

VOTE 2

Provincial Legislature

Operational budget	R474 963 000
Statutory amount (Members' remuneration)	R 90 251 000
Of which: Remuneration of Speaker and Deputy Speaker	R 3 565 000
Total budget	R565 214 000
Total to be appropriated (excl. Members' remuneration)	R474 963 000
Responsible MEC	Speaker of the Provincial Legislature
Administering department	Provincial Legislature
Accounting officer	Secretary: Provincial Legislature

1. Overview

Vision

The vision of the Provincial Legislature (hereafter referred to as the Legislature) is: *To be an activist, people-centred Legislature.*

Mission statement

The Legislature's mission statement is: *To deepen democracy and entrench activism in KZN through robust oversight, effective public participation and efficient law-making.*

Strategic objectives

Strategic policy direction: By focussing on its oversight role and by encouraging public participation, the Legislature seeks to align its operations and strategic position with the overall aim of government to achieve accountability and effective service delivery for all citizens of the province in the following areas: access to quality education and health care, prevention of crime and eradication of corruption, creation of decent work and expansion of work opportunities, and agrarian reform and rural development.

Law-making

To be an effective, efficient and visible law-maker through:

- Improved technical capacity on law-making by the Legislature.
- Constitutionally compliant laws enacted by the Legislature.

Oversight

To ensure effective execution of oversight on service delivery, governance and implementation of laws (and conventions) by the Provincial Executive Council through:

- Improved oversight on compliance and accountability by provincial organs of state in terms of relevant legislative prescripts and protocols.
- Improved oversight on service delivery targets set in the NDP, PGDP and MTSF and on the achievement of government outcomes.
- Acceleration of economic transformation in the province.

Public participation

To ensure enhanced public participation in all legislative processes of the Legislature through:

- Improved citizen engagement and participation in the legislative processes.
- Improved public and civic education programmes to empower the citizens of KZN.

Governance and leadership

To ensure improved leadership and governance of the Legislature through:

- Improved institutional performance, efficiencies, communication and transformation.
- Improved institutional fiscal discipline and implementation of financial and supply chain prescripts.
- Improved corporate and human capital management services.
- Improved institutional internal controls and governance practices.
- Improved intergovernmental and international relations.

Core functions

In order to achieve the above strategic objectives, the Legislature is responsible for carrying out the following core functions:

- To maintain the highest standards in drafting, amending and passing legislation.
- To timeously consider, pass, amend or reject legislation referred to the Legislature by the Provincial Executive Council or the National Council of Provinces (NCOP).
- To maintain oversight over the provincial executive authority in the province, including the implementation of legislation.

Legislative mandates

The following mandates clearly define the duties and the requirements of the Legislature:

- Constitution of the Republic of South Africa (Act No. 108 of 1996)
- Promotion of Access to Information Act (Act No. 2 of 2000)
- Labour Relations Act (Act No. 66 of 1995)
- Basic Conditions of Employment Act (Act No. 75 of 1997)
- Employment Equity Act (Act No. 55 of 1998)
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Broad-Based Black Economic Empowerment Act (Act No. 53 of 2002)
- State Information Technology Agency Act (Act No. 38 of 2002)
- KZN Petitions Act (Act No. 3 of 2004)
- KZN Funding of Political Parties' Act (Act No. 7 of 2008)
- Financial Management of Parliament Act (Act No. 9 of 2009)
- Financial Management of Parliament Amendment Act (Act No. 34 of 2014)
- Financial Management of Parliament and Provincial Legislatures Act (Act No. 10 of 2009)

It is noted that provincial legislatures are no longer governed by the Public Finance Management Act (PFMA) (Act No. 1 of 1999, as amended) and Treasury Regulations. These have been replaced by the Financial Management of Parliament and Provincial Legislatures Act (FMPPLA), the implementation of which was phased in with effect from 1 April 2015. This is commented on in further detail in Section 2.

In addition to the above, the Legislature's functions are governed by the Standing Rules and the resolutions of the Standing Committee on Oversight (STACOV), which was constituted in line with the new legislation, and replaces the Legislature Executive Committee (LexCo).

2. Review of the 2017/18 financial year

Section 2 provides a review of 2017/18, outlining the main achievements and progress made by the Legislature, as well as providing a brief discussion on challenges and new developments.

Financial Management of Parliament and Provincial Legislatures Act (FMPPLA)

As anticipated, the full implementation of the FMPPLA has taken some time, especially in the absence of guidelines such as the Treasury Regulations that assist provincial departments and public entities with implementing the PFMA. As such, the FMPPLA continued to be implemented in 2017/18, and Treasury Regulations were applied as a guideline in cases where gaps were identified in respect of budgeting and expenditure control. To address such gaps, the development of a budget management policy that includes virement guidelines, among others, was undertaken and is expected to be finalised by the end of 2017/18.

One of the focus areas in 2017/18 was compiling the Legislature's unaudited and audited AFS on an accrual basis, in line with the requirements of the FMPPLA and the recommendation from the A-G's office. At the same time, the Legislature still complied with the requirements of National Treasury, and compiled the monthly IYMs, including the unaudited and audited IYMs, on a cash basis.

The tender for a new bank account for the Legislature was awarded to Standard Bank in November 2017, and therefore the banking functions that were previously performed by Provincial Treasury became the Legislature's responsibility from 1 January 2018.

Cost-containment

The Legislature continued to place emphasis on the effective management of budget and spending, taking into account fiscal consolidation. While the Legislature is not bound by Provincial Executive Council decisions, it continued with its efforts to scale down on certain spending items and adhere as far as possible to the cost-cutting measures as reissued by Provincial Treasury in 2017/18, in conjunction with National Treasury cost-containment measures. The Legislature adapted the cost-cutting measures to take into account its core functions of oversight and public participation. Areas of cost-cutting included limiting attendance of non-Legislature events, limiting monthly mileage of staff and Members, limiting and controlling overtime, etc.

Public participation

Public involvement initiatives like Taking Legislature to the People (TLTP) and sector parliaments continued in 2017/18, although the two sector parliaments, i.e. People's Assembly and Learners' Parliament, were put on hold until further directive from the Office of the Speaker. The following public participation events were held in 2017/18:

- Workers' Parliament in iLembe District Municipality.
- Youth Parliament in King Cetshwayo District Municipality.
- Women's Parliament in Zululand District Municipality.
- Senior Citizens' Parliament in Ugu District Municipality.
- People with Disability Parliament in eThekweni.
- TLTP event in uMgungundlovu District Municipality. It was decided to hold feedback sessions through the oversight committees, rather than proceed with the planned second TLTP event.
- Interfaith Symposium in Zululand District Municipality.

Organisational structure

The Legislature embarked on a restructuring and job evaluation exercise in the third quarter of 2016/17, aimed at achieving an updated organisational structure that is aligned to the current institutional strategic plan and that will ensure that the Legislature has sufficient capacity to implement the new legislation applicable to provincial legislatures, the various SAP modules, the sector oversight model, increased research support, as well as strengthened Hansard services. The aim was not to expand the organisational structure, but to improve productivity and enhance business efficiencies by re-aligning functions and ensuring fair distribution of workloads. This exercise was anticipated to be finalised in the first quarter of 2017/18. However, the consultation process between the employees and the employer took longer than anticipated, and it is now envisaged that it will only be finalised at the end of 2017/18. A decision was taken that no posts should be filled, pending finalisation of the exercise.

Audio-visual project in respect of the Legislature's main chamber

Phase two of the audio-visual project in the main chamber commenced in 2017/18, at an estimated cost of

R13 million. Phase two focussed on the introduction of a new audio system to manage the use of microphones, interpretation, voting, messaging, Hansard recording, media and document retrieval. Phase two included touch screens on the desks of the Speaker, Members, table officers and the control room. The touch screens provide a graphical representation of the seating layout of the chamber. Any request to speak by a Member initiates an alert icon on the touch screens, and the requests are then listed in order of receipt, with the name and political party identification, to facilitate proceedings in the chamber.

The audio-visual equipment, including servers, was procured in 2017/18, but was only delivered in January 2018. This project is anticipated to be completed in March 2018.

Revamping of the Legislature buildings

The Law Society building in the Legislature complex was damaged by fire in 2014/15. In 2015/16, the Legislature received a once-off amount of R1.500 million, based on an assessment by the DOPW to renovate this building. This project did not commence in 2015/16, as the revised estimate of R6 million from DOPW was far higher than the original estimate. In 2016/17, Provincial Treasury's infrastructure unit undertook to investigate the reason for the price escalation. It was determined that DOPW's original estimate was incorrectly under-stated and omitted basic costs such as professional fees, Amafa requirements, inaccessibility of the building site, etc. As a result, the revised estimate was considered to be reasonable, and STACOV approval was granted to proceed with the renovations at this higher cost. Taking into account lengthy tender processes, the site handover was finally undertaken on 1 November 2017, construction work commenced on 8 November 2017 and the renovations are on track. The project will extend over a period of 10 months and is therefore planned to be completed by 31 August 2018, depending on days lost due to rain delays, etc.

3. Outlook for the 2018/19 financial year

Section 3 looks at the key focus areas of 2018/19, outlining what the Legislature is hoping to achieve, as well as briefly looking at challenges and proposed new developments. The bulk of the Legislature's budget relates to the areas of law-making and oversight, as well as public participation. The Legislature will continue to improve its oversight over, among others, departments and public entities during the year. Also, the Legislature will continue to focus on procedures and processes that need to be reviewed and/or changed to achieve full implementation of the FMPPLA. The build-up to the 2019 general elections, which are scheduled to be held in the first few months of 2019/20, is also likely to have some impact on the Legislature's programmes and spending patterns, especially in the second half of 2018/19.

Financial Management of Parliament and Provincial Legislatures Act (FMPPLA)

As mentioned, legislatures should be compliant with the FMPPLA as from 1 April 2018. It is anticipated that the budget management policy, including virement guidelines, etc., will be finalised and ready for implementation in early 2018/19. This will ensure that gaps that were identified in respect of budgeting and expenditure control are addressed. The filling of critical vacant posts is likely to take time, though, taking into account the ongoing restructuring and job evaluation exercise. As a result, several units that need to be established in terms of the FMPPLA are not yet capacitated, such as the Internal Audit unit. However, the Internal Audit function will be outsourced to consultants, until vacant posts can be filled.

It is noted also that most provinces are in agreement that the budget allocation of provincial legislatures should be top-sliced from the provincial equitable share and elevated to National Government level, as this will ensure the autonomy of provincial legislatures when compared to the other provincial departments, and will be in line with the concepts of the FMPPLA. This issue of top-slicing will continue to be discussed with the various role-players, including National Treasury and the Speakers' Forum.

Public participation

Public involvement initiatives like TLTP and sector parliaments will continue in 2018/19. The following public participation events are thus scheduled to be held in 2018/19, although the venues will only be confirmed in April 2018:

- Workers' Parliament.
- Youth Parliament.

- Women's Parliament.
- Senior Citizens' Parliament.
- People with Disability Parliament.
- Two TLTP events.
- Interfaith Symposium.

The Legislature is continually striving to increase stakeholder involvement in line with the constitutional mandate of facilitating public involvement in the legislative and other processes of the Legislature. In 2018/19, departments will be invited to a stakeholder summit to present their respective APPs which identify the performance indicators and targets that departments seek to achieve in the upcoming budget year. The public will also be engaged in the presentation of the APPs. The committees will provide oversight to ensure that the Executive delivers high quality services in line with the targets of the APPs.

Organisational structure

As mentioned, the restructuring and job evaluation exercise is anticipated to be finalised at the end of 2017/18. It is estimated that there will be a once-off cost of R8.100 million for the upgrading of posts (including notch adjustment and level progression) taking into account the preliminary findings of the exercise. The Legislature provided funds for this once-off cost in the 2017/18 Adjustments Estimate and, if the exercise is not finalised by year-end, these unspent funds will be allocated back to the Legislature in the 2018/19 Adjustments Estimate for this purpose. As mentioned, no posts will be filled, pending finalisation of the exercise. As such, the *Compensation of employees*' budget for the Legislature staff will need to be reviewed in-year and over the MTEF, once the exercise is completed and implemented.

Revamping of the Legislature buildings

As mentioned, following approval by STACOV to proceed with the Law Society building renovations, the project commenced in November 2017. The Legislature provided funds for the project in the 2017/18 Adjustments Estimate. However, the project is scheduled to extend over 10 months and is therefore planned to be completed in 2018/19. As such, any unspent funds will be allocated back to the Legislature in the 2018/19 Adjustments Estimate for this project.

4. Reprioritisation

The Legislature undertook a comprehensive review of the budget and spending of various components in order to fund several priority areas. The net result of the extensive reprioritisation is as follows:

- In 2015, approval of the Provincial Executive Council was obtained by the Legislature to lift the capping of the Political Parties' Fund (PPF), which was set at R30 million per annum. Accordingly, the Legislature reprioritised R5 million in each year of the 2017/18 MTEF to increase the PPF transfer to R35 million per annum. A further R5 million is now reprioritised in each year of the 2018/19 MTEF, increasing the PPF to R40 million per annum. These funds were reprioritised under Programme 2, largely from the Members' remuneration (from both *Compensation of employees* and *Goods and services*). The reprioritisation was possible because the Members' annual salary increase for 2017/18 was lower than budgeted, at 4 per cent. Also, the telephone allowances of Members were over-budgeted for in 2017/18 and over the MTEF, based on prior year and in-year spending.
- R5 million was reprioritised from Programme 1 in 2018/19 only, largely by reducing costs relating to public participation events. These funds were moved to Programme 2 to increase the secretarial allowance which was under-budgeted for.

5. Procurement

The Legislature will continue to strengthen SCM through providing continuous training on SAP, the revised Preferential Procurement Regulations 2017 and on re-training general SCM compliance requirements. A key focus area is to improve procurement processes through implementation of a service delivery improvement approach that seeks to educate and enhance awareness. The major procurement to be undertaken in 2018/19 will be the continuation of the Law Society building renovations.

6. Receipts and financing

6.1 Summary of receipts and departmental receipts collection

Table 2.1 shows the sources of funding and own receipts of Vote 2 over the seven-year period 2014/15 to 2020/21. The table also compares actual and budgeted receipts against actual and budgeted payments. Details of departmental receipts are presented in *Annexure – Vote 2: Provincial Legislature*.

Table 2.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20
Treasury funding									
Equitable share	436 628	455 259	481 842	503 065	503 065	503 065	532 089	565 735	639 841
Conditional grants	-	-	-	-	-	-	-	-	-
Total receipts: Treasury funding	436 628	455 259	481 842	503 065	503 065	503 065	532 089	565 735	639 841
Departmental receipts									
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	69	65	63	57	57	63	60	63	66
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	1 610	3 273	6 859	478	478	3 785	506	534	563
Sale of capital assets	486	-	679	-	-	26	-	-	-
Transactions in financial assets and liabilities	785	-	2	278	278	69	294	310	327
Total departmental receipts	2 950	3 338	7 603	813	813	3 943	860	907	956
Total receipts	439 578	458 597	489 445	503 878	503 878	507 008	532 949	566 642	640 797
Total payments	476 027	436 137	475 374	535 300	617 808	617 808	565 214	600 520	640 797
Surplus/(Deficit) before financing	(36 449)	22 460	14 071	(31 422)	(113 930)	(110 800)	(32 265)	(33 878)	-
Financing									
of which									
Surplus own revenue surrendered	(2 247)	(2 603)	(6 829)	-	-	-	-	-	-
Surplus own revenue from prior year	263	2 247	2 603	-	6 829	6 829	-	-	-
Provincial cash resources	45 996	21 021	71 112	31 422	107 101	107 101	32 265	33 878	-
Surplus/(Deficit) after financing	7 563	43 125	80 957	-	-	3 130	-	-	-

Summary of departmental receipts

The Legislature collects revenue in the form of interest earned on positive cash balances in the bank against *Interest, dividends and rent on land*, commission on insurance, waste paper in respect of *Sale of goods and services other than capital assets*, as well as recoveries of debts and other miscellaneous items reflected against *Transactions in financial assets and liabilities*.

The PFMA and the FMPPLA both provide for provincial legislatures to retain any monies received (i.e. revenue collected). Therefore, in contrast to provincial departments, the Legislature retains its own departmental receipts, and is thus funded from two sources, namely Treasury funding (equitable share) and departmental receipts. In accordance with this legislation, the Legislature is allocated any surplus revenue collected in the prior year during the next year's Adjustments Estimate. This explains the *Surplus own revenue surrendered* and *Surplus own revenue from prior year* in the *Financing* section in Table 2.1.

The *Surplus own revenue from prior year* reflected in 2014/15 is far lower than the *Surplus own revenue surrendered* in 2013/14 (not shown in the table). The reason for this is that the revenue collected in 2013/14 included an amount of R2.998 million, being interest relating to the PPF. This amount was allocated back to the Legislature in the 2013/14 Adjustments Estimate to increase the PPF allocation in that year, and is therefore excluded from *Surplus own revenue from prior year* in 2014/15.

Sale of goods and services other than capital assets includes revenue from the sale of old printer cartridges and waste paper, and commission on pay-roll deductions such as insurance and garnishees. This is difficult to predict, hence the slightly fluctuating trend and conservative growth over the MTEF.

With regard to *Interest, dividends and rent on land*, the revenue reflected in the prior years, particularly 2015/16 and 2016/17, and again in the 2017/18 Revised Estimate is high, largely due to the Legislature's under-spending in prior years. In line with the PFMA and the FMPPLA, any unspent amount must be allocated back to the Legislature in the Adjustments Estimate process in the ensuing year, and therefore

these unspent funds were not paid back to the Provincial Revenue Fund. This resulted in more cash in the Legislature's bank account than anticipated, accounting for the high interest collected in the prior years and in the 2017/18 Revised Estimate. This category reflects conservative growth over the MTEF, because it is difficult to predict the cash in the Legislature's bank account.

Revenue collected against *Sale of capital assets* in 2014/15 and 2016/17 relates to auction sales of redundant assets (vehicles and/or office equipment). Such auction sales are difficult to predict, and hence no revenue budget is provided for this category in 2017/18 and over the 2018/19 MTEF, at this stage.

Revenue from *Transactions in financial assets and liabilities* is difficult to accurately estimate, as it relates to the collection of amounts owing from previous financial years, such as debts relating to both staff and Members, and this accounts for the fluctuating trend.

Summary of receipts and financing

Table 2.1 also compares total receipts and payments.

In 2014/15, the Legislature received once-off provincial cash resources which resulted in a net increase of R45.996 million as follows:

- R27.855 million was allocated in respect of the special allowance to Members whose tenure of office was affected by the 2014 general elections, but only R8.628 million was required for this purpose. During the Adjustments Estimate, approval was granted for R8.753 million to be utilised to offset in-year spending pressures in the operational budget, meaning that only R17.381 million of the R27.855 million was allocated in 2014/15. The balance of R10.474 million was redirected as follows:
 - R974 000 was suspended to Vote 6: Provincial Treasury for the payment of the former MEC for Finance's exit package after the 2014 general elections.
 - R9.500 million was suspended from 2014/15 and was reallocated back in 2015/16 for strengthening oversight and IT infrastructure.
 - R7 million was allocated for observing and monitoring the 2014 general elections, but only R2.966 million was required for this purpose. The balance of R4.034 million was redirected to offset in-year spending pressures.
- R5 million was given for the revived feasibility study for the proposed new Legislature complex.
- R14 million was allocated for the Hansard project.
- R4.955 million, being Members' remuneration funding that was unspent in 2013/14, was allocated back to increase the operational budget, as follows:
 - R2.998 million was allocated to increase the transfer to the PPF in 2014/15. This amount was appropriated back to the Legislature in 2013/14 to increase the transfer to the PPF, but was inadvertently not transferred to the PPF, and this adjustment was to correct that oversight.
 - R1.957 million was allocated to offset in-year spending pressures in the operational budget.
- R2.340 million was deducted relating to previous years' irregular expenditure.

The Legislature's budget was under-spent by R7.563 million in 2014/15. The Members' remuneration was under-spent by R4.147 million due to over-provision in the baseline, and the operational budget was under-spent by R3.416 million. However, if one takes into account that funds that were specifically and exclusively appropriated for the Hansard project and the Legislature complex feasibility study were not spent on those projects, then the operational budget was over-spent by some R19 million, as follows:

- Consultants and professional services costs relating to SAP.
- Contractors, as a result of late invoicing from DOPW in respect of 2013/14 projects such as the Tatham Art Gallery parking for Members.
- High audit costs, as the 2013/14 audit took longer than anticipated due to the change-over to SAP.
- Higher than budgeted costs in respect of security and cleaning services, water and electricity.

In 2015/16, the Legislature received provincial cash resources of R21.021 million, as follows:

- R9.500 million, which was suspended from 2014/15, was allocated back in 2015/16 for strengthening oversight and IT infrastructure.
- R7.563 million was allocated back in respect of the operational budget and Members' remuneration funding that was unspent in 2014/15.
- R2.112 million was given for the above-budget 2015 wage adjustment for the Legislature staff.
- R1.500 million was allocated for the Law Society building renovations.
- R346 000 was allocated to assist the Legislature to implement a long service recognition policy.

The 2015/16 AFS was accrual-based, in line with the A-G's recommendation, and reflected a surplus of R34.279 million. However, the audited IYM was compiled on a cash basis, in line with National Treasury's requirements, and was under-spent by R43.125 million. The Members' remuneration was over-spent by R2.883 million. The operational budget was under-spent by R46.008 million as follows:

- Advertising, catering, travel and subsistence and venues and facilities costs were under-spent, mainly because several events were held late in the year, such as the official opening of the Legislature.
- There was under-spending in respect of the purchase of minor assets and stationery, printing and office supplies, where orders were placed but goods were not delivered by year-end.
- Consultants and professional services were under-spent, largely due to the Legislature withholding a payment to the SAP consultants, pending verification of the services delivered.
- The Hansard project and the Law Society building renovations did not proceed, as anticipated.

In 2016/17, the Legislature received provincial cash resources of R71.112 million as follows:

- R30.536 million with carry-through was allocated as a zero-based budget baseline adjustment.
- R1.500 million was allocated for the replacement of a lift in the Legislature building.
- R4 million was given to host a Commonwealth Parliamentary Association (CPA) conference in KZN.
- R743 000 was allocated for the above-budget 2016 wage adjustment for the Legislature staff.
- R34.944 million was allocated back to the Legislature in line with legislation that provides for provincial legislatures to retain any surplus funds. The composition of this amount was as follows:
 - Although the net under-spending in 2015/16 was R43.125 million, there was over-spending of R2.883 million against the Members' remuneration. As the Members' remuneration is a direct charge on the Provincial Revenue Fund, it is excluded when determining the year-end position. As such, the unspent operational amount of R46.008 million from 2015/16 was allocated back.
 - However, of this amount, R11.064 million was set aside to possibly provide for the Legislature's unauthorised expenditure relating to 2013/14. The authorisation of this unauthorised expenditure was not addressed in prior years because there was uncertainty surrounding the roles and responsibilities of Provincial Treasury and the Legislature, as well as SCOPA and the newly constituted STACOV in terms of the FMPPLA. This amount was authorised by STACOV on 28 September 2016, and the Legislature and Provincial Treasury are in discussion with the A-G's office regarding the accounting treatment of this amount. Pending the outcome of this discussion, the R11.064 million remains in the Legislature's bank account, and is not included in the budget.
- There was a reduction of R611 000 due to the 2 per cent cut effected against the additional funds given to the Legislature with regard to the zero-based budget exercise, as explained in Section 7.2.

The 2016/17 AFS was accrual-based, in line with the A-G's recommendation, and reflected a surplus of R31.295 million. However, the audited IYM was compiled on a cash basis, in line with National Treasury's requirements, and reflected significant under-spending of R80.957 million. The Members' remuneration was under-spent by R5.278 million, largely relating to the fact that public office bearers received a zero per cent salary adjustment in 2016/17. The operational budget was under-spent by R75.679 million as follows:

- The Legislature took a decision not to fill vacant budgeted posts in 2016/17 pending the finalisation of the restructuring and job evaluation exercise.

- Orders were placed for various projects but invoices were not received in time for payment by year-end. Also, four planned overseas study tours were postponed because the countries earmarked for visiting could not confirm the respective venues and availability. In addition, the Legislature's activities were scaled down to accommodate the 2016 local government elections.
- STACOV approval was only obtained in February 2017 for the Law Society building renovations.

In the 2017/18 Main Appropriation, the Legislature received provincial cash resources of R31.422 million, being the carry-through of the zero-based budget baseline adjustment (including the 2 per cent cut effected against this adjustment). In the 2017/18 Adjustments Estimate, a further R75.679 million was allocated back in line with legislation that provides for provincial legislatures to retain any surplus funds. Although the 2016/17 under-spending was R80.957 million, the operational budget was under-spent by R75.679 million, and the Members' remuneration was under-spent by R5.278 million. Any unspent statutory funding should be returned to the Provincial Revenue Fund. As such, only the unspent operational amount of R75.679 million was allocated back largely for the following:

- R8.100 million for the once-off cost of the upgrading of posts (i.e. notch adjustment and level progression) in line with the restructuring and job evaluation exercise, as mentioned.
- R2 million for spending pressures relating to social contributions, partly due to higher than budgeted medical aid contributions.
- R17.619 million for various current projects, such as the SAP system and ICT strategy reviews, the implementation and roll-out of the SAP governance and risk module, contractors' costs relating to phase two of the audio-visual project, various security related projects, etc.
- R6.460 million for the renovation of the Law Society building, as mentioned.
- R27.500 million for several capital projects, such as the capital aspects of phase two of the audio-visual project, the cafeteria project, the replacement of lifts in both the Legislature and administration buildings, as well as the upgrading of the Legislature's server, entire server station and network infrastructure to accommodate the full implementation of the SAP system.
- R14 million for outstanding 2016/17 commitments in respect of communication costs, venues and facilities costs, as well as overseas study tours which were postponed in 2016/17 or were scaled down in order to accommodate the 2016 local government elections.

The Legislature is anticipating a balanced budget in 2017/18, based on the December IYM. The surplus of R3.130 million in the 2017/18 Revised Estimate in Table 2.1 relates to a projected over-collection in respect of departmental receipts, largely from *Interest, dividends and rent on land*, as mentioned.

Despite the budget cuts, and disregarding the once-off allocations in prior years, the Legislature's budget shows reasonable growth over the MTEF as a result of the carry-through of the zero-based budget baseline adjustment (including the 2 per cent cut effected against this adjustment) as reflected against provincial cash resources in 2018/19 and 2019/20, and included as part of the baseline from 2020/21.

6.2 Donor funding

The Legislature receives no direct funding in respect of the Legislature Support programme, which is funded by the European Union (EU), with the aim of contributing to the strengthening of democracy and good governance. Instead, the programme funds projects which support the entire Legislative sector, mainly aimed at achieving constitutional imperatives. The specific purpose is to support legislatures to fulfil their constitutional mandates in a citizen-oriented manner. The allocation of EU funding and the monitoring thereof is undertaken centrally at a national level on behalf of the nine provinces.

7. Payment summary

This section summarises the expenditure and budgeted estimates for the Vote in terms of programmes and economic classification. Details of the economic classification per programme are given in *Annexure – Vote 2: Provincial Legislature*.

7.1 Key assumptions

The Legislature applied the following broad assumptions when compiling the budget:

- All inflation related increases are based on CPI projections.
- National Treasury's guidelines prescribe cost of living adjustments of 6.5, 6.3 and 6.5 per cent over the MTEF. It is noted that the 1.5 per cent annual pay progression is not applicable to the Legislature sector, nor is the annual wage adjustment as determined by the DPSA for provincial departments. The Legislature budgeted for growth of 6.8, 6.5 and 11.1 per cent over the MTEF (calculated excluding the once-off provision for backpay in 2017/18), which provides adequately for the current Legislature staff in the first year of the MTEF. As mentioned, the *Compensation of employees'* budget for the Legislature staff will need to be reviewed in-year in 2018/19, taking into account the findings of the restructuring and job evaluation exercise, and implementation date thereof.
- Although the Legislature is not bound by Provincial Executive Council decisions, it will continue to try and adhere to the expanded cost-cutting measures as far as possible (as reissued by Provincial Treasury in 2017/18, in conjunction with National Treasury Instruction Note 03 of 2017/18: Cost-containment measures).
- With regard to public participation, two TLTP sittings, five sectoral parliaments and an Interfaith Symposium were catered for. The cost of each event will vary, depending on location and population in the area. The costs will only be determined in April 2018, once the respective venues are finalised.

7.2 Additional equitable share allocations for the 2016/17 to 2018/19 MTEF

Table 2.2 shows additional equitable share funding received by the Legislature over the 2016/17, 2017/18 and 2018/19 MTEF periods. The carry-through allocations for the outer year (i.e. 2020/21) are based on the incremental percentage used in the 2018/19 MTEF.

Table 2.2 : Summary of additional provincial allocations for the 2016/17 to 2018/19 MTEF

R thousand	2016/17	2017/18	2018/19	2019/20	2020/21
2016/17 MTEF period	38 300	34 481	35 505	2 727	2 877
Above-budget 2015 wage agreement	2 264	2 418	2 582	2 727	2 877
Zero-based budget baseline adjustment	30 536	32 063	32 923	-	-
Commonwealth Parliamentary Association conference	4 000	-	-	-	-
Procurement of a lift for Legislature building	1 500	-	-	-	-
2017/18 MTEF period		(3 551)	(3 914)	34 288	36 174
Zero-based budget baseline adjustment		-	-	34 569	36 470
Reduction of 2% to Zero-based adjustments		(641)	(658)	(691)	(729)
PES and Provincial Own Revenue reductions		(2 112)	(2 414)	(4 282)	(4 518)
Budget cuts to fund remuneration of <i>Izinduna</i>		(798)	(842)	(888)	(937)
Additional funding from National Treasury		-	-	5 580	5 887
2018/19 MTEF period				-	7 248
Above-budget wage agreement				-	7 248
Total	38 300	30 930	31 591	37 015	46 298

With regard to the 2016/17 MTEF, due to data updates of the PES formula, a declining Provincial Own Revenue, as well as cuts implemented by National Treasury as a result of the need to lower the expenditure ceiling across the country and to reprioritise to fund various national priorities, the funding available to the province was reduced or cut. The baselines of provincial Departments of Health had to be protected in view of the impact that the exchange rate had on the affordability of medicines, which are largely imported. To effect these cuts in KZN, *Compensation of employees* expenditure was lowered by freezing all vacant non-OSD posts, and departments' equitable share funded *Goods and services* budgets were cut by 2 per cent over the MTEF. The Legislature's baseline was protected from these cuts in the 2016/17 Main Appropriation, in view of the ongoing discussion to top-slice Provincial Legislatures' budgets to be administered by National Treasury.

As such, in the 2016/17 MTEF, the following additional allocations were made:

- Additional funding was allocated over the MTEF for the carry-through costs of the above-budget 2015 wage adjustment for Legislature staff.
- Additional amounts of R30.536 million, R32.063 million and R32.923 million were allocated over

the MTEF in respect of the zero-based budget baseline adjustment. In addition (not evident in the table), amounts of R8 million, R8.400 million and R8.887 million were reprioritised from savings on the statutory Members' remuneration to the operational budget, as part of the baseline adjustment. In total, then, the Legislature's operational budget was increased by R38.536 million, R40.463 million and R42.810 million over the 2016/17 MTEF.

- A once-off R4 million was allocated for the CPA conference planned to be held in KZN in 2016. It is noted that the CPA conference was not held in KZN in 2016/17 as anticipated, due to the Legislature's tight schedule, resulting from the local government elections held in August 2016, as well as the fact that the CPA Africa Region Conference was held in Mauritius in August, followed by the CPA International Conference held in London in December.
- A once-off R1.500 million was allocated for the replacement of a lift in the Legislature building.

In the 2017/18 MTEF, the following adjustments were made:

- An additional R34.569 million was allocated in 2019/20 in respect of the zero-based budget baseline adjustment. From 2020/21, this adjustment becomes part of the Legislature's baseline.
- Although the Legislature's baseline was protected from the budget cuts in the 2016/17 Main Appropriation, as mentioned above, it was also said, at the time, that if the top-slicing of provincial legislatures did not occur, the Legislature's budget would be cut during the 2016/17 Adjustments Estimate. As such, a 2 per cent cut was effected against the additional funds given to the Legislature with regard to the zero-based budget exercise, and this was carried through over the MTEF.
- In addition, the Legislature's budget was cut to fund the remuneration of *Izinduna*, as well as the downward revision of the PES and Provincial Own Revenue, as mentioned.
- The budget cuts were, however, offset in the outer year of the 2017/18 MTEF (with carry-through), because of additional funding allocated to provinces by National Treasury. This funding was proportionately allocated to all 15 Votes to ensure that the budget cuts are offset in the outer year.

In the 2018/19 MTEF, the following adjustments were made:

- National Treasury allocated additional funding in the outer year of the MTEF to provide for the above-budget wage agreement. This was split proportionally across all 15 Votes, with the Legislature receiving R7.248 million in 2020/21.
- It is noted that further fiscal consolidation cuts were effected against the equitable share over the 2018/19 MTEF. However, due to the lateness of finalising these cuts, it was resolved at a Finance *Lekgotla* that, while Votes were notified of the quantum of their proportional cut, the actual cut will only be effected in the 2018/19 Adjustments Estimate, to allow time for planning. The Legislature's budget will accordingly be cut by R2.856 million in the 2018/19 Adjustments Estimate.

7.3 Summary by programme and economic classification

The services rendered by the Legislature are categorised under two programmes, which are largely aligned to the uniform budget and programme structure of the Legislature sector. The Members' remuneration forms a direct charge on the Provincial Revenue Fund, and so is not included as a programme, but as *Direct charge on the Provincial Revenue Fund*. Tables 2.3 and 2.4 provide a summary of the Vote's expenditure and budgeted estimates, by programme and economic classification, respectively.

Table 2.3 : Summary of payments and estimates by programme: Provincial Legislature

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20
1. Administration	167 774	145 983	155 217	181 517	249 025	247 025	191 996	208 698	225 730
2. Parliamentary Business	226 159	212 950	242 156	265 727	280 727	282 727	282 967	298 378	315 790
Direct charge on the Provincial Revenue Fund									
Members' remuneration	82 094	77 204	78 001	88 056	88 056	88 056	90 251	93 444	99 277
Total	476 027	436 137	475 374	535 300	617 808	617 808	565 214	600 520	640 797
of which:									
Departmental receipts	2 950	3 338	7 603	813	813	3 943	860	907	956

Table 2.4 : Summary of payments and estimates by economic classification: Provincial Legislature

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Current payments	299 174	271 616	287 801	336 852	385 400	385 400	354 561	386 193	418 974
Compensation of employees	160 533	160 729	170 455	192 922	203 022	203 022	208 304	221 745	246 280
Goods and services	138 641	110 887	117 346	143 930	182 378	182 378	146 257	164 448	172 694
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	84 401	81 471	101 931	102 678	102 678	102 678	110 040	110 064	111 252
Provinces and municipalities	20	19	18	40	40	40	42	44	46
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	141	292	181	228	228	228	241	255	269
Public corporations and private enterprises	-	-	-	28	28	28	30	32	34
Non-profit institutions	84 240	81 055	101 732	102 282	102 282	102 282	109 627	109 627	110 791
Households	-	105	-	100	100	100	100	106	112
Payments for capital assets	9 545	5 846	7 641	7 714	41 674	41 674	10 362	10 819	11 294
Buildings and other fixed structures	2 055	-	-	940	7 400	7 400	995	1 051	1 109
Machinery and equipment	4 179	4 139	7 641	5 129	32 629	32 629	5 427	5 731	6 047
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	3 311	1 707	-	1 645	1 645	1 645	3 940	4 037	4 138
Payments for financial assets	813	-	-	-	-	-	-	-	-
Total	393 933	358 933	397 373	447 244	529 752	529 752	474 963	507 076	541 520
Members' remuneration	82 094	77 204	78 001	88 056	88 056	88 056	90 251	93 444	99 277
of which:									
Compensation of employees	73 425	77 204	75 815	83 343	83 343	83 343	87 260	90 174	94 773
Goods and services	-	-	2 186	4 713	4 713	4 713	2 991	3 270	4 504
Transfers and subsidies to: Households	8 669	-	-	-	-	-	-	-	-
Adjusted total (incl. Members' remuneration)	476 027	436 137	475 374	535 300	617 808	617 808	565 214	600 520	640 797
of which:									
Departmental receipts	2 950	3 338	7 603	813	813	3 943	860	907	956

The following comments are made with regard to the Members' remuneration allocation, details of which are reflected at economic classification level in the rows beneath the Total in Table 2.4:

- The 2014/15 amount is high because it includes R8.669 million in respect of the allowance paid to Members that exited the Legislature following the 2014 general elections (reflected against *Transfers and subsidies to: Households*).
- There was minimal growth from 2015/16 to 2016/17, mainly because there was over-spending of R2.883 million against the Members' remuneration as a whole in 2015/16. The baseline was accordingly reviewed, following which several amendments were undertaken in 2016/17, and were carried through over the MTEF. The prior years' expenditure could not be restated, due to the statutory allocation being affected. The amendments were as follows:
 - The remuneration of the Speaker and Deputy Speaker should form part of the statutory allocation. Accordingly, R3 million in 2017/18, with carry-through, was moved from *Compensation of employees* in Programme 1 to the same category against the Members' remuneration.
 - The telephone allowances of Members, which previously formed part of the operational budget under Programme 2, should form part of the statutory allocation. As such, R4.713 million in 2017/18 was moved from *Goods and services* in Programme 2, to the same category in respect of the Members' remuneration. It is noted that the 2017/18 amount for *Goods and services* is overstated taking into account prior year and in-year spending, and the Revised Estimate needs to be corrected to reflect this. This accounts for the reduction in *Goods and services* from 2017/18 to 2018/19, whereafter the growth over the MTEF is inflationary. As mentioned, this was one of the areas affected by the reprioritisation toward increasing the PPF.
- Also contributing to the low growth from 2015/16 to 2016/17 for the Members' remuneration as a whole, was the fact that public office bearers received a zero per cent salary adjustment in 2016/17.
- The fairly low growth from 2017/18 to 2018/19 with regard to *Compensation of employees* relates to the fact that the 2017/18 budget included provision for an annual salary increase of approximately 6 per cent for Members, whereas the gazetted increase was lower than budgeted, at 4 per cent. The 2017/18 Revised Estimate needs to be adjusted slightly to reflect this lower than budgeted increase.

- The Members' remuneration grows steadily over the MTEF, taking into account the above-mentioned corrections that need to be made to the 2017/18 Revised Estimate in respect of both *Goods and services* and *Compensation of employees*.

With regard to the Legislature's operational budget (i.e. the two programmes excluding the Members' remuneration), the following paragraphs summarise the trends, while further detail is given in Section 8.

Programme 1: Administration shows a fluctuating trend, largely because the Legislature's major procurement costs and various once-off projects are centralised under this programme. The fluctuations can also be explained by the fact that Programme 1 was significantly under-spent in prior years, particularly in 2015/16 and 2016/17, and any unspent funds are allocated back in the ensuing financial year. For instance, the dip in 2015/16 relates to the fact there was under-spending of R19 million in that year, largely in respect of orders placed for goods such as minor assets, printing and office supplies, etc., which were not delivered by year-end. There was under-spending of more than R50 million in 2016/17, mainly because of the decision taken to not fill posts, the Law Society building renovations did not proceed, and the Legislature's activities were scaled down to accommodate the 2016 local government elections. The 2017/18 Main to Adjusted Appropriation increases significantly as the bulk of the unspent funds from 2016/17 were allocated back for various once-off projects, as explained in Section 6.1 above, including the SAP system and ICT strategy reviews, phase two of the audio-visual project, the upgrading of the Legislature's server, the Law Society building renovations, etc., largely accounting for the decrease from the 2017/18 Adjusted Appropriation to 2018/19. Also contributing was the reprioritisation of R5 million from Programme 1 in 2018/19 only, to adjust the secretarial allowance. Because of the low base, the MTEF allocations show above inflationary growth of approximately 8 per cent per annum.

Programme 2: Parliamentary Business fluctuates from 2014/15 to 2016/17, but then shows steady growth. This programme includes substantial provision for public participation initiatives, overseas study tours undertaken by portfolio committees, support for political parties in the form of constituency and secretarial allowances, as well as the PPF. As with Programme 1, the fluctuations can be explained by the fact that Programme 2 was under-spent in prior years, although to a lesser extent than Programme 1, and any unspent funds are allocated back in the ensuing financial year. For instance, Programme 2's budget was significantly under-spent in 2016/17 as a result of overseas study tours being postponed or scaled down in order to accommodate the 2016 local government elections. The increase from the 2017/18 Main to Adjusted Appropriation relates to the fact that these unspent 2016/17 funds were allocated back to cater for outstanding 2016/17 commitments and the above-mentioned overseas study tours. If this largely once-off expenditure is excluded, then the growth from 2017/18 to 2018/19 is fairly high, largely because of the previously mentioned reprioritisation of R5 million from Programme 1 in 2018/19 only, to increase the secretarial allowance, as well as the reprioritisation from the Members' remuneration to increase the PPF transfer from R35 million to R40 million per annum over the MTEF.

Compensation of employees in Table 2.4 relates to the Legislature staff only, excluding the Members' remuneration portion (which was discussed above). *Compensation of employees* reflects a generally steady increase. The 2014/15 spending includes once-off back-pay for the upgrading of posts following the implementation of the prior year job evaluation review results, which accounts for the marginal growth from 2014/15 to 2015/16. The growth from 2016/17 to the 2017/18 Main Appropriation is fairly high to cater for the planned filling of approximately 13 critical vacant posts in terms of the revised organisational structure, such as Chief Director: Corporate Services, Director: Security, three IT Specialist posts, Chief Operations Officer and Protocol Manager. As mentioned, however, the Legislature took a decision not to fill posts, pending the outcome of the restructuring and job evaluation exercise. The increase in the 2017/18 Adjusted Appropriation relates to the allocation of unspent 2016/17 funds for the once-off cost of the upgrading of posts (in line with the restructuring and job evaluation exercise), as well as for spending pressures relating to social contributions. If the upgrading of posts is not finalised before year-end, then the unspent funds will be allocated back to the Legislature in the 2018/19 Adjustments Estimate for this purpose. If the once-off amount for the upgrading of posts is excluded, then growth over the MTEF is 7.4, 6.5 and 11.1 per cent, which is adequate to cater for existing staff. However, the *Compensation of employees*' budget will need to be reviewed and adjusted in-year to take into account the findings of the restructuring and job evaluation exercise, as well as the date of implementation.

Goods and services fluctuates from 2014/15 to the 2017/18 Adjusted Appropriation, largely due to once-off projects, as well as the fact that this category was under-spent in prior years, and any unspent funds are allocated back in the ensuing financial year. The high 2014/15 spending relates to once-off costs, including the revived Legislature complex feasibility study, the Hansard project, etc. Even though the allocated funds were not spent on these two projects, they were utilised to absorb in-year spending pressures, such as SAP roll-out costs, accounting for the decrease from 2014/15 to 2015/16. The dip in 2015/16 relates to the fact there was under-spending in respect of orders placed for goods such as minor assets, printing and office supplies, etc., which were not delivered by year-end. There was under-spending of more than R50 million in 2016/17, mainly because the Legislature's activities were scaled down to accommodate the 2016 local government elections. The 2017/18 Main to Adjusted Appropriation increases significantly as the bulk of the unspent funds from 2016/17 were allocated back for overseas study tours that were postponed in 2016/17, as well as various once-off projects, as mentioned under Programme 1 above, largely accounting for the decrease from the 2017/18 Adjusted Appropriation to 2018/19. The 2018/19 amount is fairly low due to the reprioritisation undertaken to increase the secretarial allowance, accounting for the high growth from 2018/19 to 2019/20, whereafter the growth is inflationary.

The category *Transfers and subsidies* increases steadily over the MTEF period, as follows:

- *Provinces and municipalities* caters for the payment of motor vehicle licences.
- *Foreign governments and international organisations* caters mainly for subscription fees and conference attendance costs in respect of the CPA. The MTEF amounts are based on the estimated fees to be paid in 2017/18, and will be reviewed in-year, if necessary.
- *Public corporations and private enterprises* caters for insurance claims for motor vehicle accidents relating to the Legislature's official vehicles. No accident claims were received in prior years.
- *Non-profit institutions*, which comprises the constituency and secretarial allowances, as well as the PPF, shows fluctuations in the prior years and a steady increase over the MTEF. The 2014/15 amount includes the once-off R2.998 million relating to prior year interest earned on the PPF. As explained, the Legislature reprioritised R5 million in each year of the 2018/19 MTEF, increasing the PPF to R40 million per annum. No growth is evident in the category from 2018/19 to 2019/20, because a once-off R5 million was reprioritised to increase the secretarial allowance which was under-budgeted for in 2018/19. The 2019/20 allocation will be reviewed in the next budget process. The MTEF allocations include ongoing provision for the PPF, as well as the various allowances in respect of support staff, including researchers, and will be reviewed and adjusted in-year, taking into account the outcome of the job evaluation and restructuring exercise.
- *Households* caters for donations made as part of the Speaker's Social Responsibility programme, aimed at providing relief to poverty stricken families throughout KZN, and is therefore difficult to budget for.

Buildings and other fixed structures, which relates to capital building revamping projects, fluctuates depending on the nature of the work required. The spending in 2014/15 largely related to the costs of the Tatham Art Gallery parking for Members and renovations to the Speaker's cottage. No spending was incurred in 2015/16 and 2016/17 due to delays in the submission of outstanding invoices by DOPW in respect of the upgrading of the Legislature's toilets and renovations to the Speaker's cottage. In addition, the Law Society building renovations did not commence in 2016/17 as anticipated. As mentioned, following approval by STACOV to proceed with the Law Society building renovations, the project commenced in November 2017. The Legislature provided funds for these renovations in the 2017/18 Adjustments Estimate, hence the peak in the 2017/18 Adjusted Appropriation. However, the project scope is over 10 months and extends into 2018/19, hence, any funds unspent at year-end will be allocated back to the Legislature in the 2018/19 Adjustments Estimate for this purpose. Although the building revamping projects are continuing, the extent and nature of the work to be done are still under review, hence the fairly low MTEF allocations.

Machinery and equipment fluctuates significantly over the seven-year period due to several once-off costs. The 2014/15 amount includes the purchase of tools of trade for all new Members following the 2014 general elections. The high 2016/17 amount includes expenditure relating to various projects that

commenced in 2016/17, such as the upgrading of the Legislature's server and network infrastructure in order to accommodate the SAP system, etc., accounting for the drop from 2016/17 to the 2017/18 Main Appropriation. The increase in the 2017/18 Adjusted Appropriation relates to unspent 2016/17 funds allocated back to fund several capital projects, such as the capital aspects of phase two of the audio-visual project, the replacement of lifts in both the Legislature and administration buildings, as well as outstanding costs of the upgrading of the Legislature's server. The growth thereafter is largely inflationary, and caters for the purchase of furniture, vehicles and computers for both staff and Members.

Software and other intangible assets fluctuates in the prior years, largely due to the roll-out of various SAP modules, which went live in 2013/14 (hence the high spending in 2014/15). The growth over the MTEF includes provision for annual Microsoft and SAP licences.

There was expenditure of R813 000 in respect of *Payments for financial assets* in 2014/15, largely relating to the write-off of previous years' debt, some dating back as far as 2002.

7.4 Summary of conditional grant payments and estimates – Nil

7.5 Summary of infrastructure payments and estimates

Table 2.5 provides a summary of infrastructure payments and estimates, reflecting the cost of renovations and repairs to the Legislature buildings, based on input from DOPW. Infrastructure spending fluctuates markedly over the seven years, as it is dependent on the nature of the work required to be done to the Legislature buildings. As mentioned, the MTEF infrastructure allocations are preliminary at this stage.

Table 2.5 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Existing infrastructure assets	8 587	3 791	14 530	5 110	19 570	19 570	4 995	5 275	5 565
Maintenance and repair: Current	6 532	3 791	14 530	4 170	12 170	12 170	4 000	4 224	4 456
Upgrades and additions: Capital	2 055	-	-	940	7 400	7 400	995	1 051	1 109
Refurbishment and rehabilitation: Capital	-	-	-	-	-	-	-	-	-
New infrastructure assets: Capital	-	-	-	-	-	-	-	-	-
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	-	-	-	-	-	-	-	-	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	-	-	-	-	-	-	-	-	-
Non infrastructure	-	-	-	-	-	-	-	-	-
Total	8 587	3 791	14 530	5 110	19 570	19 570	4 995	5 275	5 565
<i>Capital infrastructure</i>	2 055	-	-	940	7 400	7 400	995	1 051	1 109
<i>Current infrastructure</i>	6 532	3 791	14 530	4 170	12 170	12 170	4 000	4 224	4 456

1. *Non infrastructure* is a stand-alone item, and is therefore excluded from *Capital infrastructure* and *Current infrastructure*, but it is included in the overall total.

Maintenance and repair: Current spending in the prior years relates mainly to current repairs undertaken to the Speaker's cottage and offices of the Deputy Speaker, as well as the Legislature's toilets. The sharp increase in 2016/17 relates to unspent funds from the prior year allocated back in line with the PFMA and FMPPLA, of which some R11 million was allocated to contractors' costs for phase one of the audio-visual project. The increase of R8 million in the 2017/18 Adjusted Appropriation relates to contractors' costs for phase two of the audio-visual project. The total cost of the project is estimated to be R13 million in 2017/18, with the balance being allocated to *Machinery and equipment*, and is therefore not reflected in this table.

Upgrades and additions: Capital trends are detailed under *Buildings and other fixed structures* in Section 7.3 above.

7.6 Summary of Public Private Partnerships – Nil

7.7 Transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) and other entities

Table 2.6 reflects spending on *Transfers* made by the Legislature to other entities from 2014/15 to 2020/21.

Table 2.6 : Summary of departmental transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) and other entities

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Transfers to public entities	-	-	-	-	-	-	-	-	-
Transfers to other entities	33 139	30 292	35 181	35 228	35 228	35 228	40 241	40 255	40 269
Commonwealth Parliamentary Assoc. 1.2. Office of the Secretary	141	292	181	228	228	228	241	255	269
Political Parties' Fund 2.5. Members' Facilities	32 998	30 000	35 000	35 000	35 000	35 000	40 000	40 000	40 000
Total	33 139	30 292	35 181	35 228	35 228	35 228	40 241	40 255	40 269

Payments are made to the CPA mainly for subscription fees and attendance costs relating to CPA conferences, accounting for the fluctuations. Although the Legislature was allocated an additional R4 million in 2016/17 to host a CPA conference in KZN, this amount was not for transfer to the CPA, but was for the administrative costs of hosting the conference. As mentioned, however, the CPA conference was not held in KZN in 2016/17 as anticipated, due to the Legislature's tight schedule.

The Legislature transfers funds annually to the PPF, in terms of the KZN Funding of Political Parties' Act. The PPF is aimed at assisting political parties to carry out their constitutional mandate of advancing the ideals of democracy. The allocation of money to the political parties is based on a prescribed formula. The 2014/15 amount includes a once-off R2.998 million relating to prior years' interest earned on the PPF. As mentioned, the annual transfer was capped at its 2010/11 level of R30 million from 2011/12 onward, in line with a Provincial Executive Council resolution. In 2015, the Provincial Executive Council granted approval to lift the capping of the PPF, hence the Legislature reprioritised R5 million in 2016/17 to increase the annual transfer to R35 million, continued over the MTEF. A further R5 million was again reprioritised in each year of the 2018/19 MTEF, increasing the PPF to R40 million per annum.

7.8 Transfers to local government – Nil

The Legislature makes no transfer payments to local government. Although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds will not be transferred to any municipality, and hence the table reflecting transfers to local government is excluded.

7.9 Transfers and subsidies

Table 2.7 reflects spending on *Transfers and subsidies* by programme and main category. The category as a whole shows a generally steady increase from 2014/15 to 2020/21, as detailed below the table.

Table 2.7 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
1. Administration	161	416	199	396	396	396	413	437	461
Provinces and municipalities	20	19	18	40	40	40	42	44	46
Motor vehicle licences	20	19	18	40	40	40	42	44	46
Foreign government and international organisations	141	292	181	228	228	228	241	255	269
Commonwealth Parliamentary Association	141	292	181	228	228	228	241	255	269
Public corporations and private enterprises	-	-	-	28	28	28	30	32	34
Insurance companies	-	-	-	28	28	28	30	32	34
Households	-	105	-	100	100	100	100	106	112
Speaker's Social Responsibility programme	-	105	-	100	100	100	100	106	112
2. Parliamentary Business	84 240	81 055	101 732	102 282	102 282	102 282	109 627	109 627	110 791
Non-profit institutions	84 240	81 055	101 732	102 282	102 282	102 282	109 627	109 627	110 791
Funding for political parties (e.g. constit. allowance)	51 242	51 055	66 732	67 282	67 282	67 282	69 627	69 627	70 791
Political Parties' Fund	32 998	30 000	35 000	35 000	35 000	35 000	40 000	40 000	40 000
Total	84 401	81 471	101 931	102 678	102 678	102 678	110 040	110 064	111 252

The category *Transfers and subsidies* under Programme 1 includes the following:

- *Provinces and municipalities* caters for the payment of motor vehicle licences.
- *Foreign governments and international organisations* provides for CPA subscription fees and conference attendance costs.
- *Public corporations and private enterprises* caters for insurance claims for motor vehicle accidents relating to the Legislature's official vehicles.

- *Households* comprises donations made as part of the Speaker's Social Responsibility programme.

Under Programme 2, *Transfers and subsidies* comprises *Non-profit institutions*, as follows:

- The PPF, which is discussed in more detail under Section 7.7 above.
- Funding for political parties, which is also discussed in more detail under Section 7.7, as follows:
 - Constituency allowances are paid to political parties represented in the Legislature to set up offices for the benefit of constituents.
 - Secretarial allowances provide financial and administrative assistance to each political party represented in the Legislature, in proportion to its representation, to enable the party and its leader to perform their functions in the Legislature effectively.

8. Programme description

The uniform budget and programme structure for all Provincial Legislatures consists of two programmes, namely Programme 1: Administration and Programme 2: Parliamentary Business. The payments and budgeted estimates for these two programmes are summarised in terms of economic classification below, details of which are given in *Annexure – Vote 2: Provincial Legislature*.

8.1 Programme 1: Administration

The objective of Programme 1 is to provide strategic management of the institution and to provide quality corporate support services to the Legislature. Various costs relating to the Vote as a whole, including SCM costs, are centralised under the Financial Management sub-programme, while the Corporate Services sub-programme caters for capital and other major procurement projects. This means that some projects, such as SAP, are catered for under both sub-programmes. Tables 2.8 and 2.9 summarise payments and estimates for Programme 1 from 2014/15 to 2020/21.

Table 2.8 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20
1. Office of the Speaker	23 682	17 934	18 525	25 123	25 231	23 231	25 097	27 552	29 663
2. Office of the Secretary	18 780	18 832	21 661	29 006	26 361	26 361	28 619	33 509	36 022
3. Financial Management	57 177	46 841	53 250	55 136	43 288	43 288	45 465	50 758	55 096
4. Corporate Services	68 135	62 376	61 781	72 252	154 145	154 145	92 815	96 879	104 949
Total	167 774	145 983	155 217	181 517	249 025	247 025	191 996	208 698	225 730

Table 2.9 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20
Current payments	157 255	139 721	147 377	173 407	206 955	204 955	181 221	197 442	213 975
Compensation of employees	82 473	80 396	82 471	96 610	105 710	105 710	103 310	108 709	121 049
Goods and services	74 782	59 325	64 906	76 797	101 245	99 245	77 911	88 733	92 926
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	161	416	199	396	396	396	413	437	461
Provinces and municipalities	20	19	18	40	40	40	42	44	46
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	141	292	181	228	228	228	241	255	269
Public corporations and private enterprises	-	-	-	28	28	28	30	32	34
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	105	-	100	100	100	100	106	112
Payments for capital assets	9 545	5 846	7 641	7 714	41 674	41 674	10 362	10 819	11 294
Buildings and other fixed structures	2 055	-	-	940	7 400	7 400	995	1 051	1 109
Machinery and equipment	4 179	4 139	7 641	5 129	32 629	32 629	5 427	5 731	6 047
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	3 311	1 707	-	1 645	1 645	1 645	3 940	4 037	4 138
Payments for financial assets	813	-	-	-	-	-	-	-	-
Total	167 774	145 983	155 217	181 517	249 025	247 025	191 996	208 698	225 730

The Office of the Speaker provides political and administrative leadership to the Legislature, ensures the provision of protocol services to Members, and the provision of support services to the Speaker and Deputy Speaker. This sub-programme is responsible for policy implementation, and includes the Speaker's Social Responsibility programme. The erratic trend up until 2018/19 relates to the ongoing implementation of the FMPPLA, including the building of capacity in anticipation of the functions to be undertaken by the Office of the Speaker (as the Treasury). The 2017/18 and MTEF allocations include ongoing provision for the various functions required in terms of FMPPLA, such as the Internal Audit function. These allocations will be reviewed in-year, depending on the outcome of the restructuring and job evaluation exercise.

The sub-programme: Office of the Secretary manages and supports the line function components of the Legislature in achieving their goals by co-ordinating and providing corporate strategy, performance monitoring and evaluation, policy management, transformation and communication, and ensuring effectiveness of internal control, risk management and governance processes. The trend is generally steady. The 2017/18 Main Appropriation includes approximately R4 million for IT consultants that were incorrectly budgeted for under the Risk Assessment unit in the Office of the Secretary, and were shifted to the IT unit under Corporate Services, accounting for the reduction in the 2017/18 Adjusted Appropriation. The MTEF reflect above inflationary growth, and make provision for the Office of the Secretary, Organisational Performance, Governance and Compliance, Transformation and Communication units.

Financial Management aims to provide efficient and effective financial management, and includes the CFO's office, financial management services, as well as SCM services, accounting for the fluctuations in the prior years. The main purpose is to plan the departmental budget, as well as to monitor and evaluate expenditure and revenue collection. In addition, various costs relating to the Vote as a whole are centralised here, such as cell-phone, land-line, printing and publication costs, and all current maintenance costs. The reduction in the 2017/18 Adjusted Appropriation relates to the budget for the Facilities Management function, including project costs, being correctly located under Corporate Services. The growth over the MTEF is inflation related, and caters for the above-mentioned centralised costs.

Corporate Services includes ICT, communication, human resources management and institutional support (fleet services, etc.), security and facilities management, property payments and operating leases. Capital building renovation costs and other major procurement costs are centralised under this sub-programme, such as the purchase and roll-out of SAP and the Law Society building renovations, accounting for the size of the budget, as well as the fluctuations in trends. The significant increase from the 2017/18 Main to Adjusted Appropriation relates to the fact that the bulk of the unspent funds from 2016/17 were allocated back to this sub-programme for various once-off projects, including R8.100 million for the upgrading of posts, as well as the movement of the budget for IT consultants and the Facilities Management function, as explained previously, and this largely accounts for the steep drop from the 2017/18 Adjusted Appropriation to 2018/19. The growth over the MTEF is largely inflation related, and includes provision for the above-mentioned activities, including increased property payments and operating leases.

Compensation of employees increased substantially in the prior years, largely due to the annual wage agreements, the implementation of the previous job evaluation review results and resultant backpay, as well as the filling of critical posts in terms of the revised organisational structure. The increase in the 2017/18 Adjusted Appropriation relates to the allocation of unspent 2016/17 funds for the once-off upgrading of posts, as well as for spending pressures relating to social contributions, hence the decrease to 2018/19. As mentioned, if the upgrading of posts is not finalised before year-end, then the unspent funds will be allocated back to the Legislature in the 2018/19 Adjustments Estimate for this purpose. If the once-off amount for the upgrading of posts is excluded, then growth over the MTEF is 5.8, 5.2 and 11.3 per cent, which is slightly lower than National Treasury guidelines for the first two years, and does not include provision for the filling of vacant posts. As mentioned, though, the *Compensation of employees'* budget will need to be reviewed and adjusted in-year to take into account the findings of the restructuring and job evaluation exercise and the implementation date, as well as the filling of critical vacant posts.

Goods and services includes provision for several once-off projects, including the roll-out of SAP and current building revamping projects. The significant increase in the 2017/18 Adjusted Appropriation relates to unspent 2016/17 funds allocated back for ongoing projects, such as the SAP system and ICT

strategy reviews, the implementation and roll-out of the SAP governance and risk module, phase two of the audio-visual project, various security related projects, etc. This accounts for the dip in 2018/19. The 2018/19 amount is also low due to the reprioritisation undertaken to increase the secretarial allowance, hence the high growth from 2018/19 to 2019/20. The MTEF amounts reflect inflation related growth and include provision for increased property payments and operating leases, as well as audit fees, SAP support services, routine maintenance and repairs to the Legislature complex and the administrative building, etc.

The category *Transfers and subsidies* includes the following categories:

- *Provinces and municipalities* reflects the payment of motor vehicle licences.
- *Foreign governments and international organisations* caters mainly for subscription fees and conference attendance costs in respect of the CPA.
- *Public corporations and private enterprises* caters for insurance claims for motor vehicle accidents relating to the Legislature's official vehicles. This category is difficult to budget for.
- *Households* caters for donations made as part of the Speaker's Social Responsibility programme.

Buildings and other fixed structures caters for capital building revamping projects in respect of both the Legislature complex and the administrative building. In 2017/18 and 2018/19, the focus will be on the Law Society building renovations which commenced in November 2017, as mentioned previously.

Machinery and equipment fluctuates significantly over the seven-year period due to several once-off costs. The increase from the 2017/18 Main to Adjusted Appropriation relates to unspent 2016/17 funds allocated back to fund several capital projects, such as the capital aspects of phase two of the audio-visual project, the replacement of lifts in both the Legislature and administration buildings, as well as outstanding costs of the upgrading of the Legislature's server. The growth thereafter is largely inflationary, and provides for the purchase of furniture, vehicles and computers for both staff and Members.

Software and other intangible assets fluctuates in the prior years, largely due to the roll-out of various SAP modules. The growth from 2017/18 to 2020/21 caters for annual Microsoft and SAP licences.

The expenditure of R813 000 against *Payments for financial assets* in 2014/15 relates to the write-off of previous years' debt.

Service delivery measures: Administration

Table 2.10 illustrates the main service delivery measures pertaining to Programme 1. It is noted that the Legislature sector has not yet agreed on standardised service delivery measures.

Table 2.10 : Service delivery measures: Administration

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2017/18	2018/19	2019/20	2020/21
1. Achieved clean administration	• Quarterly reports on follow-up audits on management efforts towards achieving a clean audit	4	4	4	4
2. Improved institutional performance, planning, monitoring, reporting and evaluation	• Quarterly and annual performance reports detailing implementation of 2018/19 APP and Annual Oversight Plan targets, as well as progress in the development of the 2019/20 APP and Annual Oversight Plans in compliance with FMPPLA and the clearing of applicable audit and risk issues	5	5	5	5
3. Improved management of the Legislature's budget and expenditure	• Quarterly budget performance reports detailing implementation of the 2018/19 budget, as well as progress in the development of the 2019/20 budget in compliance with FMPPLA and the clearing of applicable audit and risk issues	4	4	4	4
4. An implemented procurement plan aligned to the Legislature's budget	• Quarterly reports on the implementation of the procurement plan in compliance with SCM prescripts, as well as clearing of applicable audit and risk issues	4	4	4	4
5. Improved human resources management and development	• Quarterly reports on the development and implementation of the HR plan in compliance with HR prescripts and clearing of applicable audit and risk issues	4	4	4	4
6. Improved ICT management, services and support	• Quarterly reports on the implementation of the ICT plan and clearing of applicable audit and risk issues	4	4	4	4

8.2 Programme 2: Parliamentary Business

The objective of this programme is to provide effective procedural and related support to the House and to committees, and to facilitate public participation. The programme largely conforms to the customised budget structure for the sector, but the Legislature does not use the sector sub-programme: Co-operative Governance. The Legislature took a decision not to establish a Co-operative Governance unit, but rather establish an Auxiliary Services unit under the sub-programme: Corporate Services in Programme 1, to oversee transversal activities, such as facilities and security management, in line with the revised organisational structure.

Tables 2.11 and 2.12 reflect payments and estimates for the period 2014/15 to 2020/21. Programme 2 shows generally steady growth over the seven-year period. This programme includes substantial funding for public participation events, overseas study tours undertaken by portfolio committees, as well as support for political parties in the form of constituency and secretarial allowances and the PPF.

Table 2.11 : Summary of payments and estimates by sub-programme: Parliamentary Business

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
1. Law-making	41 535	38 749	38 097	48 280	48 410	48 410	48 062	52 369	58 701
2. NCOP	692	822	624	1 670	1 670	1 670	1 566	1 443	1 522
3. Oversight	59 081	64 299	73 417	81 351	91 251	93 251	90 880	95 951	103 340
4. Public Participation	30 097	21 618	23 676	26 831	31 551	31 551	27 725	29 941	31 891
5. Members' Facilities	94 754	87 462	106 342	107 595	107 845	107 845	114 734	118 674	120 336
Total	226 159	212 950	242 156	265 727	280 727	282 727	282 967	298 378	315 790

Table 2.12 : Summary of payments and estimates by economic classification: Parliamentary Business

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Current payments	141 919	131 895	140 424	163 445	178 445	180 445	173 340	188 751	204 999
Compensation of employees	78 060	80 333	87 984	96 312	97 312	97 312	104 994	113 036	125 231
Goods and services	63 859	51 562	52 440	67 133	81 133	83 133	68 346	75 715	79 768
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	84 240	81 055	101 732	102 282	102 282	102 282	109 627	109 627	110 791
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	84 240	81 055	101 732	102 282	102 282	102 282	109 627	109 627	110 791
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	226 159	212 950	242 156	265 727	280 727	282 727	282 967	298 378	315 790

The sub-programme: Law-making focusses on passing effective and relevant laws in KZN, and also incorporates the functions of House Proceedings, Language Services and Hansard. The sub-programme includes provision for the Chief Operations Officer, Legislative Operations (staff) and Legislative Operations (Members). The MTEF amounts are based on current spending trends, which indicate that the sub-programme will be under-spent in 2017/18, although the 2017/18 Revised Estimate is not reflecting that. This accounts for the drop from 2017/18 to 2018/19, whereafter the growth is inflationary.

The NCOP sub-programme is responsible for facilitating NCOP liaison services. Parliament consists of two Houses, namely the National Assembly and the NCOP, which represent provinces to ensure that provincial interests are taken into account in the national sphere of government. Every province is equally represented in the NCOP. The budget provides mainly for the travel and subsistence costs relating to attendance at NCOP meetings, but the salaries for the NCOP support staff are paid from the Oversight sub-programme. The MTEF caters for scheduled NCOP meetings, and this accounts for the fluctuations.

The Oversight sub-programme is responsible for executing and conducting effective oversight of the Executive Committees, and providing research and legal services. The core functions include providing legal advice and support services to the Office of the Speaker, the Office of the Secretary, all office bearers, all committees of the Legislature (including management, portfolio and standing committees) and other units within the Legislature, and rendering legislative drafting services. Provision is also made under this sub-programme for overseas study tours undertaken by committees. The significant increase from the 2017/18 Main to Adjusted Appropriation relates to unspent funds from 2016/17 being allocated back to cater for overseas study tours which did not take place in 2016/17, as mentioned previously. This also accounts for the low growth to 2018/19, whereafter there is inflationary growth over the MTEF.

The aim of the Public Participation sub-programme is to address complaints through the petitions' system, and to create awareness of legislative processes through public education and the promotion of public involvement. Public participation is defined as the involvement of the public or communities in legislative processes, oversight, and issues of governance affecting their lives (Acts, Bills and/or public hearings). Public participation gives members of the public an opportunity to express their views and be informed on government processes and programmes. This sub-programme combines both staff and sectoral public participation costs. The significant increase from the 2017/18 Main to Adjusted Appropriation relates to unspent funds from 2016/17 being allocated back to this sub-programme to provide for spending pressures in respect of sectoral parliaments, partly relating to outstanding 2016/17 commitments in respect of communication costs, venues and facilities costs, etc. This also accounts for the low growth to 2018/19, whereafter there is inflationary growth over the MTEF.

The sub-programme: Members' Facilities provides benefits and facilities in respect of Members and offers support to political parties, and therefore includes no provision for *Compensation of employees*. This sub-programme caters for the constituency and secretarial allowances, as well as the PPF, as explained in Sections 7.7 and 7.9 above. The sub-programme also includes travel and subsistence costs relating to Members, in line with the "Quota of journeys" benefits prescribed in the Members' Handbook. The inflationary growth over the MTEF caters for the continued implementation of the sector oversight model, as well as support staff, such as researchers, which are contract based, and are not on the Legislature's organisational structure. These allowances are in line with guidelines from Parliament.

Compensation of employees in the prior years includes the annual wage agreements for the Legislature staff, the implementation of the prior job evaluation review outcome and resultant backpay, as well as the filling of critical posts in terms of the revised organisational structure. The growth over the MTEF is, at 7.9, 7.6 and 10.7 per cent, slightly higher than National Treasury's prescribed cost of living adjustments and is adequate to cater for existing staff, but does not include adequate provision for the filling of vacant posts. As mentioned, though, the *Compensation of employees'* budget will need to be reviewed and adjusted in-year to take into account the findings of the restructuring and job evaluation exercise and the implementation date, as well as the filling of critical vacant posts.

Goods and services largely caters for both staff and sectoral public participation costs, overseas study tours, committee costs, etc., and the bulk of the budget is allocated to travel and subsistence costs, advertising and communication costs, contractors (events co-ordinators), as well as venues and facilities. The significant increase in the 2017/18 Adjusted Appropriation relates to unspent 2016/17 funds allocated back to fund outstanding 2016/17 commitments and overseas study tours which were postponed in 2016/17 or were scaled down in order to accommodate the 2016 local government elections, accounting for the decrease from the 2017/18 Adjusted Appropriation to 2018/19. The MTEF growth is inflationary.

Transfers and subsidies to: Non-profit institutions comprises the constituency, secretarial and research allowances payable to political parties, as well as the PPF, as explained in Sections 7.7 and 7.9 above.

Service delivery measures: Parliamentary Business

Table 2.13 illustrates the main service delivery measures relating to Programme 2. The Legislature sector has not yet agreed on standardised service delivery measures. The Legislature reviewed its service delivery measures for 2018/19, and hence a number of new targets are included, indicated by "New" in the 2017/18 column.

Table 2.13 : Service delivery measures: Parliamentary Business

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2017/18	2018/19	2019/20	2020/21
1. Increased level of awareness and knowledge of the Legislature and its core business	• No. of public education campaigns/workshops	20	20	20	20
2. Enhanced oversight, law-making and accountability	• Quarterly reports on House sittings facilitated	New	New	4	4
3. Improved tracking of implementation of resolutions and answers to questions	• Quarterly progress reports on tracking the implementation of resolutions	4	4	4	4
4. Improved oversight over departmental and committee planning	• No. of approved Committee Annual Oversight Plans and Committee Annual Operational Plans	18	19	19	19
5. Improved oversight over the implementation of the NDP/PGDP by provincial departments	• No. of oversight reports on achievements in the implementation of NDP/PGDP prioritised targets tabled in the house	New	New	2	2
6. Improved input by the Committees into the departmental APPs and budgets	• No. of reports on the consideration of 2019/20 draft APPs and budgets tabled at Committee meetings	15	15	15	15
7. Improved oversight over the departmental performance against their APPs and budgets	• No. of analysis reports on quarterly and annual reports	55	55	55	55
8. Improved stakeholder involvement/engagement on Legislature business	• Quarterly outcomes based reports on stakeholder involvement in Legislature business (Committees and House)	4	4	4	4
9. Improved oversight over financial management and performance of departments and public entities	• No. of reports on Finance Portfolio Committee hearings conducted	3	3	3	3
10. Improved oversight over departments and public entities in respect of the attainment of clean audit reports	• No. of SCOPA hearings conducted	2	2	2	2
11. Enhanced oversight through focused intervention studies and oversight visits	• No. of reports on focused intervention studies conducted	11	11	11	11
	• Quarterly reports on oversight visits conducted	New	4	4	4
12. Empowered Committees to perform oversight	• No. of quarterly reports on study tours	4	4	4	4
13. Improved processing of legislation before Committees	• No. of reports on Bills processed	4	4	4	4
14. Conduct an assessment of the public participation initiatives/programmes	• Evaluation report on public participation initiatives/programmes of the Legislature to entrench democracy in the province	1	1	-	-

9. Other programme information

9.1 Personnel numbers and costs

Table 2.14 reflects personnel information pertaining to the Legislature. Note that the table includes information relating to the Legislature staff only, and information relating to the Members of the Legislature is included as a footnote.

Table 2.14 : Summary of personnel numbers and costs by component

R thousands	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF 2017/18 - 2020/21		
	2014/15		2015/16		2016/17		2017/18				2018/19		2019/20		2020/21		Pers. growth rate	Costs growth rate	% Costs of Total
	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Filled posts	Addit. posts	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs					
Salary level																			
1 – 6	46	13 788	46	12 798	46	12 256	22	-	22	10 679	22	11 881	22	12 133	22	13 298	0.0%	7.6%	5.4%
7 – 10	126	97 995	123	98 151	119	85 624	125	-	125	102 685	125	107 855	125	115 308	125	126 665	0.0%	7.2%	52.0%
11 – 12	21	42 906	21	43 544	18	39 189	35	-	35	39 680	35	43 838	35	47 442	35	51 593	0.0%	9.1%	20.9%
13 – 16	28	5 844	28	6 236	26	33 386	26	-	26	41 878	26	44 730	26	46 862	26	54 724	0.0%	9.3%	21.6%
Total*	221	160 533	218	160 729	209	170 455	208	-	208	194 922	208	208 304	208	221 745	208	246 280	0.0%	8.1%	100.0%
Programme																			
1. Administration	113	82 473	109	80 396	102	82 471	107	-	107	97 610	107	103 310	107	108 709	107	121 049	0.0%	7.4%	49.4%
2. Parliamentary Business	108	78 060	109	80 333	107	87 984	101	-	101	97 312	101	104 994	101	113 036	101	125 231	0.0%	8.8%	50.6%
Total*	221	160 533	218	160 729	209	170 455	208	-	208	194 922	208	208 304	208	221 745	208	246 280	0.0%	8.1%	100.0%
*Excl. Members' remuneration:	69	73 425	69	77 204	69	75 815	-	69	69	83 343	69	87 260	69	90 174	69	94 773	0.0%	4.4%	40.5%

¹ Personnel numbers includes all filled posts together with those posts additional to the approved establishment

It is noted that the Legislature's salary structure is very different to that of the Public Service. For the most part, the Legislature's salary levels are higher than Public Service counterparts. This position is exacerbated by the fact that, in some years, the annual wage adjustments for the administrative staff has been higher than the Public Service wage agreements.

As mentioned, in the third quarter of 2016/17, the Legislature embarked on a restructuring and job evaluation exercise aimed at achieving an updated organisational structure that is aligned to the current institutional strategic plan. As such, 13 critical vacant posts were not filled in 2016/17 and 2017/18, pending the finalisation of the restructuring and job evaluation exercise. Although some of the critical vacant posts are new, most are due to recent retirements and/or resignations, and this accounts for the decrease in personnel numbers from 221 in 2014/15 to 208 in 2017/18. Programme 1 has nine critical vacant posts, including Chief Director: Corporate Services, Manager: Security, three IT specialist posts, two budget analysts, etc. Programme 2 has four critical vacant posts, including the Chief Operations Officer and Protocol Manager.

Also as mentioned, the information in this table will be reviewed and adjusted taking into consideration the outcome of the restructuring and job evaluation exercise. Any financial implications resulting from the exercise, as well as the filling of vacant critical posts, will be funded by internal reprioritisation in-year and in the next budget process.

9.2 Training

Table 2.15 gives a summary of the Legislature's spending and information on training per programme over the seven-year period. It is noted that the Legislature's training budget caters for both staff and Members. As such, the table illustrates the number of staff and Members affected by the various training programmes and initiatives, and this accounts for the number of staff reflected in Table 2.15 being higher than the personnel numbers reflected in Section 9.1.

Table 2.15 : Information on training: Provincial Legislature

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Number of staff	221	218	209	208	208	208	208	208	208
Number of personnel trained	78	62	66	70	70	70	74	78	82
of which									
Male	32	20	22	24	24	24	25	27	28
Female	46	42	44	46	46	46	49	51	54
Number of training opportunities	38	39	50	54	54	54	58	62	65
of which									
Tertiary	13	10	15	16	16	16	17	18	19
Workshops	13	11	15	16	16	16	17	18	19
Seminars	-	-	-	-	-	-	-	-	-
Other	12	18	20	22	22	22	24	26	27
Number of bursaries offered	21	10	15	24	24	24	25	26	27
Number of interns appointed	-	-	-	-	-	-	-	-	-
Number of learnerships appointed	21	-	10	24	24	24	25	26	27
Number of days spent on training	53	139	140	142	142	142	142	142	150
Payments on training by programme									
1. Administration	2 529	898	1 028	2 600	2 600	2 600	2 253	2 905	3 065
2. Parliamentary Business	-	-	-	523	-	-	553	584	616
Total	2 529	898	1 028	3 123	2 600	2 600	2 806	3 489	3 681

The Skills Development Act is not applicable to provincial legislatures. The amounts reflected relate to specific training courses that will assist in capacitating the Members and various components of the Legislature. The MTEF allocations provide for ongoing SAP and SCM training to both staff and Members, as well as training on the implementation of the FMPPLA.

ANNEXURE – VOTE 2: PROVINCIAL LEGISLATURE

Table 2.A : Details of receipts: Provincial Legislature

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	69	65	63	57	57	63	60	63	66
Sale of goods and services produced by department (excluding capital assets)	69	65	63	57	57	63	60	63	66
Sales by market establishments	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	69	65	63	57	57	63	60	63	66
<i>Of which</i>									
<i>Commission</i>	69	64	62	57	57	63	60	62	66
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	1 610	3 273	6 859	478	478	3 785	506	534	563
Interest	1 610	3 273	6 859	478	478	3 785	506	534	563
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	486	-	679	-	-	26	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	486	-	679	-	-	26	-	-	-
Transactions in financial assets and liabilities	785	-	2	278	278	69	294	310	327
Total departmental receipts	2 950	3 338	7 603	813	813	3 943	860	907	956

Estimates of Provincial Revenue and Expenditure

Table 2.B : Payments and estimates by economic classification: Provincial Legislature

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Current payments	299 174	271 616	287 801	336 852	385 400	385 400	354 561	386 193	418 974
Compensation of employees	160 533	160 729	170 455	192 922	203 022	203 022	208 304	221 745	246 280
Salaries and wages	140 817	141 230	147 597	166 901	175 671	175 671	180 048	192 007	214 907
Social contributions	19 716	19 499	22 858	26 021	27 351	27 351	28 256	29 738	31 373
Goods and services	138 641	110 887	117 346	143 930	182 378	182 378	146 257	164 448	172 694
Administrative fees	970	576	810	1 185	1 185	1 185	1 429	1 509	1 592
Advertising	6 929	4 537	6 487	7 141	12 546	12 546	7 769	8 515	8 984
Minor assets	756	51	-	-	-	-	-	-	-
Audit cost: External	3 560	2 970	3 205	3 068	3 068	3 068	3 268	3 451	3 641
Bursaries: Employees	261	364	199	925	925	925	1 297	1 370	1 446
Catering: Departmental activities	10 669	5 851	8 207	13 275	9 825	9 825	8 542	9 252	9 761
Communication (G&S)	10 067	8 302	7 528	7 290	8 210	8 210	7 720	8 152	8 601
Computer services	2 481	2 675	3 860	3 541	7 049	7 049	1 046	1 756	1 974
Cons. and prof. serv.: Bus. and advisory serv.	16 438	9 833	10 443	14 334	23 476	23 476	15 947	20 518	20 835
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	387	613	515	600	510	510	635	670	707
Contractors	11 321	4 127	9 348	8 095	17 985	17 985	8 572	9 052	9 550
Agency and support / outsourced services	-	(1)	-	-	-	-	-	-	-
Entertainment	47	15	28	437	437	437	463	490	517
Fleet services (including govt. motor transport)	1 536	2 002	1 642	1 901	1 901	1 901	2 008	2 120	2 236
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	958	493	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	510	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	91	96	101
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 500	1 306	1 294	1 886	2 555	2 555	2 747	3 027	3 193
Consumable: Stationery, printing and office supplies	1 043	2 910	852	2 167	2 207	2 207	2 764	2 917	3 077
Operating leases	8 361	6 959	5 317	6 444	-	-	6 500	6 864	7 242
Property payments	8 984	10 155	8 102	8 384	8 384	8 384	9 372	9 790	10 329
Transport provided: Departmental activity	2 335	3 900	3 738	4 423	11 117	11 117	3 795	4 165	4 394
Travel and subsistence	33 954	30 794	35 137	42 086	54 370	54 370	44 862	51 581	54 309
Training and development	2 529	898	1 028	3 123	2 600	2 600	2 806	3 489	3 681
Operating payments	5 766	5 433	3 660	6 371	4 821	4 821	6 692	7 069	7 457
Venues and facilities	8 747	5 149	5 453	7 254	9 207	9 207	7 932	8 595	9 067
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	84 401	81 471	101 931	102 678	102 678	102 678	110 040	110 064	111 252
Provinces and municipalities	20	19	18	40	40	40	42	44	46
Provinces	20	19	18	40	40	40	42	44	46
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	20	19	18	40	40	40	42	44	46
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	141	292	181	228	228	228	241	255	269
Public corporations and private enterprises	-	-	-	28	28	28	30	32	34
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	28	28	28	30	32	34
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	28	28	28	30	32	34
Non-profit institutions	84 240	81 055	101 732	102 282	102 282	102 282	109 627	109 627	110 791
Households	-	105	-	100	100	100	100	106	112
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	105	-	100	100	100	100	106	112
Payments for capital assets	9 545	5 846	7 641	7 714	41 674	41 674	10 362	10 819	11 294
Buildings and other fixed structures	2 055	-	-	940	7 400	7 400	995	1 051	1 109
Buildings	2 055	-	-	940	7 400	7 400	995	1 051	1 109
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	4 179	4 139	7 641	5 129	32 629	32 629	5 427	5 731	6 047
Transport equipment	1 594	1 196	-	2 254	4 054	4 054	2 385	2 519	2 658
Other machinery and equipment	2 585	2 943	7 641	2 875	28 575	28 575	3 042	3 212	3 389
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	3 311	1 707	-	1 645	1 645	1 645	3 940	4 037	4 138
Payments for financial assets	813	-	-	-	-	-	-	-	-
Total	393 933	358 933	397 373	447 244	529 752	529 752	474 963	507 076	541 520
Members' remuneration	82 094	77 204	78 001	88 056	88 056	88 056	90 251	93 444	99 277
Adjusted total (incl. Members' remuneration)	476 027	436 137	475 374	535 300	617 808	617 808	565 214	600 520	640 797
of which:									
Departmental receipts	2 950	3 338	7 603	813	813	3 943	860	907	956

Table 2.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Current payments	157 255	139 721	147 377	173 407	206 955	204 955	181 221	197 442	213 975
Compensation of employees	82 473	80 396	82 471	96 610	105 710	105 710	103 310	108 709	121 049
Salaries and wages	72 693	70 922	71 106	84 085	92 345	92 345	89 346	94 063	105 598
Social contributions	9 780	9 474	11 365	12 525	13 365	13 365	13 964	14 646	15 451
Goods and services	74 782	59 325	64 906	76 797	101 245	99 245	77 911	88 733	92 926
Administrative fees	850	576	636	848	848	848	997	1 053	1 111
Advertising	2 129	1 280	2 103	2 412	5 867	5 867	2 561	2 697	2 846
Minor assets	756	51	-	-	-	-	-	-	-
Audit cost: External	3 560	2 970	3 205	3 068	3 068	3 068	3 268	3 451	3 641
Bursaries: Employees	261	364	189	794	794	794	841	888	937
Catering: Departmental activities	1 124	(45)	(15)	758	408	408	582	848	895
Communication (G&S)	7 610	5 889	7 008	7 114	7 114	7 114	7 534	7 956	8 394
Computer services	2 393	2 675	3 791	3 541	7 049	7 049	1 046	1 756	1 974
Cons. and prof. serv.: Bus. and advisory serv.	13 366	9 582	10 379	14 124	23 126	23 126	15 654	20 208	20 509
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	10	10	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	7 662	2 751	8 128	5 949	14 539	14 539	6 300	6 654	7 020
Agency and support / outsourced services	-	(1)	-	-	-	-	-	-	-
Entertainment	47	6	28	314	314	314	333	352	371
Fleet services (including govt. motor transport)	1 530	2 002	1 642	1 901	1 901	1 901	2 008	2 120	2 236
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	958	493	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	34	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	91	96	101
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	907	1 149	1 134	1 524	2 093	2 093	2 214	2 465	2 600
Consumable: Stationery, printing and office supplies	923	2 708	385	1 686	1 686	1 686	2 107	2 109	2 225
Operating leases	8 361	6 938	5 317	6 444	-	-	6 500	6 864	7 242
Property payments	8 969	10 048	8 102	8 378	8 378	8 378	9 372	9 790	10 329
Transport provided: Departmental activity	-	58	151	99	6 643	6 643	210	222	234
Travel and subsistence	8 614	6 250	7 822	11 420	10 854	8 854	9 994	11 692	12 336
Training and development	2 529	898	1 028	2 600	2 600	2 600	2 253	2 905	3 065
Operating payments	2 884	2 103	2 668	3 057	3 357	3 357	3 552	3 751	3 957
Venues and facilities	307	81	712	766	596	596	604	856	903
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	161	416	199	396	396	396	413	437	461
Provinces and municipalities	20	19	18	40	40	40	42	44	46
Provinces	20	19	18	40	40	40	42	44	46
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	20	19	18	40	40	40	42	44	46
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	141	292	181	228	228	228	241	255	269
Public corporations and private enterprises	-	-	-	28	28	28	30	32	34
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	28	28	28	30	32	34
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	28	28	28	30	32	34
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	105	-	100	100	100	100	106	112
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	105	-	100	100	100	100	106	112
Payments for capital assets	9 545	5 846	7 641	7 714	41 674	41 674	10 362	10 819	11 294
Buildings and other fixed structures	2 055	-	-	940	7 400	7 400	995	1 051	1 109
Buildings	2 055	-	-	940	7 400	7 400	995	1 051	1 109
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	4 179	4 139	7 641	5 129	32 629	32 629	5 427	5 731	6 047
Transport equipment	1 594	1 196	-	2 254	4 054	4 054	2 385	2 519	2 658
Other machinery and equipment	2 585	2 943	7 641	2 875	28 575	28 575	3 042	3 212	3 389
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	3 311	1 707	-	1 645	1 645	1 645	3 940	4 037	4 138
Payments for financial assets	813	-	-	-	-	-	-	-	-
Total	167 774	145 983	155 217	181 517	249 025	247 025	191 996	208 698	225 730

Estimates of Provincial Revenue and Expenditure

Table 2.D : Payments and estimates by economic classification: Parliamentary Business

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2014/15	2015/16	2016/17	Appropriation	Appropriation	Estimate	2018/19	2019/20	2020/21
Current payments	141 919	131 895	140 424	163 445	178 445	180 445	173 340	188 751	204 999
Compensation of employees	78 060	80 333	87 984	96 312	97 312	97 312	104 994	113 036	125 231
Salaries and wages	68 124	70 308	76 491	82 816	83 326	83 326	90 702	97 944	109 309
Social contributions	9 936	10 025	11 493	13 496	13 986	13 986	14 292	15 092	15 922
Goods and services	63 859	51 562	52 440	67 133	81 133	83 133	68 346	75 715	79 768
Administrative fees	120	-	174	337	337	337	432	456	481
Advertising	4 800	3 257	4 384	4 729	6 679	6 679	5 208	5 818	6 138
Minor assets	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	10	131	131	131	456	482	509
Catering: Departmental activities	9 545	5 896	8 222	12 517	9 417	9 417	7 960	8 404	8 866
Communication (G&S)	2 457	2 413	520	176	1 096	1 096	186	196	207
Computer services	88	-	69	-	-	-	-	-	-
Cons. and prof. serv.: Bus. and advisory serv.	3 072	251	64	210	350	350	293	310	326
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	387	613	515	600	500	500	635	670	707
Contractors	3 659	1 376	1 220	2 146	3 446	3 446	2 272	2 398	2 530
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	9	-	123	123	123	130	138	146
Fleet services (including govt. motor transport)	6	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	476	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	593	157	160	362	462	462	533	562	593
Consumable: Stationery, printing and office supplies	120	202	467	481	521	521	767	808	852
Operating leases	-	21	-	-	-	-	-	-	-
Property payments	15	107	-	6	6	6	-	-	-
Transport provided: Departmental activity	2 335	3 842	3 587	4 324	4 474	4 474	3 585	3 943	4 160
Travel and subsistence	25 340	24 544	27 315	30 666	43 516	45 516	34 868	39 889	41 973
Training and development	-	-	-	523	-	-	553	584	616
Operating payments	2 882	3 330	992	3 314	1 464	1 464	3 140	3 318	3 500
Venues and facilities	8 440	5 068	4 741	6 488	8 611	8 611	7 328	7 739	8 164
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	84 240	81 055	101 732	102 282	102 282	102 282	109 627	109 627	110 791
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	84 240	81 055	101 732	102 282	102 282	102 282	109 627	109 627	110 791
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	226 159	212 950	242 156	265 727	280 727	282 727	282 967	298 378	315 790