

Vote 2

Provincial Legislature

R thousand	2019/20			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Operational budget	507 076	552 170		45 094
Statutory amount (Members' remuneration)	91 680	119 130		27 450
<i>Of which: Remuneration of Speaker and Deputy Speaker ¹</i>	3 565	3 565		
Total budget	598 756	671 300		
Total amount to be appropriated	507 076	552 170		45 094
<i>of which:</i>				
Current payments	386 193	423 321		37 128
Transfers and subsidies	110 064	112 592		2 528
Payments for capital assets	10 819	16 257		5 438
Payments for financial assets	-	-		
Responsible MEC	Speaker of the Provincial Legislature			
Administering department	Provincial Legislature			
Accounting Officer	Secretary: Provincial Legislature			

1. Vision and mission

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 is: *To deepen democracy and entrench activism in KwaZulu-Natal through robust oversight, effective public participation and efficient law-making.*

2. 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.

¹ At the time of going to print, the proclamation determining the 2019 salary adjustment relating to public office bearers had not been signed, hence this amount remains unchanged from the 2019/20 EPRE.

- 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.

3. Summary of adjusted estimates for the 2019/20 financial year

The main appropriation of the Legislature was R598.756 million in 2019/20, including the statutory Members' remuneration of R91.680 million, which is a Direct Charge on the Provincial Revenue Fund (PRF). The total amount appropriated for 2019/20 (i.e. the Legislature's operational budget, excluding the statutory Members' remuneration) was R507.076 million.

During the year, the Legislature received additional operational funding of R45.094 million, resulting in the operational budget increasing from R507.076 million, as reflected in the 2019/20 *EPRE*, to R552.170 million. In addition, the Members' remuneration increased by R27.450 million, from R91.680 million to R119.130 million. The budget for Vote 2 as a whole (both operational and Members' remuneration) thus increased from R598.756 million as per the 2019/20 *EPRE*, to R671.300 million.

The increase of R45.094 million in the operational budget is thus the additional amount to be appropriated in the 2019/20 Adjustments Estimate, while the increase of R27.450 million in the Members' remuneration is treated as a Direct Charge on the PRF. This amount was allocated to fund the special allowance paid to Members whose tenure of office was affected by the 2019 general elections, and is reflected against *Compensation of employees* under *Other adjustments* in the rows beneath the Total in Tables 2.1 and 2.2, but is not reflected in the KZN Adjustments Appropriation Act, as the Members' remuneration funding is not appropriated.

The main reasons for the additional operational funding of R45.094 million, as well as other adjustments, are summarised below, and are explained in further detail in Section 4:

- *Virement between programmes*: The Legislature undertook no virements between programmes. However, several virements were undertaken across sub-programmes, as explained in Section 4.1.

The virements undertaken are permissible in terms of the relevant legislation, namely the Financial Management of Parliament and Provincial Legislatures Act (FMPPLA), Act No. 10 of 2009, as well as the PFMA and Treasury Regulations.

- *Shifts*: The Legislature undertook several shifts across sub-programmes and programmes, but within *Compensation of employees*. In this regard, the Legislature's restructuring and job evaluation exercise was finalised at the end of 2018/19, and the Legislature is in the process of correctly placing existing posts in terms of the revised organisational structure, hence the shifting of funds. These movements resulted in a net amount of R655 000 being shifted from Programme 2: Parliamentary Business to Programme 1: Administration, as follows:
 - R2.163 million was shifted from Programme 2, to correctly place the committee function that pertains to the Standing Committee on Oversight (STACOV) under the sub-programme: Office of the Secretary in Programme 1.

- o R1.508 million was shifted from Programme 1, to correctly place the Records Management function under the Oversight sub-programme in Programme 2.

In addition to the above shifts, the Legislature undertook further shifts across sub-programmes within both programmes, and these are explained in Sections 4.1 and 4.2. In each instance, the purpose of the funds remains unchanged.

- *Other adjustments:* Several adjustments totalling R45.094 million were made to the operational budget, as summarised below, and detail is given in Sections 4.1 and 4.2:
 - o R17.555 million was allocated back to the Legislature in line with the FMPPLA and the PFMA, which provide for provincial legislatures to retain any surplus funds and/or retain any monies received (i.e. revenue collected) in the prior year. This amount was made up of R16.743 million, being the Legislature's operational under-spending in 2018/19, and R812 000, being the revenue over-collected in that year. The amount of R17.555 million was allocated as follows:
 - R16.101 million was allocated to Programme 1, largely to cater for outstanding commitments and accruals from 2018/19, as well as to increase certain items to bring them in line with prior year spending trends. The funds were allocated to *Goods and services* (R10.663 million), *Buildings and other fixed structures* (R1.923 million), *Machinery and equipment* (R3 million) and *Software and other intangible assets* (R515 000), as explained in Section 4.1.
 - R1.454 million was allocated to Programme 2 against *Goods and services*, largely to provide for higher than budgeted legal costs, contractors' costs, consumable supplies, as well as stationery, printing and office supplies, as explained in Section 4.2.
 - o The statutory allocation was under-spent by R2.528 million in 2018/19. Although FMPPLA only requires the operational under-spending to be allocated back, the Legislature requested to also keep the R2.528 million statutory under-spending to fund in-year spending pressures in respect of the secretarial allowances paid to political parties. This amount was allocated to *Transfers and subsidies to: Non-profit institutions* in Programme 2, as explained in Section 4.2.
 - o The upgrading of the Legislature's existing posts was implemented with effect from April 2019, at an estimated cost of R16 million per annum. Taking into account the financial constraints facing the province over the MTEF, at a meeting held with the Speaker and the MEC for Finance, an agreement was reached whereby an additional R8 million per annum is to be funded from provincial cash resources over the MTEF (commencing in the 2019/20 Adjustments Estimate), with the balance to be funded by internal reprioritisation. The amount of R8 million was thus allocated to *Compensation of employees* in Programme 1 (R3.172 million) and Programme 2 (R4.828 million), as explained in Sections 4.1 and 4.2. It is noted that the internal reprioritisation of R8 million was undertaken by the Legislature in the 2019/20 EPRE.
 - o Additional funding of R17.011 million was allocated to *Goods and services* (contractors' costs) in Programme 1 for the roof repairs to the main chamber of the Legislature building. The main chamber building is very old and needs constant maintenance and repairs. The repairs to its leaking roof and façade have been planned for several years but have now become critical, and the Department of Public Works (DOPW) is concerned that the leaks may cause damage to the newly installed audio-visual equipment in the main chamber.

Tables 2.1 and 2.2 reflect a summary of the 2019/20 adjusted appropriation of the Legislature, summarised according to programme and economic classification. Details of the economic classification are given in *Annexure – Vote 2: Provincial Legislature*.

Table 2.1 : Summary by programmes

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts		
1. Administration	211 088	-	-	-	655	36 284	248 027
2. Parliamentary Business	295 988	-	-	-	(655)	8 810	304 143
Total	507 076	-	-	-	-	45 094	552 170
Direct charge on PRF: Members' remuneration	91 680	-	-	-	-	27 450	119 130
Total	598 756	-	-	-	-	72 544	671 300
Amount to be voted							45 094

Table 2.2 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts		
Current payments	386 193	-	-	-	-	37 128	423 321
Compensation of employees	229 745	-	-	-	-	8 000	237 745
Goods and services	156 448	-	-	-	-	29 128	185 576
Interest and rent on land	-	-	-	-	-	-	-
Transfers and subsidies to:	110 064	-	-	-	-	2 528	112 592
Provinces and municipalities	44	-	-	-	-	-	44
Departmental agencies and accounts	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-
Foreign governments and international organisations	255	-	-	-	-	-	255
Public corporations and private enterprises	32	-	-	-	-	-	32
Non-profit institutions	109 627	-	-	-	-	2 528	112 155
Households	106	-	-	-	-	-	106
Payments for capital assets	10 819	-	-	-	-	5 438	16 257
Buildings and other fixed structures	1 051	-	-	-	-	1 923	2 974
Machinery and equipment	5 731	-	-	-	-	3 000	8 731
Heritage assets	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-
Software and other intangible assets	4 037	-	-	-	-	515	4 552
Payments for financial assets	-	-	-	-	-	-	-
Total	507 076	-	-	-	-	45 094	552 170
Direct charge on PRF: Members' remuneration	91 680	-	-	-	-	27 450	119 130
<i>Of which:</i>							
<i>Compensation of employees</i>	<i>88 410</i>	-	-	-	-	<i>27 450</i>	<i>115 860</i>
<i>Goods and services</i>	<i>3 270</i>	-	-	-	-	-	<i>3 270</i>
Total	598 756	-	-	-	-	72 544	671 300
Amount to be voted							45 094

4. Changes to programme purposes and service delivery measures

The Legislature has not changed the purpose of its two programmes, which conform to the customised programme and budget structure for the Legislature sector for 2019/20.

The non financial information in the 2019/20 EPRE largely corresponds to the Legislature's tabled APP, apart from minor changes in the wording of several performance measures, as well as the addition of a performance measure (no.14) in respect of Programme 2. These changes are reflected in bold italics in Tables 2.5 and 2.8.

4.1 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.

Tables 2.3 and 2.4 reflect a summary of the 2019/20 adjusted appropriation of Programme 1, summarised according to sub-programme and economic classification.

Details of the main adjustments, which resulted in an overall increase of R36.939 million, are given in the paragraphs after the tables.

Table 2.3 : Programme 1: Administration

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts		
1. Office of the Speaker	27 673					140	27 813
2. Office of the Secretary	33 855			(1 685)	263	518	32 951
3. Financial Management	51 771				(1 531)	2 599	52 839
4. Corporate Services	97 789			1 685	1 923	33 027	134 424
Total	211 088	-	-	-	655	36 284	248 027
Amount to be voted							36 939

Table 2.4 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts			Other adjustments
Current payments	199 832	-	-	-	655	30 846	31 501	231 333
Compensation of employees	112 499				655	3 172	3 827	116 326
Goods and services	87 333					27 674	27 674	115 007
Interest and rent on land							-	-
Transfers and subsidies to:	437	-	-	-	-	-	-	437
Provinces and municipalities	44						-	44
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations	255						-	255
Public corporations and private enterprises	32						-	32
Non-profit institutions							-	-
Households	106						-	106
Payments for capital assets	10 819	-	-	-	-	5 438	5 438	16 257
Buildings and other fixed structures	1 051					1 923	1 923	2 974
Machinery and equipment	5 731					3 000	3 000	8 731
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets	4 037					515	515	4 552
Payments for financial assets							-	-
Total	211 088	-	-	-	655	36 284	36 939	248 027
Amount to be voted								36 939

Virement – Programme 1: Administration

The main appropriation of Programme 1 remains unchanged from the *EPRE*. However, several virements were undertaken across sub-programmes within Programme 1, within the same economic category, hence these virements are not evident in Table 2.4. These virements, which are permissible in terms of the relevant legislation, are as follows:

- Savings of R1.685 million were identified under *Goods and services* in the sub-programme: Office of the Secretary, largely because the Legislature's events and activities, such as committee meetings, scaled down significantly in the months before and after the 2019 general elections. These savings, which emanated from consultants' costs, consumable supplies, as well as venues and facilities, were moved to the same category in the Corporate Services sub-programme, as follows:
 - o R1.400 million was moved to fund a shortfall in computer services, largely due to the item being under-budgeted for in the main appropriation.
 - o R285 000 was moved to fund a shortfall in respect of operating payments and venues and facilities. In this regard, the Legislature sector hosts annual inter-legislature games on a rotational basis, and it is the KZN Legislature's turn to host the 2019 games in November, and this was under-budgeted for. This is in addition to the amount explained under the Shifts section below.

Further virements were undertaken across various items within *Goods and services* and within the same sub-programmes, the net result of which is reflected in *Annexure – Vote 2: Provincial Legislature*.

Shifts – Programme 1: Administration: R655 000

The main appropriation of Programme 1 was increased by a net amount of R655 000, as follows:

- R2.163 million was shifted within *Compensation of employees* from the sub-programme: Oversight in Programme 2, to correctly place the committee function that pertains to STACOV under the sub-programme: Office of the Secretary in Programme 1.
- R1.508 million was shifted within *Compensation of employees* from the sub-programme: Financial Management in Programme 1, to correctly place the Records Management function under the sub-programme: Oversight in Programme 2.

These shifts were undertaken because the Legislature is in the process of correctly placing existing posts in terms of its revised organisational structure, as mentioned. The purpose of the funds is unchanged.

In addition, further shifts were undertaken across sub-programmes within Programme 1, as follows:

- R1.603 million was shifted within *Compensation of employees* from the sub-programme: Financial Management, to correctly place the Legislature's travel desk function under the sub-programme: Corporate Services.
- R1.580 million was shifted within *Compensation of employees* from the sub-programme: Corporate Services, to correctly place the pay-roll function under the sub-programme: Financial Management.
- R1.900 million was shifted within *Goods and services* from the sub-programme: Office of the Secretary, to the Corporate Services sub-programme. When the 2019/20 EPRE was compiled, these funds were reprioritised under the Office of the Secretary to provide for the hosting of the 2019 inter-legislature games in KZN in November, as mentioned under the Virement section above. As these games are aimed at employee wellness, the HR component, which falls under Corporate Services, is responsible for co-ordinating the hosting thereof, and this accounts for the shift. The purpose of the funds remains unchanged.

Further shifts were undertaken across various items within *Goods and services* and within the same sub-programmes, the net result of which is reflected in *Annexure – Vote 2: Provincial Legislature*.

Other adjustments – Programme 1: Administration: R36.284 million

The main appropriation of Programme 1 was increased by R36.284 million, as follows:

- Of the additional funding of R17.555 million allocated back to the Legislature in line with the PFMA and FMPPLA, which provide for provincial legislatures to retain any surplus funds and/or retain revenue collected in the prior year, R16.101 million was allocated to Programme 1, as follows:
 - R10.663 million was allocated to *Goods and services*, largely to cater for outstanding commitments from 2018/19 in respect of computer services, as well as consultants' costs relating to SAP retainer fees. In addition, the Legislature identified the need to increase the budget of certain items to bring them in line with prior year spending trends, such as external audit costs and property payments. This amount was allocated to the sub-programmes: Financial Management (R1.594 million) and Corporate Services (R9.069 million).
 - R5.438 million was allocated to *Payments for capital assets* under the Corporate Services sub-programme, as follows:
 - R1.923 million to *Buildings and other fixed structures* to fund accruals relating to the replacement of three lifts (two in the administrative building, one in the Legislature complex).
 - R3 million to *Machinery and equipment* to fund the purchase of replacement laptops and desktops for staff.
 - R515 000 to *Software and other intangible assets* to fund outstanding commitments in respect of SAP licences.
- Of the R8 million allocated for the upgrading of the Legislature's existing posts, R3.172 million was allocated to *Compensation of employees* in Programme 1. This amount was allocated across all sub-programmes as follows: Office of the Speaker (R140 000), Office of the Secretary (R518 000), Financial Management (R1.005 million) and Corporate Services (R1.509 million).
- Additional funding of R17.011 million was allocated for the roof repairs to the main chamber of the Legislature building, as mentioned. This amount was allocated to *Goods and services* (contractors' costs) under the sub-programme: Corporate Services.

Service delivery measures – Programme 1: Administration

Table 2.5 shows the service delivery information for Programme 1, including the actual achievement for the first half of the year.

The information reflected in the EPRE is largely aligned to the tabled APP, apart from minor changes in the wording of several performance measures, which are reflected in bold italics in Tables 2.5.

Table 2.5 : Service delivery measures – Programme 1: Administration

Outputs	Performance indicators	Performance targets		
		2019/20 Original target	2019/20 Mid-year actual	2019/20 Revised target
1. Achieved clean <i>audit by 2019/20</i>	• Quarterly reports on follow-up audits on management efforts towards achieving a clean audit	4	2	
2. Improved institutional performance, planning, monitoring, reporting and evaluation	• Quarterly and <i>APPs</i> detailing implementation of 2019/20 APP and Annual Oversight Plan (<i>AOP</i>) targets, as well as progress in the development of the 2020/21 APP, <i>AOP</i> in compliance with FMPPLA and the clearing of applicable audit and risk issues	5	3	
3. Improved management of the Legislature's budget and expenditure	• Quarterly budget performance reports detailing implementation of the 2019/20 budget, as well as progress in the development of the 2020/21 budget in compliance with FMPPLA and the clearing of applicable audit and risk issues	4	2	
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	2	
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	2	
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	2	

4.2 Programme 2: Parliamentary Business

The objective of Programme 2 is to provide effective procedural and related support to the House and to committees, and to facilitate public participation. Tables 2.6 and 2.7 reflect a summary of the 2019/20 adjusted appropriation of Programme 2, summarised according to sub-programme and economic classification.

Details of the main adjustments, which resulted in an overall increase of R8.155 million in the main appropriation of Programme 2, are provided in the paragraphs following the tables.

Table 2.6 : Programme 2: Parliamentary Business

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts		
1. Law-making	51 245				7 200	969	59 414
2. NCOP	943						943
3. Oversight	96 911				(7 855)	4 282	93 338
4. Public Participation	30 215					1 031	31 246
5. Members' Facilities	116 674					2 528	119 202
Total	295 988	-	-	-	(655)	8 810	304 143
Amount to be voted							8 155

Table 2.7 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts		
Current payments	186 361	-	-	-	(655)	6 282	191 988
Compensation of employees	117 246				(655)	4 828	121 419
Goods and services	69 115					1 454	70 569
Interest and rent on land							-
Transfers and subsidies to:	109 627	-	-	-	-	2 528	112 155
Provinces and municipalities							-
Departmental agencies and accounts							-
Higher education institutions							-
Foreign governments and international organisations							-
Public corporations and private enterprises							-
Non-profit institutions	109 627					2 528	112 155
Households							-
Payments for capital assets	-	-	-	-	-	-	-
Buildings and other fixed structures							-
Machinery and equipment							-
Heritage assets							-
Specialised military assets							-
Biological assets							-
Land and subsoil assets							-
Software and other intangible assets							-
Payments for financial assets	-	-	-	-	-	-	-
Total	295 988	-	-	-	(655)	8 810	304 143
Amount to be voted							8 155

Shifts – Programme 2: Parliamentary Business: (R655 000)

The main appropriation of Programme 2 was decreased by a net amount of R655 000 as follows:

- R2.163 million was shifted within *Compensation of employees* from the sub-programme: Oversight, to correctly place the committee function that pertains to STACOV under the sub-programme: Office of the Secretary in Programme 1.
- R1.508 million was shifted within *Compensation of employees* from the sub-programme: Financial Management in Programme 1, to correctly place the Records Management function against the Research component under the sub-programme: Oversight in Programme 2.

These shifts were undertaken because the Legislature is in the process of correctly placing existing posts in terms of its revised organisational structure, as mentioned. The purpose of the funds is unchanged.

In addition, a further shift was undertaken across sub-programmes within Programme 2. In this regard, an amount of R7.200 million was shifted within *Compensation of employees* from the sub-programme: Oversight to the sub-programme: Law-making, to correctly place the committee function that pertains to the Legislature's various committees (excluding STACOV), in line with the revised organisational structure. The purpose of the funds remains unchanged.

Further shifts were undertaken across various items within *Goods and services* and within the same sub-programmes, the net result of which is reflected in *Annexure – Vote 2: Provincial Legislature*.

Other adjustments – Programme 2: Parliamentary Business: R8.810 million

The main appropriation of Programme 2 was increased by R8.810 million, as explained below:

- Of the additional funding of R17.555 million allocated back to the Legislature in line with the PFMA and FMPPLA, which provide for provincial legislatures to retain any surplus funds and/or retain revenue collected in the prior year, R1.454 million was allocated to Programme 2 against *Goods and services*, largely to provide for higher than budgeted legal costs, contractors' costs, consumable supplies, as well as stationery, printing and office supplies. These funds were allocated to the sub-programmes: Oversight (R682 000) and Public Participation (R772 000).
- Of the R8 million allocated for the upgrading of the Legislature's existing posts, R4.828 million was allocated to *Compensation of employees* in Programme 2. This amount was allocated to the following sub-programmes: Law-making (R969 000), Oversight (R3.600 million) and Public Participation (R259 000).
- An additional R2.528 million was allocated to *Transfers and subsidies to: Non-profit institutions* under the sub-programme: Members' Facilities, to fund in-year spending pressure in respect of the secretarial allowances paid to the political parties. This was funded by the unspent statutory allocation from 2018/19, as mentioned. The reason for the pressure is that the Legislature could not have foreseen the current composition of eight political parties following the 2019 general elections, as opposed to the six political parties in the fifth Administration, and this has put pressure on the secretarial allowances paid to the political parties.

Service delivery measures – Programme 2: Parliamentary Business

Table 2.8 shows service delivery information for Programme 2, including the actual achievements for the first six months of the year.

The information reflected in the *EPRE* is largely aligned to the tabled APP, apart from minor changes in the wording of several performance measures, as well as the addition of a performance measure (no. 14). These changes are reflected in bold italics in the table. In addition, five targets were revised to ensure full alignment with the APP, and these are shown in the Revised target column.

Table 2.8 : Service delivery measures – Programme 2: Parliamentary Business

Outputs	Performance indicators	Performance targets		
		2019/20 Original target	2019/20 Mid-year actual	2019/20 Revised target
1. Increased level of awareness and knowledge of the Legislature and its core business	• No. of reports on public education campaigns/workshops held	4	27	20
2. Enhanced oversight, law-making and accountability	• Quarterly reports on House sittings facilitated	4	2	
3. Improved tracking of implementation of resolutions and answers to questions	• Quarterly progress reports on tracking the implementation of resolutions	4	2	
4. Improved oversight over departmental and committee planning	• No. of approved Committee AOPs and Committee Annual Operational Plans (CAOPs)	21	3 rd quarter	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	2	-	
6. Improved input by the Committees into the departmental APPs and budgets	• No. of reports on the consideration of 2020/21 draft APPs and budgets tabled at committee meetings	4	3 rd quarter	15
7. Improved oversight over the departmental performance against their APPs and budgets	• No. of analysis reports on quarterly and annual reports	55	4 th quarter	
8. Improved stakeholder involvement/ engagements on Legislature business	• Quarterly outcomes-based reports on stakeholder involvement in Legislature business (Committee and House)	4	2	
9. Improved oversight over financial management and performance of departments and public entities	• No. of reports on Finance Portfolio Committee hearings conducted	2	3	3
10. Improved oversight over departments and public entities in respect of the attainment of clean audit reports	• No. of reports on SCOPA hearings conducted	2	3 rd and 4 th quarters	
11. Enhanced oversight through focused intervention studies and oversight visits	• No. of reports on focused intervention studies conducted	11	4 th quarter	
	• No. of quarterly reports on oversight visits conducted	4	2	
12. Empowered Committees to perform oversight	• No. of quarterly reports on study tours programme	4	2	
13. Improved processing of legislation before Committees	• No. of reports on bills processed	4	2	
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	New	4 th quarter	1

5. Specifically and exclusively appropriated allocations

In previous years, the Political Parties' Fund allocation was specifically and exclusively appropriated to the Legislature. However, in line with the FMPPLA, these funds are no longer specifically and exclusively appropriated.

6. Gifts, donations and sponsorships

The Legislature is not envisaging any gifts, donation or sponsorships exceeding R100 000 in 2019/20.

7. Infrastructure

Table 2.9 provides a summary of infrastructure payments per main category. The infrastructure budget relates to the maintenance and upgrading of the Legislature buildings. The information provided is largely dependent on the implementing agent, DOPW.

Details of the adjustments, which resulted in an overall increase of R18.934 million in the infrastructure budget, are provided in the paragraphs following the table.

Table 2.9 : Summary of infrastructure payments by category

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Existing infrastructure assets	5 275	-	-	-	-	18 934	18 934	24 209
Maintenance and repair: Current	4 224					17 011	17 011	21 235
Upgrades and additions: Capital	1 051					1 923	1 923	2 974
Refurbishment and rehabilitation: Capital							-	-
New infrastructure assets: Capital							-	-
Infrastructure transfers	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital							-	-
Infrastructure transfers: Current							-	-
Infrastructure: Payments for financial assets							-	-
Infrastructure: Leases							-	-
Non infrastructure							-	-
Capital infrastructure	1 051	-	-	-	-	1 923	1 923	2 974
Current infrastructure	4 224	-	-	-	-	17 011	17 011	21 235
Total	5 275	-	-	-	-	18 934	18 934	24 209
Amount to be voted								18 934

- *Other adjustments:* The infrastructure budget was increased by R18.934 million, as follows:
 - o Additional funding of R17.011 million was allocated to *Maintenance and repair: Current* under Programme 1 for the roof repairs to the main chamber of the Legislature building, as mentioned.
 - o Of the additional funding of R17.555 million allocated back to the Legislature in line with the PFMA and FMPPLA, R1.923 million was allocated to *Upgrades and additions: Capital* under Programme 1 to fund accruals relating to the replacement of three lifts, as mentioned.

8. Conditional grants

The Legislature has no national conditional grants.

9. Transfers and subsidies

Table 2.10 provides a summary of transfers and subsidies per programme relating to the Legislature. Details of the adjustments, which resulted in an increase of R2.528 million, are provided in the paragraph following the table.

Table 2.10 : Summary of transfers and subsidies by programme and main category

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Administration	437	-	-	-	-	-	-	437
Provinces and municipalities	44	-	-	-	-	-	-	44
Motor vehicle licences	44						-	44
Foreign govts and international organisations	255	-	-	-	-	-	-	255
Commonwealth Parliamentary Association	255						-	255
Public corporations and private enterprises	32	-	-	-	-	-	-	32
Insurance companies	32						-	32
Households	106	-	-	-	-	-	-	106
Speaker's Social Responsibility programme	106						-	106
2. Parliamentary Business	109 627	-	-	-	-	2 528	2 528	112 155
Non-profit institutions	109 627	-	-	-	-	2 528	2 528	112 155
Funding for political parties (e.g. secretarial allow.)	69 627					2 528	2 528	72 155
Political Parties' Fund	40 000						-	40 000
Total	110 064	-	-	-	-	2 528	2 528	112 592
Amount to be voted								2 528

- *Other adjustments:* The transfer budget was increased by R2.528 million, funded from the unspent statutory allocation in 2018/19, as follows:
 - o R2.528 million was allocated to *Non-profit institutions* under Programme 2 to increase the secretarial allowances. As mentioned, the Legislature could not have foreseen the current composition of eight political parties following the 2019 general elections, as opposed to the six political parties in the fifth Administration, and this has put pressure on the secretarial allowances paid to the political parties.

10. Transfers to local government

The Legislature makes no transfer payments to local government. It is noted that an amount of R44 000 is reflected against *Provinces and municipalities* in Table 2.10 above. This relates to the payment of motor vehicle licences. As this amount will not be transferred to any municipality, the table reflecting transfers to local government is excluded.

11. Actual payments and revised spending projections for the rest of 2019/20

Tables 2.11 and 2.12 reflect actual payments as at the end of September 2019, projected payments for the rest of the year in Rand value and as a percentage of the adjusted appropriation per programme and economic classification, and revised projected spending. The tables also show the 2018/19 Audited outcome.

Note that the economic categories in Table 2.12 include the statutory Members' remuneration of R119.130 million, hence the adjusted appropriation of *Compensation of employees* and *Goods and services* is higher than the amounts in Table 2.2, by R115.861 million and R3.270 million, respectively.

Mid-year spending totalled R292.817 million, or 43.6 per cent of the adjusted budget, slightly lower than the 50 per cent straight-line benchmark.

The Legislature is projecting to remain within budget at year-end. Both programmes, the Members' remuneration, as well as all economic categories are projecting a balanced budget at year-end, after taking into account the additional funding of R72.545 million allocated in the Adjustments Estimate, of which R45.094 million is appropriated as operational funding, while R27.450 million relates to the statutory Members' remuneration.

Table 2.11 : Actual payments and revised spending projections by programme

R thousand	2018/19 Audited outcome	Adjusted appropriation	Actual payments		Projected payments		Projected actual
			April 2019 - September 2019	% of budget	October 2019 - March 2020	% of budget	
1. Administration	187 645	248 027	93 549	37.7	154 478	62.3	248 027
2. Parliamentary Business	296 909	304 143	137 839	45.3	166 304	54.7	304 143
3. Members' remuneration	87 723	119 130	61 429	51.6	57 701	48.4	119 130
Total	572 277	671 300	292 817	43.6	378 483	56.4	671 300

Table 2.12 : Actual payments and revised spending projections by economic classification

R thousand	2018/19 Audited outcome	Adjusted appropriation	Actual payments		Projected payments		Projected actual
			April 2019 - September 2019	% of budget	October 2019 - March 2020	% of budget	
Current payments	452 972	542 451	233 441	43.0	309 010	57.0	542 451
Compensation of employees	279 811	353 605	166 310	47.0	187 295	53.0	353 605
Goods and services	173 161	188 846	67 131	35.5	121 715	64.5	188 846
Interest and rent on land	-	-	-	-	-	-	-
Transfers and subsidies to:	112 315	112 592	57 526	51.1	55 066	48.9	112 592
Provinces and municipalities	22	44	6	13.6	38	86.4	44
Departmental agencies and accounts	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-
Foreign governments and international organisations	515	255	-	-	255	100.0	255
Public corporations and private enterprises	-	32	7	21.9	25	78.1	32
Non-profit institutions	111 778	112 155	57 423	51.2	54 732	48.8	112 155
Households	-	106	90	84.9	16	15.1	106
Payments for capital assets	6 990	16 257	1 850	11.4	14 407	88.6	16 257
Buildings and other fixed structures	2 143	2 974	-	-	2 974	100.0	2 974
Machinery and equipment	4 349	8 731	1 691	19.4	7 040	80.6	8 731
Heritage assets	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-
Software and other intangible assets	498	4 552	159	3.5	4 393	96.5	4 552
Payments for financial assets	-	-	-	-	-	-	-
Total	572 277	671 300	292 817	43.6	378 483	56.4	671 300

Table 2.A : Summary by economic classification : Provincial Legislature

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	386 193	-	-	-	-	37 128	37 128	423 321
Compensation of employees	229 745	-	-	-	-	8 000	8 000	237 745
Salaries and wages	180 289	-	-	-	-	6 960	6 960	187 249
Social contributions	49 456	-	-	-	-	1 040	1 040	50 496
Goods and services	156 448	-	-	-	-	29 128	29 128	185 576
Administrative fees	1 509	-	-	-	-	40	40	1 549
Advertising	8 675	-	-	(800)	-	-	(800)	7 875
Minor assets	-	-	-	-	-	-	-	-
Audit cost: External	3 451	-	-	-	-	1 554	1 554	5 005
Bursaries: Employees	1 370	-	-	-	-	-	-	1 370
Catering: Departmental activities	9 582	-	-	800	630	-	1 430	11 012
Communication (G&S)	8 736	-	-	(500)	-	-	(500)	8 236
Computer services	5 796	-	-	1 850	-	5 154	7 004	12 760
Cons. & prof serv: Business and advisory services	16 028	-	-	(1 850)	(1 900)	2 289	(1 461)	14 567
Infrastructure and planning	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-
Legal costs	670	-	-	-	-	682	682	1 352
Contractors	9 052	-	-	500	220	17 496	18 216	27 268
Agency and support / outsourced services	-	-	-	-	-	-	-	-
Entertainment	490	-	-	-	-	-	-	490
Fleet services (incl govt motor transport)	2 120	-	-	-	-	-	-	2 120
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	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-
Inventory: Medical supplies	96	-	-	-	-	-	-	96
Inventory: Medicine	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-
Consumable supplies	3 027	-	-	(900)	180	127	(593)	2 434
Consumable: Stationery, printing and office supplies	2 917	-	-	700	-	160	860	3 777
Operating leases	6 864	-	-	-	-	-	-	6 864
Property payments	9 790	-	-	-	-	1 626	1 626	11 416
Transport provided: Departmental activity	4 165	-	-	150	-	-	150	4 315
Travel and subsistence	43 279	-	-	1 610	-	-	1 610	44 889
Training and development	2 905	-	-	-	-	-	-	2 905
Operating payments	7 371	-	-	(1 250)	720	-	(530)	6 841
Venues and facilities	8 595	-	-	(310)	150	-	(160)	8 435
Rental and hiring	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-
Transfers and subsidies to	110 064	-	-	-	-	2 528	2 528	112 592
Provinces and municipalities	44	-	-	-	-	-	-	44
Provinces	44	-	-	-	-	-	-	44
Provincial Revenue Funds	-	-	-	-	-	-	-	-
Provincial agencies and funds	44	-	-	-	-	-	-	44
Municipalities	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-
Foreign governments and international organisations	255	-	-	-	-	-	-	255
Public corporations and private enterprises	32	-	-	-	-	-	-	32
Public corporations	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Private enterprises	32	-	-	-	-	-	-	32
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	32	-	-	-	-	-	-	32
Non-profit institutions	109 627	-	-	-	-	2 528	2 528	112 155
Households	106	-	-	-	-	-	-	106
Social benefits	-	-	-	-	-	-	-	-
Other transfers to households	106	-	-	-	-	-	-	106
Payments for capital assets	10 819	-	-	-	-	5 438	5 438	16 257
Buildings and other fixed structures	1 051	-	-	-	-	1 923	1 923	2 974
Buildings	1 051	-	-	-	-	1 923	1 923	2 974
Other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	5 731	-	-	-	-	3 000	3 000	8 731
Transport equipment	2 519	-	-	-	-	-	-	2 519
Other machinery and equipment	3 212	-	-	-	-	3 000	3 000	6 212
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-
Software and other intangible assets	4 037	-	-	-	-	515	515	4 552
Payments for financial assets	-	-	-	-	-	-	-	-
Total: Operational budget	507 076	-	-	-	-	45 094	45 094	552 170
Direct charge on PRF: Members' remuneration	91 680	-	-	-	-	27 450	27 450	119 130
Total	598 756	-	-	-	-	72 544	72 544	671 300
Amount to be voted								45 094