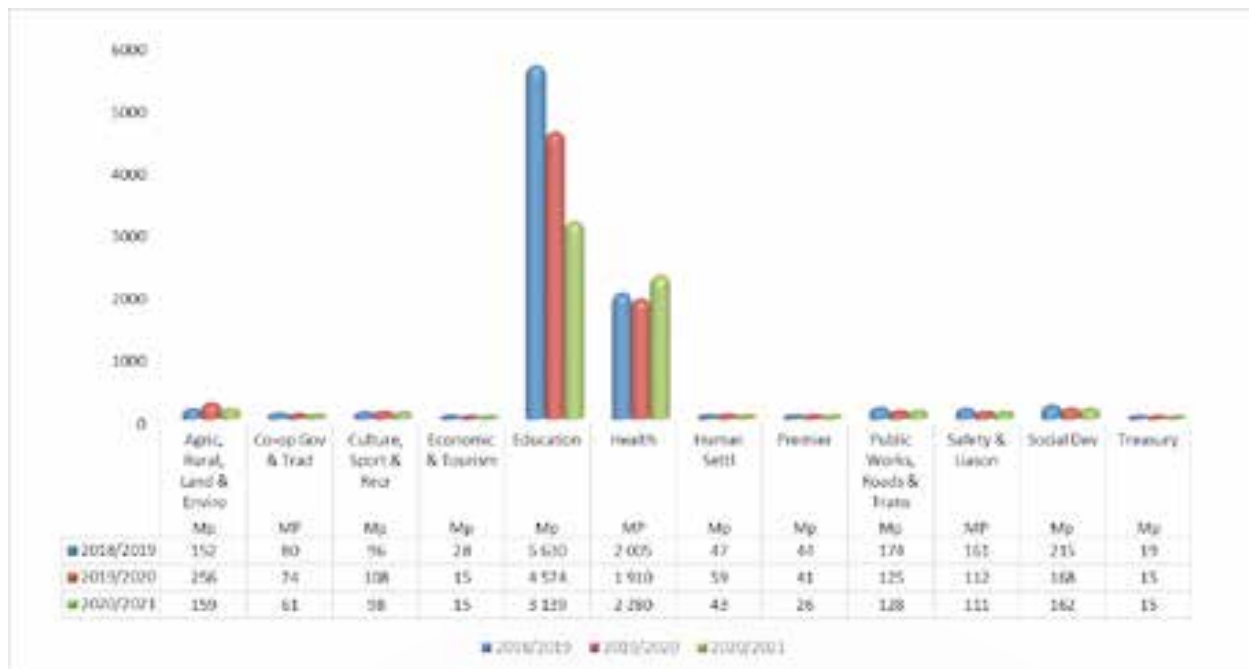
## Kwazulu-Natal



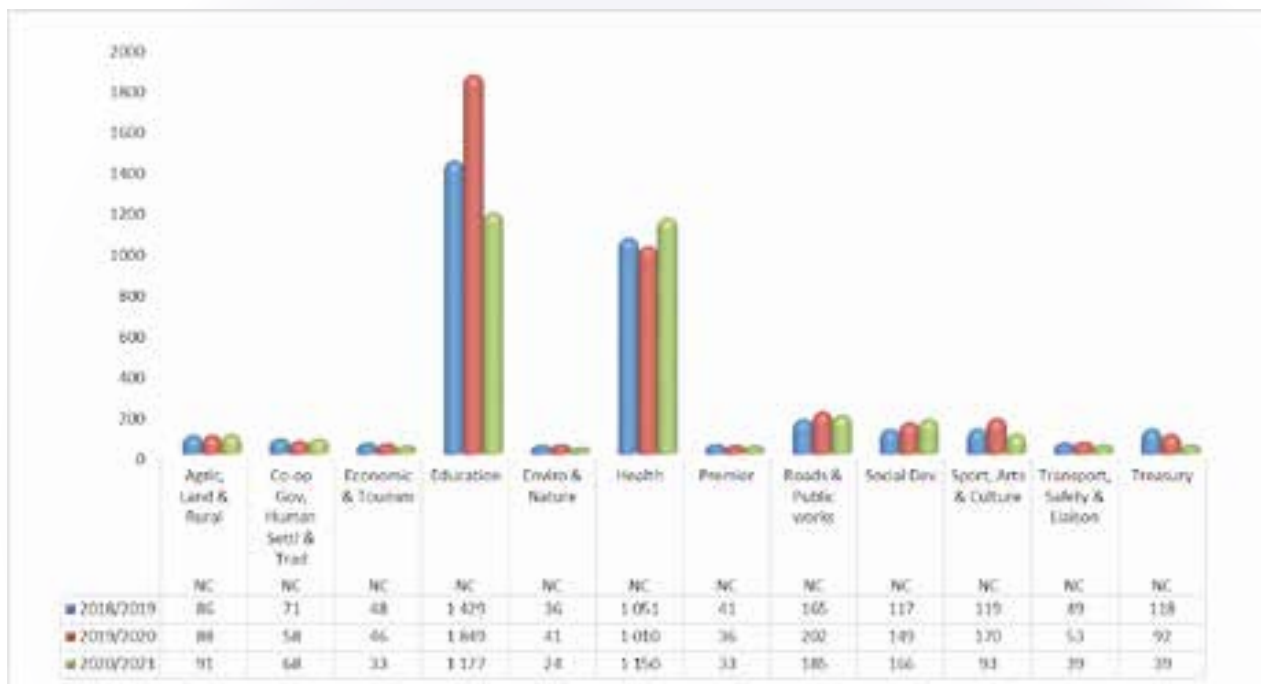
## Limpopo



## Mpumalanga



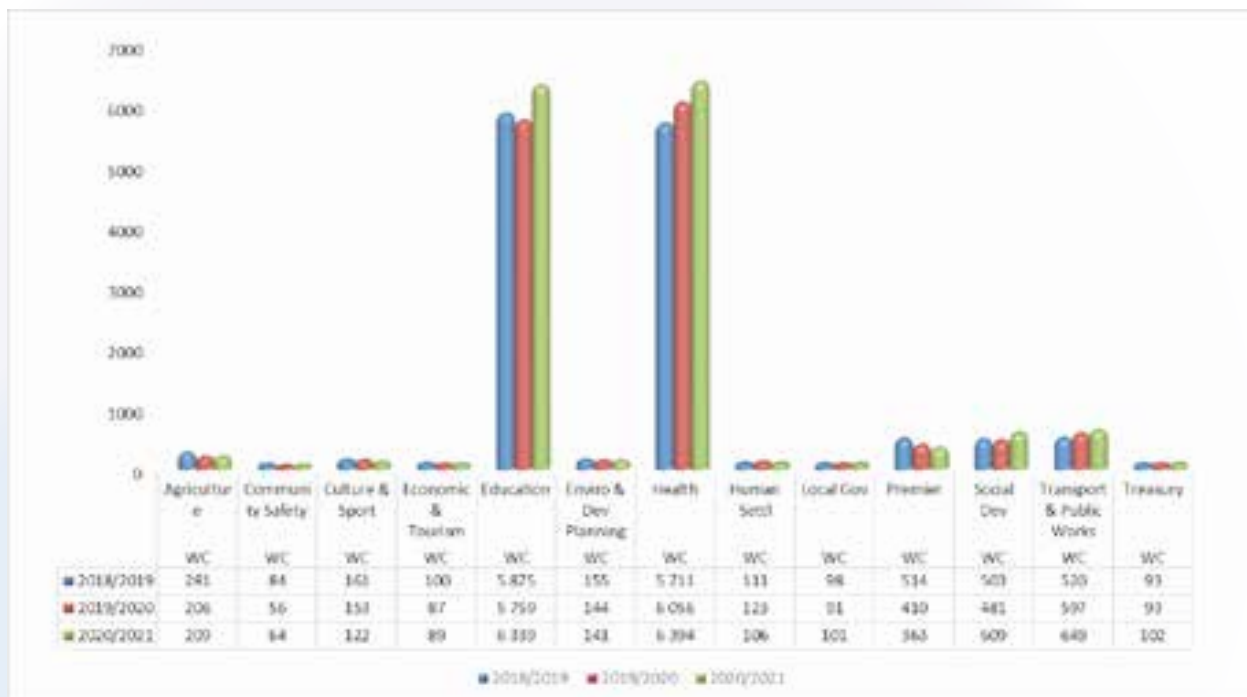
## Northern Cape



## North West



## Western Cape



### 5.8.3 Levy Payers Report

The purpose of the analysis was to illustrate the rate at which the Public Service workforce is contracting or expanding. The report compares data for 2018/2019 and 2019/2020.

## Key Findings

Staff complement remains stable in the public services, with no suggestions of retrenchments. Data shows noticeable increase of staff members in the health sector for some provinces, possibly due to some government interventions in fighting Covid-19 pandemic.

## Overall Provincial Changes in Staff Complement

| Prov  | 2019/2020 | 2020/2021 | Annual ▲ | ANNUAL % ▲ |
|-------|-----------|-----------|----------|------------|
| EC    | 125144    | 124 214   | -930     | ▼.74%      |
| FS    | 59456     | 57 792    | -1 664   | ▼.79%      |
| GP    | 168152    | 185549    | 17 397   | ▲0.35%     |
| KZN   | 182735    | 184 359   | 1 624    | ▲.89%      |
| LP    | 114837    | 107 645   | -7 192   | ▼.26%      |
| MP    | 71702     | 71 656    | -46      | ▼.06%      |
| Nat   | 334875    | 331676    | -3 199   | ▼.96%      |
| NC    | 24201     | 23586     | -615     | ▼.54%      |
| NW    | 63319     | 65 821    | 2 502    | ▲.95%      |
| WC    | 85482     | 84684     | -798     | ▼.93%      |
| Total | 1229903   | 1 236 982 | -        | -          |

## Eastern Cape

| DEPARTMENT               | 2019/2020 | 2020/2021 | ANNUAL | ANNUAL % |
|--------------------------|-----------|-----------|--------|----------|
| Agrarian                 | 2637      | 2479      | -158   | ▼.99%    |
| Arts, Cult, Sport & Recr | 1187      | 1156      | -31    | ▼.61%    |
| Coop & Trad              | 1395      | 1349      | -46    | ▼.29%    |
| DSD                      | 4565      | 4459      | -106   | ▼.32%    |
| Education                | 68369     | 66361     | -2008  | ▼.93%    |
| Health                   | 40472     | 42139     | 1667   | ▲.12%    |
| Hmn Settl                | 528       | 509       | -19    | ▼.59%    |
| Premier                  | 369       | 351       | -18    | ▼.87%    |
| Pub Works                | 1989      | 1900      | -89    | ▼.47%    |
| Safety                   | 132       | 141       | 9      | ▲.82%    |
| Eco Dev, Enviro & Tour   | 488       | 474       | -14    | ▼.87%    |
| Trans                    | 2562      | 2474      | -88    | ▼.43%    |
| Treasury                 | 451       | 422       | -29    | ▼.43%    |

## Free State

| DEPARTMENT               | 2019/2020 | 2020/2021 | ANNUAL | ANNUAL % |
|--------------------------|-----------|-----------|--------|----------|
| Agriculture              | 998       | 961       | -37    | ▼.71%    |
| Arts, Cult, Sport & Recr | 1026      | 1015      | -11    | ▼.72%    |
| Coop & Trad              | 490       | 495       | 5      | ▲.02%    |
| DSD                      | 2016      | 2043      | 27     | ▲.34%    |
| Education                | 28174     | 27 914    | -260   | ▼.92%    |
| Health                   | 20255     | 18881     | -1374  | ▼.78%    |
| Hmn Settl                | 343       | 347       | 4      | ▲.17%    |
| Pol, RD & Trans          | 3071      | 2909      | -162   | ▼.28%    |
| Premier                  | 659       | 637       | -22    | ▼.34%    |
| Pub Works                | 1355      | 1504      | 149    | ▲0.99%   |
| Sml Bus & Tour           | 682       | 705       | 23     | ▲.37%    |
| Treasury                 | 387       | 381       | -6     | ▼.55%    |

## Gauteng

| DEPARTMENT               | 2019/2020 | 2020/2021 | ANNUAL | ANNUAL % |
|--------------------------|-----------|-----------|--------|----------|
| Agri & Rurl              | 975       | 970       | -5     | ▼.51%    |
| Arts, Cult, Sport & Recr | 653       | 630       | -23    | ▼.52%    |
| Coop & Trad              | 658       | 659       | 1      | ▲.15%    |
| DSD                      | 4646      | 4708      | 62     | ▲.33%    |
| Eco Dev                  | 417       | 371       | -46    | ▼1.03%   |
| Education                | 90092     | 92126     | 2034   | ▲.25%    |
| E-Gov                    | 784       | 765       | -19    | ▼.42%    |
| Health                   | 62143     | 77691     | 15548  | ▲5.02%   |
| Hmn Settl                | 759       | 724       | -35    | ▼.61%    |
| Infra Dev                | 2576      | 2557      | -19    | ▼.73%    |
| Premier                  | 534       | 554       | 20     | ▲.75%    |
| Road & Trans             | 1871      | 1598      | -273   | ▼4.59%   |
| Safety                   | 1184      | 1321      | 137    | ▲1.57%   |
| Tourism                  | 70        | 59        | -11    | ▼5.71%   |
| Treasury                 | 790       | 732       | -58    | ▼.34%    |

## Kwazulu-Natal

| DEPARTMENT     | 2019/2020 | 2020/2021 | ANNUAL | ANNUAL % |
|----------------|-----------|-----------|--------|----------|
| Agri & Rurl    | 2381      | 2354      | -27    | ▼.13%    |
| Arts & Cult    | 483       | 475       | -8     | ▼.65%    |
| Coop & Trad    | 1605      | 1849      | 244    | ▲5.20%   |
| DSD            | 3626      | 3770      | 144    | ▲.97%    |
| Eco Dev & Tour | 552       | 555       | 3      | ▲.54%    |
| Education      | 104182    | 101936    | -2246  | ▼.15%    |
| Health         | 62632     | 66457     | 3825   | ▲.10%    |
| Hmn Settl      | 680       | 689       | 9      | ▲.32%    |
| Premier        | 516       | 528       | 12     | ▲.33%    |
| Pub Works      | 1589      | 1501      | -88    | ▼.54%    |
| Safety         | 160       | 157       | -3     | ▼.88%    |
| Sport & Recr   | 245       | 250       | 5      | ▲.04%    |
| Transport      | 3569      | 3363      | -206   | ▼.77%    |
| Treasury       | 515       | 475       | -40    | ▼.77%    |

## Limpopo

| DEPARTMENT           | 2019/2020 | 2020/2021 | ANNUAL | ANNUAL % |
|----------------------|-----------|-----------|--------|----------|
| Agriculture          | -         | 2219      | -      | -        |
| Arts, Sport & Cult   | -         | 1015      | -      | -        |
| Coop, Hmn & Trad     | 1772      | 1735      | -37    | ▼.09%    |
| DSD                  | 3084      | 3061      | -23    | ▼.75%    |
| Eco Dev & Tour       | 1199      | 1136      | -63    | ▼.25%    |
| Education            | 57971     | 56538     | -1433  | ▼.47%    |
| Health               | 41854     | 36984     | -4870  | ▼1.63%   |
| Premier              | 434       | 404       | -30    | ▼.91%    |
| Pub & Roads          | 2776      | 2483      | -293   | ▼0.55%   |
| Police, Road & Trans | -         | 2679      | -      | -        |
| Trans & Safety       | 2309      | 2797      | 488    | ▲1.13%   |
| Treasury             | 471       | 430       | -41    | ▼.70%    |

## Mpumalanga

| DEPARTMENT        | 2019/2020 | 2020/2021 | ANNUAL | ANNUAL % |
|-------------------|-----------|-----------|--------|----------|
| Agri, Land & Rurl | 1312      | 1166      | -146   | ▼1.12%   |
| Coop & Trad       | 741       | 704       | -37    | ▼.99%    |
| DSD               | 1855      | 1837      | -18    | ▼.97%    |
| Eco Dev & Tour    | 213       | 212       | -1     | ▼.47%    |
| Education         | 42091     | 41963     | -128   | ▼.30%    |
| Health            | 20028     | 20493     | 465    | ▲.32%    |
| Hmn Settl         | 368       | 340       | -28    | ▼.61%    |
| Premier           | 212       | 211       | -1     | ▼.47%    |
| Pub & Roads       | 2692      | 2552      | -140   | ▼.20%    |
| Safety            | 1476      | 1475      | -1     | ▼.07%    |
| Sport & Recr      | 436       | 424       | -12    | ▼.75%    |
| Treasury          | 278       | 279       | 1      | ▲.36%    |

## Northern Cape

| DEPARTMENT        | 2019/2020 | 2020/2021 | ANNUAL | ANNUAL % |
|-------------------|-----------|-----------|--------|----------|
| Agri, Land & Rurl | 530       | 506       | -24    | ▼.53%    |
| Coop, Hmn & Trad  | 605       | 591       | -14    | ▼.31%    |
| DSD               | 1128      | 1180      | 52     | ▲.61%    |
| Eco Dev & Tour    | 162       | 157       | -5     | ▼.09%    |
| Education         | 12668     | 11976     | -692   | ▼.46%    |
| Enviro & Nature   | 243       | 234       | -9     | ▼.70%    |
| Health            | 6478      | 6650      | 172    | ▲.65%    |
| Premier           | 236       | 230       | -6     | ▼.54%    |
| Roads & Pub Work  | 954       | 911       | -43    | ▼.51%    |
| Sport, Art & Cult | 522       | 502       | -20    | ▼.83%    |
| Trans & Safety    | 380       | 368       | -12    | ▼.16%    |
| Treasury          | 295       | 281       | -14    | ▼.75%    |

## North West

| DEPARTMENT             | 2019/2020 | 2020/2021 | ANNUAL | ANNUAL % |
|------------------------|-----------|-----------|--------|----------|
| Agri & Rurl            | 1426      | 1358      | -68    | ▼.77%    |
| Arts, Cult & Trad      | 680       | 672       | -8     | ▼.18%    |
| Coop Gov               | -         | 675       | -      | -        |
| DSD                    | 2666      | 2985      | 319    | ▲1.97%   |
| Eco Dev, Enviro & Tour | -         | 506       | -      | -        |
| Edu & Sport            | 32539     | 32736     | 197    | ▲.61%    |
| Finance                | 565       | 555       | -10    | ▼.77%    |
| Health                 | 19604     | 21485     | 1881   | ▲.59%    |
| Human Sett             | -         | 241       | -      | -        |
| Premier                | 708       | 426       | -282   | ▼9.83%   |
| Pub Works & Road       | 2762      | 2693      | -69    | ▼.49%    |
| Trans & Safety         | 1466      | 1489      | 23     | ▲.57%    |

## Western Cape

| DEPARTMENT        | 2019/2020 | 2020/2021 | ANNUAL | ANNUAL % |
|-------------------|-----------|-----------|--------|----------|
| Agriculture       | 884       | 883       | -1     | ▼.11%    |
| DSD               | 2400      | 2492      | 92     | ▲.83%    |
| Eco Dev & Tour    | 209       | 205       | -4     | ▼.91%    |
| Education         | 44821     | 43255     | -1566  | ▼.49%    |
| Enviro Dev Plan   | 366       | 370       | 4      | ▲.09%    |
| Health            | 31346     | 32155     | 809    | ▲.58%    |
| Hmn Settl         | 454       | 444       | -10    | ▼.20%    |
| Local G           | 364       | 370       | 6      | ▲.65%    |
| Premier           | 958       | 919       | -39    | ▼.07%    |
| Pub Works & Trans | 2536      | 2484      | -52    | ▼.05%    |
| Safety            | 304       | 303       | -1     | ▼.32%    |
| Sport & Cult      | 532       | 517       | -15    | ▼.82%    |
| Treasury          | 308       | 287       | -21    | ▼.82%    |

The following research projects were approved by the council to be undertaken by the research component during the period under review:

#### **5.8.4 Feasibility and Sustainability of Trade Unions**

##### **Purpose of the research**

With the dominance of trade unions in the South African labour market, this research looks at holistic issues surrounding the sustainability of trade unions. The paper seeks to determine whether the mandate of trade unions speaks to the needs of today's worker, and also seeks to understand workers expectations from trade unions. The research also seeks to gauge members' satisfaction toward trade unions, and to identify ways in which trade unions can improve services to their members. The research is limited to the Public Service work force.

*This research was not completed as planned due to Covid-19 restrictions, as the research methodology required face-to-face interviews.*

##### **Probable Income Gap in the Public Service**

##### **Aim of the report**

In addition to examining the trends and patterns in income inequality in the Public Service, the report will attempt to shed light on the multiple dynamics of demographical income distribution, and also pay attention to the statistical distribution as per Public Service salary levels, as classified by the report into income groups. The primary focus of the report will be on the following: Trends analysis: To determine the key trends in the income distribution of the Public Service, considering the demographics of Public Service employees, paying special attention to gender, age and race. Income distribution analysis: paying special attention to the percentage of higher income earners versus the middle and lower income earners in the Public Service.

***This research was not completed due to challenges of acquiring data from the DPSA/ Treasury.***

##### **Multiple Union Membership**

The purpose is to measure to number of people who belong to more than one trade union.

#### **5.8.5 Congresses Papers**

The following research papers were submitted and approved internationally:

##### **Gender inequalities, discrimination, and harassment in South Africa: moving forward or back?**

The paper will discuss the changes and development in the South African political landscape, and also give background to some of the foundation laws that elevated gender inequality in the country, developed during the apartheid era.

##### **Use of high technologies in union activity and collective bargaining**

The paper discusses the importance and use of digital technology by trade unions.

## **Migrant Labour in Africa (The South African Case Study)**

The paper covers recruitment framework in SA, regional agreement by SADC countries, framework agreements by AU and International Labour Organisation, and interrogates the SA legal framework applicable to for the protection of migrant labour rights.

Youth Education, training and transition to work programs in South Africa

The paper looks at youth employment, Educational and labour market mismatch and Government policies on post-school education.

### **5.9 The year ahead**

The Covid-19 outbreak brought challenges to South Africa and the rest of the world. The declaration of the national state of disaster by the President and the lockdown measures that followed thereafter put strain on a lot, if not all the businesses in the Country. Just like all organisations and businesses in the Country, the PSCBC had to adapt processes to remain operational. The operation of the Organisation was pivotal during the period as engagements had to continue to ensure that the public service and the citizens at large emerge from the pandemic with minimal fatalities as possible.

CBU was there to provide the much-needed support to parties. Fortunately, the pandemic found the PSCBC in the process of automating processes. This made it easier for the Organisation to adapt to the changes. As evident in the report, CBU managed to continue processes, albeit through virtual settings. We regard this as a milestone as we were able to introduce our parties and members of Council to technology, securing their health and safety in the process.

CBU once again anticipates a busy year ahead. The 2021/2022 wage negotiations have commenced and we are committed to the process. We are ready and capable to provide national and provincial platforms to workshop parties on the Agreements that would be concluded in the next reporting period. We have established additional more committees in the current reporting period to assist in processing matters before Council. Although these are not yet fully operational due to wage negotiations processes, we anticipate full throttle once the negotiations are concluded.

CBU is well aware of the challenges in the CCPECP, and, together with the GPSSBC, we are working on introducing a process early in the next reporting period to ensure that parties are heard and solutions are reached. We are also aware of the issues emanating from the Coordinating Chambers of the PSCBC in different provinces; issues around virtual fatigue, training etc. With the lifting of the national state of disaster declaration not yet in sight, the safety of parties and members of Council is and will always be a priority. We will continue to host meetings and training through virtual platforms, and we will consider physical sittings where the safety of members and compliance to the regulations would be guaranteed.

CBU will continue to conduct research on pertinent issues to assist Council to understand the playing fields both locally and internationally to be able to take informed decisions in the ongoing process of developing the public service.

Going into the next reporting period, CBU is well positioned in terms of personnel and resources to continue delivering exceptional service to Council and its structures.

## 6. DISPUTE MANAGEMENT UNIT

### 6.1 Overview

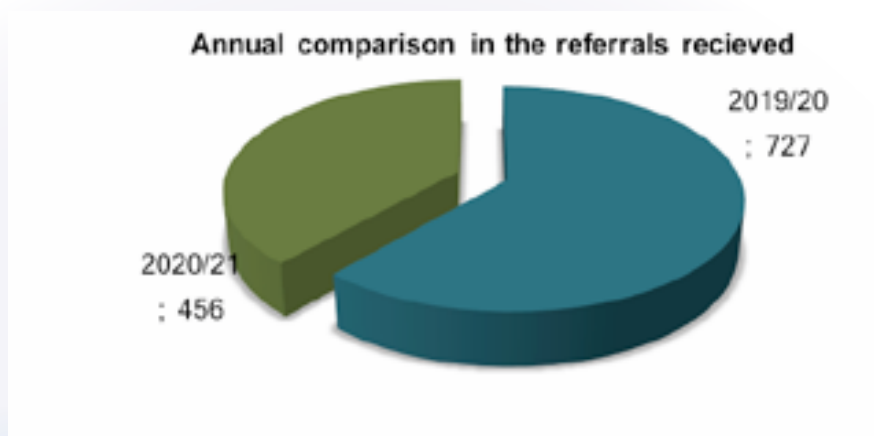
The dispute resolution and prevention function is core toward attaining labour peace. The Dispute Resolution Unit provides essential support to the Council toward achieving its strategic objectives, which include the review of the dispute resolution procedures; rules and administrative processes; the recruitment of panellists; monitoring of compliance by panellist with the Service Level Agreement; and the development of dispute prevention training programs to assist in the monitoring and evaluation of collective agreements in order to ensure compliance. The report reflects on the referrals received by the Council from 01 April 2020 to 31 March 2021, with a comparison of the referrals received in the previous reporting period.

### 6.2 Statistics

#### 6.2.1 Number of referrals received

A total of 456 referrals were received from 01 April 2020 to 31 March 2021 in comparison to 727 referrals received in the previous reporting period, resulting in a 37% decrease in the referral rate.

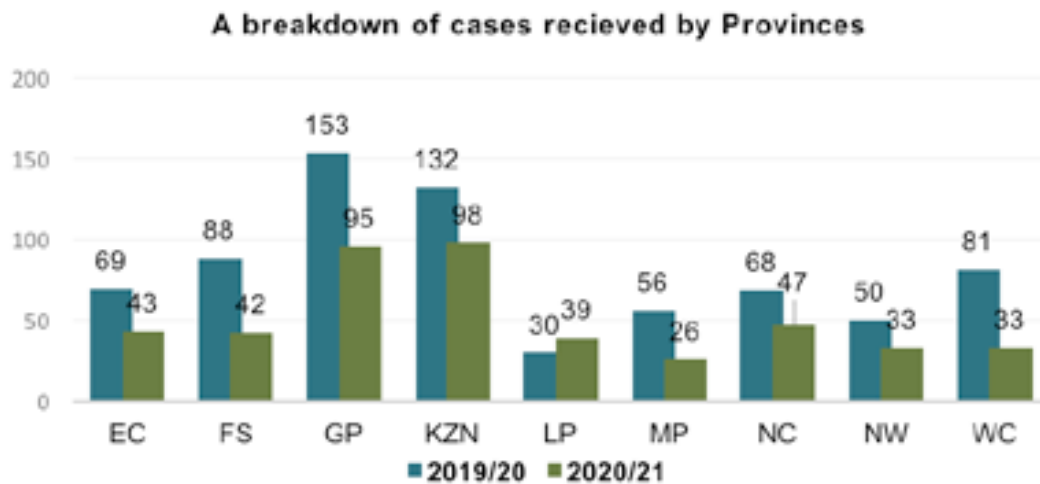
**Diagram A: Annual comparison in the referrals received**



#### 6.2.2 A breakdown of cases referred by Provinces

There is an overall referral rate decrease in the cases referred, with a significant referral rate decrease in the Free State Province of 48% and 41% in the Western Cape Province. However, Limpopo recorded a slight increase in the referral rate of 24%. It must be noted that Mpumalanga remains the least referring Province.

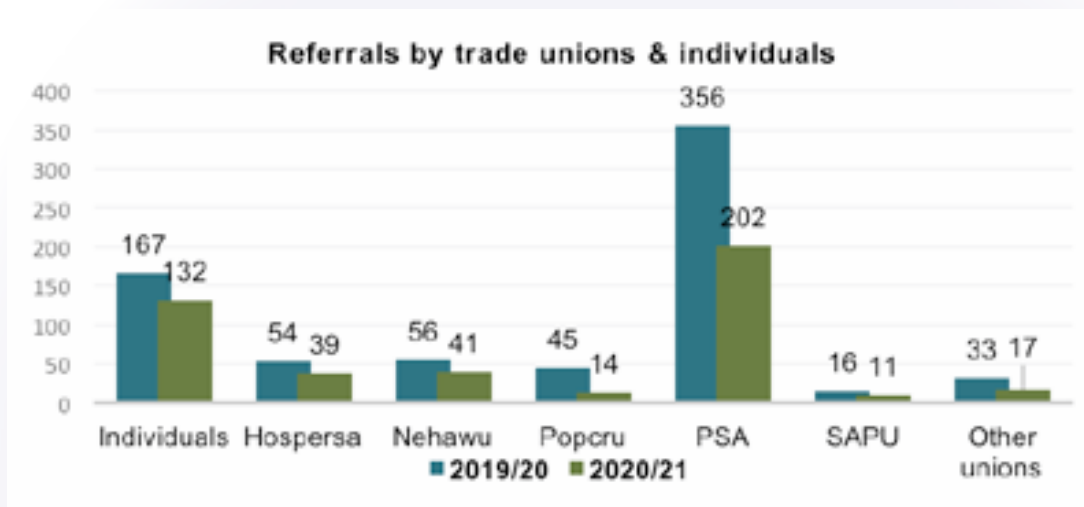
## Graph One: A breakdown of referrals by Provinces



### 6.2.3 Referrals by Trade unions/individuals

The PSA referred 44% of the total referrals received when compared to 49% in the previous reporting period. The disputes referred by individuals are at 29% and 23% when compared to the previous reporting period.

## Graph Two: Referrals by unions/individuals



1

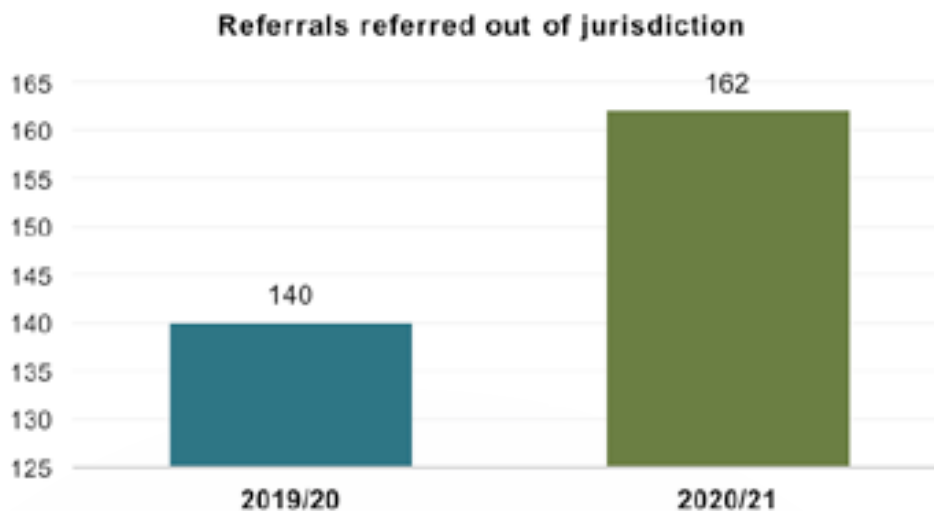
### 6.2.4 Out of Jurisdiction referred cases

Out of the 456 referrals received, 162 referrals were screened out of jurisdiction in the reporting period, accounting for 35% of the cases referred, as opposed to period 2019/20 where from the 727 referred, 140 were screened out of jurisdiction, which accounts for 19% of the cases referred.

<sup>1</sup> Disputes relating to unfair labour practice, unfair dismissals, unilateral change to terms and conditions of employment, Sector resolutions and not properly referred, etc.

The reasons for referrals being 'out of jurisdiction' are, inter alia, the nature of the disputes, such as unilateral change to terms and conditions of employment, mutual interest, alleged unfair dismissals, alleged unfair labour practices, and referrals which are not properly referred, whereby, the conditions in the Dispute Resolution rules have been met. (i.e. proof of services, date of the dispute, referral not signed, etc.).

### Graph Three: Out of jurisdiction

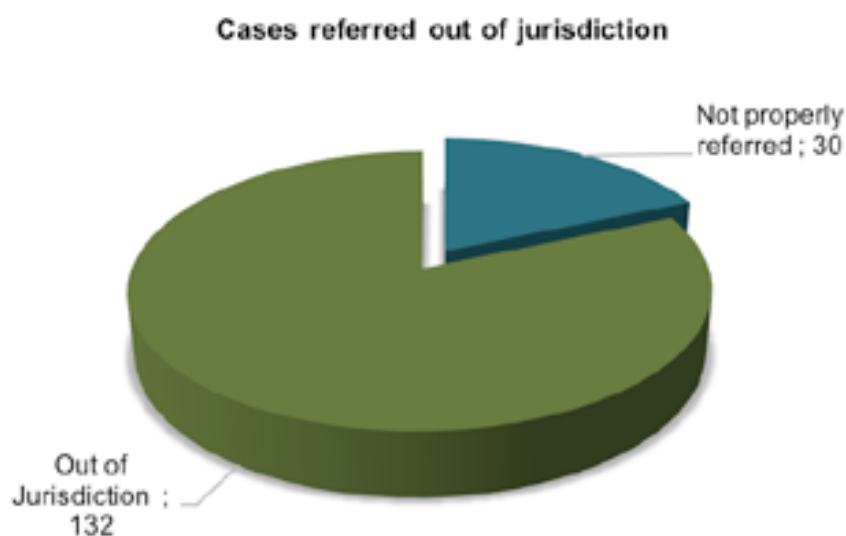


#### 6.2.5 Cases referred (not properly referred and out of jurisdiction) period - 2020/2021

A total of 162 referrals were screened and found out of jurisdiction or not properly referred.

- Not properly referred - 30
- Out of Jurisdiction - 132

**Diagram B: Cases referred out of jurisdiction**



#### **6.2.6 Cases referred – out of Jurisdiction by individuals and trade unions**

Out of the 162 referrals which were screened and found out of jurisdiction or not properly referred, 68 referrals were referred by the trade unions (24 not properly referred and 44 referred outside of the PSCBC jurisdiction) and 94 referrals were referred by individuals (6 not properly referred and 88 referred outside of the PSCBC jurisdiction).

**Diagram C: Cases referred out of jurisdiction Individuals/Trade Unions out of jurisdiction/not correctly referred**

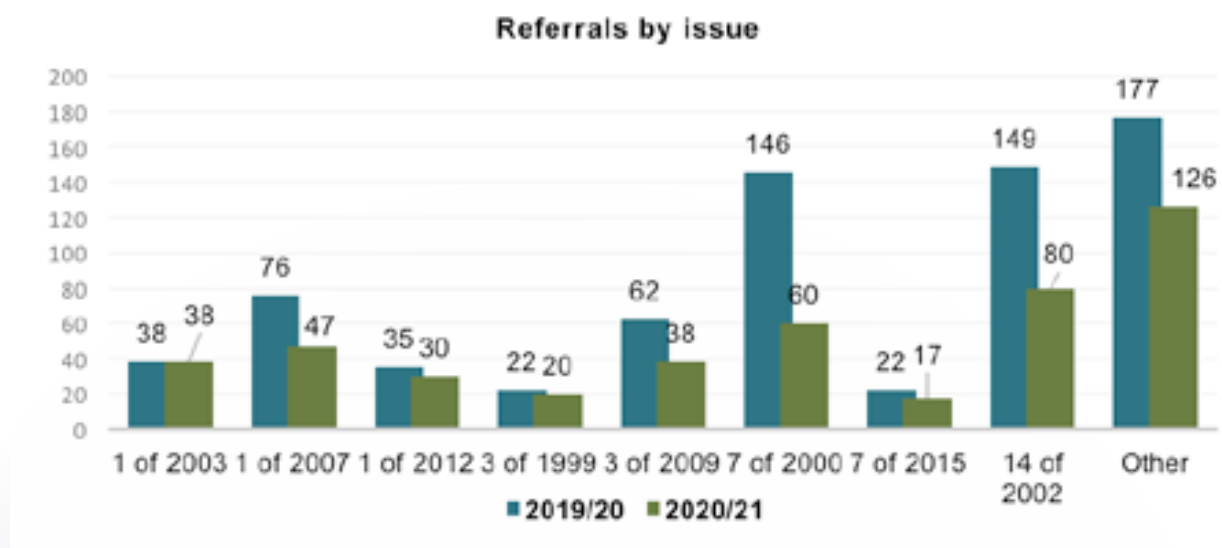


### 6.2.7 Disputes referred to conciliation by issue

The following PSCBC Resolutions are major contributors in the cases referred:-

- Disputes referred in terms of Resolution 14 of 2002<sup>2</sup> constitute 17% of the caseload in comparison to 20% in the previous reporting period.
- Disputes relating to Resolution 7 of 2000<sup>3</sup> account for 13% against 19.5% in the previous reporting period.
- Disputes relating to Resolution 1 of 2007<sup>4</sup> account for 10% and 11% in the previous reporting period.

#### Graph Four: Referrals by issue



### 6.2.8 Referrals by issue in Provinces

Disputes relating to Resolution 14 of 2002; the grievance rules are predominantly referred in the Gauteng and Northern Cape Provinces.

Disputes relating to Resolution 7 of 2000; conditions of service are received mainly in the KwaZulu-Natal and Eastern Cape Provinces.

Disputes relating to Resolution 1 of 2007; payment of overtime are received mainly in the KwaZulu-Natal and Northern Cape Provinces.

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2 Grievance rules for the Public Service  
3 Improvement in the conditions of service of the Public Service employees  
4 Payment of overtime

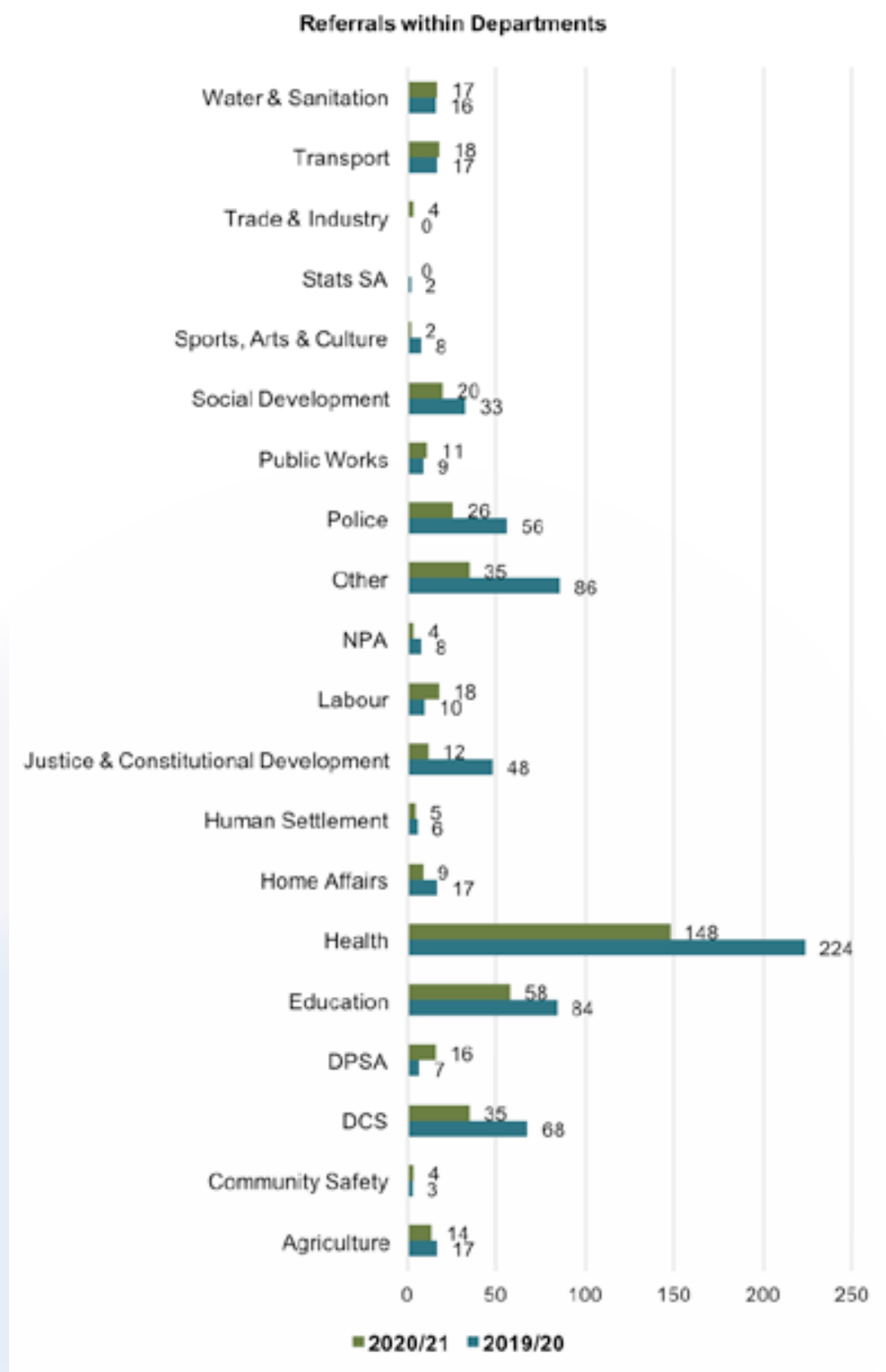
**Table A: A breakdown of referrals by Issue in Provinces**

| Issue        | EC        | FS        | GP        | KZN       | LP        | MP        | NC        | NW        | WC        | Total      |
|--------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| 1 of 2003    | 2         | 5         | 7         | 8         | 9         | 1         | 1         | 5         | 0         | <b>38</b>  |
| 1 of 2007    | 4         | 3         | 3         | 14        | 4         | 4         | 8         | 3         | 4         | <b>47</b>  |
| 1 of 2012    | 3         | 3         | 6         | 8         | 1         | 1         | 5         | 1         | 2         | <b>30</b>  |
| 3 of 1999    | 3         | 3         | 0         | 4         | 4         | 2         | 3         | 1         | 0         | <b>20</b>  |
| 3 of 2009    | 0         | 1         | 10        | 16        | 3         | 4         | 0         | 1         | 3         | <b>38</b>  |
| 7 of 2000    | 12        | 7         | 8         | 14        | 6         | 1         | 3         | 1         | 8         | <b>60</b>  |
| 7 of 2015    | 6         | 2         | 1         | 2         | 0         | 1         | 2         | 2         | 1         | <b>17</b>  |
| 14 of 2002   | 2         | 12        | 21        | 7         | 3         | 7         | 21        | 6         | 1         | <b>80</b>  |
| Other        | 11        | 6         | 39        | 25        | 9         | 5         | 4         | 13        | 14        | <b>126</b> |
| <b>Total</b> | <b>43</b> | <b>42</b> | <b>95</b> | <b>98</b> | <b>39</b> | <b>26</b> | <b>47</b> | <b>33</b> | <b>33</b> | <b>456</b> |

#### 6.2.9 Referrals against the Departments

Below is a breakdown of referrals received within the Departments. The highest number of the referrals is received within the Department of Health at 32%.

**Graph Five: Referrals against National Departments**

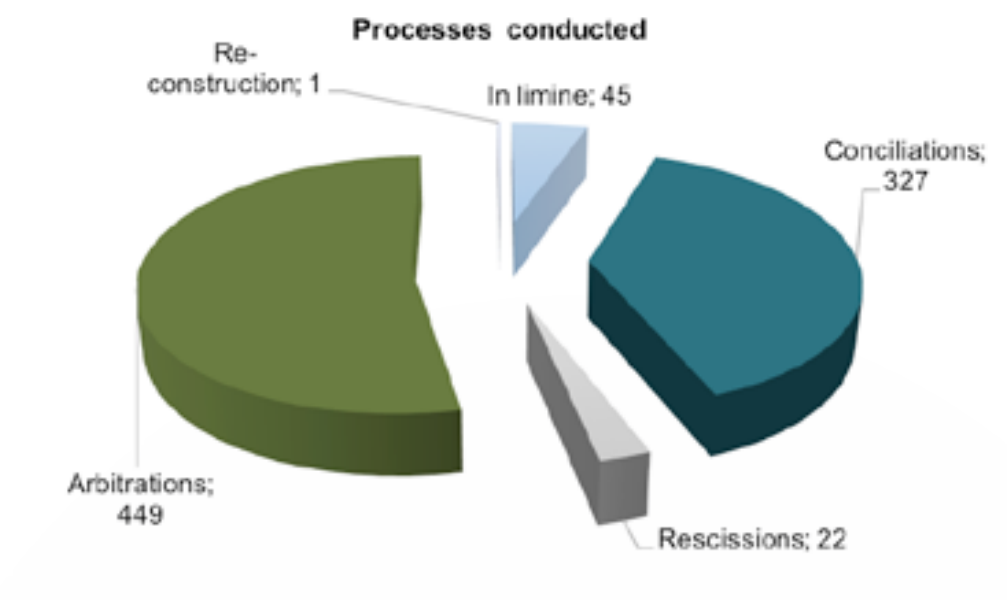


### 6.2.10 Processes conducted/scheduled

A total of 844 processes were scheduled/conducted in comparison to 1161 in the previous reporting period, resulting in a 27% decrease.

The processes which were conducted/scheduled include 45 in limine<sup>5</sup>, 22 rescissions in terms of Section 144 of the LRA, 327 conciliations, 449 arbitrations and 1 re-construction hearing.

**Diagram D: A breakdown of processes conducted**



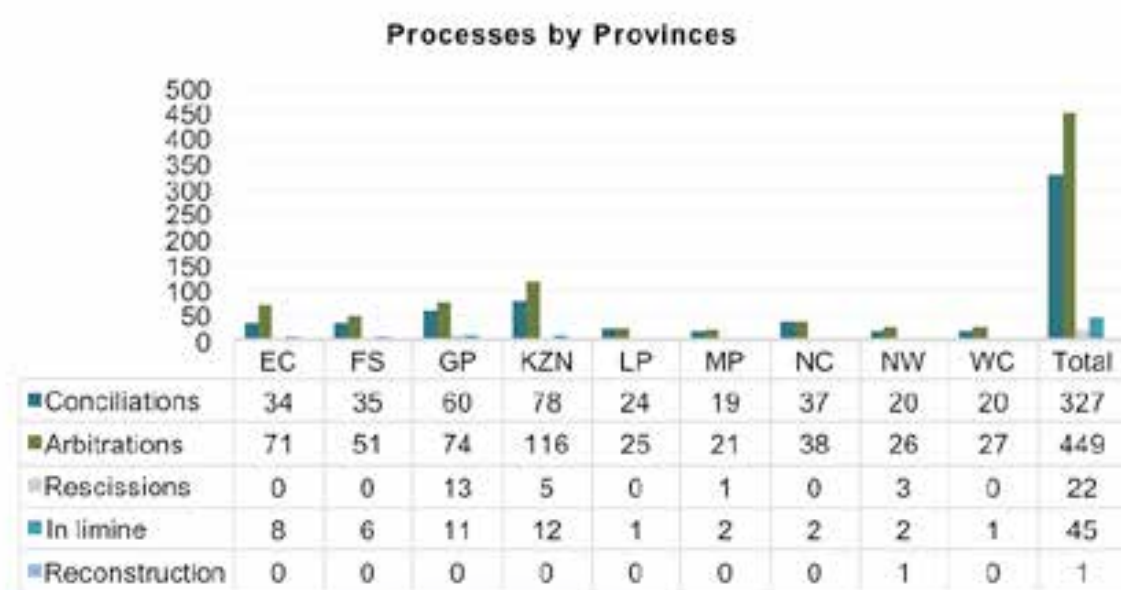
### 6.2.11 Number of processes scheduled/set down by Provinces

Of the 327 conciliations conducted, 78 conciliations were conducted in Kwa-Zulu Natal followed by the 60 in Gauteng, 37 in the Northern Cape and 35 in the Free State Provinces and 34 the Eastern Cape.

The number of arbitration hearings scheduled in the Kwa-Zulu Natal continue to be the highest as a result of the re-scheduling of arbitrations processes which is linked to the number of postponements and part-heard matters.

<sup>5</sup> A hearing on a specific legal point, which takes place before the actual case referred, can be heard

**Graph Six: Number of Processes by Provinces**

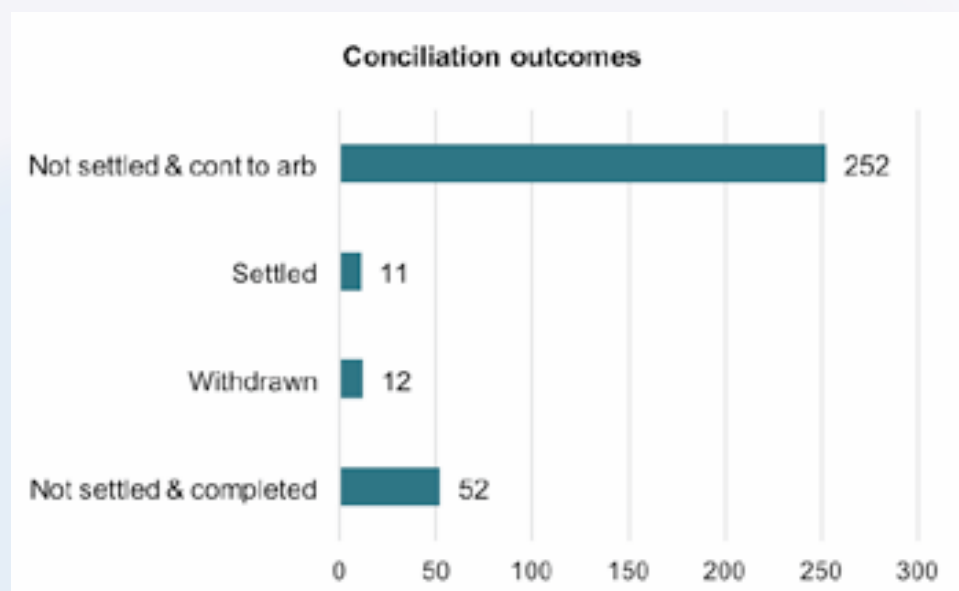


#### 6.2.12 Process outcomes

### 6.3 Conciliation outcomes

At the conciliation phase, 77% of the conciliations remain unresolved. The rate of settlements is at 3% and the withdrawals at 4% at the conciliation phase.

**Graph Seven: A breakdown of conciliation processes outcomes**



## 6.4 Arbitration outcomes

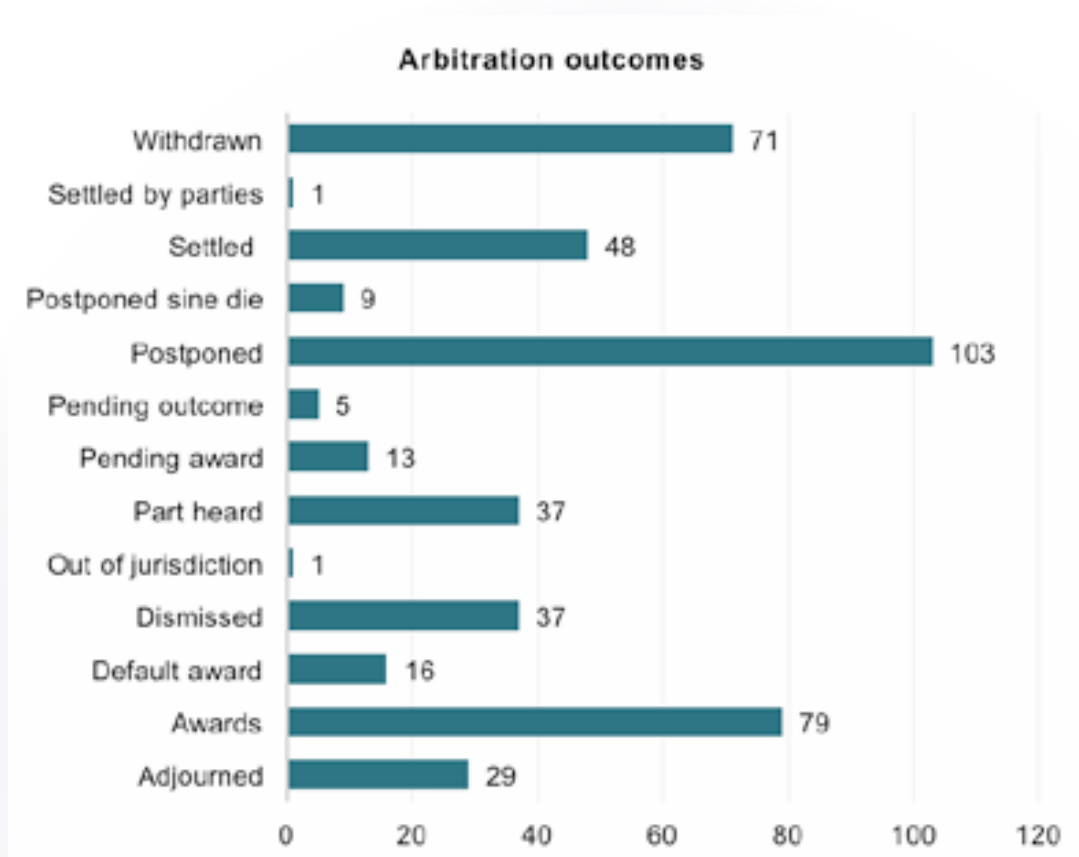
The Council scheduled/conducted 449 arbitrations, 79 arbitrations awards were rendered, 103 postponements, 71 withdrawals and 48 settlements.

It is to be noted that 16% of the disputes were withdrawn at arbitration level. The stats indicate a 23% rate of postponement. The reasons for postponements occasioned by parties and panellists range from the following:

- Postponed due to limited or poor connectivity on virtual platforms
- By agreement between the parties – no reasons advanced
- Parties to attempt settlement
- Postponed, pending discussions between the parties.

The pre-arbitration process as envisaged in the DR Procedure is barely used by the parties<sup>6</sup>. A very low usage of less than 1% has been recorded.

**Graph Eight: The graph below illustrates the outcomes of the arbitrations scheduled/conducted**



<sup>6</sup> Clause 5.4 of the PSCBC DR Procedure

**Table B: A breakdown of arbitration outcomes by Provinces**

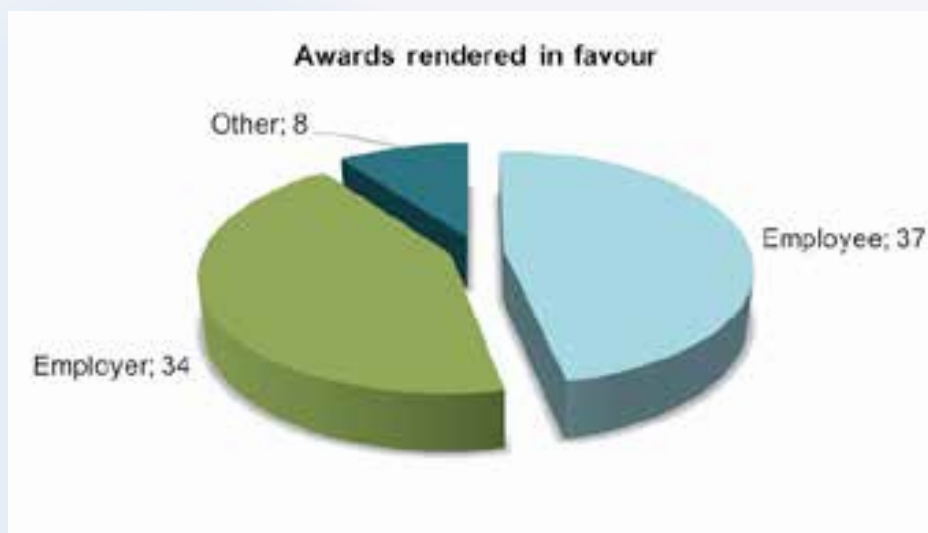
| OUTCOMES            | EC        | FS        | GP        | KZN        | LP        | MP        | NC        | NW        | WC        | Total      |
|---------------------|-----------|-----------|-----------|------------|-----------|-----------|-----------|-----------|-----------|------------|
| Adjourned           | 5         | 2         | 10        | 6          | 1         | 1         | 1         | 2         | 1         | <b>29</b>  |
| Awards              | 8         | 4         | 11        | 24         | 2         | 6         | 12        | 2         | 10        | <b>79</b>  |
| Default Award       | 7         | 2         | 2         | 1          | 1         | 2         | 0         | 1         | 0         | <b>16</b>  |
| Dismissed           | 3         | 2         | 9         | 17         | 2         | 0         | 1         | 2         | 1         | <b>37</b>  |
| Out of Jurisdiction | 0         | 0         | 1         | 0          | 0         | 0         | 0         | 0         | 0         | <b>1</b>   |
| Part heard          | 12        | 2         | 5         | 10         | 0         | 1         | 2         | 5         | 0         | <b>37</b>  |
| Pending Award       | 2         | 4         | 3         | 1          | 2         | 0         | 0         | 0         | 1         | <b>13</b>  |
| Pending Outcome     | 2         | 1         | 0         | 0          | 1         | 1         | 0         | 0         | 0         | <b>5</b>   |
| Postponed           | 18        | 19        | 12        | 33         | 5         | 5         | 7         | 1         | 3         | <b>103</b> |
| Postponed sine die  | 2         | 1         | 2         | 3          | 0         | 0         | 0         | 1         | 0         | <b>9</b>   |
| Settled             | 5         | 6         | 7         | 6          | 5         | 1         | 12        | 3         | 3         | <b>48</b>  |
| Settled by Parties  | 0         | 1         | 0         | 0          | 0         | 0         | 0         | 0         | 0         | <b>1</b>   |
| Withdrawn           | 7         | 7         | 12        | 15         | 6         | 4         | 3         | 9         | 8         | <b>71</b>  |
| <b>Total</b>        | <b>71</b> | <b>51</b> | <b>74</b> | <b>116</b> | <b>25</b> | <b>21</b> | <b>38</b> | <b>26</b> | <b>27</b> | <b>449</b> |

### 6.5 3.3 Arbitration awards in favour of employee, employer and out of jurisdiction

**Please check the numbering in this section.**

A total of 79 arbitration awards were rendered, 34 were found in favour of the employer, which represent 43% of the award rendered and 37 awards in favour of the unions/ employees, which makes up 47% of the awards rendered. Other, 8 awards which were neither in favour of employee nor the employer which ruled that Council does not have jurisdiction, make up 10% of the award received.

**Diagram E: A breakdown of arbitration award in favour of**



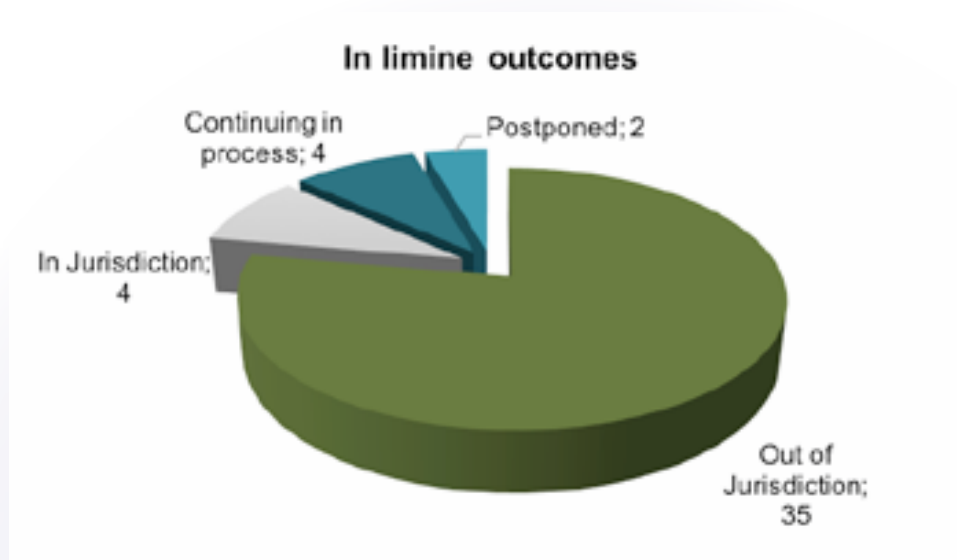
### 6.5.1 A breakdown of award by Issue

- 20 awards were issued in relation to Resolution 7 of 2000 - improvement in the conditions of service; 4 awards were in favour of the employer, 12 in favour of employee and 4 were ruled out of jurisdiction.
- 9 awards were issued in relation to Resolution 14 of 2002 – grievance rules; 6 awards were in favour of the employee, 2 were in favour of the employer and 1 was ruled out of jurisdiction.
- 12 awards were issued in relation to Resolution 3 of 2009 – revised salary structure of employees not covered by the OSD; 11 awards were in favour of the employer, 1 in favour of employee.
- 7 awards were issued in relation to Resolution 1 of 2012 – amendment to allow employees whose posts are graded on levels 10 & 12...; 2 awards were in favour of the employee, 5 in favour of the employer.

## 6.6 Outcomes of in limine processes

Out of 45 in limine processes conducted, 4 were ruled in jurisdiction, 4 part-heard/continuing in process, 2 postponed and 35 ruled out of jurisdiction.

**Diagram F: A breakdown of in limine outcomes**



## 6.7 Outcomes of rescission processes

Out of 22 rescissions in terms of Section 144 of the LRA which were conducted, 4 were not rescinded, 17 were rescinded and 1 is pending an outcome.

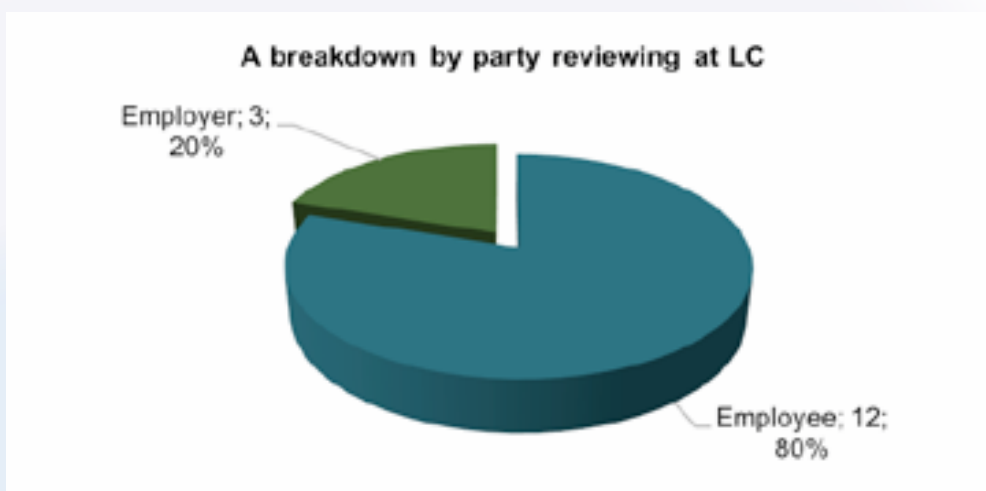
**Diagram G: A breakdown of in rescission outcomes**



## 6.8 Cases on review

A total of 15 cases have been taken on review in this reporting period. The statistics indicate that the employee parties have taken 80% of the awards on review and the employer parties 20% of awards to the Labour Court.

**Diagram H: A breakdown of party reviewing matters at the Labour Court in terms of Section 145 of the LRA**



**Table C: Matters taken to Labour Court review in the period 2020/21**

| Case Number    | Outcome                     | LC Number   | PSCBC Resolution/Issue            | Reviewed By    |
|----------------|-----------------------------|-------------|-----------------------------------|----------------|
| PSCBC141-19/20 | Pending Labour Court Appeal | JR511/19    | Res 1 of 2012 – Clause 18.1       | Employee party |
| PSCBC470-18/19 | Pending Labour Court Appeal | D216/20     | Res 3 of 2009 – Grade progression | Employee party |
| PSCBC175-19/20 | Pending Labour Court Appeal | C190/2020   | Res 1 of 2012 – Clause 18.1       | Employee party |
| PSCB458-16/17  | Pending Labour Court Appeal | C423/2018   | Res 1 of 2012 – Clause 18.1       | Employer party |
| PSCB543-15/16  | Pending Labour Court Appeal | JR1578/17   | Res 3 of 2009 – Grade progression | Employer party |
| PSCB828-18/19  | Pending Labour Court Appeal | JR1398/2020 | Res 1 of 2012 – Clause 18.1       | Employee party |
| PSCBC519-19/20 | Pending Labour Court Appeal | C449/2020   | Res 7 of 2000 – Incapacity Leave  | Employee party |
| PSCBC304-19/20 | Pending Labour Court Appeal | D518/2020   | Res 1 of 2003 – Disciplinary Code | Employee party |
| PSCBC141-19/20 | Pending Labour Court Appeal | JR917/2020  | Res 1 of 2012 – Clause 18.1       | Employee party |
| PSCBC360-19/20 | Pending Labour Court Appeal | D553/2020   | Res 3 of 2009 – Grade progression | Employee party |
| PSCBC452-19/20 | Pending Labour Court Appeal | D647/2020   | Res 1 of 2003 – Disciplinary Code | Employee party |
| PSCB667-15/16  | Pending Labour Court Appeal | J2202/2020  | Res 3 of 2009 – Grade progression | Employee party |
| PSCBC339-19/20 | Pending Labour Court Appeal | D92/2021    | Res 3 of 2009 – Grade progression | Employee party |
| PSCBC387-19/20 | Pending Labour Court Appeal | D112/2021   | Res 3 of 2009 – Grade progression | Employer party |
| PSCBC324-19/20 | Pending Labour Court Appeal | JR1536/2020 | Res 1 of 2003 – Disciplinary Code | Employee party |

## 7. CORPORATE SERVICES

### 7.1 Overview

The Constitution of the Public Service Co-ordinating Bargaining Council provides for the functions and powers of the Council in relation to the finances, which are as follows:

- Establish and administer a fund to be utilized for resolving disputes, collective bargaining and general administration of the Council.
- Raise, borrow, lend, levy and invest funds

### 7.2 Financial Committee

The Financial Committee has been established as a sub-Committee of the Council. The role of the Finance Committee is to scrutinise the financial activities of the Council and to make recommendations to the Executive Committee on these activities.

The Duties of the Financial Committee listed below are found in the Finance Policy and Procedure Manual

- Formulate financial policies and procedures;
- Recommend practical ways of implementing these policies;
- Review budgets and recommend to the Council;
- Review financial statements and ensure that financial policies and procedures are adhered to;
- Discuss the audited financial statements and management report with the auditors;
- Consider and recommend the acquisition of capital expenditure items within the budget;
- Discuss and manage the expenditure of special projects; and
- Cash flow management (including treasury functions).

### 7.3 Meetings

The Financial Committee held four meetings during the financial year, with attendance as follows:

|                                       | 26 JUNE<br>2020 | 21<br>OCTOBER<br>2020 | 15<br>FEBRUARY<br>2021 |
|---------------------------------------|-----------------|-----------------------|------------------------|
| Ms I. Dimo                            | 🌐               | 🌐                     | 🌐                      |
| Mr C. Nanto (Vice-Chairperson Labour) | -               | -                     | -                      |
| Ms N. Xulu (NEHAWU)                   | 🌐               | 🌐                     | 🌐                      |
| Mr S. Masemola (POPCRU)               | 🌐               | 🌐                     | 🌐                      |
| Ms L. Motshwane (SADTU)               | 🌐               | 🌐                     | 🌐                      |
| Ms A. Portland (DENOSA)               | 🌐               | 🌐                     | 🌐                      |
| Mr H. Brynard (DPSA)                  | 🌐               | 🌐                     | 🌐                      |

|                                    | 26 JUNE<br>2020                                                                    | 21<br>OCTOBER<br>2020                                                               | 15<br>FEBRUARY<br>2021                                                              |
|------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| Ms K. Masemola (National Treasury) |  |  |  |
| Mr A. Mnene (DPSA)                 |  |  |  |

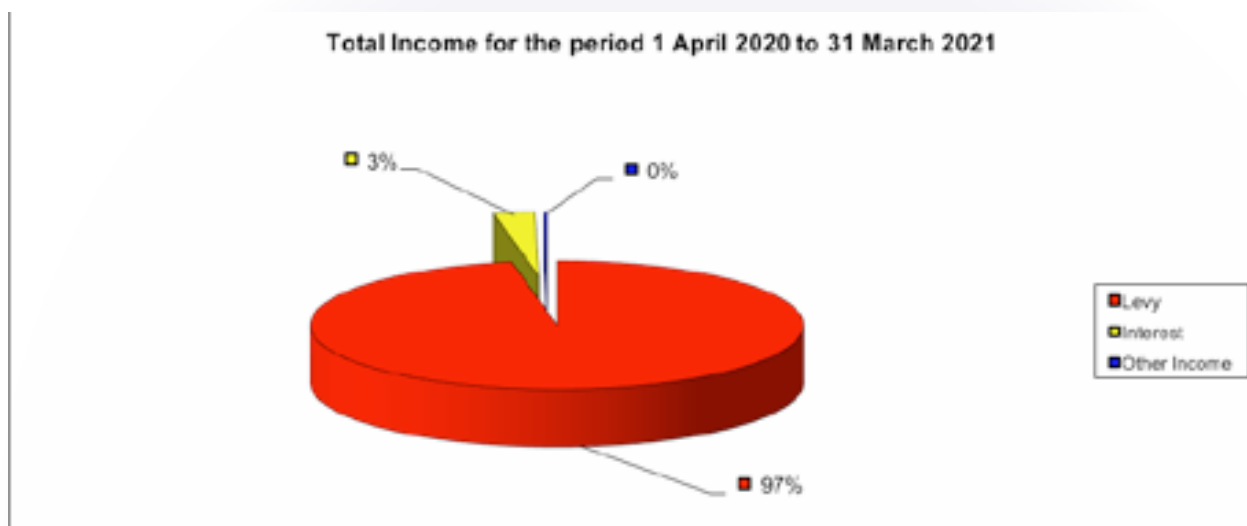
## 7.4 Financial analysis

### 7.4.1 Total Income – Levy Account

The overall income for the Council during the 2020/2021 financial year was R 44,540,914.51 of which:

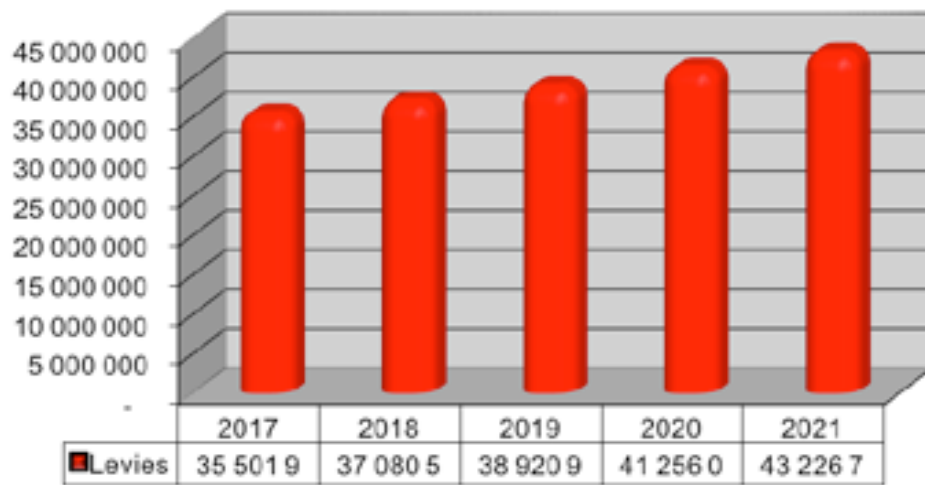
- 97% was generated out of the levies from the public service as per Resolution 2 of 2013,
- 2.7% was generated from interest earned on levies and reserves,
- 0.3% was generated from other income.

The levies received of R 43,226,754.75 were slightly higher than the projected income of R41, 256,024.00. Other income total of R114, 766 was lower than the projected of R211, 588 due to a lower income received from the CCMA subsidy income in the current year. A decrease in interest income received as compared to prior year is due to a decrease in South Africa's repo rate, therefore a decrease return on funds investment.



The graph below illustrates annual increases to the PSCBC Levy, based on National Treasury's year-on-year projected Consumer Price Index (CPI) as per Resolution 2 of 2013.

### Annual Levy Income



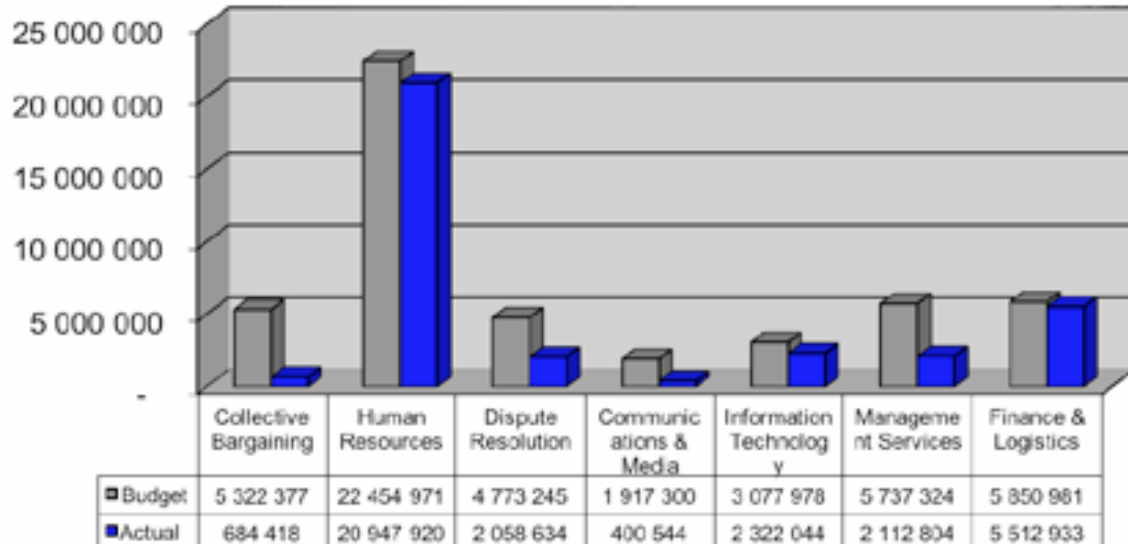
#### 7.4.2 Total Expenditure – Levy Account

The overall expenditure for the Council during the 2020/2021 financial year amounts to R34, 039,298, which was lower than the projected expenditure of R 49,134,176.

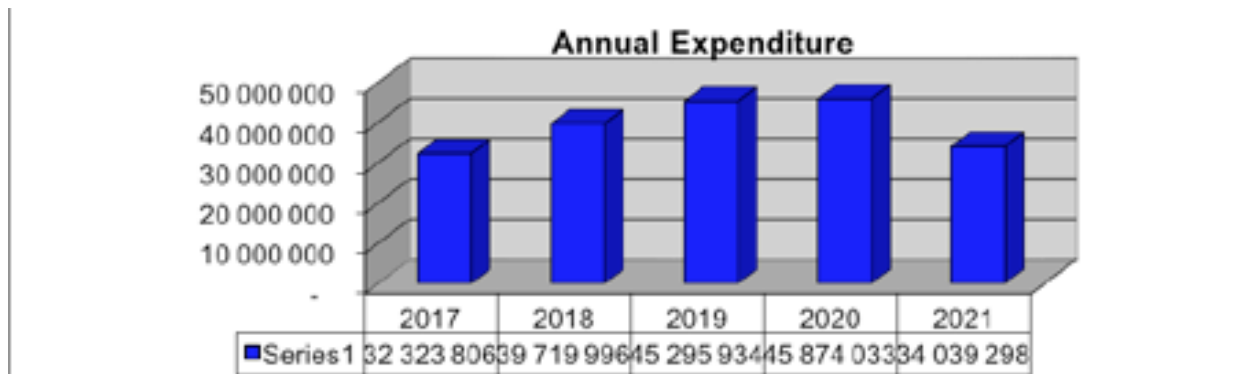
#### 7.4.3 The graph below depicts the departmental expenditures:

Actual expenses per department were lower than budget, due to the current COVID19 pandemic, with South Africa operating under a National State of Disaster and in an extended economic and social lockdown.

### Budget versus Expenditure YE2021



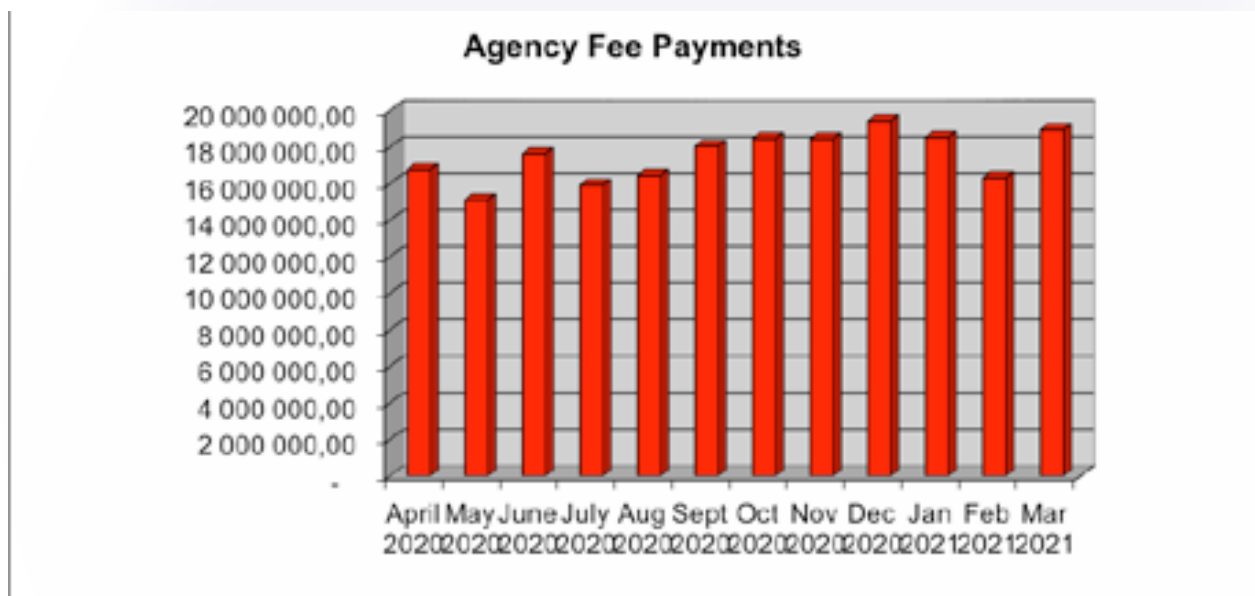
The graph below indicates the expenditure over the last five years. A decrease in the expenditure graph in 2021 is expected, due to the COVID19 pandemic and the Government's regulation protocol thereon.



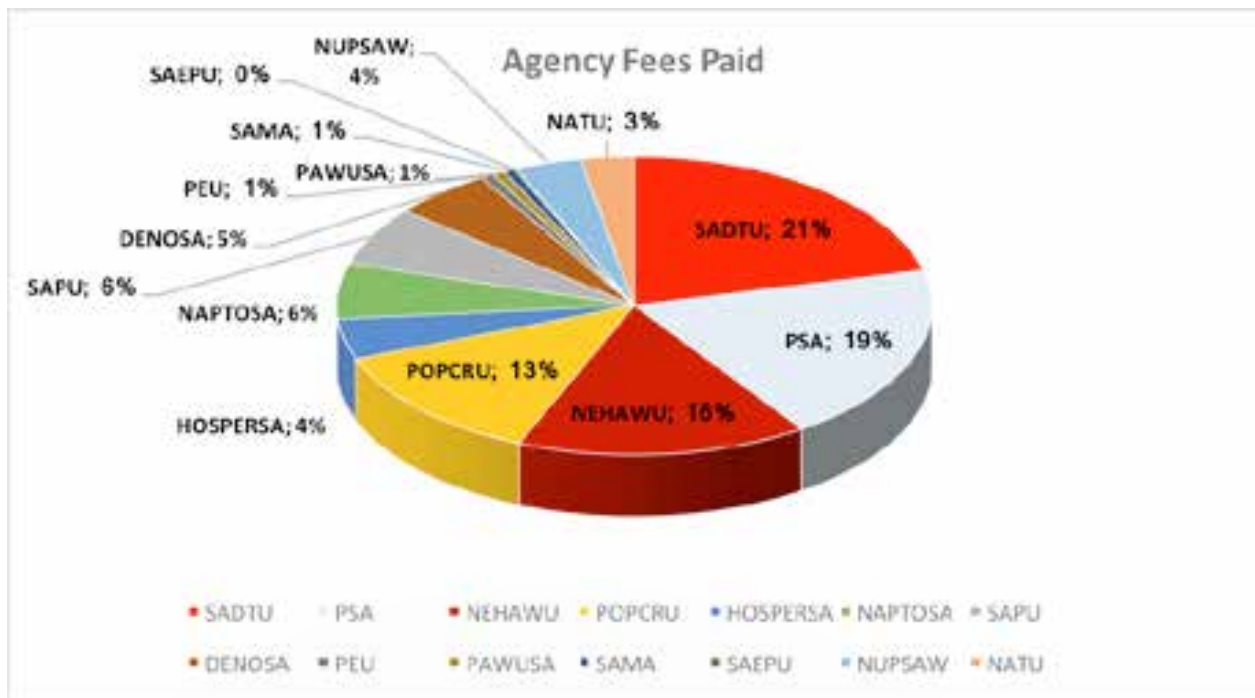
#### 7.4.4 Agency Shop Fee Account – Disbursements to Admitted Trade Unions

An amount of R242, 931,696.31 was received for the 2021 financial year for distributions to the unions. Included in this distribution amount, is an amount of R43, 890,397.00 (R28, 988,176: 2021 + R14, 902,221: 2020), inclusive of capital and interest portion payable to POPCRU at the required time of disbursement, which was allocated and payable to POPCRU, these funds are currently withheld pending compliance to Resolution 1 of 2005 regarding the submission of Agency Fee audited financial statements for the year ended March 2019 and 2020 respectively.

The graph below illustrates the total amount distributed to unions per month in terms of Resolution 2 of 2010. The variance in the agency fee payment graph is due to funds which were withheld from trade unions due to the non-submission of Agency Fee audited financial statements:



#### 7.4.5 The graph below depicts the agency fees paid in accordance to the vote weights:



The PSCBC requires Trade Unions to submit audited financial statements of the separate agency fee accounts by June of each year. Those Unions which do not meet the deadline are entitled to request an extension until the end of September. Should Unions not submit such statements, agency fee payments are withheld until such statements are submitted to the Council.

The Trade Unions audited financial statements are submitted to the Council's auditors. Council auditors report on the usage of funds, to ensure compliance with Section 25 (3) (d) of the Labour Relations Act and PSCBC Resolution 1 of 2005.

### 7.5 Property Development; Die Hoewes Ext 213

During the 2021 financial period, the progress in developing the new PSCBC building following the advertisement, invitation and appointment of a project manager, as well as professional organizations in the built environment industry, the Council advanced with a Geotechnical and Land Surveyor reports, which were further presented to the Council.

#### **Appointment of Professional Services: Architect, Quantity Surveyor and Civil and Structural Engineers**

Building professionals specializing in the following fields responded by submitting applications for the following disciplines:

- Architects, SACAP. Electrical and Electronic Engineers, ECSA. Fire Prevention and Protection Specialists, ECSA;
- Mechanical and Wet Services Engineers, ECSA. Quantity Surveyors / Cost Consultants, SACQSP;

- Structural and Civil Engineers, ECSA. Environmental Impact Assessment, Occupational Health & Safety.

One hundred and four (104) applications were received from different professionals.

A briefing session was held with service providers to communicate the service specifications and project requirements. A shortlisting process was carried out from the submissions received and the following organizations were appointed in their various disciplines:

- Architectural Services: Consortium Architects and Urban Designers (Pty) Ltd
- Quantity Surveying: Morei Matji and Associates CC
- Civil and Structural Engineering: MSBR Consulting (Pty) Ltd
- Electrical and Fire Service Engineering: HAMSA Consulting Engineers (Pty) Ltd
- Mechanical & Wet Service Engineers: iX Engineers (Pty) Ltd
- Health and Safety Services: Gudani Consulting CC

### **Architectural Concept Design and Space Planning Needs on the new PSCBC Office Park Development**

The PSCBC Executive Committee was presented with stage two of the office park development, which is the architectural concept design, as well as the space planning needs on the proposed new office park development.

### **Rezoning of the Vacant Land**

Council is experiencing challenges in terms of the land on which the office park will be built. Currently, the land is zoned as a residential area. Unfortunately, the rezoning process can take between eight to 12 months to complete. However, the rezoning will run parallel to other processes.

## **7.6 Information Technology Infrastructure Upgrades**

The Microsoft Exchange Server 2013 currently runs in a virtualised environment using VMware Hypervisor ESXi 7, with the Domain Controller running on the same Hypervisor.

Council has upgraded some of the application servers on the network, which include Trend Micro Antivirus Server, Print Server, Veritas Backup Exec Server, Pastel Server (SAGE Evolution, Payroll and Accounting), Winscribe audio recording, ASA ASDM RADIUS Server.

The 4 Mbps ADSL internet connection in the main boardroom has been discontinued and a new fibre optic link of 100 Mbps speed is now in place for PSCBC business and wireless network.

## **7.7 Backup and Disaster Recovery System**

PSCBC uses a 12 terabyte backup server with the latest veritas backup exec installation as on-premise backup solution, which is currently used to back-up the database, fax server and all other application servers. Council will be expanding the retention on its disk storage. With this being said, and depending on the storage allocated into the backup exec solution, we are able to store data on the local server for extended periods of time.

## 7.8 Network, Internet and Email Security

A new generation firewall is in place at the point of connection between external and internal network in order to send and receive information to outside the Council, or to share information. With a firewall in place, there can be no direct internal and external communication, which then ensures that unauthorized access is blocked at the point of connection to the internet.

PSCBC email delivery structure is especially responsive to the threat of computer virus invasion, and the threat of spam emails, when protecting PCs from external threats. There is an email filter server in place for dealing with internal threats, which will be especially responsive to the threat of the spread of computer virus, and the threat of information leaks, and permits transmission of only emails without any issues.

We are implementing the following counter measures with a gateway in order to lower risk when accessing the internet for work:

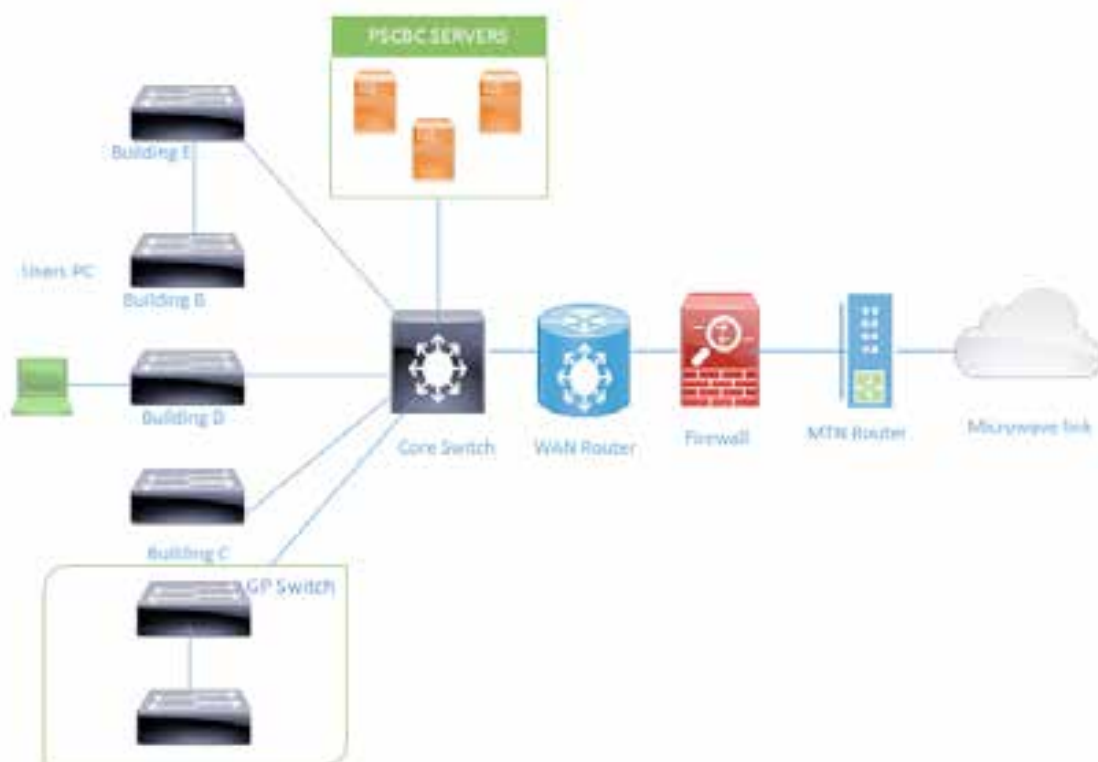
- Using ID and password authentication to regulate users, and storing and monitoring logs.
- Using image authentication to prevent machine communication by a virus.
- Filtering URLs via a standardized policy.
- Checking for web virus.

We prevent information leaks with a gateway using the following strategies:

- Implementing remote access authentication using ID and password.
- Encrypting communication of information flowing through the Internet.
- Controlling Server access.

Changes are occurring in our social lifestyles and corporate activities due to the rapid development of information technologies. PSCBC has taken action to respond to such changes, and also to stay ahead of future changes.

## PSCBC NETWORK TOPOLOGY



### 7.9 COVID19 Interventions

The outbreak of Covid-19 pandemic has affected many business operations and changed the normal way of conducting business. The PSCBC as an institution was also affected by the outbreak and the Government's regulation protocol thereon.

The existing challenges of the COVID19 health regulation protocol, compounded by load shedding, resulted in an urgent, unplanned need for Council to adjust during the lockdown period.

During the lockdown period, Council adopted a Work from Home Policy, as well as the Standard Operating Procedure on COVID19.

#### **IT Infrastructure Upgrade |Internet Fibre Link, Networks| New Server and VPN Remote Access Licenses**

The existing MTN internet access contract for a microwave link with broadband speed of 10MB, servicing the PSCBC, GPSSBC and SSSBC had to be immediately upgraded so as to ease the frustration being experienced by all users of the system during their work from home period. The link would be down during the load shedding period and was also too slow for the users working from home.

The following upgrades and purchases have been introduced for IT:

- IT Infrastructure Upgrade;
- Internet Fibre Link;
- Networks;
- New Server;
- VPN Remote Access Licenses; and
- 10 Employee laptops

### **Telephone System Upgrade - Hosted VOIP PABX System**

A cellphone was purchased for the receptionist so as to allow all switchboard calls to be diverted to that cellphone. However, the use of a mobile phone to accept switchboard calls without a switchboard system where calls could be transferred to the relevant official rendered a new challenge.

In consultation with Sector Councils, quotations were sourced from service providers for a hosted VOIP PABX system as a solution that will enable staff members to make, receive and transfer work-related calls anywhere outside the PSCBC office environment using PSCBC registered landline numbers.

## **7.10 The Year Ahead**

The overall financial position of Council is sound. The Council has recorded a net surplus for the year.

Looking ahead, in light of the lockdown imposed by the outbreak of the COVID19 pandemic, the Council remains committed to serving the public servants through organizational and operational adaptation, as well as risk mitigation during these challenging times. Our commitment to the public servants remains our priority.

The COVID19 pandemic strikes at the dawn of strategic organizational advancement, wherein the PSCBC had proceeded with implementing and positioning itself as a pioneer organisation leading the adaptation of the 4<sup>th</sup> industrial revolution by enabling the public to access the services of the PSCBC from both its offices and through remote working conditions, such as systems being the Collaborator, which has been extended to include a Portal that enables working from procedures, ensuring that productivity and services are not compromised.

## 8. HUMAN RESOURCE UNIT

### 8.1 Overview

The COVID-19 worldwide pandemic and the announcement of a National State of Disaster lockdown protocol on 23 March 2020, introduced a new normal. This required that for the first time in the Council, staff members had to work from home and the world of work as we knew it had to change. This required reprioritization of training programmes and policies to ensure that staff members are equipped with the necessary support measures to operate remotely.

### 8.2 Staff retention

The PSCBC remains the employer of choice with over 68 years of institutional experience shared amongst its senior management structures, and over 180 years shared amongst the staff complement. Over 25% of the staff complement have served the Council for a decade and above.

### 8.3 Resignations

In the period under review, Council has not received any resignations.

### 8.4 Appointments

Council made the following appointment, following a capacity building programme, wherein learners were introduced to the Council and exposed to opportunities within the system.

| Name             | Position                      | From          |
|------------------|-------------------------------|---------------|
| Innocent Madlala | Administrator: Communications | 01 April 2020 |

This appointment was a result of Council's commitment to training and development, as well as its commitment to providing suitably qualified learners with workplace experience. Mr. Madlala was initially appointed as an experiential learner within the Dispute Resolution Unit, and when the opportunity arose in the Communications Unit, he made all efforts to prove that the acquired experience will ensure his success in the new post.

### 8.5 Vacant positions

With the COVID-19 outbreak, the introduction of work from home, and as a result of Council's commitment to filling of vacancies in a phased approach, the following vacancies remain vacant. Council remains committed to filling of vacancies, subject to operational requirements.

#### 8.5.1 Manager: Internal Audit

#### 8.5.2 Senior Officer: Monitoring and Evaluation

#### 8.5.3 Officer: Enforcement

#### 8.5.4 Senior Administrator Task Teams and Committees

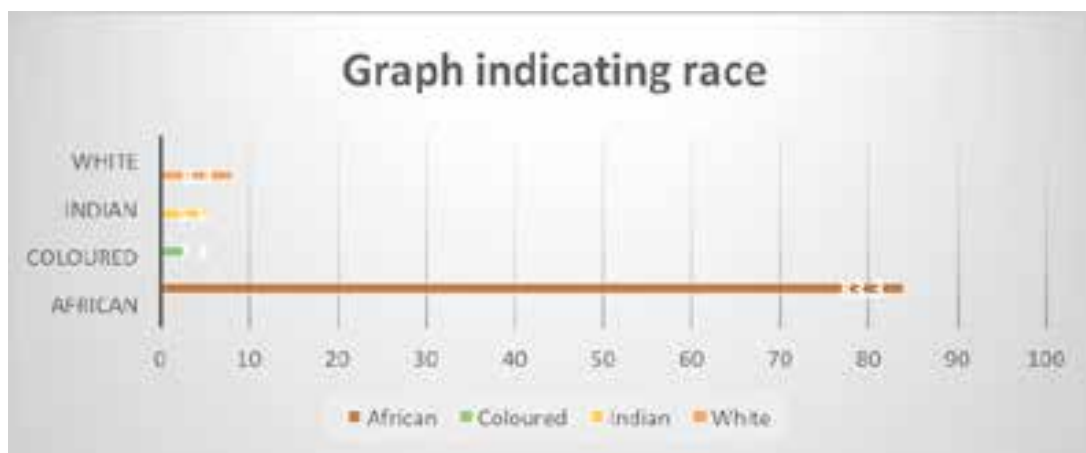
#### 8.5.5 Administrator: Research

#### 8.5.6 Administrator: Enforcement

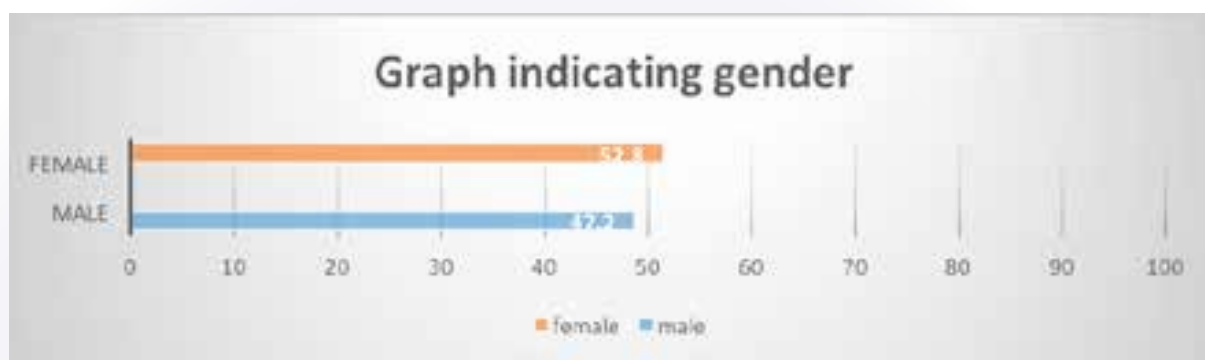
### 8.5.7 Administrator: Resource Centre

## 8.6 Representative profiles

### 8.6.1 Race



### 8.6.2 Gender



## 8.7 Skills Development

During the period under review, Council continued to show commitment to the Skills Development Act.

### 8.7.1 The following bursaries were awarded:

| Bursaries awarded                                                                   | Employee(s)      |
|-------------------------------------------------------------------------------------|------------------|
| Diploma in marketing management (IMM Graduate School)                               | Shana Trail      |
| Bachelor of Laws (UNISA)                                                            | Petunia Bhengani |
| Certificate in Office Administration (Damelin – Institute of Certified Bookkeepers) | Evelyn Molaudzi  |
| Bachelor of Arts, Honours in Development Studies (UNISA)                            | Makwena Ramaru   |
| MPhil Human Resource Management and Labour Relations Management                     | Koketso Mocheke  |
| Advanced Diploma in Information Resource Management (UNISA)                         | Cwayita Mbaba    |

| Bursaries awarded                                               | Employee(s)     |
|-----------------------------------------------------------------|-----------------|
| National Certificate in Supply Chain Management (Intec College) | Rekha Sooknunan |
| Bachelor of Arts in Communication Science                       | Kwena Manamela  |

While the 2020/2021 period might have been a difficult one, the following bursary funded staff members have completed their qualifications:

| Employee(s)            | Qualification                                                                        |
|------------------------|--------------------------------------------------------------------------------------|
| Frikkie De Bruin       | Post Graduate Diploma in Labour Law Practice (Cum laude) (Nelson Mandela University) |
| Valencia Kola          | Post Graduate Diploma in Labour Law (University of KwaZulu Natal)                    |
| Mbulaheni Netshifhefhe | Post Graduate Diploma in Labour Law (University of KwaZulu Natal)                    |
| Cyla Kok               | Post Graduate Diploma in Labour Law (University of KwaZulu Natal)                    |
| Deogracia Mathabe      | Certificate in Public Administration (UNISA)                                         |
| Cwayita Mbaba          | Advanced Diploma in Information Resource Management (UNISA)                          |
| Olumuyiwa Olomo        | MSc Engineering Project Management (University of Portsmouth –UK)                    |

#### 8.7.2 The following short courses were attended:

| Short courses attended                                                                                               | Employee(s)                                                                                                    |
|----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| E-learning Course on Labour inspection (International Training Centre – International Labour Organization (ITC ILO)) | Setshaba Mashifane                                                                                             |
| Adobe Creative Cloud                                                                                                 | Oomang Parag<br>Kwena Manamela<br>Shana Trail<br>Innocent Madlala                                              |
| Interactive online course: COVID 19 Workplace Preparedness, Health, Safety and Claims Management (Labour Guide)      | Wandile Mgobhozi<br>Oomang Parag<br>Christopher Phiri<br>Sonnyboy Manyane<br>Kwena Manamela<br>Xolani Magagula |
| Interactive Online Course: The OHS Act and the Responsibility of Management (Labour Guide)                           | Sonnyboy Manyane<br>Xolani Magagula                                                                            |

#### 8.7.3 The following workshops and seminars were attended:

| Workshops and seminars                                                                                                                                                                                                                                                                                        | Employee(s)       |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| With the introduction of the Nationwide lockdown, staff members were required to work from home to mitigate the spread of COVID-19. This required that all staff members undergo an Interactive Online Course on Working from Home facilitated by Levy Network.<br>• The Use of Social Media in the workplace | All staff members |

| Workshops and seminars                                                        | Employee(s)                                                                                                                                                                                                                                                                               |
|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>Managing a remote workforce</li> </ul> | Frikkie De Bruin<br>Valencia Kola<br>Wandile Mgobhozi<br>Petunia Bhengani<br>Oomang Parag<br>Christopher Phiri<br>Mbulaheni Netshifhefhe<br>Mbuso Mdingi<br>Mpho Moseki<br>Portia Seeletso<br>Olumuyiwa Olomo<br>Sonnyboy Manyane<br>Xolani Magagula<br>Kweni Manamela<br>Koketso Mocheko |
| SASLAW Webinar                                                                | Frikkie de Bruin<br>Valencia Kola<br>Wandile Mgobhozi<br>Oomang Parag<br>Christopher Phiri<br>Mbulaheni Netshifhefhe<br>Cyla Kok<br>Petunia Bhengani<br>Xolani Magagula                                                                                                                   |
| IFRS & IAS Training                                                           | Wandile Mgobhozi<br>Portia Seeletso                                                                                                                                                                                                                                                       |
| Sage Annual Labour Law Seminar                                                | Wandile Mgobhozi<br>Xolani Magagula                                                                                                                                                                                                                                                       |
| Sage Annual Tax Seminar                                                       | Wandile Mgobhozi<br>Portia Seeletso<br>Xolani Magagula<br>Zanele Zwane                                                                                                                                                                                                                    |

In addition to the above training and development programmes engaged by the PSCBC staff, we have maintained positive feedback from the Public Service Sector Education and Training Authority (PSETA) with an approved Workplace Skills Plan (WSP) for 2020/21 and approved Annual Training Report (ATR) for 2019/20.

## 8.8 Staff Wellness

For the year under review, Council has maintained a COVID-19 free work environment by taking all reasonably necessary precautions to ensure the health and safety of our staff members, clients and the public in general by ensuring adequate availability of sanitizers, personal protective equipment (PPE), screening and office decontamination, as well as providing constant training to staff members. Furthermore, the Council appointed a service provider for the cleaning and sanitizing of frequent contact areas, with the result that no confirmed transmissions were reported in the workplace.

The easing of COVID-19 restrictions presented an opportunity for Council to facilitate a year-end function for staff members, and all COVID-19 restrictions were observed and this presented an opportunity for staff to reconnect and strengthen the PSCBC's team spirit.

Staff members then engaged in the Council's traditional exchanging of gifts while observing proper social distancing. This is aimed at breaking any barriers as staff members participate in the appreciation of one another as valuable members of the PSCBC team.

## **8.9 The year ahead**

The unit maintains its commitment to the review of the HR policies so as to ensure that it meets organizational objectives and mitigate identified risks. This was achieved in the year under review by the introduction of the PSCBC Standard Operating Procedure for COVID-19 and the Policy on Work Arrangements.

With rapid developments in the world of work, we are further committed to meeting the 4th Industrial Revolution objectives with the introduction of automation in the unit, which will allow staff members to access various services through electronic media medium. This has been difficult to achieve. However, with the introduction of working from home, it has become the highest priority.

We remain an employer of choice and seek to maintain a good standing with regard to Skills Development and Health and Safety of the PSCBC's staff complement.

## 9. COMMUNICATIONS UNIT

### 9.1 Overview

The Communications Section is strategic in nature and has evolved throughout this period, progressing with changes in achieving the overall strategic objectives of Council. The Section underpinned its strategic objective by refining and enhancing the liaison, marketing, and communication strategy, and developing the organizational brand both nationally and internationally. Branding, marketing, media, communication, resource centre, events, and strategic partnerships & stakeholder relations were the focus areas for the Communication Section to achieve the strategic objective.

Policies and procedures were fundamental to the day-to-day operations for this section as they provided a road map and were effectively used to implement business activities equivalently. This ensures that interaction with stakeholders and general public is in a coordinated and coherent manner and preserves the image of the Council.

This section of the report will describe in detail the key activities performed by the section for the 2020/21 financial year.

### 9.2 Website

In this reporting period, the website continues to make a huge impact in upholding and enhancing the image of the PSCBC. The importance of this medium became the backbone in maintaining our online presence. The department deemed it imperative to maintaining concerted effort and homogeneity amongst all our communication channels in the dissemination of information. This means that the information published on the website is the same as the one appearing on our social media pages and vice versa.

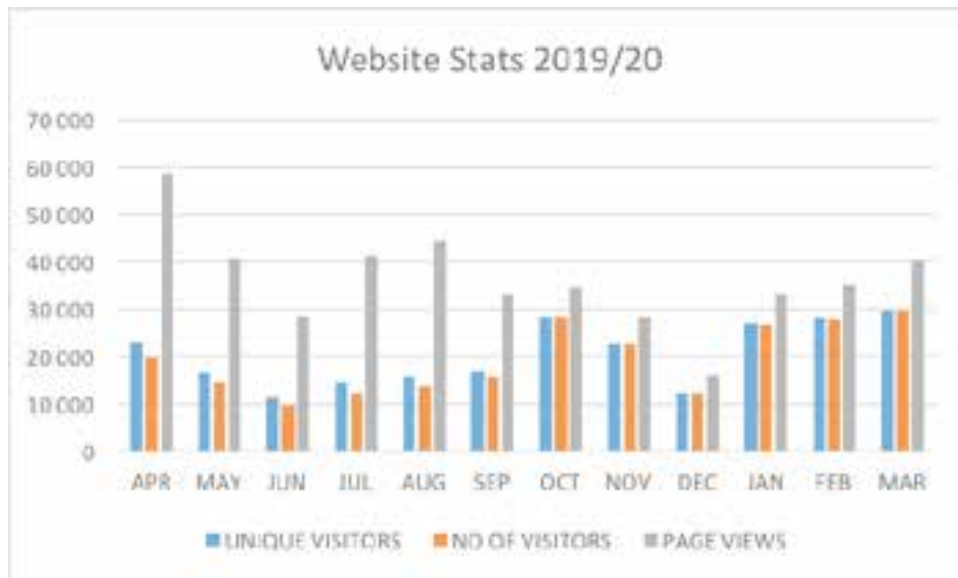
The tables and graphs below illustrate our website usage statistics. The number of unique visitors, number of visits, and number of pages are included. "Unique visitor" is a term used in web analytics to refer to a person who visits a site at least once within the reporting period. Each visitor to the site is only counted once during the reporting period. So, if the same IP (internet protocol) address accesses the site many times, it still only counts as one visitor. Visitors are the total number of people who have accessed the website. Pages refer to the number of pages opened within the website, these include links that are contained within pages.

| 2020/21 | UNIQUE VISITORS | NO OF VISITORS | PAGE VIEWS |
|---------|-----------------|----------------|------------|
| APR     | 30 858          | 31 016         | 43 727     |
| MAY     | 37 948          | 37 839         | 57 043     |
| JUN     | 42 187          | 42 076         | 55 094     |
| JUL     | 37 610          | 37 701         | 49 950     |
| AUG     | 40 306          | 40 392         | 51 705     |
| SEP     | 45 527          | 45 706         | 54 809     |
| OCT     | 32 624          | 32 202         | 40 516     |
| NOV     | 27 393          | 27 583         | 33 661     |
| DEC     | 23 094          | 23 061         | 29 066     |
| JAN     | 34 591          | 34 647         | 43 675     |
| FEB     | 43 049          | 43 313         | 54 293     |

| 2020/21      | UNIQUE VISITORS | NO OF VISITORS | PAGE VIEWS    |
|--------------|-----------------|----------------|---------------|
| MAR          | 33 855          | 33 646         | 43 399        |
| <b>Total</b> | <b>429042</b>   | <b>429182</b>  | <b>556938</b> |

| 2019/20 | UNIQUE VISITORS | NO OF VISITORS | PAGE VIEWS     |
|---------|-----------------|----------------|----------------|
| APR     | 23 006          | 19 677         | 58 583         |
| MAY     | 16 752          | 14 375         | 40 309         |
| JUN     | 11 193          | 9 501          | 28 460         |
| JUL     | 14 372          | 12 268         | 41 173         |
| AUG     | 15 514          | 13 605         | 44 320         |
| SEP     | 17 026          | 15 639         | 33 267         |
| OCT     | 28 350          | 28 312         | 34 459         |
| NOV     | 22 678          | 22 715         | 28 208         |
| DEC     | 12 367          | 12 357         | 15 732         |
| JAN     | 26 799          | 26 725         | 33 078         |
| FEB     | 28 009          | 27 666         | 34 942         |
| MAR     | 29 636          | 29 627         | 40 085         |
|         | <b>188 057</b>  | <b>175 174</b> | <b>357 589</b> |





### 9.2.1 Summary of Visitors

The graph below illustrates the number of visitors to the website- comparative summary for the 2019/20 and 2020/21 Financial Years.



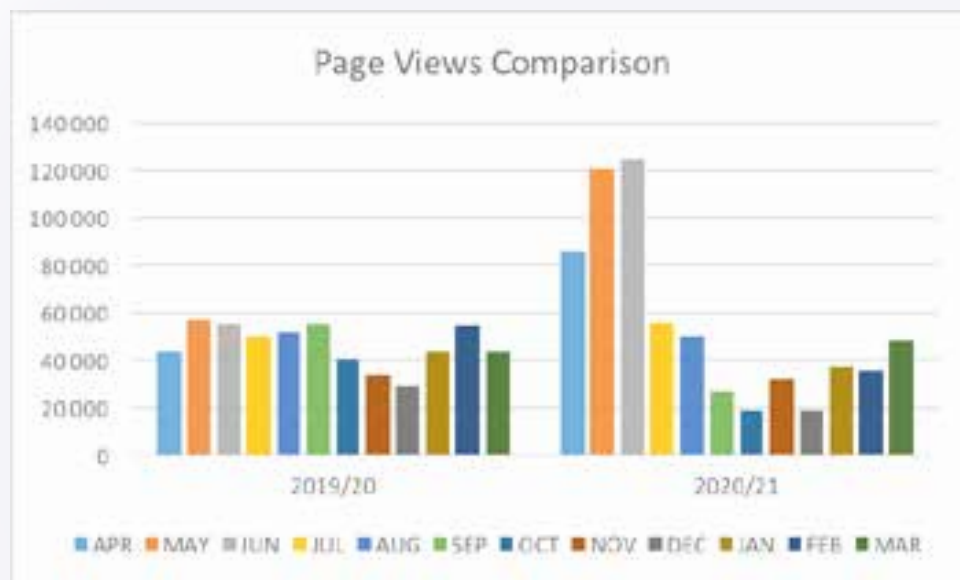
### 9.2.2 Summary of Unique Visitors

The graph below illustrates the number of unique visitors to the website- comparative summary for the 2019/20 and 2020/21 Financial Years.



### 9.2.3 Summary of pages

The graph below illustrates the number of pages accessed - summary for the 2019/20 and 2020/21 Financial Years.



## 9.3 Social Media

The 2020/21 financial year was a game changer for council as we have seen how important and powerful social media is in educating, marketing and building a brand. Our social media pages played a huge role in disseminating real-time information and keeping followers up to date on important information. Due to the Covid-19 pandemic and lockdown restrictions in South Africa, our events calendar was impacted and we had to adapt to hosting all planned events virtually. Consequently, our social media platforms played a significant role throughout the year.

The social media plan, which contained topical posters/ messages on various issues affecting stakeholders, was an essential tool used to increase followers across the different social media platforms. We are pleased to report that in this financial year, we were able to see an enormous increase in followers and likes on all our social media platforms.

The social media platforms played a pivotal role in driving discussions and establishing a two-way communication platform for all our followers to engage and register their views on various issues that impact the labour relations environment. The growth is attributed to an intensive effort to conduct daily posts, which has resulted in the higher number of followers on issues such as Covid-19, mental health, PSCBC constitution, and labour relation matters. Facebook was used dominantly in this financial year. Listed below are statistics and information on our Social Media platforms:

### 9.3.1 Facebook

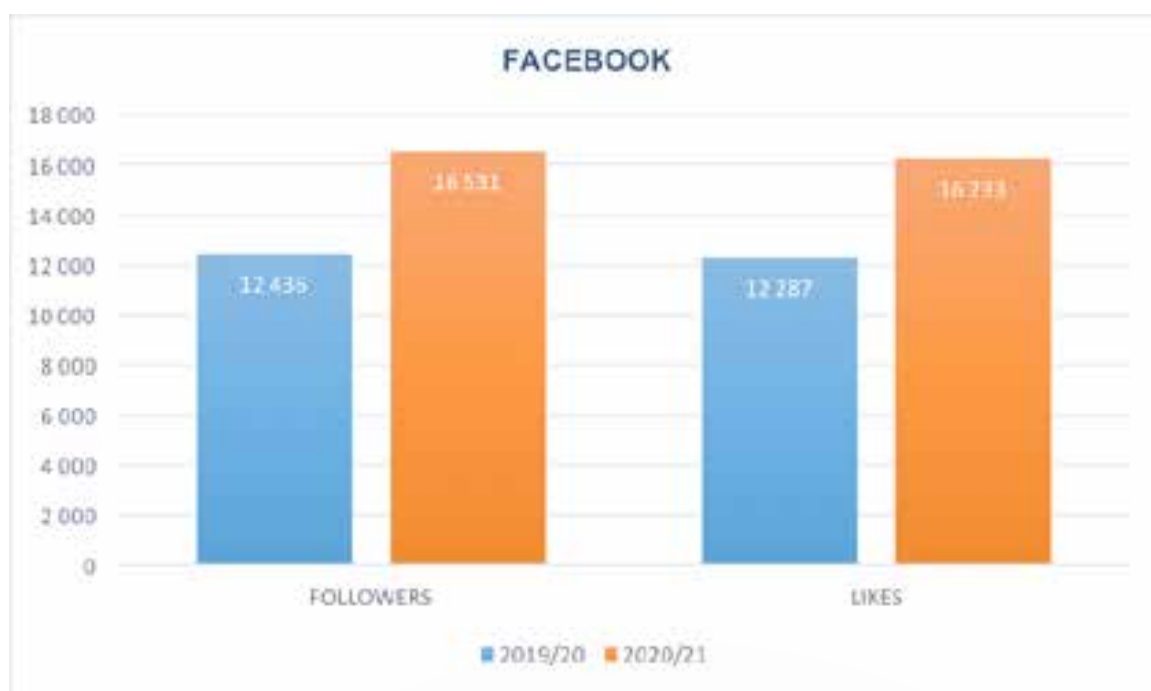
<https://www.facebook.com/pscabc.council?fref=ts>



Listed below are the number of likes and followers on our Facebook page for the period 1 April 2020 to 31 March 2021:

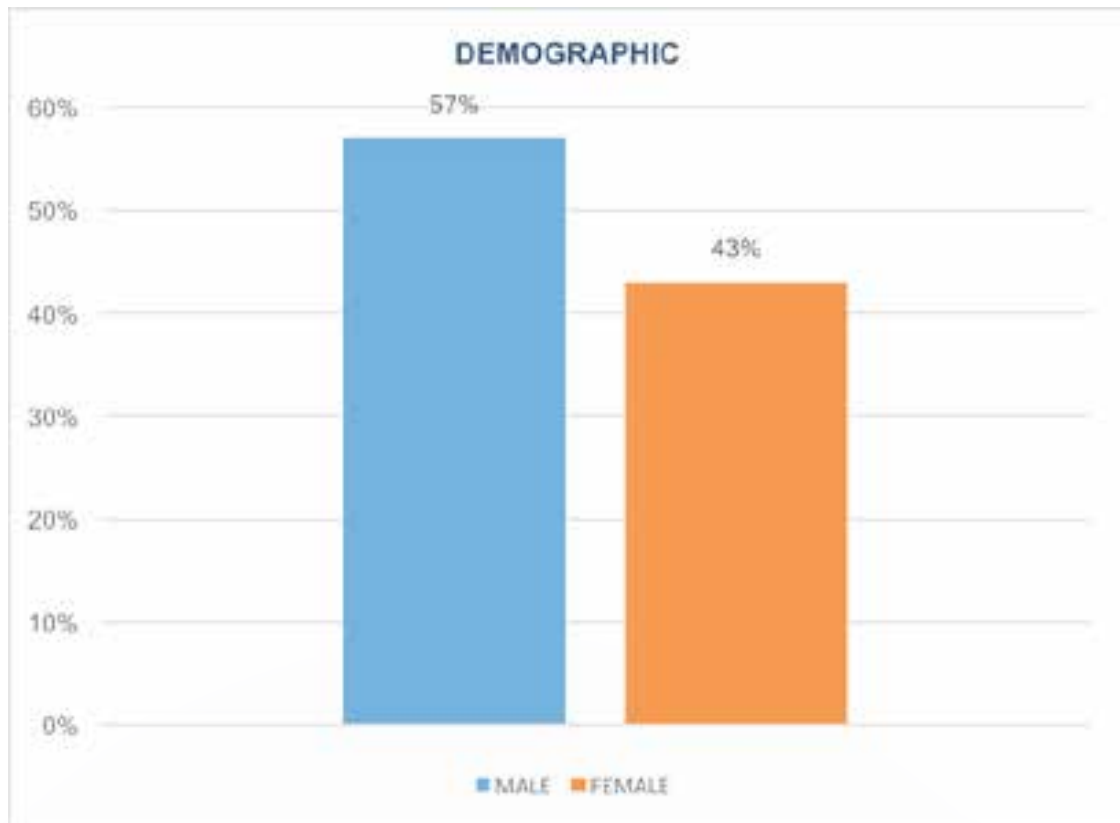
| Facebook  | 2019/20 | 2020/21 |
|-----------|---------|---------|
| Likes     | 12 287  | 16 233  |
| Followers | 12 436  | 16 531  |

The graph below illustrates the comparison between likes and followers for the period 1 April 2020 to 31 March 2021:



Summarised below is the aggregate demographic data of people who like our Facebook page. Countries of origin and cities within South Africa are also included. This is based on the age and gender information that subscribers to social media provide in their user profiles:

| Ages  | Male       | Female     | Total         |
|-------|------------|------------|---------------|
| 13-17 | 0.0605%    | 0.0423%    | <b>0.010%</b> |
| 18-24 | 1%         | 1%         | <b>2%</b>     |
| 25-34 | 12%        | 10%        | <b>22%</b>    |
| 35-44 | 19%        | 14%        | <b>33%</b>    |
| 45-54 | 9%         | 10%        | <b>19%</b>    |
| 55-64 | 6%         | 6%         | <b>6%</b>     |
| 65+   | 8%         | 8%         | <b>16%</b>    |
|       | <b>53%</b> | <b>47%</b> | <b>100%</b>   |



| Country                  | PSCBC Followers |
|--------------------------|-----------------|
| South Africa             | 16 180          |
| Botswana                 | 153             |
| India                    | 65              |
| Bangladesh               | 13              |
| Lesotho                  | 9               |
| United States of America | 9               |
| Nigeria                  | 9               |
| Nepal                    | 8               |
| United Kingdom           | 8               |
| Zimbabwe                 | 8               |
| <b>Total</b>             | <b>16 462</b>   |

| City                    | PSCBC Followers |
|-------------------------|-----------------|
| Pretoria, Gauteng       | 1 443           |
| Cape Town, Western Cape | 1 364           |
| Johannesburg, Gauteng   | 801             |
| Durban, KwaZulu-Natal   | 916             |
| Johannesburg, Gauteng   | 629             |

| City                            | PSCBC Followers |
|---------------------------------|-----------------|
| Polokwane, Limpopo              | 421             |
| Bloemfontein, Free State        | 413             |
| Port Elizabeth, Eastern Cape    | 398             |
| East London, Eastern Cape       | 397             |
| Pietermaritzburg, KwaZulu-Natal | 386             |
| <b>Total</b>                    | <b>7 168</b>    |

Please check the information in the above table as Johannesburg has two entries.

| LANGUAGES             | PSCBC Followers |
|-----------------------|-----------------|
| English (US)          | 12 254          |
| English (UK)          | 3 927           |
| Afrikaans             | 231             |
| French (France)       | 37              |
| Spanish               | 21              |
| Portuguese (Portugal) | 9               |
| Indonesian            | 7               |
| Malayalam             | 7               |
| Portuguese (Brazil)   | 6               |
| Swahili               | 5               |
| <b>Total</b>          | <b>16 504</b>   |

### 9.3.2 Twitter

@pscabcnews

<https://twitter.com/pscabcnews>



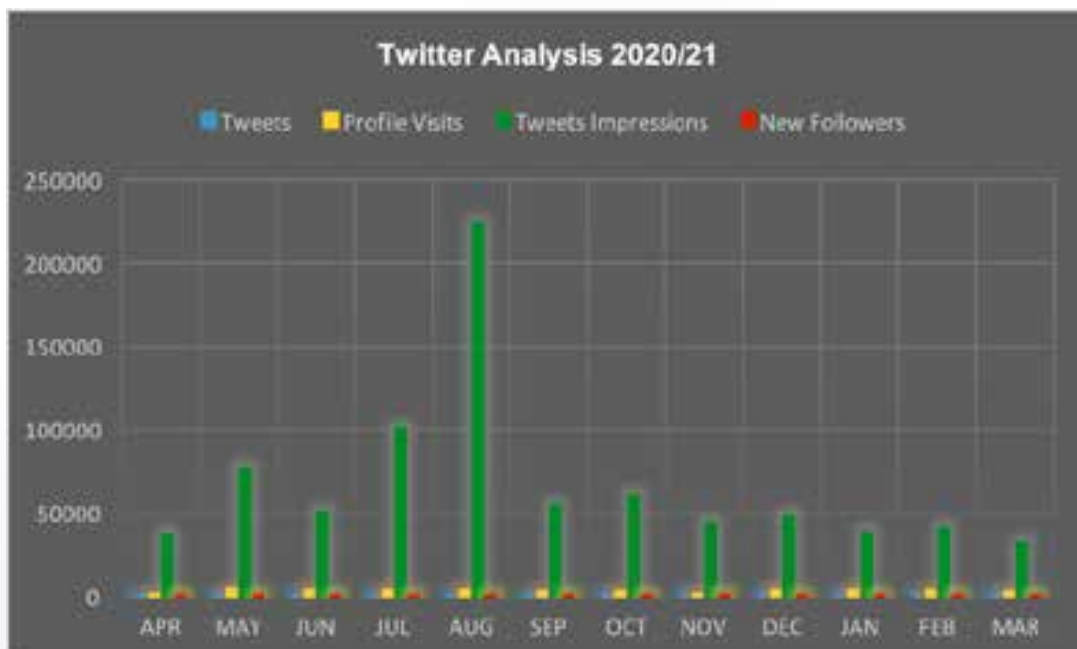
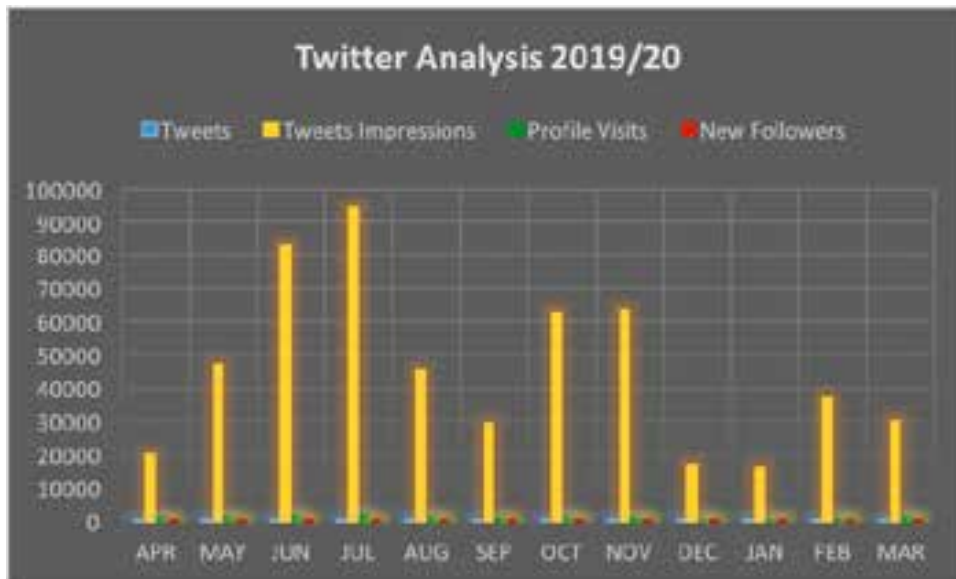
Listed below are the number of followers on our twitter page for the current and past financial years.

| Twitter   | 2019/20 | 2020/21 |
|-----------|---------|---------|
| Followers | 4465    | 5700    |

The statistics below highlight the number of tweets, tweets impressions (number of times users saw the tweet on Twitter) and new followers of twitter:

| 2020/21 | Tweets     | Profile Visits | Tweets Impressions | New Followers |
|---------|------------|----------------|--------------------|---------------|
| APR     | 22         | 1 617          | 37 200             | 162           |
| MAY     | 43         | 4 857          | 77 200             | 213           |
| JUN     | 39         | 3 769          | 50 600             | 10            |
| JUL     | 76         | 3 432          | 101 000            | 154           |
| AUG     | 104        | 3 612          | 224 000            | 172           |
| SEP     | 63         | 2 930          | 54 400             | 54            |
| OCT     | 52         | 3 098          | 60 800             | 93            |
| NOV     | 42         | 1 787          | 43 700             | 74            |
| DEC     | 39         | 4 098          | 48 700             | 116           |
| JAN     | 52         | 3 837          | 38 500             | 89            |
| FEB     | 61         | 4 091          | 40 600             | 42            |
| MAR     | 40         | 2 919          | 32 000             | 56            |
|         | <b>633</b> | <b>40 047</b>  | <b>808 700</b>     | <b>1 235</b>  |

| 2019/20      | Tweets     | Tweets Impressions | Profile Visits | New Followers |
|--------------|------------|--------------------|----------------|---------------|
| APR          | 37         | 19 800             | 905            | 162           |
| MAY          | 56         | 47 100             | 1 066          | 46            |
| JUN          | 80         | 82 800             | 1 448          | 76            |
| JUL          | 105        | 94 600             | 1 811          | 62            |
| AUG          | 48         | 45 300             | 865            | 47            |
| SEP          | 37         | 29 200             | 603            | 44            |
| OCT          | 75         | 62 900             | 826            | 28            |
| NOV          | 59         | 63 600             | 956            | 47            |
| DEC          | 24         | 16 800             | 364            | 44            |
| JAN          | 18         | 16 100             | 299            | 30            |
| FEB          | 34         | 37 000             | 488            | 61            |
| MAR          | 25         | 30 000             | 1 021          | 66            |
| <b>Total</b> | <b>539</b> | <b>478 200</b>     | <b>8 743</b>   | <b>457</b>    |



Please take note of what each of the above represents:

**Tweets:** Number of tweets posted each month. In the 2019/20 year, we conducted 539 tweets, and in the 2020/21 year, we conducted 633 posts. That is a significant increase in the number of posts, 64.56% up from the previous year.

**Tweet Impression:** The number of times the tweet was displayed, no matter whether it was clicked on or not (retweets would play a major role in this – for example: In August 2020, we recorded high tweets impressions due to our prompt posts on the President’s Addresses on lockdown regulations, and constant updates on the Arbitration on PSCBC Resolution 1 of 2018 (Clause 3.3) which resulted in the PSCBC being tagged on retweets and posts of our stakeholders.

**Profile Visits:** Number of times profile is clicked on & visited.

**New Followers:** Number of new followers each month.

**Please take note:** If the number of tweets posted is high, impressions will be high, leading to more profile visits & followers (We become more relevant in terms of twitter algorithms).

Listed below are the **demographics and countries of origin of our followers on Twitter:** (Tweeter has removed this section for the analytics)

## 9.4 Events

Events play a significant role in educating, promoting, marketing and building the PSCBC brand amongst all stakeholders both nationally and internationally. The PSCBC continued to strive to maintain and strengthen relations by hosting, attending and addressing congresses hosted by its stakeholders and strategic partners. Below are important events and Corporate Social Responsibility initiatives hosted by Council during this financial year:

### 9.4.1 PSCBC 23<sup>rd</sup> Annual General Meeting (AGM)

The “COVID-19” pandemic and declaration of a national state of disaster in terms of the Disaster Management Act No. 57 of 2002 has had an unprecedented impact on people and organisations alike.

As a result of the COVID-19 lockdown regulations, the PSCBC held its first virtual AGM on 29 June 2020.

The successful AGM was characterised by feelings of contentment about the PSCBC achievements for the 2019/20 financial year. It was also an emotional meeting as a tribute (available on YouTube: <https://youtu.be/lzHGG03OwtI>), in the form of a video, was streamed, dedicated to our frontline workers and members “near and dear” who were lost to the COVID 19 pandemic. A moment of silence was observed by members to remember those who have passed and who are affected by COVID-19.

The Chairperson, Mrs Ingrid Dimo, directed the meeting. In her opening remarks, she welcomed everyone, and, while expressing the challenge of conducting a meeting in a virtual environment, she urged members to embrace change in terms of the 4th Industrial Revolution. She also cautioned members to stay vigilant during the pandemic and to be very careful as we approach the peak.

Mr Frikkie De Bruin, the General Secretary, then conducted an in-depth and informative presentation on the performance and the financial well-being of the Council.

Members highly appreciated the presentation and commended the General Secretary and his team for the sterling work undertaken by the PSCBC during the 2019/20 period. Furthermore, members appreciated the achievement of another unqualified audit report, which is the best audit report that any organisation may achieve.



#### 9.4.2 Pre-Negotiation Session

The Parties to the PSCBC (Employer & Labour) met in terms of clause 16.3 of the PSCBC Constitution and Resolution 03 of 2017, for the Pre Negotiations Process on 15 - 16 March 2021 at Valley Lodge in Magaliesburg for an information sharing session.

The session involved submissions by both parties, which were deliberated on and discussed at length. Presentations were conducted by independent Economists who provided an overview of the economic outlook of the Country. Members were given the opportunity to engage Economists on issues of interest and clarity-seeking matters.

The session concluded with a presentation by the PSCBC General Secretary, Mr Frikkie De Bruin, who provided a roadmap for the Salary Negotiations Process. This informative session was a much-needed session by the Parties to Council.





#### 9.4.3 PSCBC Dispute Management Committee Workshop

The PSCBC held an enlightening two-day Dispute Management Committee Workshop on 11 –12 November 2020 in Pretoria. The two sessions were chaired by PSCBC Chairperson, Ms Ingrid Dimo, and PSCBC General Secretary, Mr Frikkie De Bruin. The workshop was attended by the PSCBC Dispute Committee members comprising representatives from both labour and employer.

The focal areas of discussions included, among others, the following: Draft Picketing Rules, the review/ amendments of DR Rules and Procedure, Panellist Fee comparison report and the discussion of the Enforcement Procedure report. The Committee members discussed the issues at length and developed innovative methods to deal with related challenges going forward. Attendees applauded the Secretariat for organising a session of this nature, which they believe will contribute immensely to the overall vision of the PSCBC.

The outcomes, together with the recommendations from this session, will be presented to EXCO, AND then TO Council, for their consideration.



#### 9.4.4 PSCBC Resolution 01 of 2019 Workshops

The PSCBC, in striving to inform, educate and maintain good relations with our stakeholders, embarked on an initiative to conduct a series of workshops Countrywide. The aim of these workshops was to discuss the implementation of Resolution 01 of 2019 (Agreement on the 2019 Re-configuration of Government Departments) with the affected departments.

Mr Frikkie De Bruin, the General Secretary of the PSCBC, conducted the presentations at the workshops, and strategically unpacked the contents of the Resolution. Both the Employer and Labour representatives attended these workshops.

There was a general consensus from Labour Parties that these workshops assisted widely in sharing information. The Employer indicated that it's committed to the agreement, which requires purposeful and sufficient consultation with labour.

Members who attended the workshops engaged and debated vigorously, which assisted extensively in addressing issues of clarity regarding the Resolution.



#### 9.4.5 Covid-19 Awareness Training Programme

The Public Service Co-ordinating Bargaining Council (PSCBC), together with the General Public Service Sector Bargaining Council (GPSSBC) and the Public Service Sector Education & Training

Authority (PSETA), conducted an educative awareness training programme on COVID-19 Occupational Health and Safety and Workplace readiness for the Public Service.

The training programme was conducted during November 2020, and public servants from National and Provincial departments attended.

The training commenced on 3 November 2020 for the delegates in KZN, Mpumalanga, North-West and Free State, followed by Gauteng, Western Cape, Limpopo, Eastern Cape and Northern Cape on 6 and 18 November 2020 respectively.

Attendees were given an opportunity to either attend virtually or physically, whilst adhering to strict COVID 19 protocols. We were able to train in excess of 1000 candidates. Learners were competently trained on the following 4 Modules:

#### *Module 1: Background and Introduction*

- Overview of COVID-19
- Statistics related to COVID-19
- Screening and preliminary processes
- Roles and Responsibilities

#### *Module 2: Risk Assessment*

- Managing the Workplace Risk
- Conducting the Risk Assessment
- The Risk Assessment Template
- OHS Requirements
- Regulation Requirements
- PPE
- Controls & reporting
- Mitigation of Risk

#### *Module 3: Legislative Compliance*

- The OHS ACT
- SHERQ (Safety, Health, Environment, Risk and Quality)
- Role of Trade Union Representatives
- Role of Employer Representatives

#### *Module 4: Other Relevant Information*

- ILO – Policy
- Effects of COVID-19 on the Economy/Labour Market & Healthcare facilities
- Roles & Responsibilities of Society at large

This programme greatly assisted delegates to understand prudent issues relevant to the work environment, the COVID 19 protocols and associated risk management. The feedback received indicated that this was an impactful and successful programme, and delegates commended the Councils for coordinating this vital and relevant training.

Attendees were given adequate time to address the key challenges they are faced with in their respective departments. The PSCBC looks forward to hosting future virtual seminars of this nature.



#### **9.4.6 The 3<sup>rd</sup> African Labour Law Society Conference**

The PSCBC attended the African Labour Law Society (ALLS) 3<sup>rd</sup> Conference on 23 – 24 November 2020. The conference was held virtually due to the Covid-19 pandemic and various lockdown restrictions in many countries. The conference was held under the theme: Decent work in Developing African Countries: Contemporary Legal and social challenges.

In promoting sound labour relations through collective bargaining and dispute management both locally and internationally, the PSCBC General Secretary, Mr Frikkie De Bruin, contributed by conducting a presentation at the Conference. The topic of the presentation was Challenges for Bargaining Councils in Advancing Centralised Collective Bargaining.

In his in-depth presentation, he highlighted the following challenges: the lack of ability to enforce collective agreements; limited rights of designated agents; the effectiveness of ensuring compliance; and total failure and lack of proper enforcement procedures in the public service. Mr De Bruin concluded his presentation by highlighting the COVID-19 induced challenges which affected the Bargaining Councils, i.e. the retrenchments experienced by sectors, which resulted in a loss of membership.

The PSCBC played a fundamental role of a sponsor at this conference. This platform enabled Council to market and promote its brand to an international audience. The ALLS management thanked the PSCBC for its contributions in making the conference a success. The PSCBC congratulated ALLS on hosting such an informative and successful conference.



## 9.5 PSCBC Corporate Social Responsibility (CSR) Initiative - Olievenhoutbosch & Tembisa

The PSCBC is deeply committed to supporting communities where there is a dire need. On 22 July 2020, as part of our CSR initiatives, we donated medical equipment, masks and sanitizers (including stands for the sanitisers) to the Olievenhoutbosch Clinic in Pretoria.

On another initiative, the PSCBC donated PPE's, mattresses and blankets to the 10th Commandment Community Care Centre (10th CCCC) in Tembisa to alleviate some of the strain experienced during the pandemic. The 10th CCCC is a rehabilitation centre that plays a pivotal role in the Tembisa community as it helps to rehabilitate drug addicts and integrate them back into the community.

The Clinic and the rehabilitation centre are some of the various organisations that the PSCBC has adopted to support. The recipients registered their delight and appreciation to the PSCBC for its continued support of frontline employees and impoverished communities during the pandemic.

*"We are now motivated to continue the fight against this invisible enemy and we are certain of the victory due the support from the PSCBC"* said the Clinic Manager, Sister Kutumela.



## 9.6 The Year Ahead

The Communications section will have to adapt to the Changing world of work in terms of the COVID-19 pandemic. In embracing the new work culture, our annual Calendar of Events will be adapted to continue operating in the virtual environment. To this end, employees will be upskilled to use the website, social media, electronic conferencing, webinars and other technological innovations to reach our target audience.

# 10. STRATEGIC PLANNING MONITORING AND EVALUATION

## 10.1 Overview

The unit is a technical support function that enables the set strategic objectives of PSCBC and standards to be met across units and council.

## 10.2 Unit's Strategic objectives

To promote effective and efficient coordination of labour relations

## 10.3 Annual deliverables

### 10.3.1 EXCO operational planning session

In 2020/2021, a new normal to work was introduced due to Covid-19. The business plan approved in 2019 was operationalized in 2020/2021. However, the Business Plan would need to be reviewed in 2021/2022 after the strategy has been approved by council.

### 10.3.2 Council's 2020-2025 strategy

The 2019 strategy session led to the development of the 2020-2025 strategy. Despite the strategy not yet being approved, its strategic objectives were utilised to develop the Business Plan that was operationalized in the 2020/2021 financial year. The strategy is expected to be approved in the 2021/2022 financial year.

### 10.3.3 Strategic Partnerships (ILO, ILC, COSATU etc.)

The Council planned and participated in different partnership conferences, engagement meetings on labour relations and for capacity building with PSETA, skilling and reskilling of council members and the public service.

In developing and strengthening a strategic partnership with NEDLAC, engagements and submissions have been made to NEDLAC to explore possible partnerships on issues that protect and advance centralised collective bargaining in the public service. However, not much ground has been covered, but it is expected to be enhanced in the 2021/2022 financial year.

### 10.3.4 Strategy Implementation

Consistent with the strategic imperatives as outlined in the 2020/2021 business plan, the PSCBC council reviewed and approved the working policy on the new normal. Staff were capacitated on the new normal in working from home, while promoting accountability to ensure work was completed within scope and time.

## **10.4 Business UNIT plans Development**

The PSCBC sector reviewed the Business plans and the operational plans to fit the purpose during Covid-19, with meetings conducted online, with a few through face-to-face sessions. The UNIT's business plans were aligned to the strategy. The Business plan led to the development of operational plans, which Units used as the basis to develop weekly plans that were implemented, within scope and time. New monitoring tools need to be developed.

## **10.5 Business UNIT Support**

All units were supported to develop weekly plans, which facilitated the tracking of deliverables and the consolidation of monthly reports. Each unit therefore monitored and reported on its performance in terms of the set objectives and deliverables. The Monitoring and Reporting culture has been enhanced. However, Individual performance management is yet to be aligned. This will be reviewed and aligned in the 2021/2022 financial year.

## **10.6 Monitoring and Evaluation Policy development**

The M and E policy was developed and is in draft form. It will be finalized after the approval of the 2020-2025 strategy. Other PSCBC policies were reviewed, and are yet to be finalized and approved after the strategy has been approved in 2021/2022. The monitoring of the implementation of the policy has gradually been implemented.

## **10.7 Monitoring and Evaluation Framework**

While the Monitoring and Evaluation framework was developed, it still has to be approved after the approval of the PSCBC 2020/2025 strategy. The units are yet to be workshopped on the M and E framework.

## **10.8 Strategy Scorecard**

The strategy scorecard will be finalised after the approval of the 2020-2025 strategy. No scorecard was developed and customised in each unit.

## **10.9 Knowledge Management**

In the 2020/2021 financial year, business units began producing reports on a weekly basis to inform decision making. This allowed the units and the council to correlate and collate information to produce PSCBC bi-annual and annual reports.

## **10.10 Monitoring Resolution 1 of 2018 regular updates**

The council resolutions, and, in particular, resolution 1 of 2018, were monitored. There has been delays in the implementation of some resolutions from 2010, including resolution 1 of 2018. The parties to council have to commit to the implementation of all signed agreements. The council has to develop an enforcement agreement to ensure the collective agreements are implemented (see attached annexure for reference).

## 10.11 Monitor Implementation of Resolutions and Council Decisions

All resolutions were monitored and a monitoring tool was developed. Council meetings, decisions and actions were reported, including decisions to implement resolutions. Each unit in the PSCBC contributed to the function of the council through set deliverables.

## 10.12 Risk Management

The business risks were identified in each unit and risk management measures taken to mitigate, manage or transfer risks. The new strategy outlines clearly how effectiveness and efficiency would be promoted. EXCO was engaged, leading to the adoption of King IV on governance and 4IR. However, a PSCBC Risk Management plan will need to be developed in the 2020/2025 strategy.

## 10.13 Research development

Based on PSCBC Resolution 1 of 2018 (Clause 7), the council approved the appointment of a service provider to conduct research on comprehensive Danger Insurance that covers employees who, in the course of their employment, may have experienced a genuine risk to their lives and those that are employed in specified occupational categories.

Celtic Africana Resources conducted the research. The research was finalised and presented to EXCO and council. Different engagement meetings were conducted with labour and employer. The outcome was a further council meeting to map the way forward.

## 10.14 Strengthen Research, Monitoring and Evaluation within PSCBC for accountability and efficiency

In promoting current and future research within labour relations, democratization of the workplace, economic development, social justice and labour peace, the Research team within PSCBC was supported and guided in the planning and development of research concepts and preparation of World congress and ILERA papers that were.

Please check this sentence, as it appears to be incomplete.

## 10.15 Parliamentary Monitoring Group

Submissions made to parliament over the years by PSCBC on bills related to public service relations were monitored, whether or not they were considered before the final amendment or approval of bills by parliament and the president. One other submission was made in 2021/2022.

PSETA partnerships with PSCBC in Training and Research: A partnership with PSETA has been developed with the signing of a MOA, where different areas of partnerships were identified in skills development and research.

The training included Covid-19 for the public service. A target of 1000 public servants were expected to be trained, and 827 have already been trained in the current financial year.

The skills training programme included the following:

Conflict Management and negotiation skills, working from home during Covid-19, Monitoring and Evaluation, as well as other skills, including accredited and none accredited Soft skills.

### **The identified research areas include the following:**

Tracking and Tracer studies of Public Service sector Interventions

The impact of SETA programmes

Jobs, Qualifications and Occupations

Policy Frameworks and their implications for Public Service sector skills planning

TVET College graduates within the Public Service sector

The effectiveness of the work-based skills programmes

New Unionism and The use of technology by Trade Unions for collective bargaining

## **ANNEXURE 1**

### **IMPLEMENTATION OF COLLECTIVE AGREEMENTS**

**Implemented**

**Continuous/in progress**

**Not Implemented**

| Resolution                                                                                                                            | Agreements                                                                                               | Comments                                    | Tracking                                                                                           |
|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|---------------------------------------------|----------------------------------------------------------------------------------------------------|
| <b>Resolution 1 of 2010 Amendment to PSCBC Resolution 5 of 2009</b>                                                                   |                                                                                                          |                                             |                                                                                                    |
| – Timeframes for 2010/2011 Salary Negotiations                                                                                        | Salary negotiations should be finalised by no later than 28 Feb 2010                                     | Negotiations Implemented                    | <span style="background-color: #4CAF50; display: inline-block; width: 30px; height: 20px;"></span> |
| <b>Resolution 2 of 2010 Amendment to PSCBC Resolution 1 of 2005</b>                                                                   |                                                                                                          |                                             |                                                                                                    |
| Agency Shop Agreement                                                                                                                 | The Agency fee shall be R 57 per month and is subject to increase annually                               | Implemented                                 | <span style="background-color: #4CAF50; display: inline-block; width: 30px; height: 20px;"></span> |
| <b>Resolution 3 of 2010 Declaration on closure of occupational-Specific Dispensation and process of 2010/2011 Salary Negotiations</b> |                                                                                                          |                                             |                                                                                                    |
| <b>Clauses 1-15</b> New era for collective bargaining                                                                                 | Commitment to a new era for collective bargaining                                                        | Implemented                                 | <span style="background-color: #4CAF50; display: inline-block; width: 30px; height: 20px;"></span> |
| <b>Clause 16-18</b> Efficiency, credibility and trust in the bargaining process                                                       | Efficient Bargaining processes                                                                           | Continuous perpetual improvement of parties | <span style="background-color: #4CAF50; display: inline-block; width: 30px; height: 20px;"></span> |
| <b>Clause 19</b> OSD finalisation and implementation                                                                                  | OSD, including FET, Medical Therapeutic support services finalised and implemented in the public service | Implemented                                 | <span style="background-color: #4CAF50; display: inline-block; width: 30px; height: 20px;"></span> |

| Resolution                                                                                                                                                                  | Agreements                                                                                                                                                                            | Comments                                                                                                                              | Tracking |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------|
| <b>Clauses 20.1 to 20.5</b> Outstanding matters from resolution 1 of 2007                                                                                                   | Finalisation of minimum service agreements, housing allowance review, recognition of improved qualification, long service awards, night shift allowance, reports on filling vacancies | Implemented                                                                                                                           |          |
| <b>Clause 20.6</b> Hosting public sector summit                                                                                                                             | Public Sector summit to be hosted in 2010                                                                                                                                             | Implemented                                                                                                                           |          |
| <b>Clause 21</b> Process for Salary Negotiations                                                                                                                            | Timeframes for finalising salary negotiations set                                                                                                                                     | Implemented                                                                                                                           |          |
| <b>Resolution 4 of 2010 Agreement on improvement of salaries and other conditions of service for 2010/2011</b>                                                              |                                                                                                                                                                                       |                                                                                                                                       |          |
| <b>Clause 3</b> Salary Adjustment                                                                                                                                           | Salaries were adjusted to 7.5% for 2010/2011 financial year                                                                                                                           | Implemented                                                                                                                           |          |
| <b>Clause 4.1</b> Housing allowance                                                                                                                                         | Housing allowance adjustment to R800 per month                                                                                                                                        | Implemented                                                                                                                           |          |
| <b>Clause 4.2</b> Develop and implement a sustainable home ownership scheme for public service employees in collaboration with Department of Human Settlement, GEPI and PIC | Establish Home ownership scheme for public servants                                                                                                                                   | Not yet implemented, Resolution 5/2017 established an advisory to be driven by the MPSA to deal with the establishment of the scheme. |          |
| <b>Clause 4.3</b> Research, investigation on home ownership scheme                                                                                                          | Research on the home ownership scheme and development of models to be completed by December 2010 and agreed to by 31 March 2011 <sup>7</sup>                                          | Implemented                                                                                                                           |          |
| <b>Clause 4.4</b> Home ownership scheme implementation                                                                                                                      | Home ownership scheme implemented upon conclusion of investigations and negotiations, with effect from 1 April 2011                                                                   | Continuously monitored                                                                                                                |          |
| <b>Clause 5 – Medical Aid Subsidy</b>                                                                                                                                       | Equalisation of Medical aid subsidy                                                                                                                                                   | Implemented with the introduction of GEMS                                                                                             |          |
| <b>Clause 5.1</b> Investigate all matters with regards to equalisation of the provision of the medical aid subsidy                                                          |                                                                                                                                                                                       |                                                                                                                                       |          |
| <b>Clause 5.2</b> Align the provision of the post-retirement medical aid subsidy to GEMS members with that granted to in-service employees on GEMS.                         | Review of post-retirement medical aid                                                                                                                                                 | Implemented                                                                                                                           |          |
| <b>Clause 6.1 – Minimum Service Agreement</b>                                                                                                                               | Request essential Service Committee to investigate and provide recommendations on minimum service agreement                                                                           | Not implemented                                                                                                                       |          |

7 Linked to resolution 7 of 2015 and 5 of 2017

| Resolution                                                                                                       | Agreements                                                                                                                                                                                                                  | Comments                                                     | Tracking |
|------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|----------|
| <b>Clause 6.2</b> Establishment of a reference group                                                             | Establish a reference group to assist the Essential Service Committee                                                                                                                                                       | Not implemented                                              |          |
| <b>Clause 6.3</b> Appointment of experts                                                                         | Appointment of experts to assist Essential service committee                                                                                                                                                                | Not implemented                                              |          |
| <b>Clause 6.4</b> Submission of recommendations                                                                  | Recommendations to be submitted to parties by no later than 31 December 2010                                                                                                                                                | Not implemented                                              |          |
| <b>Clause 7.1-7.4</b> Negotiations on salary and other service conditions                                        | Alignment of negotiation and budget processes                                                                                                                                                                               | Not implemented                                              |          |
| <b>Resolution 5 of 2010 Amendment to Resolution 5 of 2003 – LEVY AGREEMENT by 31<sup>st</sup> July each year</b> |                                                                                                                                                                                                                             |                                                              |          |
| <b>Clause 4 (a)</b> Levy Agreements                                                                              | With effect from 1 April 2011, sectoral Bargaining Councils will take full responsibility for all their costs.                                                                                                              | Implemented                                                  |          |
| <b>Clause 4 (b)</b> PSCBC provision of services                                                                  | PSCBC to provide specific services. These services will be provided if there is contract drafted and sectoral Bargaining Councils are to be invoiced for the actual costs and administration fees.                          | Implemented                                                  |          |
| <b>Resolution 6 of 2010 Adoption of Declaration of Public Service Summit</b>                                     |                                                                                                                                                                                                                             |                                                              |          |
| <b>Clause 15.1</b> Public Sector Summit                                                                          | Convene a public sector summit to discuss outsourcing and agentisation, performance and productivity in the public service, work environment, minimum wage                                                                  | Implementation plan developed and currently under discussion |          |
| <b>Resolution 1 of 2011 Agreement on Amendment to PSCBC Resolution 2 of 2010 – AGENCY FEE</b>                    |                                                                                                                                                                                                                             |                                                              |          |
| <b>Clauses 3.1 to 3.4</b> Amending Clause 5.2 of PSCBC Resolution 2 of 2010                                      | Agreement on the Agency fees                                                                                                                                                                                                | Annually reviewed <sup>8</sup>                               |          |
| <b>Resolution 2 of 2011 Wage settlement for the 2011/2012 financial year.</b>                                    |                                                                                                                                                                                                                             |                                                              |          |
| <b>Clause 3.1 – Salary Adjustment</b><br>Annual salary adjustment for 2011/2012 shall be 6.8%                    | Salary adjustment                                                                                                                                                                                                           | Implemented                                                  |          |
| <b>Clause 3.2.1</b> Medical Assistance                                                                           | Employees who are members of GEMS on the sapphire option, who are on salary levels 1 – 5 and receiving free medical assistance will continue to receive free medical assistance at retirement with effect from 1 April 2011 | Implemented                                                  |          |

8 To appear in the Annual Monitoring report

| Resolution                                                                           | Agreements                                                                                                                                                                            | Comments                                                                                                                  | Tracking |
|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|----------|
| <b>Clause 3.2.2</b> Alignment of pre-retirement and post retirement                  | Parties agreed to align post-retirement medical assistance with pre-retirement medical assistance for all employees who are members of GEMS effective from 1 April 2011               | Implemented <sup>9</sup>                                                                                                  |          |
| <b>Clause 3.2.3</b> Investigation on subsidy paid to members on open medical scheme. | Parties agree to investigate the principle of equalising the subsidy payable to members on open medical schemes with those in GEMS. Investigation shall be concluded by 31 March 2012 | Not implemented <sup>10</sup>                                                                                             |          |
| <b>Clause 3.3.1 – Home Ownership</b>                                                 | Develop and present a comprehensive Government Employees Housing Scheme (GEHS) that ensure home ownership for all levels of employees within the public service                       | Continuous <sup>11 12</sup>                                                                                               |          |
| <b>Clause 3.3.3.</b> Establishment of technical working group.                       | Establish technical working team to develop the scheme in accordance with an agreed timetable                                                                                         | Implemented                                                                                                               |          |
| <b>Clause 3.3.6.</b> GEHS end date                                                   | GEHS to be concluded by 15 December 2011 and implemented with effect from 1 April 2012                                                                                                | Continuous:<br>Resolution 5/2017 established an advisory driven by the MPSA to deal with the establishment of the scheme. |          |
| <b>Clause 3.4.1 to 3.4.2</b> Minimum Service Agreement                               | Engagement on Minimum Service Agreement be elevated to party principals and outcome be tabled for consideration at the PSCBC and implemented with effect from 1 April                 | Continuous:<br>Elevated to party principals but not tabled for discussion                                                 |          |
| <b>Clause 3.5.1-3.5.2</b> Outstanding matters                                        | All outstanding matters resulting from Resolution 1 of 2007 and 5 of 2009 be subjected to second round of negotiations                                                                | Implemented                                                                                                               |          |
| <b>Clause 3.6.1-3.6.2</b> New Matters                                                | New demands tabled during the 2011/2012 negotiations                                                                                                                                  | Implemented                                                                                                               |          |

<sup>9</sup> Linked to GEMS Resolution 4 of 2017

<sup>10</sup> Linked to Resolution 4 of 2010 clause 5

<sup>11</sup> Linked to Resolution 5 of 2017

<sup>12</sup> Tracked on an ongoing basis

| Resolution                                                                                                                                                 | Agreements                                                                                                                                                                                                                                                                                                                                                                           | Comments                  | Tracking |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|----------|
| <b>Resolution 1 of 2012 Agreement on Salary adjustment and improvement on conditions of service in the public service for the period 2012/13 – 2014/15</b> |                                                                                                                                                                                                                                                                                                                                                                                      |                           |          |
| <b>Clause 3</b> Salary Adjustment                                                                                                                          | Salary adjustment for 2012/13 to be 7%. For 2013/2014 and 2014/2015 will be CPI plus 1%                                                                                                                                                                                                                                                                                              | Implemented               |          |
| <b>Clause 4</b> Pay Progression                                                                                                                            | Clause 4.6 of PSCBC Resolution 9 of 2001 is amended to extend the qualifying period to pay progression from 12 months to 24 months effective from 1 July 2012                                                                                                                                                                                                                        | Implemented               |          |
| <b>Clause 5 Long Service Recognition</b>                                                                                                                   | All employees with 10 years and more of service to qualify for 30 working days of leave and certificate.<br><br>For 20 year continued service to receive cash award of R 7500 and certificate.<br><br>For 30 years of continued service to receive a cash award of R 15000 plus certificate.<br><br>And for 40 years of service to receive a cash award of R 20000 plus certificate. | Implemented               |          |
| <b>Clause 6.2</b> Night Shift Allowance                                                                                                                    | Night shift allowance is increased from R2.12 to 2.69 from 1 July 2012, as well as from R3.35 to R4 in 1 July 2014                                                                                                                                                                                                                                                                   | Implemented               |          |
| <b>Clauses 6.3-6.8</b> Annual Review of Night shift allowance                                                                                              | Night shift allowance will be revised annually with effect from 1st April 2015                                                                                                                                                                                                                                                                                                       | Implemented <sup>13</sup> |          |
| <b>Clause 7</b> Recognition of improved qualifications                                                                                                     | Upon attainment of the said qualification, an employee will receive 10% of his/her annual salary notch, provided that it doesn't exceed the minimum notch of salary level 8                                                                                                                                                                                                          | Implemented               |          |
| <b>Clause 8.1</b> Shop steward Leave                                                                                                                       | Head of department shall develop the standard operating procedures to ensure the utilisation of shop steward leave is properly managed                                                                                                                                                                                                                                               | Implemented               |          |

<sup>13</sup> Appears in the Annual Monitoring Report

| Resolution                                                          | Agreements                                                                                                                                                              | Comments                  | Tracking |
|---------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|----------|
| <b>Clause 8.2-8.5</b> Review of Shop Steward Leave                  | Leave for shop steward of recognised trade unions will be increased from 10 to 15 working days in a leave cycle with effect from 1 January 2013                         | Implemented               |          |
| <b>Clause 9</b> Outsourcing and agentisation                        | PSCBC will review the impact of existing outsourcing and agentisation practices within the public service as agreed to in the 2010 Public Service Summit <sup>14</sup>  | Implemented               |          |
| <b>Clause 10</b> Compliance with occupational health and safety act | PSCBC will conduct an independent audit on compliance with the occupational health and safety act and the report must be tabled at PSCBC for discussion                 | Not completed             |          |
| <b>Clause 11</b> – Decent Work                                      | PSCBC will conduct an independent study on decent work, and the research report must be tabled at the PSCBC for discussion by 1 April 2014                              | Implemented <sup>15</sup> |          |
| <b>Clause 12</b> Performance management and development system      | Employer will review the current PMDS and table its proposal to PSCBC for consultation by 31 July 2013                                                                  | In progress               |          |
| <b>Clause 13</b> Exit Management Systems                            | Employer will review exit management system in order to expedite the processing of pension pay-outs within 30 days                                                      | Not completed             |          |
| <b>Clause 14</b> Family Responsibility Leave                        | With effect from 1 January 2013, an employee will be entitled to 5 working days family responsibility leave per annual leave cycle                                      | Implemented               |          |
| <b>Clause 15</b> – Pre-Natal Leave                                  | With effect from 1 January 2013, an eligible employee will be entitled to 8 working days pre-natal leave per pregnancy                                                  | Implemented               |          |
| <b>Clause 16</b> Re-arrangement of working time                     | PSCBC will review the working time arrangements in the public service with a view to determine which service delivery areas require different working time arrangements | Not Implemented           |          |
| <b>Clause 17</b> Danger Allowance                                   | PSCBC will conduct a comprehensive review of Annexure A of Resolution 1 of 2017                                                                                         | Implemented               |          |

<sup>14</sup> Linked to Resolution 1 of 2015 Clause 5

<sup>15</sup> Linked to Resolution 1 of 2015

| Resolution                                                                                                                  | Agreements                                                                                                                                                                         | Comments                      | Tracking |
|-----------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|----------|
| <b>Clause 18</b> Amendment to PSCBC Resolution 3 of 2009                                                                    | Agreement on a revised salary structure for employees on salary level 1 – 12 not covered by an OSD Salary structure review                                                         | Not implemented <sup>16</sup> |          |
| <b>Clause 19</b> Housing Allowance                                                                                          | Parties to the PSCBC share a common vision of promoting and implementing home ownership. Housing allowance will be increased from R 800.00 per month to R 900 per month.           | Implemented                   |          |
| <b>Clause 20</b> Amendment to PSCBC resolution 2 of 2011 Minimum service level agreement                                    | To amend clause 3.4.2 and outcome of the engagement referred to in 3.4.1 will be tabled for consideration at PSCBC                                                                 | Implemented <sup>17</sup>     |          |
| <b>Clause 21.1</b> Remuneration Policy                                                                                      | Employer will review the remuneration policy of the public service                                                                                                                 | Not implemented               |          |
| <b>21.2</b> Service Charter Agreement                                                                                       | Parties signed a service charter agreement                                                                                                                                         | Implemented                   |          |
| <b>Clause 21.3</b> Independent research                                                                                     | Parties may conduct independent research and develop their respective position papers                                                                                              | Implemented                   |          |
| <b>Clause 21.4</b> Paper presented for consultation at PSCBC                                                                | These papers will be tabled for consultation at the PSCBC                                                                                                                          | Not implemented               |          |
| <b>Resolution 2 of 2012 Foreign Service Dispensation for Employees Serving in Republic of South Africa Missions Abroad</b>  |                                                                                                                                                                                    |                               |          |
| <b>Clause 3.1.1</b> Introduction of category V missions for Payment of DPACA                                                | Parties agreed to introduce category V missions for purpose of the payment of DPACA                                                                                                | Implemented                   |          |
| <b>Clause 3.1.3</b> DPACA to be reviewed Annually                                                                           | The DPACA US\$ nom amount to be reviewed annually based upon the US CPI                                                                                                            | Implemented <sup>18</sup>     |          |
| <b>Resolution 3 of 2012 Agreement on the closing out of the project on addressing past discriminatory pension practices</b> |                                                                                                                                                                                    |                               |          |
| <b>Clause 4.1-4.3</b> Pension redress programme                                                                             | Parties agreement on the pension Administration process on the implementation of PSCBC resolution 7 of 1998 and PSCBC Resolution 12 of 2002 by GPAA will commence on 1 August 2012 | Implemented                   |          |

<sup>16</sup> Linked to resolution 1 of 2018

<sup>17</sup> Linked to resolution 1 of 2012

<sup>18</sup> Reviewed annually to appear in Annual Monitoring report

| Resolution                                                                                                                                                                                                           | Agreements                                                                                                                      | Comments                                                                                 | Tracking |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|----------|
| <b>Resolution 1 of 2013 Service Charter agreement</b>                                                                                                                                                                |                                                                                                                                 |                                                                                          |          |
| <b>Clause 1.1 -1.4</b> Service charter agreement                                                                                                                                                                     | Parties agreed to a service charter agreement                                                                                   | Implemented                                                                              |          |
| <b>Resolution 2 of 2013: Agreement to Increase Levies</b>                                                                                                                                                            |                                                                                                                                 |                                                                                          |          |
| <b>Clause 4.1</b> Levy review                                                                                                                                                                                        | Levy contribution be increased by R0.50 each by the employee and the employer                                                   | implemented                                                                              |          |
| <b>Clause 4.2</b> Levy contribution                                                                                                                                                                                  | The total Levy Contribution will therefore be R2.00 (i.e. R1.00 per party)Review on Levy Increment                              | Implemented                                                                              |          |
| <b>Clause 4.3</b> Increase of Levy contribution                                                                                                                                                                      | The Levy Contribution will therefore increase on the 1st of April of every year following the date of signing this agreement    | Levy reviewed Annually                                                                   |          |
| <b>Clause 4.4</b> Review of Levy increase                                                                                                                                                                            | Increase on levies to be reviewed after 5 years                                                                                 | To be reviewed in September 2019 <sup>19</sup>                                           |          |
| <b>Resolution 1 of 2014:Agreement on the transfer and placement of staff in reconfiguration of departments</b>                                                                                                       |                                                                                                                                 |                                                                                          |          |
| <b>Clause 4.1 to 4.14</b> Transfer and placement of staff                                                                                                                                                            | All employees to be identified for transfer as a result of the scoping report shall be transferred to the recipient departments | Implemented                                                                              |          |
| <b>Resolution 1 of 2015:Agreement on review and impact of existing outsourcing and agentisation practices within the public service &amp; conducting an independent impact study on the principle of decent work</b> |                                                                                                                                 |                                                                                          |          |
| <b>Clause 5</b> outsourcing and agentisation                                                                                                                                                                         | Review of the impact of existing outsourcing and Agentisation practices Review of outsourcing and agentisation <sup>20</sup>    | In progress: study was conducted, findings presented but awaiting final report           |          |
| <b>Clause 6</b> decent work study                                                                                                                                                                                    | The council will establish joint venture with ILO to conduct an independent impact study on decent work                         | In progress: Council attended ILO sessions on decent work. Report pending for submission |          |
| <b>Resolution 2 of 2015: Agreement on Salary adjustment and conditions of service in the public service for the period 2015/16-2017/18</b>                                                                           |                                                                                                                                 |                                                                                          |          |
| <b>Clause 3</b> Salary adjustments                                                                                                                                                                                   | salary adjustment of 7% based on projected CPI plus of 1% for the year 2016-2018                                                | Implemented                                                                              |          |
| <b>Clause 4</b> Family responsibility leave                                                                                                                                                                          | Introduction of 5 working days per calendar year of family responsibilities leave                                               | Implemented                                                                              |          |

<sup>19</sup> Clause on Levy increases to appear in the Annual Monitoring report

<sup>20</sup> Linked to Resolution 1 of 2012 clause 9

| Resolution                                                                        | Agreements                                                                                                                                                                                    | Comments                                   | Tracking |
|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|----------|
| <b>Clause 5</b> Paternity leave                                                   | Introduction of 3 working days per calendar year for new born or adopted child not older than 2 years with effect from the date of the signing of the agreement                               | Implemented                                |          |
| <b>Clause 6.1.1-6.1.3</b> Medical Assistance for in service employees of GEMS     | Medical assistance for in service employees on GEMS will be adjusted by 28,5% effective on the 1 <sup>st</sup> of January 2015                                                                | Implemented                                |          |
| <b>Clause 6.2.1-6.2.4</b> Former Employers                                        | New post-retirement medical assistance dispensation for all employees on GEMS                                                                                                                 | Implemented                                |          |
| <b>Clause 6.3</b> future medical subsidy adjustment                               | The first annual adjustment of medical subsidy shall come into effect on 1 <sup>st</sup> of January 2016                                                                                      | In progress <sup>21</sup>                  |          |
| <b>Clause 7</b> payments of 13th cheque/service bonus                             | All employees will be required to make a once off election on the date of payment of the 13th cheque                                                                                          | Implemented                                |          |
| <b>Clause 8</b> Recognition of prior learning (RPL)                               | The employer recognises the principle of prior learning as contained in SAQA National policy for the implementation of recognition of the prior learning                                      | Implemented                                |          |
| <b>Clause 9</b> Introduction of Bursary scheme to children of employees.          | Employer undertakes to conduct a feasibility of providing a bursary scheme for children of employees                                                                                          | In progress: Parties engaging with council |          |
| <b>Resolution 3 of 2015: Review on the Government Employee Medical Aid Scheme</b> |                                                                                                                                                                                               |                                            |          |
| <b>Clause 3.1</b> Efficacy of GEMS Model                                          | Parties to conduct a comprehensive study on the efficacy of the operating Model of GEMS                                                                                                       | Implemented <sup>22</sup>                  |          |
| <b>Clause 3.2</b> Review of GEMS Objectives                                       | Parties also to review whether the objectives set up for GEMS are being fulfilled<br><br>The process to review was to be finalised within 12 months of the date of signature of the agreement | implemented <sup>23</sup>                  |          |

21 To appear in the Annual monitoring report

22 Linked to Resolution 4 of 2017

23 Linked to previous Resolution 7 of 2015 clause 4.1 and 4.2

| Resolution                                                                                                         | Agreements                                                                                                                                                                                                                         | Comments                                                                             | Tracking |
|--------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|----------|
| <b>Resolution 4 of 2015: Agreement on the review of annexure A of PSCBC Resolution 1 of 2007: Danger Allowance</b> |                                                                                                                                                                                                                                    |                                                                                      |          |
| <b>Clause 4.1.1(a)</b> Danger Allowance                                                                            | The following occupational category be deleted from the list of eligible occupational categories employees working for safety restricted laboratories of national institution for communicable diseases                            | Implemented <sup>24</sup>                                                            |          |
| <b>Clause 4.1.3 -4.1.4</b> Annual adjustment of danger allowance                                                   | Annual adjustment to danger allowance will continue to be effected on 1 July of each year based on projected CPI                                                                                                                   | Implemented <sup>25</sup>                                                            |          |
| <b>Clause 4.1.5</b> Review of annual adjustment to danger allowance                                                | The provision of the standards and danger allowance shall exclude staff employed in terms of SA Police Act, 1995                                                                                                                   | Implemented                                                                          |          |
| <b>Resolution 5 of 2015: Agreement of new danger dispensation</b>                                                  |                                                                                                                                                                                                                                    |                                                                                      |          |
| <b>Clause 3.1</b> Danger dispensation                                                                              | Parties agree that employer shall take comprehensive review on danger dispensation                                                                                                                                                 | Continuous                                                                           |          |
| <b>Clause 3.2</b> new categories of danger dispensation                                                            | Identification of new categories of danger dispensation                                                                                                                                                                            | Continuous                                                                           |          |
| <b>Resolution 6 of 2015: Agreement to review post retirement</b>                                                   |                                                                                                                                                                                                                                    |                                                                                      |          |
| <b>Clause 3.1</b> Post-retirement medical subsidy                                                                  | parties agree that the employer shall undertake to investigate the feasibility of extending post-retirement medical subsidy, to more than one dependent                                                                            | Implemented                                                                          |          |
| <b>Clause 3.2</b> Housing allowance for retired employees                                                          | The employer further undertakes to investigate the feasibility of extending the housing allowance to cover retired employees<br><br>The process to review must be finalised 18 months from the date of signature of this agreement | Implemented                                                                          |          |
| <b>Resolution 7 of 2015: Frame work Agreement to Establish GEHS</b>                                                |                                                                                                                                                                                                                                    |                                                                                      |          |
| <b>Clause 4.1</b> GEHS                                                                                             | parties agreed that GEHS shall provide the services to educate employees on the benefits and advantages of home ownership, advise on available house option, support and facilitate financial rehabilitation of affected employees | Continuous: Advisory committee is meeting regularly and reports submitted to council |          |

24 Linked to resolution 5 of 2015 clause 3.1-3.2

25 Will appear in the Annual monitoring report

|                                                                                                                                                                          |                                                                                                                                                                                                |                           |  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|--|
| <b>Clause 4.2</b> Review of GEHS                                                                                                                                         | The employer through GEHS shall contribute to improving access to affordable housing finance                                                                                                   | In progress               |  |
| <b>Clause 4.3</b> Development of a database for GEHS demand and supply of houses                                                                                         | Facilitation and provision of housing stock supply by maintaining a comprehensive database of demand and supply of housing.                                                                    | In progress               |  |
| <b>Clause 4.4</b> GEHS Transitional Arrangement                                                                                                                          | Housing allowance continues to be paid to eligible employees, joint working towards inclusive administrator and governance, enabling partnership to support the implementation of GEHS         | In progress               |  |
| <b>Clause 4.5</b> State Financing of employee housing                                                                                                                    | With effect from 1 July 2015, housing allowance paid to employees shall be R1 200                                                                                                              | Implemented               |  |
| <b>Clause 4.5.3</b> Annual Adjustment of housing allowance                                                                                                               | The amount of the housing allowance shall be adjusted annually on the basis of CPI                                                                                                             | Implemented <sup>26</sup> |  |
| <b>Clause 4.6</b> Annual adjustment of the housing allowance                                                                                                             | The amount of the housing allowance shall be adjusted annually on the basis of CPI such adjustments shall be implemented on 1 July of each year<br><br>Review of housing allowance adjustments | Implemented <sup>27</sup> |  |
| <b>Resolution 8 of 2015: Amendment to PSCBC resolution 2 of 2015 on Salary adjustment and conditions of service in the public service for the period 2015/16-2017/18</b> |                                                                                                                                                                                                |                           |  |
| <b>Clause 3.1</b> Salary adjustment and conditions of service                                                                                                            | The salary adjustment for the period 1 April 2015 to 31 March 2016, effective from 1 April, will be 7% for all levels 1-12                                                                     | Implemented               |  |
| <b>Clause 3.2</b> salary adjustment for all levels 1-12                                                                                                                  | The salary adjustment for the period 1 April 2016 to 31 March 2017, effective from 1 April 2016, will be based on average projected CPI plus 1%                                                | Implemented               |  |
| <b>Clause 3.3</b> Salary adjustment for all levels 1-12                                                                                                                  | The salary adjustment for the period 1 April 2017 to 31 March 2018, effective from 1 April 2017, will be based on average projected CPI plus 1%                                                | Implemented               |  |

<sup>26</sup> To appear in the Annual monitoring report

<sup>27</sup> To appear in the Annual monitoring report

| Resolution                                                                                                                                   | Agreements                                                                                                                                                              | Comments                  | Tracking |
|----------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|----------|
| <b>Resolution 1 of 2016 Amendment to PSCBC Resolution 9 of 1998 designation of the health sector for establishment of bargaining council</b> |                                                                                                                                                                         |                           |          |
| <b>Clause 4.1.1 – 4.1.2</b><br>Occupational categories                                                                                       | Occupational category of community liaison officer be deleted and community development practitioner be added as well as Assistant Community development practitioner   | In progress               |          |
| <b>Resolution 2 of 2016 Amendments to Resolutions 1, 3 and 5 of 2015 Timeframe</b>                                                           |                                                                                                                                                                         |                           |          |
| <b>Clause 3.1-4.3</b> Amendments to Resolutions 1, 3 and 5 of 2015                                                                           | Amendments of resolution 1 of 2015 on outsourcing and agentisation, resolution 3 of 2015 on GEMS and Resolution 5 of 2015 on New danger Dispensation (Review Timeframe) | Implemented               |          |
| <b>Resolution 1 of 2017 Amendment of Improvement of Certain Existing Pension Benefits and Creation of New Benefits</b>                       |                                                                                                                                                                         |                           |          |
| <b>Clause 4.1</b> GEPP                                                                                                                       | Increase the funeral benefits from R7500 to R15000 for a member, spouse and pensioner<br><br>From R3000 to R6000 for children and still born                            | implemented               |          |
| <b>4.1.2</b> Increase in the Funeral benefit                                                                                                 | Board of trustee to review the funeral benefit every two years                                                                                                          | Implemented <sup>28</sup> |          |
| <b>Clause 4.2</b> Replacing Orphans pension                                                                                                  | replacing the orphan's pension with a child's pension                                                                                                                   | Implemented               |          |
| <b>Clause 4.3</b> Establishing additional Voluntary contribution scheme                                                                      | Establishing an additional voluntary contribution scheme                                                                                                                | In progress               |          |
| <b>Clause 4.4</b> Establishing Preservation vehicle                                                                                          | establish a preservation vehicle to preserve their proceeds upon exit                                                                                                   | In progress               |          |
| <b>Clause 4.5</b> Spouse pension                                                                                                             | Review of the reduction factors in favour of an increased spouse pension                                                                                                | In progress               |          |
| <b>Clause 4.6</b> Amendment of clean break principles                                                                                        | amend the application of clean break principle from debt approach to service adjustment approach                                                                        | In progress               |          |
| <b>Clause 4.7</b> Discharge Benefit Anomaly                                                                                                  | GEPP will amend its Rules so as to rectify anomaly between discharge benefit and resignation benefit                                                                    | In progress               |          |
| <b>Clause 4.8</b> Market value Adjustment                                                                                                    | GEPP to amend its rules so that the market value adjustment will not be applied to all transfers out of the fund                                                        | Implemented               |          |

<sup>28</sup> To appear in the Annual monitoring report

| Resolution                                                                                                | Agreements                                                                                                                                                                                                                                                     | Comments                                         | Tracking |
|-----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|----------|
| <b>Resolution 2 of 2017 Agreement on threshold and procedures for the granting of organisation rights</b> |                                                                                                                                                                                                                                                                |                                                  |          |
| <b>Clause 3.1 to 3.5</b> Threshold and procedures for granting organisational rights                      | Council acknowledges the right to freedom of association, voluntarism, majoritarianism, orderly centralised collective bargaining, labour peace and stability by setting uniform rules Review of the threshold and procedures for granting organisation rights | Implemented, Council monitoring through Disputes |          |
| <b>Clause 5.1-5.3</b> Threshold of representatives                                                        | Trade unions granted organisational rights<br><br>Threshold for trade unions set at 75% for those who meet and not meet the threshold based on the LRA organisational rights                                                                                   | Implemented <sup>29</sup>                        |          |
| <b>Clause 6.1-6.7</b> Procedure to obtain organisational rights                                           | Procedure to obtain organisation rights: Serve the employer with a notice requesting to exercise one or more organisational rights based on section 21 (2) of LRA Review of (Trade Union) organisational rights                                                | Implemented                                      |          |
| <b>Clause 9.2</b> Council conduct assessment                                                              | Council to conduct assessment on organisational rights                                                                                                                                                                                                         | In progress                                      |          |
| <b>Clause 9.3</b> Council monitor progress                                                                | Council monitor implementation of agreement                                                                                                                                                                                                                    | Implemented                                      |          |
| <b>Resolution 3 of 2017 Wage negotiation process</b>                                                      |                                                                                                                                                                                                                                                                |                                                  |          |
| <b>Clause 3.1</b> Exchange of information                                                                 | Exchange of information for economic indicators from time to time                                                                                                                                                                                              | Implemented                                      |          |
| <b>Clause 3.2</b> Facilitated bargaining meetings                                                         | Meetings to be held at suitable venue and                                                                                                                                                                                                                      | Implemented                                      |          |
| <b>Clause 3.2.1-3.2.2</b> facilitated bargaining meetings                                                 | Meetings to be held at suitable venue and parties can agree to conduct research on identified issues and meet further before negotiations                                                                                                                      | implemented                                      |          |
| <b>Clause 4.1</b> Negotiation stage                                                                       | Review Negotiation process negotiation stage. Parties can decide if they need a facilitator                                                                                                                                                                    | Implemented                                      |          |
| <b>Clause 4.2</b> Negotiation stage                                                                       | The facilitator, if appointed, can determine as the negotiation proceeds in what order to deal with items                                                                                                                                                      | Implemented                                      |          |

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29 To appear in the Annual Monitoring report

| Resolution                                                                                                | Agreements                                                                                                                                                                                                                    | Comments    | Tracking |
|-----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|----------|
| <b>Clause 4.3</b> Negotiation stage                                                                       | If no facilitator appointed the parties shall commence the negotiation in joint meeting and commit to further meetings                                                                                                        | Implemented |          |
| <b>Resolution 4 of 2017 Review of the government employee medical scheme</b>                              |                                                                                                                                                                                                                               |             |          |
| <b>Clause 4.1</b> Performance review of GEMS                                                              | The resolution will conclude with the intended performance review of PSCBC                                                                                                                                                    | Implemented |          |
| <b>Clause 4.2-4.3</b> GEMS working committee                                                              | Establishment of a working committee<br><br>working committee to consult on strategic direction, efficiency of administration, consider the scheme benefit structure, consider membership education                           | Implemented |          |
| <b>Clause 4.4</b> composition of GEMS working committee structure                                         | The working committee will comprise 4 members from the employer, 4 from admitted unions in council and 4 from GEMS                                                                                                            | Implemented |          |
| <b>Clause 4.5 to 4.7</b> the role of GEMS working committee                                               | The Principal of GEMS and the PSCBC GS will be ex-officio members of the working committee                                                                                                                                    | Implemented |          |
| <b>Clause 4.8</b> Stakeholder analysis on GEMS                                                            | The PSCBC and GEMS will agree to provide permanent secretary support to the working committee                                                                                                                                 | Implemented |          |
| <b>Clause 5.1-5.2</b> governance of the scheme<br><br><b>Clause 5.1</b>                                   | Proper representation of membership on the board.<br>Membership appoint from public service administration, PSCBC, trade unions, members of the scheme representing trade unions, independent members                         | Implemented |          |
| <b>Resolution 5 of 2017 Establishment of an advisory body for government employee housing scheme GEHS</b> |                                                                                                                                                                                                                               |             |          |
| <b>Clause 4.1</b> Establishment of Advisory body                                                          | Formation of the advisory body based on Minister's decision                                                                                                                                                                   | Implemented |          |
| <b>Clause 4.2.1 to 4.3</b> Role of the advisory body                                                      | Advisory body to guide on the strategic direction of the scheme, efficiency of the administration, receive reports on financial sustainability and reports on membership satisfaction. Advisory Body to comprise of 6 members | In progress |          |

| Resolution                                                                             | Agreements                                                                                                                                                                                                                                                                                                                                                     | Comments        | Tracking |
|----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|----------|
| <b>Resolution 1 of 2018 Salary adjustment and improvement of conditions of service</b> |                                                                                                                                                                                                                                                                                                                                                                |                 |          |
| <b>Resolution 1 of 2018</b> Salary adjustments                                         | Salary adjustment and improvement of conditions of service for the period 2018/2019, 2019/2020, and 2020/2021                                                                                                                                                                                                                                                  | implemented     |          |
| <b>Clause 3.1</b> Salary adjustments                                                   | Salary adjustments for period 1 April 2018 to 31 March 2019 for salary level 1-12                                                                                                                                                                                                                                                                              | Implemented     |          |
| <b>Clause 3.2</b> Salary adjustments                                                   | Salary adjustments for period 1 April 2019 to 31 March 2020 for salary level 1-12                                                                                                                                                                                                                                                                              | Implemented     |          |
| <b>Clause 3.</b> Salary adjustments                                                    | Salary adjustments for period 1 April 2020 to 31 March 2021 for salary level 1-12                                                                                                                                                                                                                                                                              | Not implemented |          |
| <b>Clause 3.4</b> salary adjustments                                                   | Projected CPI 2019/2020 and 2020/2021 to be determined by treasury                                                                                                                                                                                                                                                                                             | Continuous      |          |
| <b>Clause 4.1</b> Pay progression                                                      | Parties agreed on equalisation of pay progression based on legislations prescribed                                                                                                                                                                                                                                                                             | In progress     |          |
| <b>Clause 4.2.1.1-4.2.2</b> Equalisation incrementally                                 | Parties agreed to implement the equalization incrementally for educators, TVET lecturers and educators employed according to Review salary adjustments<br><br>Increment across the board at 0.3% as of July 2018 and 0.2% as of 1 July 2019<br><br>Employees employed in terms of the police services Act an increment across the board of 0.2% by 1 July 2019 | In progress     |          |
| <b>Clause 5.1.1-5.1.3</b> Surrogacy leave                                              | Entitlement of 4 consecutive paid leave of surrogate motherhood from the date of birth of child<br><br>If both parents are employees of public service only one will qualify<br><br>An employee who is the surrogate mother is entitled to six consecutive weeks leave after birth of the child                                                                | Implemented     |          |
| <b>Clause 5.2</b> Temporary incapacity leave                                           | The parties agreed to develop a guiding document in the implementation of temporary incapacity leave within 1 month                                                                                                                                                                                                                                            | In progress     |          |

| Resolution                                                              | Agreements                                                                                                                                                                                                                                                          | Comments                  | Tracking |
|-------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|----------|
| <b>Clause 5.3</b> Shop steward leave                                    | Leave taken by shop steward while on annual leave if performs union activities during such annual leave, the leave shall be converted to shop steward leave upon receipt of a formal request                                                                        | Implemented               |          |
| <b>Clause 5.4</b> Family responsibility leave                           | Employer will take responsibility to issue directive on the application of age cap of a child without disability in the granting family responsibility leave circulated to all departments within 1 month of the agreement<br>Review of family responsibility leave | Implemented               |          |
| <b>Clause 6.1</b> Housing                                               | Parties agreed on the delinking of the payment of housing allowances of the spouse                                                                                                                                                                                  | Implemented               |          |
| <b>Clause 6.2</b> from 1 September 2019                                 | Parties agreed to the incremental implementation of delinking of housing allowances<br><br>For spouses of employees on salary level 1-5 from 1 September 2018<br><br>For spouses of employees on salary level 6-12 with effective allowances                        | In progress               |          |
| <b>Clause 6.3</b> Annual Increase of Housing allowance                  | Increase of housing allowance on an annual basis is guaranteed as per clause 4.6 of PSCBC Resolution 7 of 2015                                                                                                                                                      | Implemented <sup>30</sup> |          |
| <b>Clause 6.4</b> Development of PTO                                    | Employer took the responsibility of developing the definition of permission to occupy PTO and circulate to all departments                                                                                                                                          | Implemented               |          |
| <b>Clause 6.5</b> Funding Model and establishment of advisory body GEHS | Addition of a clause 4 on funding model to address the needs of those employees on salary level 1-5<br><br>Establishment of the advisory Body for GEHS                                                                                                              | Implemented               |          |
| <b>Clause 7</b> Comprehensive danger Insurance                          | PSCBC to ensure research is conducted on a comprehensive danger insurance within six months                                                                                                                                                                         | In Progress               |          |
| <b>Clause 8.1</b> Outstanding matters                                   | Outstanding matters resolution 3 of 2009, resolution 4 of 2015 clause 4.1.4, resolution 5 of 2015 clause 3 be reviewed within 3 months                                                                                                                              | In Progress               |          |

30 To appear in the Annual monitoring report

| Resolution                                                                                          | Agreements                                                                                                                                                                                                                                           | Comments                          | Tracking |
|-----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|----------|
| <b>Clause 8.2</b> Filling of vacant posts                                                           | The employer confirms there is no public service wide moratorium for filling funded vacant posts                                                                                                                                                     | In progress                       |          |
| <b>Clause 8.2.2</b> Statistics on the filling of vacant posts                                       | Employer to provide labour with detailed statistics information on the filling of vacant posts from 1 July 2017 to 30 April 2018<br>Provision of statistics of filling of positions by employer                                                      | still under discussion in council |          |
| <b>Clause 8.2.3</b> Quarterly reporting on filling of posts                                         | Parties agreed to amend clause 14.1.4 of resolution 1 of 2007 by submitting quarterly reports on number of funded vacancies, number of vacancies advertised, number of vacancies filled and number of vacancies unfilled with reasons of non-filling | In progress                       |          |
| <b>Clause 8.2.4</b> Report on comparative head count                                                | The state to provide a report on the comparative head count of employees from 1 July 2017 to 31 march 2018<br>Review of a report on employees head count                                                                                             | Not implemented                   |          |
| <b>Clause 9</b> GEMS                                                                                | Review of government employees medical scheme<br><br>Additional clause 4.3.8 to develop a benefit product for employees on level 1-5 that will enhance the medical cover on an ongoing basis                                                         | Completed                         |          |
| <b>Resolution 2 of 2018 Compensation methodology of redress of discriminatory pension practices</b> |                                                                                                                                                                                                                                                      |                                   |          |
| <b>Clause 3.1</b> GEPP pension years                                                                | Parties agreed in PSCBC resolution 7 of 1998 for GEPP to increase pensionable years of service or implement other measures of employees disadvantaged by past specific racial or gender discrimination<br>Review of                                  | Implemented                       |          |
| <b>Clause 4.1-4.2</b> discriminatory pension practices                                              | agreement on payment by GEPP based on actuaries at 68.4%<br><br>Parties agreed in giving effect to PSCBC resolution 7 of 1998 and resolution 12 of 2002 to increase the years of service of qualifying applicant but still in the system             | Implemented                       |          |
| <b>Clause 4.3</b> Pension redress programme                                                         | Qualifying applicants who exited the public service will receive a lump sum                                                                                                                                                                          | Continuous                        |          |

| Resolution                                                             | Agreements                                                                                                                                                | Comments    | Tracking |
|------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|----------|
| <b>Clause 4.4</b> GPAA                                                 | Government Pension administration agency will seek approval of the provision of 4.3 from the Board of Trustee of GEPP                                     | Implemented |          |
| <b>Clause 4.5</b> Adjustment of pensionable service                    | GPAA to adjust accordingly the increased pensionable service of qualifying applicants who are still in service Review of discriminatory pension practices | Implemented |          |
| <b>Clause 4.6</b> GPAA communication on the outcome of the Adjustments | GPAA to inform all qualifying applicants of the outcome of the adjustments to service periods and cash benefits payable                                   | In progress |          |

## ANNEXURE 2

### Annual Implementation of Collective Agreements

| Resolution                                                                                                                                                 | Agreements Made                                                                                                                                                 | Comments                       | Tracking |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|----------|
| <b>Resolution 1 of 2011 Agreement on Amendment to PSCBC Resolution 2 of 2010 – AGENCY FEE</b>                                                              |                                                                                                                                                                 |                                |          |
| <b>Clauses 3.1 to 3.4</b> Annual review of Agency fees                                                                                                     | Amending Clause 5.2 of PSCBC Resolution 2 of 2010                                                                                                               | Tracked Annually <sup>31</sup> |          |
| <b>Resolution 2 of 2011 Wage settlement for the 2011/2012 financial year.</b>                                                                              |                                                                                                                                                                 |                                |          |
| <b>Clause 3.1</b> – Salary Adjustment<br>Annual salary adjustment for 2011/2012 shall be 6.8%                                                              | Salary adjustment                                                                                                                                               | Implemented                    |          |
| <b>Clause 3.3.1</b> – Home Ownership                                                                                                                       | Develop and present a comprehensive Government Employees Housing Scheme (GEHS) that ensure home ownership for all levels of employees within the public service | Continuous <sup>32</sup>       |          |
| <b>Resolution 1 of 2012 Agreement on Salary adjustment and improvement on conditions of service in the public service for the period 2012/13 – 2014/15</b> |                                                                                                                                                                 |                                |          |
| <b>Clause 6.3</b> Annual Review of Night shift allowance                                                                                                   | Night shift allowance to be revised annually with effect from 1 April 2015 based on the CPI for the previous year                                               | Continuous                     |          |

<sup>31</sup> To appear in the Annual Monitoring report

<sup>32</sup> Tracked on an ongoing basis

| Resolution                                                                                                                                      | Agreements Made                                                                                                                                 | Comments                  | Tracking |
|-------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|----------|
| <b>Resolution 2 of 2012 Resolution 2 of 2012 Foreign Service Dispensation for Employees Serving in Republic of South Africa Missions Abroad</b> |                                                                                                                                                 |                           |          |
| <b>Clause 3.1.3</b> DPACA to be reviewed Annually                                                                                               | The DPACA US\$ nom amount to be reviewed annually based upon the US CPI                                                                         | Implemented <sup>33</sup> |          |
| <b>Resolution 2 of 2013 Agreement to increase levies</b>                                                                                        |                                                                                                                                                 |                           |          |
| <b>Clause 4.3</b> Increase of Levy contribution                                                                                                 | The Levy Contribution will therefore increase on the 1st of April of every year following the date of signing this agreement                    | Levy reviewed Annually    |          |
| <b>Resolution 2 of 2015: Agreement on Salary adjustment and conditions of service in the public service for the period 2015/16-2017/18</b>      |                                                                                                                                                 |                           |          |
| <b>Clause 6.3</b> Future medical subsidy adjustment                                                                                             | The first annual adjustment of medical subsidy shall come into effect on 1st of January 2016                                                    | In progress               |          |
| <b>Resolution 4 of 2015: Agreement on the review of annexure A of PSCBC Resolution 1 of 2007: Danger Allowance</b>                              |                                                                                                                                                 |                           |          |
| <b>Clause 4.1.3 -4.1.5</b> Annual adjustment of danger allowance                                                                                | Annual adjustment to danger allowance will continue to be effected on 1 July of each year based on projected CPI                                | Implemented               |          |
| <b>Resolution 7 of 2015: Frame work Agreement to Establish GEHS</b>                                                                             |                                                                                                                                                 |                           |          |
| <b>Clause 4.5.3</b> Annual Adjustment of housing allowance                                                                                      | The amount of the housing allowance shall be adjusted annually on the basis of CPI                                                              | Implemented               |          |
| <b>Clause 4.6</b> Annual adjustment of the housing allowance                                                                                    | The amount of the housing allowance shall be adjusted annually on the basis of CPI such adjustments shall be implemented on 1 July of each year | Implemented               |          |
| <b>Resolution 1 of 2018 Salary adjustment and improvement of conditions of service</b>                                                          |                                                                                                                                                 |                           |          |
| <b>Clause 6.3</b> Annual Increase of Housing allowance                                                                                          | Increase of housing allowance on an annual basis is guaranteed as per clause 4.6 of PSCBC Resolution 7 of 2015                                  | Implemented               |          |

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33 Reviewed annually to appear in Annual Monitoring report

## 11. FINANCIAL STATEMENTS 2020/21



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**PSCBC**

**ANNUAL REPORT 2020/21**

**Public Service Co-ordinating Bargaining Council**  
(Registration number LR2/6/6126)  
Annual Financial Statements  
for the year ended 31 March 2021

# Public Service Co-ordinating Bargaining Council

(Registration number LR216/6/126)

Annual Financial Statements for the year ended 31 March 2021

## General Information

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|                                             |                                                                                                                                                           |
|---------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Country of incorporation and domicile       | South Africa                                                                                                                                              |
| Nature of business and principal activities | Enhance labour peace and promote sound relations between employer and employees in the public service                                                     |
| Registered office                           | Public Service Bargaining Centre<br>Building A and B<br>260 Basden Avenue<br>Lyttelton<br>Gauteng<br>0176                                                 |
| Postal address                              | PO Box 3123<br>Lyttelton South<br>Gauteng<br>0176                                                                                                         |
| Auditor                                     | PricewaterhouseCoopers Inc.<br>Registered Auditor                                                                                                         |
| Physical address                            | 4 Lisbon Lane<br>Waterfall City<br>Jubilee View<br>2090                                                                                                   |
| Company registration number                 | LR216/6/126                                                                                                                                               |
| Level of assurance                          | These annual financial statements have been audited in compliance with the applicable requirement of Section 53 of the Labour Relations Act No 66 of 1995 |
| Prepared                                    | These annual financial statements were independently compiled by:<br>Moyana and Associates Chartered Accountants (Pty) Ltd                                |
| Published                                   | 30-05-2021                                                                                                                                                |

*Handwritten signature:*  
G.E.A.

# Public Service Co-ordinating Bargaining Council

(Registration number: LR2/5/5/125)

Annual Financial Statements for the year ended 31 March 2021

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C-2 J

# Public Service Co-ordinating Bargaining Council

(Registration number LR26/6/126)

Annual Financial Statements for the year ended 31 March 2021

## Councils' Responsibilities and Approval

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The Council of the Public Service Co-ordinating Bargaining Council (PSCBC) is required in terms of Section 53 of the Labour Relations Act, 1995 to maintain adequate accounting records and is responsible for the content and integrity of the Annual Financial Statements and related financial information included in this report. It is their responsibility to ensure that the Annual Financial Statements fairly present the state of affairs of the PSCBC as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standards. The external auditor is engaged to express an independent opinion on the Annual Financial Statements.

The Annual Financial Statements are prepared in accordance with the International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

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

The Council has reviewed the PSCBC's cash flow forecast for the year to 31 March 2022 and, in light of this review and the current financial position, they are satisfied that the PSCBC has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the PSCBC's Financial Statements. The Financial Statements have been examined by the external auditor and his report is presented on pages 6 to 9.

The Council has made available to the auditor all information requested for performance of the audit.

The Annual Financial Statements and additional schedules set out on page 4 to 31, which have been prepared on the going concern basis, were approved by the Council on 15 June 2021 and were signed on its behalf by

Approval of annual financial statements

F de Bruijn

General Secretary

C Nanto

Vice Chairperson Labour

I Dima

Chairperson of Council

# Public Service Co-ordinating Bargaining Council

(Registration number: LR256/126)

Annual Financial Statements for the year ended 31 March 2021

## Councils' Report

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### 1. Introduction

The Council has pleasure in submitting their report on the financial statements of Public Service Co-ordinating Bargaining Council for the year ended 31 March 2021.

### 2. Review of activities

#### Main business and operations

The Public Service Co-ordinating Bargaining Council (PSCBC) is registered in terms of Section 35 and Section 36 of the Labour Relations Act, 1995. It is mainly formed to enhance labour peace and promote sound relations between employer and employees in the public service and operates principally in South Africa.

The objectives of the PSCBC, within its registered scope, are to:

- (a) generally enhance labour peace in the public service;
- (b) promote a sound relationship between the employer and its employees;
- (c) in terms of the Labour Relations Act and the constitution, negotiate and bargain collectively to reach agreement on matters of mutual interest to the employer and employees represented by admitted trade unions;
- (d) provide mechanisms for the prevention and resolution of disputes between
  - (i) the employer and trade unions admitted to the PSCBC;
  - (ii) the employer and trade unions not admitted to the PSCBC; and
  - (iii) the employer and employees, where the employer has the requisite authority to resolve such disputes;
- (e) conclude, supervise and enforce collective agreements;
- (f) comply with its powers and duties in terms of the Labour Relations Act and its constitution;
- (g) consider and deal with such other matters as may affect the interest of the parties to the PSCBC; and
- (h) promote effective communication and co-ordination between the PSCBC and sectors.

The operating results and state of affairs of the organisation are fully set out in the attached financial statements and do not in our opinion require any further comment.

Net surplus of the Council was R 10 501 618 (2020: R 2 269 037 deficit).

### 3. Going concern

The 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.

### 4. Events after the reporting period

#### Nature of event

At the time of publishing these results, the Council finds itself in the unprecedented circumstances of the COVID-19 pandemic, with South Africa operating under a National State of Disaster and in an extended economic and social lockdown. The full economic impact of the lockdown has still to be determined, and the prognosis will remain fluid and uncertain for many months to come.

#### Estimate of the financial impact due the COVID-19

Management has considered the impact of the lockdown on the financial position at 31 March 2021 and is of the view that the pandemic does not affect the economic assumptions and estimates made at 31 March 2021 for measurement purposes and no impairments are considered necessary.

Management has also considered the impact of the lockdown arising from the COVID-19 pandemic on the next financial year to confirm the appropriateness of the going concern assumption used in the preparation of these financial statements. The Council is soundly structured, with a bank balance of R32 388 716 at 31 March 2021. The Executive Committee has assessed the Council's solvency and liquidity having regard for the cash on hand and anticipated cash flows and has concluded that it is satisfied with the Council's ability to continue as a going concern for the 2022 financial year.

# Public Service Co-ordinating Bargaining Council

(Registration number: LR2/6/6/126)

Annual Financial Statements for the year ended 31 March 2021

## Councils' Report

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### Adjusting events

Management considers information obtained subsequent to the reporting date in relation to known or knowable events and expected outflows identified as at 31 March 2021, as adjusting subsequent events. With regards to financial reporting impacts associated with COVID-19, the key principle is that COVID-19 is considered to be sufficiently prevalent at 31 March 2021.

Therefore, COVID-19 related events that arise in the post balance sheet period, that provide additional information in relation to assets and liabilities in existence at 31 March 2021, have been considered adjusting subsequent events.

New events which occur after 31 March 2021 which do not relate to existing assets and liabilities related to COVID-19 at the reporting date are considered to be non-adjusting subsequent events, and these together with their relating financial effects, have been disclosed to the extent that they are considered to be material.

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## Independent auditor's report

To the Council Members of Public Service Co-ordinating Bargaining Council (PSCBC)

### Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Public Service Co-ordinating Bargaining Council (PSCBC) (the Council) as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

### What we have audited

Public Service Co-ordinating Bargaining Council (PSCBC)'s financial statements set out on pages 9 to 29 comprise:

- the statement of financial position as at 31 March 2021;
- the statement of profit or loss and comprehensive income for the year then ended;
- the statement of changes in funds for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the Company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

### Other information

The council members are responsible for the other information. The other information comprises the information included in the document titled "Public Service Co-ordinating Bargaining Council Annual Financial Statements for the year ended 31 March 2021, which includes the Council's Report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

PricewaterhouseCoopers Inc., 4 Lisbon Lane, Waterfall City, Julekani View, 2090  
Private Bag X36, Sunninghill, 2157, South Africa  
T: +27 (0) 11 797 4000, F: +27 (0) 11 209 5800, [www.pwc.co.za](http://www.pwc.co.za)

Chief Executive Officer: T. S. Mchale

The Company's principal place of business is at 4 Lisbon Lane, Waterfall City, Julekani View, where all our operations carried out are subject to inspection.  
Reg. no. 1998/01205/201. VAT reg. no. 4750174622



In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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### *Responsibilities of the council members for the financial statements*

The council members are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as the council members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the council members are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the council members either intend to liquidate the Council or to cease operations, or have no realistic alternative but to do so.

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### *Auditor's responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council members.
- Conclude on the appropriateness of the council members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the council members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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#### *Report on Other Legal and Regulatory Requirements*

In connection with our reporting responsibilities in terms of Section 53 (2) (b) of the Labour Relations Act, 1995, we report that we have not identified significant exceptions in respect of the Council's compliance with the provisions contained in its constitution relating to financial matters.

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*PricewaterhouseCoopers Inc.*

PricewaterhouseCoopers Inc.  
Director: Raj Dhanraj  
Registered Auditor

Johannesburg, South Africa  
30 June 2021

# Public Service Co-ordinating Bargaining Council

(Registration number: LR2/5/6/125)

Annual Financial Statements for the year ended 31 March 2021

## Statement of Financial Position as at 31 March 2021

| Figures in Rand                    | Notes | 2021               | 2020              |
|------------------------------------|-------|--------------------|-------------------|
| <b>Assets</b>                      |       |                    |                   |
| <b>Non-Current Assets</b>          |       |                    |                   |
| Property, plant and equipment      | 3     | 23 400 783         | 21 972 081        |
| Right of use asset                 | 4     | 262 358            | 466 504           |
| Intangible assets                  | 5     | 2 918 887          | 2 831 924         |
|                                    |       | <u>26 602 023</u>  | <u>25 290 509</u> |
| <b>Current Assets</b>              |       |                    |                   |
| Trade and other receivables        | 6     | 979 422            | 547 492           |
| Cash and cash equivalents          | 7     | 32 090 472         | 23 743 978        |
| Trust Bank Account Agency fees     | 8     | 65 224 953         | 31 648 117        |
|                                    |       | <u>68 294 847</u>  | <u>65 839 587</u> |
| <b>Total Assets</b>                |       | <u>124 896 870</u> | <u>91 230 096</u> |
| <b>Funds and Liabilities</b>       |       |                    |                   |
| <b>Funds</b>                       |       |                    |                   |
| Accumulated surplus                |       | <u>56 787 147</u>  | <u>46 285 579</u> |
| <b>Liabilities</b>                 |       |                    |                   |
| <b>Non-Current Liabilities</b>     |       |                    |                   |
| Finance lease liabilities          | 9     | <u>126 716</u>     | <u>303 216</u>    |
| <b>Current Liabilities</b>         |       |                    |                   |
| Trade and other payables           | 10    | 2 579 703          | 2 775 447         |
| Finance lease liabilities          | 9     | 176 504            | 190 463           |
| Corporate card                     | 7     | 1 757              | 27 324            |
| Agency fees held in trust          | 11    | 65 224 953         | 31 648 117        |
|                                    |       | <u>67 983 007</u>  | <u>34 641 351</u> |
| <b>Total Liabilities</b>           |       | <u>68 109 723</u>  | <u>34 844 667</u> |
| <b>Total Funds and Liabilities</b> |       | <u>124 896 870</u> | <u>91 230 096</u> |

The accounting policies on pages 13 to 19 and the notes on pages 20 to 29 form an integral part of the annual financial statements.

## Public Service Co-ordinating Bargaining Council

(Registration number LR276/6/126)

Annual Financial Statements for the year ended 31 March 2021

### Statement of Profit or Loss and Other Comprehensive Income

| Figures in Rand                                   | Notes | 2021         | 2020         |
|---------------------------------------------------|-------|--------------|--------------|
| Revenue                                           | 15    | 43 228 755   | 41 256 024   |
| Operating income                                  | 16    | 114 706      | 177 938      |
| Operating expenses                                |       | (33 969 785) | (45 827 018) |
| Operating surplus / deficit                       |       | 8 371 756    | (4 391 056)  |
| Interest received                                 | 17    | 1 199 393    | 2 171 036    |
| Finance costs                                     | 18    | (68 531)     | (47 017)     |
| Surplus / Deficit for the year                    |       | 10 501 618   | (2 269 037)  |
| Other comprehensive income                        |       | -            | -            |
| Total comprehensive income / deficit for the year |       | 10 501 618   | (2 269 037)  |

The accounting policies on pages 13 to 19 and the notes on pages 20 to 29 form an integral part of the financial statements.

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## Public Service Co-ordinating Bargaining Council

(Registration number: LR2/6/6/126)

Annual Financial Statements for the year ended 31 March 2021

### Statement of Changes in Funds

| Figures in Rand                          | Retained surplus | Total equity |
|------------------------------------------|------------------|--------------|
| Balance at 01 April 2019                 | 48 554 566       | 48 554 566   |
| Deficit for the year                     | (2 269 037)      | (2 269 037)  |
| Other comprehensive income               | -                | -            |
| Total comprehensive deficit for the year | (2 269 037)      | (2 269 037)  |
| Balance at 01 April 2020                 | 46 285 529       | 46 285 529   |
| Surplus for the year                     | 10 501 618       | 10 501 618   |
| Other comprehensive income               | -                | -            |
| Total comprehensive surplus for the year | 10 501 618       | 10 501 618   |
| Balance at 31 March 2021                 | 56 787 147       | 56 787 147   |

The accounting policies on pages 13 to 19 and the notes on pages 20 to 29 form an integral part of the financial statements.


## Public Service Co-ordinating Bargaining Council

(Registration number: LR2/6/6/1/25)

Annual Financial Statements for the year ended 31 March 2021

### Statement of Cash Flows

| Figures in Rand                                              | Notes | 2021               | 2020              |
|--------------------------------------------------------------|-------|--------------------|-------------------|
| <b>Cash flows from operating activities</b>                  |       |                    |                   |
| Cash generated/used in operations                            | 21    | 10 821 876         | (1 808 866)       |
| Interest received                                            |       | 1 199 393          | 2 171 036         |
| Finance costs                                                |       | (89 531)           | (47 017)          |
| <b>Net cash from/(used by) operating activities</b>          |       | <b>11 751 638</b>  | <b>315 153</b>    |
| <b>Cash flows from investing activities</b>                  |       |                    |                   |
| Purchase of property, plant and equipment                    | 3     | (2 534 605)        | (473 600)         |
| Sale of property, plant and equipment                        | 3     | -                  | 47 571            |
| Purchase of right of use asset                               | 4     | -                  | (391 000)         |
| Purchase of intangible assets                                | 5     | (654 413)          | (5 799)           |
| <b>Net cash used by investing activities</b>                 |       | <b>(3 189 018)</b> | <b>(822 828)</b>  |
| <b>Cash flows from financing activities</b>                  |       |                    |                   |
| Finance lease payments                                       |       | (130 459)          | 180 358           |
| <b>Total cash and cash equivalents movement for the year</b> |       | <b>8 372 061</b>   | <b>(332 515)</b>  |
| Cash at the beginning of the year                            |       | 23 716 654         | 24 049 169        |
| <b>Total cash and cash equivalents at end of the year</b>    | 7     | <b>32 088 715</b>  | <b>23 716 654</b> |

The accounting policies on pages 13 to 19 and the notes on pages 20 to 29 form an integral part of the annual financial statements.

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# Public Service Co-ordinating Bargaining Council

(Registration number: 1/R2/6/6/125)

Annual Financial Statements for the year ended 31 March 2021

## Summary of Significant Accounting Policies

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### 1 Corporate Information

Public Service Co-ordinating Bargaining Council is a public company incorporated and domiciled in South Africa. The address of its registered office and principal place of business is Public Service Bargaining Centre Building A and B 260 Gasdon Avenue. Their principal activities are to enhance labour peace and promote sound relations between employer and employees in the public service.

#### 1.1 Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

These accounting policies are consistent with the previous period.

#### 1.2 Basis of Preparation

The financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and Section 53 of the Labour Relations Act.

The financial statements have been prepared on the historic cost convention, except for the measurement of investment properties of certain financial instruments at fair value, and incorporate the principal accounting policies set out below. They are presented in Rands, which is the organisation's functional currency.

#### 1.3 Significant judgements and sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

##### Critical judgements in applying accounting policies

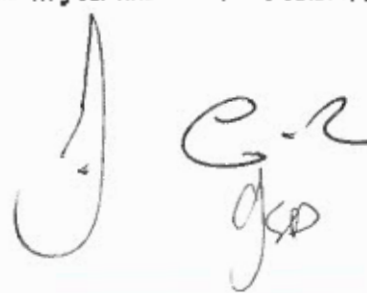
The critical judgements made by management in applying accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognised in the financial statements, are outlined as follows:

##### Key sources of estimation uncertainty

##### Useful lives of property, plant and equipment

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 3 for the carrying amount of the property plant and equipment and accounting policy 1.4 for the useful economic lives for each class of assets.

As indicated in accounting policy 1.4 the estimated useful lives of items of property, plant and equipment range between 2 – 30 years. However, the actual useful lives might be shorter or longer depending on technological innovations and other factors.

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# Public Service Co-ordinating Bargaining Council

(Registration number: LR256/126)

Annual Financial Statements for the year ended 31 March 2021

## Summary of Significant Accounting Policies

### Trade receivables

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

The impairment (or loss allowance) for trade receivables is calculated on a portfolio basis, except for individually significant trade receivables which are assessed separately. The impairment test on the portfolio is 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.

### Provisions

Provisions are inherently based on assumptions and estimates using the best information available.

### 1.4 Property, plant and equipment

Property, plant and equipment are tangible assets which the organisation holds for its own use or for rental to others and which are expected to be used for more than one year.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the organisation, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Land is not depreciated. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the organisation. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

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

| Item                           | Depreciation method | Average useful life |
|--------------------------------|---------------------|---------------------|
| Buildings                      | Straight line       | 30 years            |
| Motor vehicles                 | Straight line       | 5-7 years           |
| Office furniture and equipment | Straight line       | 2-5 years           |
| IT equipment                   | Straight line       | 3 years             |

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

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 year is recognised in profit or loss unless it is included in the carrying amount of another asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

# Public Service Co-ordinating Bargaining Council

(Registration number: LR2/8/6/126)

Annual Financial Statements for the year ended 31 March 2021

## Summary of Significant Accounting Policies

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### 1.5 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably

Intangible assets are initially recognised at cost.

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

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

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

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

| Item              | Useful life |
|-------------------|-------------|
| Computer software | 2-10 years  |

### 1.6 Financial Instruments

Financial assets and financial liabilities are recognised in the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### Financial assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The company holds the following financial assets:

#### Cash and cash equivalents

Cash and cash equivalents are subsequently measured at amortised cost. Cash and cash equivalents comprise deposits held at call with banks.

#### Trust Bank Account: Agency Fees

Trust bank account are subsequently measured at amortised cost. Trust bank account comprise of agency fees administered by the PSCBC.

# Public Service Co-ordinating Bargaining Council

(Registration number LR2/6/5/126)

Annual Financial Statements for the year ended 31 March 2021

## Summary of Significant Accounting Policies

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### 1.6 Financial Instruments (continued)

#### Trade and other receivables

Trade and other receivables are subsequently measured at amortised cost. These comprise of Trade receivables, Prepaid expenditure, Current assets and Other Receivables.

#### Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition) the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

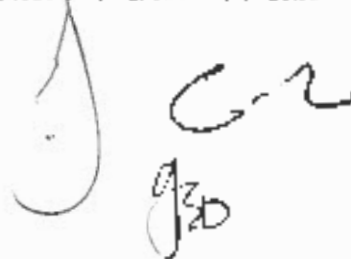
The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any expected credit loss. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any expected credit loss.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at fair value through other comprehensive income. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

#### Impairment of financial assets

The company recognises a simplified loss allowance approach for expected credit losses on amounts due from related parties, trade and other receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, Public Service Co-ordinating Bargaining Council (PSCBC) compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, PSCBC considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward looking information that is available without undue cost or effort. Forward looking information considered includes the future prospects of the industries in which the PSCBC debtors operate, obtained from economic expert reports, governmental bodies and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the PSCBC core operations.

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## Public Service Co-ordinating Bargaining Council

(Registration number LR2/6/6/128)

Annual Financial Statements for the year ended 31 March 2021

### Summary of Significant Accounting Policies

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#### 1.6 Financial Instruments (continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;

Irrespective of the outcome of the above assessment, PSCBC presumes that the credit risk on a financial asset has increased significantly when contractual payments are past due.

Despite the foregoing, PSCBC assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- the financial instrument has a low risk of default;
- the debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the beneficiary to fulfil its contractual cash flow obligations.

#### Financial liabilities

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities are recognised when the company becomes party to the contractual provisions of the relevant instrument. Financial liabilities are derecognised when they are extinguished, that is discharged, cancelled or expired.

The company holds the following financial liabilities:

##### Corporate card

Corporate card are subsequently measured at amortised cost. Corporate card comprise of a bank overdraft facility.

##### Trade and other payables

Trade and other payables are subsequently measured at amortised cost. These comprise of Trade payables, leave accrual, bonus accrual, accrued expenses and medical aid contributions.

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# Public Service Co-ordinating Bargaining Council

(Registration number: LR2/6/B/126)

Annual Financial Statements for the year ended 31 March 2021

## Summary of Significant Accounting Policies

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### 1.6 Financial instruments (continued)

#### Agency fees held in trust

Agency fees held in trust are subsequently measured at amortised cost. Agency fees held in trust comprise of agency fees administered by the PSCBC.

All financial liabilities are measured subsequently at amortised cost using the effective interest method. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and are measured in accordance with the specific accounting policies set out below.

Financial liabilities are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Financial liabilities are presented as current liabilities if payment is due or could be demanded within 12 months. If not, they are presented as non-current liabilities.

Financial liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis.

### 1.7 Right of use asset

Right of use assets are tangible assets which the organisation holds in terms of a lease agreement with the lessor which are expected to be used for a period of 3 years.

An item of right of use asset is recognised at the commencement of the lease agreement with the lessor, and the cost of the item can be measured reliably.

Right of use assets is initially measured at cost. Cost is calculated as the initial amount of the lease liability, plus any lease payments made to the lessor before the lease commencement date, plus any initial direct costs incurred, minus any lease incentives received.

Property, plant and equipment is subsequently stated at cost less accumulation depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

The depreciation period for the right-of-use asset is from the lease commencement date to the earlier of the end of the lease term or the end of the useful life of the asset. An exception is when it is reasonably certain that the lessee will exercise an option to purchase the asset, in which case the amortization period is through the end of the asset's useful life.

The useful lives of items of right of use assets has been assessed as follows:

| Item                    | Depreciation method | Average useful life        |
|-------------------------|---------------------|----------------------------|
| Leased office equipment | Straight line       | Over the term of the lease |

If a right-of-use asset is determined to be impaired, the impairment is immediately recorded, thereby reducing the carrying amount of the asset. Its subsequent measurement is calculated as the carrying amount immediately after the impairment transaction, minus any subsequent accumulated depreciation.

At the termination of a lease, the right-of-use asset and associated lease liability are removed from the books of the lessee. The difference between the two amounts is accounted for as a profit or loss at that time.

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# Public Service Co-ordinating Bargaining Council

(Registration number: LR2/6/8/128)

Annual Financial Statements for the year ended 31 March 2021

## Summary of Significant Accounting Policies

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### 1.8 Employee benefits

#### Short-term employee benefits

The cost of short-term employee benefits (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement to, or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

### 1.9 Revenue

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised.

#### IFRS 15 Revenue from Contracts with Customers

The Council's revenue with customers comprises primarily of levy income collected from employees and employers of various government departments.

IFRS 15 established a comprehensive framework for determining and reporting the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. The standard outlines the principles that must be applied to measure and recognise revenue with the core principle being that revenue should be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for fulfilling its performance obligations to a customer.

The principles in IFRS 15 must be applied using the following five-step model:

1. Identify the contract(s) with a customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognise revenue when or as the entity satisfies its performance obligations

The Council recognises revenue from customers at a point in time by recognising the cash value of income received on a monthly basis. No element of financing is deemed to be present and no adjustment for time value of money are made to the transaction price.

#### 1.10 Investment Income

Interest income is accrued on a time proportion basis with reference to the principal amount receivable and the effective interest rate applicable. Interest income is accounted for as it accrues, unless collectability is in doubt. Interest income excludes that portion which relates to agency fees held in trust.

#### 1.11 Operating income

Operating income is recognised in profit and loss in the period in which they are incurred.

#### 1.12 Borrowing costs

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

# Public Service Co-ordinating Bargaining Council

(Registration number: LR2/8/B/128)

Annual Financial Statements for the year ended 31 March 2021

## Notes to the Financial Statements

| Figures in Rand | 2021 | 2020 |
|-----------------|------|------|
|-----------------|------|------|

### 2. Risk management

#### Capital risk management

The council's objectives when managing capital are to safeguard the council's ability to continue as a going concern in order to provide returns for shareholder and benefit for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the entity may draw down on available banking facilities and funds.

There are no externally imposed capital requirements.

There have been no changes to what the council manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

#### Financial risk management

The council's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the organisation's financial performance. The council approved and monitor risk management policies.

#### Liquidity risk

The table below analyses the council's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

**Exposure arising from risk:** The risk arises from borrowings and other liabilities such as the trade and other payables, finance leases.

**Measurement:** The risk is measured through the rolling cash flow forecasts that the organisation has each year.

**Management of risk:** The risk is managed by the availability of committed credit lines and borrowing facilities provided by the financial institution.

**Change:** The management of the risk has remained unchanged from prior year.

| At 31 March 2021         | Less than 1 year | Between 1 and 2 year |
|--------------------------|------------------|----------------------|
| Trade and other payables | 2 579 793        | -                    |
| Finance lease            | 176 504          | 126 716              |
| At 31 March 2020         | Less than 1 year | Between 1 and 2 year |
| Trade and other payables | 2 775 447        | -                    |
| Finance lease            | 190 463          | 303 216              |

   
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# Public Service Co-ordinating Bargaining Council

(Registration number: LR2/5/8/126)

Annual Financial Statements for the year ended 31 March 2021

## Notes to the Financial Statements

| Figures in Rand | 2021 | 2020 |
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### Credit risk management

Financial assets which potentially subject the PSCBC to concentrations of credit risk consist principally of cash and cash equivalents and debtors. Concentrations of credit risk with respect to trade receivables are limited due to the profile and number of debtors. Funds are only deposited with reputable financial institutions.

**Exposure arising from risk:** Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, favourable derivative financial instruments and deposits with banks and financial institutions.

**Measurement:** The risk is measured through the aging analysis and credit ratings.

**Management of risk:** The risk is managed by diversification of bank deposits, credit limits and letters of credit investment guidelines for debt investments.

**Change:** Management of the risk has remained unchanged from prior year.

|                             |                    |                    |
|-----------------------------|--------------------|--------------------|
| Cash and cash equivalents   | 2021<br>32 090 472 | 2020<br>23 743 978 |
| Trade receivables           | 979 422            | 547 492            |
|                             | <u>33 069 894</u>  | <u>24 291 470</u>  |
| Trade and other receivables | 2021<br>979 422    | 2020<br>547 592    |
| Less: Loss allowance        | -                  | -                  |
|                             | <u>979 422</u>     | <u>547 592</u>     |

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the organisations, and a failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

The loss allowance was Rnil (2020: Rnil)

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# Public Service Co-ordinating Bargaining Council

(Registration number: LR2/8/8/126)

Annual Financial Statements for the year ended 31 March 2021

## Notes to the Financial Statements

Figures in Rand

### 3. Property, plant and equipment

|                               | 2021              |                          |                   | 2020              |                          |                   |
|-------------------------------|-------------------|--------------------------|-------------------|-------------------|--------------------------|-------------------|
|                               | Cost              | Accumulated depreciation | Carrying value    | Cost              | Accumulated depreciation | Carrying value    |
| Land                          | 11 903 728        | -                        | 11 903 728        | 11 903 728        | -                        | 11 903 728        |
| Buildings                     | 11 716 041        | (2 839 071)              | 8 877 020         | 11 716 041        | (2 448 618)              | 9 267 423         |
| Office furniture and fixtures | 2 653 136         | (2 451 182)              | 201 954           | 2 642 006         | (2 356 064)              | 285 932           |
| Motor vehicles                | 247 999           | (247 098)                | 901               | 247 999           | (247 998)                | 1                 |
| IT equipment                  | 5 772 000         | (4 524 022)              | 1 247 978         | 4 418 537         | (3 003 640)              | 514 897           |
| Property Development          | 1 170 102         | -                        | 1 170 102         | -                 | -                        | -                 |
| <b>Total</b>                  | <b>33 463 006</b> | <b>(10 062 223)</b>      | <b>23 400 783</b> | <b>30 928 401</b> | <b>(8 956 320)</b>       | <b>21 972 081</b> |

#### Reconciliation of property, plant and equipment - 2021

|                               | Opening balance   | Additions        | Depreciation       | Closing balance   |
|-------------------------------|-------------------|------------------|--------------------|-------------------|
| Land                          | 11 903 728        | -                | -                  | 11 903 728        |
| Buildings                     | 9 267 423         | -                | (390 403)          | 8 877 020         |
| Office furniture and fixtures | 285 932           | 11 040           | (495 118)          | 201 954           |
| Motor Vehicles                | 1                 | -                | -                  | 1                 |
| IT equipment                  | 514 897           | 1 353 463        | (620 382)          | 1 247 978         |
| Property Development          | -                 | 1 170 102        | -                  | 1 170 102         |
| <b>Total</b>                  | <b>21 972 081</b> | <b>2 534 605</b> | <b>(1 106 903)</b> | <b>23 400 783</b> |

#### Reconciliation of property, plant and equipment - 2020

|                               | Opening balance   | Additions      | Disposals       | Transfer to Right of use asset (Refer to note 4 - Right of use asset) | Depreciation       | Closing balance   |
|-------------------------------|-------------------|----------------|-----------------|-----------------------------------------------------------------------|--------------------|-------------------|
| Land and Buildings            | 11 903 728        | -              | -               | -                                                                     | -                  | 11 903 728        |
| Buildings                     | 9 657 957         | -              | -               | -                                                                     | (390 534)          | 9 267 423         |
| Office furniture and fixtures | 294 702           | 176 015        | (408)           | -                                                                     | (184 277)          | 285 932           |
| Motor vehicles                | 1                 | -              | -               | -                                                                     | -                  | 1                 |
| Leased office equipment       | 287 528           | -              | -               | (287 528)                                                             | -                  | -                 |
| IT equipment                  | 703 974           | 297 585        | (33 313)        | -                                                                     | (453 349)          | 514 897           |
| <b>Total</b>                  | <b>22 647 890</b> | <b>473 600</b> | <b>(33 721)</b> | <b>(287 528)</b>                                                      | <b>(1 028 160)</b> | <b>21 972 081</b> |

#### Property, plant and equipment encumbered as security

Land with a carrying amount of R11 903 728 has been earmarked for the development of the new office building

As at the approval date of the AFS, property development capital expenses of R1 170 102 had been incurred by the Council for the development of new office building. There were no other contractual obligations entered into by the Council.



# Public Service Co-ordinating Bargaining Council

(Registration number LR246/5/126)

Annual Financial Statements for the year ended 31 March 2021

## Notes to the Financial Statements

| Figures in Rand | 2021 | 2020 |
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|-----------------|------|------|

### 4. Right of use asset

|                    | 2021    |                                         |                | 2020    |                                         |                |
|--------------------|---------|-----------------------------------------|----------------|---------|-----------------------------------------|----------------|
|                    | Cost    | Accumulated depreciation and impairment | Carrying value | Cost    | Accumulated depreciation and impairment | Carrying value |
| Right of use asset | 813 468 | (331 110)                               | 282 358        | 613 468 | (126 964)                               | 486 504        |

#### Reconciliation of right of use asset - 2021

|                    | Opening balance | Depreciation | Total   |
|--------------------|-----------------|--------------|---------|
| Right of use asset | 486 504         | (204 146)    | 282 358 |

#### Reconciliation of right of use asset - 2020

|                    | Opening balance | Additions | Depreciation | Total   |
|--------------------|-----------------|-----------|--------------|---------|
| Right of use asset | 287 528         | 391 000   | (192 024)    | 486 504 |

#### Right of use asset encumbered as security

The Right of use asset with a carrying amount of R 282 358 (2020 R 486 504), consist of office equipment and are encumbered by finance lease liabilities in the amount of R303 220 (2020 R 493 070) (note 9)

### 5. Intangible assets

|                            | 2021      |                          |                | 2020      |                          |                |
|----------------------------|-----------|--------------------------|----------------|-----------|--------------------------|----------------|
|                            | Cost      | Accumulated amortisation | Carrying value | Cost      | Accumulated amortisation | Carrying value |
| Acquired computer software | 4 701 915 | (1 783 633)              | 2 918 882      | 4 047 502 | (1 215 578)              | 2 831 924      |

#### Reconciliation of intangible assets - 2021

|                            | Opening balance | Additions | Amortisation | Total     |
|----------------------------|-----------------|-----------|--------------|-----------|
| Acquired computer software | 2 831 924       | 654 413   | (567 455)    | 2 918 882 |

#### Reconciliation of intangible assets - 2020

|                            | Opening balance | Additions | Amortisation | Total     |
|----------------------------|-----------------|-----------|--------------|-----------|
| Acquired computer software | 3 202 388       | 5 798     | (137 263)    | 2 831 924 |

# Public Service Co-ordinating Bargaining Council

(Registration number: LR2/6/6/126)

Annual Financial Statements for the year ended 31 March 2021

## Notes to the Financial Statements

| Figures in Rand                       | 2021           | 2020           |
|---------------------------------------|----------------|----------------|
| <b>6. Trade and other receivables</b> |                |                |
| Trade receivables                     | 648 914        | 161 809        |
| Prepaid expenditure                   | -              | 90 346         |
| Deposits held                         | 3 520          | 3 529          |
| Other receivables                     | 326 988        | 291 617        |
|                                       | <u>979 422</u> | <u>547 492</u> |

### Trade and other receivables past due but not impaired

Trade and other receivables which are less than 6 months past due are not considered to be impaired. At 31 March 2021 R 21 970 (2020: R 38 841) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

|                   |                |                |
|-------------------|----------------|----------------|
| Not past due      | 603 824        | 122 958        |
| 3 months past due | 23 320         | -              |
| 4 months past due | 21 970         | 38 841         |
|                   | <u>648 914</u> | <u>161 809</u> |

### 7. Cash and cash equivalents

For the purpose of the statement of cash flows, cash, cash equivalents and bank overdrafts include total cash assets less bank overdrafts:

|                     |                   |                   |
|---------------------|-------------------|-------------------|
| Cash on hand        | 232               | 232               |
| Bank balances       | 2 788 165         | 3 381 531         |
| Short-term deposits | 30 307 075        | 20 362 215        |
| Corporate card      | (1 757)           | (27 324)          |
|                     | <u>32 088 718</u> | <u>23 716 654</u> |
| Current assets      | 32 090 472        | 23 743 978        |
| Current liabilities | (1 757)           | (27 324)          |
|                     | <u>32 088 718</u> | <u>23 716 654</u> |

### Standard bank corporate card

Standard Bank Corporate cards have a limit amount of R55 000.00 per month.

### Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates.

### Credit rating

|     |                   |                   |
|-----|-------------------|-------------------|
| P-3 | <u>32 088 718</u> | <u>23 716 654</u> |
|-----|-------------------|-------------------|

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# Public Service Co-ordinating Bargaining Council

(Registration number: LR2/6/5/126)

Annual Financial Statements for the year ended 31 March 2021

## Notes to the Financial Statements

| Figures in Rand | 2021 | 2020 |
|-----------------|------|------|
|-----------------|------|------|

### 8. Trust Bank Account: Agency fees

This relates to agency fees administered by the PSCBC in terms of an Agency shop agreement (Resolution 1 of 1988) and section 25 of the Labour Relations Act. As at 31 March 2021, the following are the admitted trade unions on whose behalf the subject funds are collected and held in trust bank account and disbursed on a monthly basis: DENOSA, KOSPERSA, NATU, NAPTOSA, NUPSAWU, NEHAWU, NPSAWU, PAMUSA, POPCRU, PEU, PSA, SADTU, SAEPU, SAMA, SAOU, SAPU and UNIPSAWU (Refer to Note 11).

The trust monies are held with Standard Bank Limited

|                           |            |            |
|---------------------------|------------|------------|
| Agency fees held in trust | 85 224 953 | 31 645 117 |
|---------------------------|------------|------------|

### 9. Finance lease liabilities

#### Minimum lease payments which fall due

|                                     |         |         |
|-------------------------------------|---------|---------|
| - within one year                   | 211 844 | 258 937 |
| - in second to fifth year inclusive | 136 459 | 348 303 |

#### Less: future finance charges

|  |         |           |
|--|---------|-----------|
|  | 145 083 | (114 561) |
|--|---------|-----------|

|                                         |         |         |
|-----------------------------------------|---------|---------|
| Present value of minimum lease payments | 303 220 | 493 679 |
|-----------------------------------------|---------|---------|

#### Present value of minimum lease payments due

|                                                    |         |         |
|----------------------------------------------------|---------|---------|
| - no later than one year                           | 176 536 | 190 463 |
| - later than one year and no later than five years | 126 714 | 303 216 |
|                                                    | 303 220 | 493 679 |

#### Non-current liabilities

|                     |         |         |
|---------------------|---------|---------|
| Current liabilities | 126 714 | 303 216 |
|                     | 176 504 | 190 463 |
|                     | 303 220 | 493 679 |

Office equipment is leased under two non-cancellable lease agreements for terms of 3 years each at interest rates of 10% and 20% respectively.

As the lease terms transfer substantially all the risks and rewards of ownership, the lease is classified as a finance lease.

Right of use assets in the amount of R 282 359 (2020: R 486 504) serve as security for the liabilities (Refer to Note 4)

Office equipment lease commenced on the 04 October 2018 & 17 February 2020 and it is due to expire on the 03 October 2021 & 17 February 2023 respectively (i.e. 36 month period).

### 10. Trade and other payables

|                          |           |           |
|--------------------------|-----------|-----------|
| Trade payables           | 391 106   | 498 421   |
| Accrued leave pay        | 1 432 484 | 859 095   |
| Accrued bonus            | 478 468   | 516 766   |
| Accrued expenses         | 183 016   | 794 760   |
| Medical aid contribution | 114 700   | 106 406   |
|                          | 2 579 783 | 2 775 447 |

# Public Service Co-ordinating Bargaining Council

(Registration number LR2/8/9/126)

Annual Financial Statements for the year ended 31 March 2021

## Notes to the Financial Statements

Figures in Rand

2021

2020

### 11. Agency fees held in trust

This relates to agency fees administered by the PSCBC in terms of Agency shop agreement (Resolution 1 of 1998) and section 25 of the Labour Relations Act (Refer to Note 8)

|                                         |                   |                   |
|-----------------------------------------|-------------------|-------------------|
| Agency fees held in trust               | <u>65 224 953</u> | <u>31 648 117</u> |
| Breakdown of agency fees held in trust: |                   |                   |
| Opening balance                         | 31 648 117        | 21 915 696        |
| Interest received (Net)                 | 753 400           | 375 497           |
| Less: Expenditure incurred              | (14 351)          | (69 276)          |
| Agency fees received                    | 242 785 910       | 225 127 739       |
| Agency fees paid                        | (209 958 153)     | (215 671 539)     |
|                                         | <u>65 224 953</u> | <u>31 648 117</u> |

### 12. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below

2021

|                             | Financial Assets at amortised cost | Total             |
|-----------------------------|------------------------------------|-------------------|
| Trade and other receivables | 979 422                            | 979 422           |
| Cash and cash equivalents   | 32 090 472                         | 32 090 472        |
| Agency fees held in trust   | 65 224 953                         | 65 224 953        |
|                             | <u>98 294 847</u>                  | <u>98 294 847</u> |

2020

|                             | Financial Assets at amortised cost | Total             |
|-----------------------------|------------------------------------|-------------------|
| Trade and other receivables | 547 592                            | 547 592           |
| Cash and cash equivalents   | 23 743 978                         | 23 743 978        |
| Agency fees held in trust   | 31 648 117                         | 31 648 117        |
|                             | <u>55 939 687</u>                  | <u>55 939 687</u> |

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# Public Service Co-ordinating Bargaining Council

(Registration number LR2/6/6/126)

Annual Financial Statements for the year ended 31 March 2021

## Notes to the Financial Statements

Figures in Rand

### 13. Financial liabilities by category

| 2021                      | Financial liabilities at amortised cost | Total             |
|---------------------------|-----------------------------------------|-------------------|
| Finance lease liabilities | 303 220                                 | 303 220           |
| Trade and other payables  | 2 579 793                               | 2 579 793         |
| Corporate card            | 1 757                                   | 1 757             |
| Agency fee liability      | 65 224 953                              | 65 224 953        |
|                           | <u>68 109 723</u>                       | <u>68 109 723</u> |
| 2020                      | Financial liabilities at amortised cost | Total             |
| Finance lease liabilities | 493 679                                 | 493 679           |
| Trade and other payables  | 2 775 447                               | 2 775 447         |
| Corporate card            | 27 324                                  | 27 324            |
| Agency fee liability      | 31 648 117                              | 31 648 117        |
|                           | <u>34 944 567</u>                       | <u>34 944 567</u> |

The carrying value of the financial liabilities included above approximate their fair values.

### 14. Post retirement benefits

The PSCBC has no obligation to provide post retirement benefits to employees.

### 15. Revenue

|             |                   |                   |
|-------------|-------------------|-------------------|
| Levy income | <u>43 276 755</u> | <u>41 256 024</u> |
|-------------|-------------------|-------------------|

### 16. Operating income

|                                                               |                |                |
|---------------------------------------------------------------|----------------|----------------|
| Profit on sale of assets and liabilities                      | -              | 7 850          |
| Subsidy received                                              | 56 883         | 56 005         |
| Insurance, sponsorships, recoveries, and services sold income | 40 683         | 66 883         |
| Administration fees                                           | 7 200          | 7 200          |
|                                                               | <u>114 766</u> | <u>177 938</u> |

### 17. Interest received

|                 |                  |                  |
|-----------------|------------------|------------------|
| Interest income |                  |                  |
| Levy account    | <u>1 199 393</u> | <u>2 171 036</u> |

### 18. Finance costs

|                               |               |               |
|-------------------------------|---------------|---------------|
| Interest paid - Finance lease | <u>69 531</u> | <u>47 017</u> |
|-------------------------------|---------------|---------------|

### 19. Taxation

The PSCBC is exempt from normal income tax in terms of Section 10(1)(cA)(i) of the South African Income Tax Act, 1962 (Act No. 58 of 1962).

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# Public Service Co-ordinating Bargaining Council

(Registration number LA2/6/6126)

Annual Financial Statements for the year ended 31 March 2021

## Notes to the Financial Statements

Figures in Rand

### 20. Operating expenses

|                |                   |                   |
|----------------|-------------------|-------------------|
| Amortisation   | 567 455           | 376 263           |
| Audit Fees     | 500 191           | 482 477           |
| Depreciation   | 1 310 048         | 1 220 184         |
| Employee cost  | 20 524 892        | 18 504 749        |
| Legal fees     | 1 098 155         | 7 454 365         |
| Travel - local | 79 477            | 101 072           |
|                | <u>24 080 018</u> | <u>22 139 110</u> |

### 21. Cash generated from (used in) operations

|                               |                   |                    |
|-------------------------------|-------------------|--------------------|
| Profit (loss) before taxation | 10 501 618        | (2 269 037)        |
| Adjustments for:              |                   |                    |
| Amortisation                  | 567 455           | 376 263            |
| Depreciation                  | 1 310 048         | 1 220 184          |
| Profit on sale of assets      | -                 | (7 850)            |
| Interest received             | (1 198 393)       | (2 171 836)        |
| Finance costs                 | 49 531            | 47 017             |
| Changes in working capital:   |                   |                    |
| Trade and other receivables   | (431 930)         | 308 491            |
| Trade and other payables      | (195 654)         | 687 303            |
|                               | <u>10 621 078</u> | <u>(1 808 665)</u> |

### 22. Related parties

#### Relationships

The following are related parties:

Senior management are regarded as key management personnel

Key Senior Management  
Remuneration

Chairperson of Council

Council member  
Attendance of meeting and reimbursement of cost

#### Balances and transactions with other related parties

##### Related party

|                                                                         |           |           |
|-------------------------------------------------------------------------|-----------|-----------|
| Senior management<br>Remuneration                                       | 7 295 036 | 5 582 474 |
| Chairperson of Council<br>Attendance of meetings and cost reimbursement | 504 376   | 468 928   |

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# Public Service Co-ordinating Bargaining Council

(Registration number: LR2/6/5/126)

Annual Financial Statements for the year ended 31 March 2021

## Notes to the Financial Statements

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### 23. Events after the reporting period

#### Nature of event

At the time of publishing these results, the Council finds itself in the unprecedented circumstances of the COVID-19 pandemic, with South Africa operating under a National State of Disaster and in an extended economic and social lockdown. The full economic impact of the lockdown has still to be determined, and the prognosis will remain fluid and uncertain for many months to come.

#### Estimate of the financial impact due the COVID-19

Management has considered the impact of the lockdown on the financial position at 31 March 2021 and is of the view that the pandemic does not affect the economic assumptions and estimates made at 31 March 2021 for measurement purposes and no impairments are considered necessary.

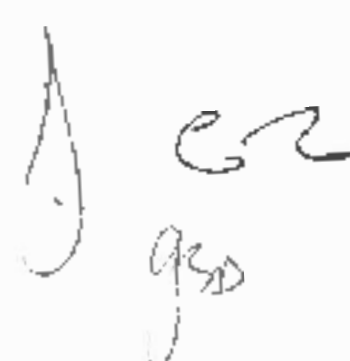
Management has also considered the impact of the lockdown arising from the COVID-19 pandemic on the next financial year to confirm the appropriateness of the going concern assumption used in the preparation of these financial statements. The Council is soundly structured, with a bank balance of R32 086 718 at 31 March 2021. The Executive Committee has assessed the Council's solvency and liquidity having regard for the cash on hand and anticipated cash flows and has concluded that it is satisfied with the Council's ability to continue as a going concern for the 2021 financial year.

#### Adjusting events

Management considers information obtained subsequent to the reporting date, in relation to known or knowable events and expected eventualities identified as at 31 March 2021, as adjusting subsequent events. With regards to financial reporting impacts associated with COVID-19, the key principle is that COVID-19 is considered to be sufficiently prevalent at 31 March 2021.

Therefore, COVID-19 related events that arise in the post balance sheet period, that provide additional information in relation to assets and liabilities in existence at 31 March 2021, have been considered adjusting subsequent events.

New events which occur after 31 March 2021 which do not relate to existing assets and liabilities related to COVID-19 at the reporting date, are considered to be non-adjusting subsequent events, and these, together with their relating financial effects, have been disclosed to the extent that they are considered to be material.

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# Public Service Co-ordinating Bargaining Council

(Registration number: LR2/6/6/126)

Annual Financial Statements for the year ended 31 March 2021

## Detailed Income Statement

| Figures in Rand                                              | Notes | 2021                | 2020                |
|--------------------------------------------------------------|-------|---------------------|---------------------|
| <b>Revenue</b>                                               |       |                     |                     |
| Levy income                                                  |       | 43 228 755          | 41 256 024          |
| <b>Other income</b>                                          |       |                     |                     |
| Subsidy received                                             |       | 68 883              | 95 006              |
| Insurance, sponsorships, recoveries and services seta income |       | 40 683              | 65 883              |
| Administration fees                                          |       | 7 200               | 7 200               |
| Interest received                                            | 17    | 1 199 393           | 2 171 036           |
| Gains on disposal of assets                                  |       | -                   | 7 850               |
|                                                              |       | <u>1 314 159</u>    | <u>2 348 974</u>    |
| <b>Expenses (Refer to page 31)</b>                           |       | <u>(31 988 765)</u> | <u>(45 827 018)</u> |
| <b>Operating surplus / deficit for the year</b>              |       | <u>10 571 149</u>   | <u>(2 222 020)</u>  |
| Finance costs                                                | 18    | <u>(69 531)</u>     | <u>(47 017)</u>     |
| <b>Surplus / Deficit for the year</b>                        |       | <u>10 501 618</u>   | <u>(2 269 037)</u>  |


# Public Service Co-ordinating Bargaining Council

(Registration number: LR2/5/6/126)

Annual Financial Statements for the year ended 31 March 2021

## Detailed Income Statement

| Figures in Rand                      | Notes | 2021                | 2020                |
|--------------------------------------|-------|---------------------|---------------------|
| Operating expenses                   |       |                     |                     |
| 20th Anniversary/CBI                 |       | -                   | (32 747)            |
| Alarm security                       |       | (32 100)            | (20 073)            |
| Amortisation                         |       | (567 455)           | (376 263)           |
| Arbitration and conciliation         |       | (1 672 667)         | (2 060 244)         |
| Auditors remuneration                | 20    | (500 191)           | (482 477)           |
| Bad debts                            |       | -                   | (21 705)            |
| Bank Charges                         |       | (31 943)            | (16 985)            |
| Body corporate levies                |       | (800 040)           | (745 708)           |
| Books and subscriptions              |       | (24 722)            | (73 822)            |
| COVID-19 Expenses                    |       | (137 604)           | -                   |
| Case Management Systems and reports  |       | (8 000)             | (32 000)            |
| Cleaning                             |       | (189 946)           | (172 774)           |
| Collaborator System                  |       | (1 033 277)         | (401 275)           |
| Conferences, meetings and seminars   |       | (1 014 067)         | (6 184 374)         |
| Corporate wear                       |       | -                   | (130 365)           |
| Depreciation                         |       | (1 310 048)         | (1 220 184)         |
| Electricity expense                  |       | (313 275)           | (289 180)           |
| Employee costs                       |       | (20 524 692)        | (18 504 749)        |
| Enforcement of Collective Agreements |       | -                   | (195 500)           |
| Information technology               |       | (1 309 887)         | (823 078)           |
| Insurance                            |       | (210 455)           | (211 552)           |
| Lease rentals on operating lease     |       | (18 924)            | (33 858)            |
| Legal expenses                       |       | (1 098 155)         | (1 454 365)         |
| Licences                             |       | (7 135)             | (13 052)            |
| Management services                  |       | (583 939)           | (628 131)           |
| Marketing and communications         |       | (375 822)           | (3 255 135)         |
| Motor vehicle expenses               |       | (21 377)            | (58 653)            |
| Office refreshments                  |       | (20 992)            | (74 650)            |
| Pensions redress project             |       | -                   | (30 718)            |
| Postage                              |       | (2 290)             | (27 561)            |
| Printing and Stationery              |       | (88 536)            | (299 023)           |
| Provincial Chamber costs             |       | (61 425)            | (639 082)           |
| Rates and taxes                      |       | (533 151)           | (427 176)           |
| Repair and Maintenance               |       | (309 221)           | (223 054)           |
| Research and development costs       |       | -                   | (2 315 250)         |
| Sewerage                             |       | (9 087)             | (10 879)            |
| Strategic partnerships               |       | (31 945)            | (920 198)           |
| Telephone and fax                    |       | (257 070)           | (223 258)           |
| Training                             |       | (787 415)           | (3 214 923)         |
| Travel - local                       |       | (79 477)            | (101 072)           |
| Waste management                     |       | (13 174)            | (11 378)            |
| Water                                |       | (33 467)            | (34 313)            |
|                                      |       | <u>(33 968 765)</u> | <u>(45 827 018)</u> |

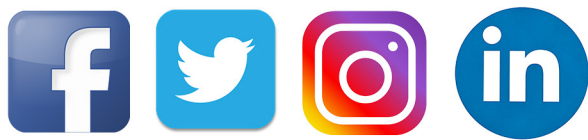
*[Handwritten signatures and initials]*

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NOTES

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**260 Basden Avenue  
Lyttelton, Centurion  
0176**

Tel: 012 644 8100  
Fax: 012 664 5834  
[info@pscbc.org.za](mailto:info@pscbc.org.za)  
[www.pscbc.org.za](http://www.pscbc.org.za)



