

VOTE 2

Provincial Legislature

Operational budget	R443 848 000
Remuneration of the Speaker and Deputy Speaker	R 3 396 000
Statutory amount (Members' remuneration)	R 88 056 000
Total budget	R535 300 000
Total to be appropriated (excl. Members' remuneration)	R447 244 000
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 KwaZulu-Natal 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 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 (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), which was implemented 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 2016/17 financial year

Section 2 provides a review of 2016/17, 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)

The FMPPLA was enacted in 2014, with implementation commencing from 1 April 2015. It is anticipated that the full implementation of the Act will take some time, bearing in mind that the Legislature has been under the PFMA since its enactment, and therefore 2016/17 continued to be a transitional period. The Legislature and Provincial Treasury continued working together to review the areas that require change, with the aim being the implementation of the FMPPLA as far as possible in 2016/17.

One of the main focus areas in 2016/17 was compiling the 2015/16 unaudited and audited AFS on an accrual basis for the first time, 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. A further area of focus was on the establishment of Internal Audit and Treasury components, again to ensure compliance with the new legislation. Pending the establishment of the Internal Audit component, the function was outsourced to PricewaterhouseCoopers (PwC) Inc., who performed internal auditing on financial statements in respect of the mid-year, as well as the annual audit. The bulk of the Treasury function activities are still undertaken by Provincial Treasury. However, it is envisaged that the tender for a new bank account for the Legislature will be awarded by the end of 2016/17, whereafter the banking functions that are currently being performed by Provincial Treasury will become the Legislature's responsibility.

The 2017/18 budget process was conducted in line with the FMPPLA. As such, the Speaker, as the Treasury of the Legislature, submitted the Legislature's budget request directly to the MEC for Finance, and not *via* Provincial Treasury's MTEC process which is followed by all provincial departments. It is noted that the Speaker and the MEC for Finance jointly signed a Terms of Reference document in order to formalise the new budget arrangements between the Legislature and Provincial Treasury going forward.

Public participation

In line with the public involvement initiatives like Taking Legislature to the People (TLTP) and sector parliaments, public participation initiatives continued in 2016/17, although the sector parliaments were scaled down by the removal of the People's Assembly and Learners' Parliaments from the programme. In addition, only one TLTP was held instead of two, in line with ongoing focus on cost-containment.

The following public participation events were successfully held in 2016/17:

- Workers' Parliament was held in Ugu.
- Youth Parliament was held in eThekweni.
- Women's Parliament was held in uMzinyathi.
- Senior Citizens' Parliament was held in Zululand.
- People with Disability Parliament was held in uMgungundlovu.
- One TLTP event was held in Amajuba.

Organisational structure

In terms of the provincial cost-cutting measures, the Executive Council instructed in 2015/16 that all vacant posts must be frozen, and any revised organograms which have the effect of increasing a department's or entity's total staff number may not be implemented. However, the Legislature is not bound by Executive Council decisions, and therefore aimed to fill critical posts to ensure that the institution has sufficient capacity to implement the new legislation applicable to provincial legislatures, the various Systems Applications and Products (SAP) modules, as well as the sector oversight model. At the same time, rather than employing new staff, the Legislature began looking at business processes, the re-alignment of functions and the re-distribution of workloads, with the aim of improving productivity and enhancing business efficiencies. Accordingly, the Legislature embarked on a restructuring and evaluation exercise in the third quarter of 2016/17, which was intended to be concluded by the end of February 2017. However, there were delays emanating from the consultation process between the employees and the employer and, as a result, the process is only likely to be finalised in the first quarter of 2017/18. The critical posts in the current structure therefore remain vacant, pending the finalisation of the restructuring exercise.

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

In 2014/15, the Legislature was allocated additional once-off funding of R14 million for the Hansard project. It was anticipated that the hardware and software would be purchased and installed toward the end of 2014/15, but the required procurement processes took far longer than envisaged, and the Hansard project funding was largely absorbed by other spending pressures. In 2015/16, the Legislature took a decision to continue with this project on a phased-in basis commencing in 2016/17, from reprioritised savings. As such, the Legislature reprioritised R11.292 million in the 2016/17 Adjustments Estimate to fund the Hansard project, renamed the audio-visual project in respect of the Legislature's main chamber. Phase one of the project, which focussed on renovations to the Members' seating facilities in the main chamber, was largely completed at the end of the third quarter, whereafter inspection visits to address issues of quality (e.g. in respect of the Members' microphone units) will be conducted before year-end.

Revamping of the Legislature buildings

The Law Society building in the Legislature complex was damaged by fire in 2014/15. During the 2015/16 Adjustments Estimate, the Legislature received a once-off amount of R1.500 million, based on an assessment by the Department of Public Works (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 final updated estimate of R6.669 million is considered to be reasonable. As the DOPW envisaged commencing the project in the third quarter, the Legislature reprioritised R1.500 million in the 2016/17 Adjustments Estimate to enable the project to commence. However, STACOV approval was only obtained in February 2017 to proceed with the project at the higher cost, and it is now anticipated that the project will only commence in the second half of 2017/18, taking into account the tender process.

3. Outlook for the 2017/8 financial year

Section 3 looks at the key focus areas of 2017/18, 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 aim 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 facilitate the roll-out of the FMPPLA, as outlined below.

Financial Management of Parliament and Provincial Legislatures Act (FMPPLA)

It is anticipated that the full implementation of the FMPPLA will take some time. For instance, several gaps have been identified in respect of budgeting and expenditure control, in the absence of guidelines such as the Treasury Regulations that assist provincial departments and public entities with the implementation of the PFMA. In order to address the gap and assist the Legislature to implement the FMPPLA, the focus will be on developing a budget management policy that will include virement guidelines, among others.

As mentioned, it is envisaged that the tender for a new bank account for the Legislature will be awarded by the end of 2016/17, hence the banking functions that are currently being performed by Provincial Treasury will become the Legislature's responsibility in 2017/18.

It is noted 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.

Cost-containment

The Legislature will place more emphasis on the effective management of budget and spending, taking into account fiscal consolidation. Budget managers will continue to be educated on ways to manage their budgets, taking into account the need for cost-containment and attaining value for money in all spending.

While the Legislature is not bound by Executive Council decisions, it will continue 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 2016/17, in conjunction with National Treasury cost-containment measures. As such, the Legislature has adapted the cost-cutting measures to take into account the Legislature's core functions of oversight and public participation. Areas of cost-cutting include limiting attendance of non-Legislature events, limiting monthly mileage of staff and Members, reviewing the hotel grading applicable to Members, reducing and streamlining the number of meetings held, reducing the class of car hire, limiting and strictly controlling overtime, etc.

Public participation

Public involvement initiatives like TLTP and sector parliaments will continue in 2017/18, although the two sector parliaments i.e. People's Assembly and Learners' Parliament, have been put on hold until further directive from STACOV, the Legislature's oversight body.

The following public participation events are thus scheduled to be held in 2017/18, although the venues will only be confirmed in April 2017:

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

In an attempt to strengthen oversight, the Legislature is continually striving to increase stakeholder involvement in committee work. This initiative started in 2015/16, when the Legislature aimed to set the benchmark for stakeholder involvement in committee work. In prior years, it was found that some stakeholders were not correctly identified by committees. Stakeholders also had to make their own way to committee meetings and, as a result, stakeholders that could not afford transportation were unable to attend, resulting in poor attendance. The committees now engage the stakeholders during the finalisation of their Annual Operational Plans. There was an improvement in this area in 2016/17, where all committees were able to identify relevant stakeholders and transportation was provided, and this area will receive ongoing focus in 2017/18.

Organisational structure

As mentioned, the Legislature embarked on a restructuring and job evaluation exercise in the third quarter of 2016/17, which is likely to be finalised in the first quarter of 2017/18. The restructuring and job evaluation will result in an updated organisational structure that is aligned to the current institutional strategic plan and 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 is not to expand the organisational structure but improve productivity and enhance business efficiencies by re-aligning functions and ensuring fair distribution of workloads. Existing critical vacant posts will not be filled pending the finalisation of the restructuring and job evaluation exercise, and any financial implications resulting from the exercise will be funded by reprioritisation over the MTEF.

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

Phase two of the audio-visual project will commence in 2017/18, at an estimated cost of R9 million. Again, the Legislature will fund this project in-year, from surplus own revenue and unspent funds from 2016/17. Phase two focusses on the introduction of a new audio system which will manage the use of microphones, interpretation, voting, messaging, Hansard recording, media and document retrieval. Phase two includes touch screens on the desks of the Speaker, Members, table officers and the control room. The touch screens will provide a graphical representation of the seating layout of the chamber. Any request to speak by a Member will initiate an alert icon on the touch screens, and the requests will be listed in order of receipt, with the name and political party identification, to facilitate proceedings in the chamber.

Revamping of the Legislature buildings

Following approval by STACOV to proceed with the renovations to the Law Society building at the higher cost of R6.669 million, it is anticipated that the project will commence in November 2017, taking into account the required tender processes. It is envisaged that the project will extend over a period of 10 months, and hence will be completed in 2018/19. The R1.500 million that was reprioritised to fund this project in the 2016/17 Adjustments Estimate remains available toward funding this project, and the balance required will be reprioritised in-year in 2017/18 and 2018/19.

4. Reprioritisation

The Legislature undertook some reprioritisation as a result of several budget cuts effected against the Vote, totalling R3.551 million, R3.914 million and R5.861 million over the MTEF, as follows:

- When the 2016/17 Main Budget was tabled, it was agreed to not effect any budget cuts against Vote 2 in view of the ongoing discussion to top-slice all provincial legislatures' budgets, and for these to be administered by National Treasury. It was also said, at the time, that if this top-slicing 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.
- As determined by the Executive Council on 2 November 2016, the province commenced the process of the remuneration of *Izinduna* in compliance with previously issued Presidential proclamations. The *Izinduna's* remuneration budget for the 2017/18 MTEF is partly funded (50 per cent) through an internal reprioritisation by the Department of Co-operative Governance and Traditional Affairs (COGTA) and the balance of 50 per cent is funded through a proportional cut against all the remaining Votes, including the Legislature.
- The budget was also cut due to a downward revision of the PES and Provincial Own Revenue.

The full cuts were effected against *Goods and services* in Programme 2: Parliamentary Business, and will be achieved by implementing the Legislature's adapted cost-cutting measures, as mentioned above. The items that were cut include catering in respect of Members and staff, as well as catering and transport in respect of public participation events.

The Legislature undertook further reprioritisation of the MTEF budget to increase the Political Parties' Fund (PPF). In terms of Resolution No. 468 dated 2 December 2015, Executive Council approval was obtained by the Legislature to lift the capping of the PPF, which was previously set at R30 million per annum. Accordingly, the Legislature reprioritised R5 million in the 2016/17 Adjustments Estimate to increase the annual PPF transfer to R35 million, and this reprioritisation was continued in each year of the MTEF. The funds were reprioritised from *Goods and services* in respect of both Programmes 1 and 2, largely by reducing costs relating to public participation events, such as travel and subsistence costs.

In addition to the above, the Legislature undertook a comprehensive review of the budget and spending of various components, taking into account recent spending trends. As a result, further reprioritisation of the MTEF budget was undertaken to address any anomalies identified and to correct the budgets of the components. This reprioritisation affected sub-programmes and not economic classifications.

It is further noted that the Legislature's MTEF budget was corrected to reflect the carry-through of several shifts undertaken in the 2016/17 Adjustments Estimate affecting the Members' remuneration. These are explained under Section 7.3, and relate to a correction of the budget rather than reprioritisation.

5. Procurement

The Legislature will continue to strengthen SCM through increasing capacity and continuous training on SAP, the revised Preferential Procurement Regulations 2017 and on re-training general SCM compliance requirements. One of the key focus areas of the SCM unit for 2017/18 is to improve procurement processes through implementation of a service delivery improvement approach that seeks to educate and enhance awareness.

While the unit continues to experience challenges in terms of systems alignment with the compliance requirements of the SCM environment, and while the Legislature has resolved to subscribe to the central suppliers' database, the database has not taken away the multiple challenges experienced when it comes to sourcing of suppliers for public events as they are primarily based in the remote areas or in the local municipalities where the events are hosted. The geographical dispersion of public events also makes it challenging for the institution to standardise cost related to events.

The major procurement to be undertaken by the Legislature in 2017/18 relates to the renovation of the Law Society building, as well as phase two of the audio-visual project in respect of the main chamber.

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 2013/14 to 2019/20. 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		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Treasury funding									
Equitable share	416 457	436 628	455 259	481 842	481 842	481 842	503 065	532 089	565 735
Conditional grants	-	-	-	-	-	-	-	-	-
Total receipts: Treasury funding	416 457	436 628	455 259	481 842	481 842	481 842	503 065	532 089	565 735
Departmental receipts									
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	107	69	65	54	54	61	57	60	63
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	802	1 610	3 273	455	455	5 484	478	506	534
Sale of capital assets	-	486	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	3 015	785	-	265	265	69	278	294	310
Total departmental receipts	3 924	2 950	3 338	774	774	5 614	813	860	907
Total receipts	420 381	439 578	458 597	482 616	482 616	487 456	503 878	532 949	566 642
Total payments	460 929	476 027	436 137	518 652	556 331	556 331	535 300	565 214	600 520
Surplus/(Deficit) before financing	(40 548)	(36 449)	22 460	(36 036)	(73 715)	(68 875)	(31 422)	(32 265)	(33 878)
Financing									
of which									
Surplus own revenue surrendered	(3 261)	(2 247)	(2 603)	-	-	-	-	-	-
Surplus own revenue from prior year	1 702	263	2 247	-	2 603	2 603	-	-	-
Provincial cash resources	35 998	45 996	21 021	36 036	71 112	71 112	31 422	32 265	33 878
Surplus/(Deficit) after financing	(6 109)	7 563	43 125	-	-	4 840	-	-	-

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 the prior year reflected in 2014/15 is far lower than the surplus own revenue surrendered in 2013/14. 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 the 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 revenue is difficult to predict, hence the fluctuating trend and conservative growth over the MTEF.

With regard to *Interest, dividends and rent on land*, the revenue reflected in 2014/15, 2015/16 and particularly in the 2016/17 Revised Estimate is fairly high, largely due to the Legislature's under-spending in prior years in respect of both the Members' remuneration and the operational budget. In line with the PFMA and the FMPPLA, any unspent amount was allocated back to the Legislature in the Adjustments Estimate process in the ensuing year. It now appears, however, that the full adjusted budget (including the previous year's unspent funds that were allocated back) was transferred from the provincial Exchequer account to the Legislature each year, even though the unspent funds remained in the Legislature's bank account and were not paid back to the Exchequer. This resulted in the cash in the Legislature's bank account being inflated, accounting for the high interest collected in the prior years. Provincial Treasury and the Legislature are undertaking a reconciliation exercise in this regard, to ensure that the Legislature's bank balance as at the end of 2016/17 excludes these prior year unspent amounts. It is noted that this reconciliation has no effect on the Legislature's MTEF budget allocation, but only on the revenue collected from *Interest, dividends and rent on land*. This category is reflecting conservative growth over the MTEF, and will be reviewed once this reconciliation has been finalised.

Revenue collected against *Sale of capital assets* in 2014/15 relates to auction sales of redundant assets (mainly vehicles). Such auction sales are difficult to predict, and hence no revenue budget is provided for this category in 2016/17 and over the 2017/18 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, and the conservative amounts reflected over the MTEF. The 2013/14 collection includes prior years' interest of R2.998 million relating to the PPF.

Summary of receipts and financing

Table 2.1 also compares total receipts and payments.

In 2013/14, the Legislature received provincial cash resources of R35.998 million, as follows:

- R2.998 million, being the interest earned on the PPF since its inception in 2005, was formally appropriated back to increase the PPF allocation for 2013/14 only.
- R33 million related to unspent voted funds that remained in the Legislature's bank account over the years. Following a detailed reconciliation from 2003/04, this amount was formally allocated to the Legislature to offset in-year spending pressures, including the building revamping projects and the upgrading and filling of critical posts in terms of the sector oversight model.

The Legislature's budget was over-spent by R6.109 million at the end of 2013/14. The Members' remuneration was under-spent by R4.955 million due to over-provision in the baseline, while the operational budget was over-spent by R11.064 million due to costs for the roll-out of SAP and associated support services being higher than anticipated, higher than expected costs in respect of public participation events, as well as spending pressure from the upgrading of posts in terms of the sector oversight model.

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 the full amount was not required. During the Adjustments Estimate, the unspent balance of R19.227 million was split as follows:
 - R8.753 million was redirected to offset in-year spending pressures in the operational budget.
 - 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 spent. The balance of R4.034 million was used for 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, then the operational budget was over-spent by some R19 million, largely due to the following:

- 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.
- Audit costs as the 2013/14 audit took far longer to complete than anticipated as a result of problems associated with 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 renovation of the fire-damaged Law Society building.
- R346 000 was allocated to assist the Legislature to implement a long service recognition policy.

The Legislature's 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 reflected under-spending of R43.125 million. The Members' remuneration was over-spent by R2.883 million, while 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 in the last few months of the year, such as the official opening of the Legislature, and invoices were not received by year-end.
- 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 renovation of the Law Society building did not proceed, as anticipated.

In the 2016/17 Main Appropriation, the Legislature received provincial cash resources of R36.036 million, including R30.536 million with carry-through for the zero-based budget baseline adjustment, as well as an additional once-off R5.500 million, comprising R1.500 million for the replacement of a lift in the Legislature building, and R4 million for hosting a Commonwealth Parliamentary Association (CPA) conference in KZN. Further funding was allocated in the Adjustments Estimate as follows:

- 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 is as follows:
 - Although the Legislature's net under-spending in 2015/16 was R43.125 million, the operational budget (i.e. Programmes 1 and 2) was under-spent by R46.008 million, offset by over-spending of R2.883 million against the Members' remuneration. However, the Members' remuneration is a direct charge on the Provincial Revenue Fund, and is therefore excluded when determining the Legislature's year-end position. As such, the unspent operational amount of R46.008 million from 2015/16 was allocated back to the Legislature.
 - 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 as a result of a 2 per cent cut effected against the additional funds given to the Legislature with regard to the zero-based budget exercise.

The Legislature is anticipating a balanced budget in 2016/17, based on spending reflected in the December IYM. The surplus of R4.840 million in the 2016/17 Revised Estimate in Table 2.1 relates to a projected over-collection in respect of departmental receipts, largely against *Interest, dividends and rent on land*, as explained earlier.

Despite the previously mentioned budget cuts, and disregarding the once-off allocations in prior years, the Legislature's budget shows healthy 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.

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 7.2 per cent in 2017/18, 6.9 per cent in 2018/19 and 6.6 per cent in 2019/20, excluding the 1.5 per cent annual pay progression. It is noted, however, that the 1.5 per cent annual pay progression is not applicable to the Legislature sector, nor are the annual wage adjustments as determined by the DPSA for provincial departments. As such, the growth in the *Compensation of employees'* budget for the Legislature staff over the MTEF is lower than National Treasury's guidelines, averaging 5 per cent per annum. The low growth relates to the fact that the Legislature will not fill any further critical posts in 2016/17, pending the outcome of the restructuring and job evaluation exercise, meaning that the 2016/17 Revised Estimate is overstated. The *Compensation of employees'* budget for the Legislature staff will need to be reviewed in-year, taking into account the findings of the restructuring and job evaluation exercise.
- Although the Legislature is not bound by Executive Council decisions, it has indicated that, over the 2017/18 MTEF, it will try and adhere to, as far as possible, the expanded cost-cutting measures, as reissued by Provincial Treasury in 2016/17, in conjunction with National Treasury Instructions 02 and 03 of 2016/17: Cost-containment measures.
- With regard to public participation, two TLTP sittings and five sectoral parliaments were catered for. The cost of each of these events will vary slightly, depending on location and the population of the area. The cost will only be confirmed in April 2017, once the respective venues are finalised.

7.2 Additional allocations for the 2015/16 to 2017/18 MTEF

Table 2.2 shows additional funding received by the Legislature over the three MTEF periods: 2015/16, 2016/17 and 2017/18. The purpose of such a table is two-fold. Firstly, it shows the quantum of additional funding allocated to the Legislature in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated. The carry-through allocations for the 2015/16 and 2016/17 MTEF periods (i.e. for the financial year 2019/20) are based on the incremental percentage used in the 2017/18 MTEF.

Table 2.2 : Summary of additional provincial allocations for the 2015/16 to 2017/18 MTEF

R thousand	2015/16	2016/17	2017/18	2018/19	2019/20
2015/16 MTEF period	9 500	-	-	-	-
Unspent statutory funding suspended from 2014/15 for strengthening oversight and IT infrastructure	9 500	-	-	-	-
2016/17 MTEF period		38 300	34 481	35 505	2 727
Above-budget 2015 wage agreement		2 264	2 418	2 582	2 727
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
Zero-based budget baseline adjustment			-	-	34 569
Reduction of 2% to Zero-based adjustments			(641)	(658)	(691)
PES and Provincial Own Revenue reductions			(2 112)	(2 414)	(4 282)
Budget cuts to fund remuneration of <i>Izinduna</i>			(798)	(842)	(888)
Additional funding from National Treasury			-	-	5 580
Total	9 500	38 300	30 930	31 591	37 015

In the 2015/16 MTEF, a once-off R9.500 million was allocated in 2015/16. Savings were incurred in 2014/15 relating to the once-off allocation for exit packages for Members after the 2014 general elections (which was allocated in the 2013/14 MTEF, and therefore is not evident in the table). These savings were suspended to 2015/16 and reallocated for strengthening oversight and IT infrastructure.

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. In order to effect these cuts in KZN, expenditure on *Compensation of employees* 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. It is noted that 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 amount of R4 million was allocated in respect of 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 at the end of August, followed by the CPA International Conference held in London in December. As such, these funds will not be spent in 2016/17, although the Revised Estimate does not reflect this.
- 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 will become 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 is now 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 are, however, offset in the outer year of the 2017/18 MTEF, 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 referred to above are offset in the outer year.

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. It is noted that the Members' remuneration forms a direct charge on the Provincial Revenue Fund, and so is not included as a programme, but is reflected 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 over the seven-year period, 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		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
1. Administration	168 686	167 774	145 983	171 165	195 633	195 633	181 517	196 996	208 028
2. Parliamentary Business	221 148	226 159	212 950	269 697	277 419	277 419	265 727	274 967	294 019
Direct charge on the Provincial Revenue Fund									
Members' remuneration	71 095	82 094	77 204	77 790	83 279	83 279	88 056	93 251	98 473
Total	460 929	476 027	436 137	518 652	556 331	556 331	535 300	565 214	600 520
of which:									
Departmental receipts	3 924	2 950	3 338	774	774	5 614	813	860	907

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		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Current payments	290 402	299 174	271 616	335 565	362 016	362 016	336 852	356 761	380 393
Compensation of employees	153 015	160 533	160 729	185 627	184 343	184 343	192 922	204 304	215 745
Goods and services	137 387	138 641	110 887	149 938	177 673	177 673	143 930	152 457	164 648
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	82 436	84 401	81 471	97 097	101 336	101 336	102 678	107 040	113 035
Provinces and municipalities	16	20	19	38	38	38	40	42	44
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	221	141	292	217	217	217	228	241	255
Public corporations and private enterprises	-	-	-	27	27	27	28	30	32
Non-profit institutions	82 199	84 240	81 055	95 948	100 948	100 948	102 282	106 627	112 598
Households	-	-	105	867	106	106	100	100	106
Payments for capital assets	16 996	9 545	5 846	8 200	9 700	9 700	7 714	8 162	8 619
Buildings and other fixed structures	4 181	2 055	-	395	1 895	1 895	940	995	1 051
Machinery and equipment	6 332	4 179	4 139	6 238	6 238	6 238	5 129	5 427	5 731
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	6 483	3 311	1 707	1 567	1 567	1 567	1 645	1 740	1 837
Payments for financial assets	-	813	-	-	-	-	-	-	-
Total	389 834	393 933	358 933	440 862	473 052	473 052	447 244	471 963	502 047
Members' remuneration	71 095	82 094	77 204	77 790	83 279	83 279	88 056	93 251	98 473
of which:									
Compensation of employees	71 095	73 425	77 204	77 790	80 790	80 790	83 343	88 260	93 203
Goods and services	-	-	-	-	2 489	2 489	4 713	4 991	5 270
Transfers and subsidies to: Households	-	8 669	-	-	-	-	-	-	-
Adjusted total (incl. Members' remuneration)	460 929	476 027	436 137	518 652	556 331	556 331	535 300	565 214	600 520
of which:									
Departmental receipts	3 924	2 950	3 338	774	774	5 614	813	860	907

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 the 2016/17 Main Appropriation, mainly because the Legislature's 2015/16 Audited Outcome reflected over-spending of R2.883 million. The Members' remuneration baseline was accordingly reviewed, following which several adjustments were undertaken in the 2016/17 Adjustments Estimate, and were carried through over the MTEF. It is noted that the prior years' expenditure could not be restated, due to the statutory allocation being affected. The adjustments are as follows:
 - The remuneration of the Speaker and Deputy Speaker should be reflected as part of the statutory allocation and not the operational budget. Accordingly, an amount of R3 million in 2017/18, with carry-through, was moved from *Compensation of employees* in the sub-programme: Office of the Speaker in Programme 1 to the same category in respect of the Members' remuneration.
 - The telephone allowances of Members, which previously formed part of the operational budget under Programme 2, should be included in the statutory allocation. As such, an amount of R4.713 million in 2017/18, with carry-through, was moved from the item *Communication* under *Goods and services* in the sub-programme: Members' Facilities in Programme 2, to the same category in respect of the Members' remuneration.
- The Members' remuneration grows steadily, taking into account the above-mentioned adjustments over the MTEF. It is noted that public office bearers received a zero per cent salary adjustment in 2016/17. This will have an impact on the Revised Estimate, which is likely to be under-spent, as well as the MTEF allocations, but this will be reviewed in-year.

The Legislature's operational budget (i.e. the two programmes excluding the Members' remuneration), reflects several marked fluctuations over the seven years. The following paragraphs summarise the trends at programme and economic classification level, while further detail is given in Section 8.

Programme 1: Administration shows a fluctuating trend, largely because the budget for the Legislature's major procurement costs and various once-off projects is centralised under this programme. For instance, 2013/14 is high due to the continued roll-out of SAP and several building revamping projects, such as the Tatham Art Gallery parking and renovations to the Speaker's cottage. This accounts for the slight reduction from 2013/14 to 2014/15. The 2014/15 amount includes provision for the continued roll-out of SAP and the purchase of tools of trade (such as lap-tops) for all new Members following the 2014 general elections. The dip in 2015/16 relates to the fact that Programme 1 was under-spent by approximately 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. In addition, the renovation of the Law Society building did not proceed. The 2016/17 Main Appropriation includes once-off allocations for hosting a CPA conference and the replacement of a lift in the Legislature building. In the 2016/17 Adjusted Appropriation, Programme 1 was increased by some R24 million, largely ascribed to unspent funds from the prior year allocated back to the Legislature, and this explains the drop from 2016/17 to 2017/18. These funds were allocated for the audio-visual project, improved security at the Legislature complex, in line with National Occupational Safety Association (NOSA) requirements, the Law Society building, as well as to offset in-year spending pressures in respect of audit fees, SAP support services, etc. The budget cuts were not effected against this programme, and the MTEF allocations show inflationary growth.

Programme 2: Parliamentary Business fluctuates from 2013/14 to the 2016/17 Revised Estimate, but then shows steady growth over the MTEF. 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, secretarial and research allowances, as well as the PPF. The dip in 2015/16 compared to 2014/15, and the substantial increase to the 2016/17 Main Appropriation relates to the fact that Programme 2's budget was significantly under-spent by approximately R26 million in 2015/16. The under-expenditure was partly due to some claims for the secretarial and constituency allowances not being received by year-end, and advertising, communication, catering, travel and subsistence and venues and facilities costs were under-spent, mainly because several events were held in the last few months of the year, and invoices were not received by year-end. In the 2016/17 Adjusted Appropriation, Programme 2 was increased by some R10 million, largely ascribed to unspent funds from the prior year allocated back to the Legislature, and this explains the drop from the 2016/17 Adjusted Appropriation to 2017/18. These funds were allocated for Members' overseas study tours, which were not held in 2014/15 and 2015/16 as part of cost-containment, as well as for increasing the transfer to the PPF to R35 million per annum, as mentioned. This increase was partly offset by the movement of the R2.489 million in respect of telephone allowances of Members from Programme 2 to the Members' remuneration. The drop from the 2016/17 Main Appropriation to 2017/18 largely relates to the fact that the MTEF budget cuts of R3.551 million, R3.914 million and R5.861 million were effected against this programme. Despite the budget cuts, the MTEF allocations show inflationary growth.

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 some 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 2015/16 to 2016/17 is fairly high to cater for the planned filling of approximately 13 critical vacant posts in 2016/17 in terms of the revised organisational structure. As mentioned, however, the Legislature took a decision not to fill these posts in 2016/17, pending the outcome of the previously mentioned restructuring and job evaluation exercise, meaning that the 2016/17 Revised Estimate is over-stated. The *Compensation of employees* budget will be reviewed in-year to take into account the findings of the restructuring and job evaluation exercise, once this has been finalised.

Goods and services fluctuates in the prior years, largely due to once-off projects. The high 2013/14 spending relates to outstanding 2012/13 commitments in respect of public participation events, the building revamping projects, as well as costs relating to the SAP implementing agent. Once-off costs

continued into 2014/15, including the revived Legislature complex feasibility study, a portion of the funding allocated for 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 costs, accounting for the decrease from 2014/15 to 2015/16. Also contributing to the dip in 2015/16 and the substantial increase from 2015/16 to 2016/17 is the fact that this category was significantly under-spent in 2015/16, as mentioned. The sharp increase in the 2016/17 Adjusted Appropriation relates to unspent funds from the prior year allocated back to the Legislature, and this explains the drop to 2017/18. These funds were allocated for the audio-visual project, improved security at the Legislature complex, as well as to offset in-year spending pressures in respect of Members' study tours, audit fees, SAP support services, etc. The drop from the 2016/17 Main Appropriation to 2017/18 can largely be explained by the once-off allocation in 2016/17 to hold a CPA conference, the carry-through of the movement of the Members' telephone allowances over the MTEF, as well as the fact that the MTEF budget cuts were effected against this category. As a result, the growth over the MTEF is fairly low, although there is an 8 per cent increase in the outer year due to the additional funding from National Treasury in that year.

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 2016/17, 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 constituency, secretarial and research allowances, as well as the PPF, shows 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 mentioned, Executive Council approval was obtained by the Legislature to lift the capping of the PPF, which was previously set at R30 million per annum. Accordingly, the Legislature reprioritised R5 million in the 2016/17 Adjustments Estimate to increase the annual PPF transfer to R35 million, and this reprioritisation was continued in each year of the MTEF. The MTEF allocations show inflationary growth, and include provision for the secretarial and research allowances in respect of support staff, including researchers.
- *Households* caters for donations made as part of the Speaker's Social Responsibility programme, which is aimed at providing relief to poverty stricken families throughout the province.

Buildings and other fixed structures, which relates to capital building revamping projects, fluctuates depending on the nature of the work required. The prior year amounts, including the high amount in 2013/14, are largely made up of the costs of the Tatham Art Gallery parking for Members and renovations to the Speaker's office. No spending was incurred in 2015/16 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 renovation of the Law Society building did not commence as anticipated. As mentioned, the Legislature again provided funding in the 2016/17 Adjusted Appropriation for the Law Society building. However, STACOV approval was only obtained in February 2017 to proceed with the project at the higher cost of R6.669 million. It is now anticipated that the project will only commence in the second half of 2017/18, and funds will be reprioritised in-year to fund the renovations. Although the building revamping projects are continuing over the MTEF, the extent and nature of the work to be done are still under review, hence the fairly low MTEF allocations.

Machinery and equipment fluctuates over the seven-year period due to several once-off costs. The high 2013/14 amount includes provision for outstanding SAP commitments, while the 2014/15 amount includes the purchase of tools of trade for all new Members following the 2014 general elections. The 2016/17 allocation includes provision for the replacement of a lift in the Legislature building, accounting for the drop from 2016/17 to 2017/18, whereafter the growth is inflationary. The MTEF allocations provide 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 the various SAP modules, which went live in 2013/14 (hence the high spending in the prior years). The decreasing trend from 2014/15 to 2016/17 relates to the fact that the SAP roll-out will be in its final stages, whereafter the growth from 2016/17 to 2019/20 is largely inflation related, and 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 over the seven-year period, based on input received 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		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Existing infrastructure assets	11 338	8 587	3 791	4 490	17 032	17 032	5 110	4 995	5 275
Maintenance and repair: Current	7 157	6 532	3 791	4 095	15 137	15 137	4 170	4 000	4 224
Upgrades and additions: Capital	4 181	2 055	-	395	1 895	1 895	940	995	1 051
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	11 338	8 587	3 791	4 490	17 032	17 032	5 110	4 995	5 275
<i>Capital infrastructure</i>	4 181	2 055	-	395	1 895	1 895	940	995	1 051
<i>Current infrastructure</i>	7 157	6 532	3 791	4 095	15 137	15 137	4 170	4 000	4 224

Maintenance and repair: Current spending in the prior year relates mainly to current repairs undertaken to the Speaker's cottage and offices of the Deputy Speaker, as well as the upgrading of the Legislature's toilets. The increase in the 2016/17 Adjustments Appropriation relates to unspent funds from the prior year allocated back in line with the FMPPLA, of which R11.042 million was allocated to contractors' costs under *Goods and services* for phase one of the audio-visual project, as mentioned. The balance of R250 000 was allocated for consultants' fees, and is therefore not reflected in this table.

The prior year spending in respect of *Upgrades and additions: Capital* includes renovations undertaken to the Speaker's cottage and costs relating to the Tatham Art Gallery parking for Members. This project was completed by the end of December 2012, but the Legislature is dependent on DOPW for the submission of invoices and supporting documentation. The total cost of the parking project was approximately R6 million, and the bulk was paid in 2013/14, with an outstanding balance paid in 2014/15. The increase of R1.500 million in the 2016/17 Adjusted Appropriation is to cater for the renovation of the Law Society building, as explained in detail in Section 3 above. As mentioned, STACOV approval was only obtained in February 2017 to proceed with the project at the higher cost of R6.669 million. It is now anticipated that the project will only commence in the second half of 2017/18, taking into account the tender process, and the required funds will be reprioritised in-year in 2017/18 and 2018/19.

7.6 Summary of Public Private Partnerships – Nil

7.7 Transfers to public entities listed in terms of Schedule 3 of the PFMA – Nil

7.8 Transfers to other entities

Table 2.6 reflects spending on *Transfers* to other entities from 2013/14 to 2019/20.

Table 2.6 : Summary of transfers to other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
	Commonwealth Parliamentary Association	221	141	292	217	217	217	228	241	255
	Political Parties' Fund	30 000	32 998	30 000	30 000	35 000	35 000	35 000	35 000	35 000
Total		30 221	33 139	30 292	30 217	35 217	35 217	35 228	35 241	35 255

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 to be transferred to the CPA, but was to be utilised for the administrative costs of hosting the conference, and was therefore reflected against *Goods and services*. 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 the 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 an Executive Council resolution. In December 2015, the Legislature obtained Executive Council approval to lift the capping of the PPF. Accordingly, the Legislature reprioritised R5 million in the 2016/17 Adjustments Estimate to increase the annual PPF transfer to R35 million, and this reprioritisation was continued over the MTEF.

7.9 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.

7.10 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 2013/14 to 2019/20, details of which are provided 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		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
1. Administration	237	161	416	1 149	388	388	396	413	437
Provinces and municipalities	16	20	19	38	38	38	40	42	44
Motor vehicle licences	16	20	19	38	38	38	40	42	44
Foreign government and international organisations	221	141	292	217	217	217	228	241	255
Commonwealth Parliamentary Association	221	141	292	217	217	217	228	241	255
Public corporations and private enterprises	-	-	-	27	27	27	28	30	32
Insurance companies	-	-	-	27	27	27	28	30	32
Households	-	-	105	867	106	106	100	100	106
Speaker's Social Responsibility programme	-	-	105	867	106	106	100	100	106
2. Parliamentary Business	82 199	84 240	81 055	95 948	100 948	100 948	102 282	106 627	112 598
Non-profit institutions	82 199	84 240	81 055	95 948	100 948	100 948	102 282	106 627	112 598
Funding for political parties (e.g. const. allow.)	52 199	51 242	51 055	65 948	65 948	65 948	67 282	71 627	77 598
Political Parties' Fund	30 000	32 998	30 000	30 000	35 000	35 000	35 000	35 000	35 000
Total	82 436	84 401	81 471	97 097	101 336	101 336	102 678	107 040	113 035

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*, and includes the constituency, secretarial and research allowances, as well as the PPF. The category shows a steady increase, despite the capping of the PPF at R30 million in the prior years, and at R35 million from the 2016/17 Adjusted Appropriation. The transfers under this category are relate to the following:

- The PPF, which is discussed in more detail under Section 7.8 above.
- 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.

Programme 1 consists of four sub-programmes – Office of the Speaker, Office of the Secretary, Financial Management and Corporate Services.

Tables 2.8 and 2.9 summarise payments and estimates for Programme 1 for the financial years 2013/14 to 2019/20.

It is mentioned that 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. Many of these projects have largely once-off costs, accounting for the fluctuating trend.

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		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
1. Office of the Speaker	28 707	23 682	17 934	27 735	24 735	24 735	25 123	26 697	28 192
2. Office of the Secretary	16 530	18 780	18 832	23 808	28 352	28 352	29 006	30 719	32 439
3. Financial Management	54 176	57 177	46 841	56 465	65 957	65 957	55 136	58 387	61 657
4. Corporate Services	69 273	68 135	62 376	63 157	76 589	76 589	72 252	81 193	85 740
Total	168 686	167 774	145 983	171 165	195 633	195 633	181 517	196 996	208 028

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		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Current payments	151 453	157 255	139 721	161 816	185 545	185 545	173 407	188 421	198 972
Compensation of employees	84 589	82 473	80 396	94 633	91 976	91 976	96 610	102 310	108 039
Goods and services	66 864	74 782	59 325	67 183	93 569	93 569	76 797	86 111	90 933
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	237	161	416	1 149	388	388	396	413	437
Provinces and municipalities	16	20	19	38	38	38	40	42	44
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	221	141	292	217	217	217	228	241	255
Public corporations and private enterprises	-	-	-	27	27	27	28	30	32
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	105	867	106	106	100	100	106
Payments for capital assets	16 996	9 545	5 846	8 200	9 700	9 700	7 714	8 162	8 619
Buildings and other fixed structures	4 181	2 055	-	395	1 895	1 895	940	995	1 051
Machinery and equipment	6 332	4 179	4 139	6 238	6 238	6 238	5 129	5 427	5 731
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	6 483	3 311	1 707	1 567	1 567	1 567	1 645	1 740	1 837
Payments for financial assets	-	813	-	-	-	-	-	-	-
Total	168 686	167 774	145 983	171 165	195 633	195 633	181 517	196 996	208 028

The Office of the Speaker sub-programme 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 Responsibility programme. In the 2016/17 Adjusted Appropriation, R3 million was moved from *Compensation of employees* in this sub-programme to the same category in respect of the Members' remuneration. This shift was required to reflect the remuneration of the Speaker and Deputy Speaker as part of the statutory allocation and not the operational budget. This adjustment was carried through over the MTEF, accounting for the reduction from the 2016/17 Main Appropriation to 2017/18, whereafter the growth is inflation related. The MTEF allocations include provision for the building of capacity in anticipation of the functions to be undertaken by the Office of the Speaker (as the Treasury) in line with the FMPPLA, but this will be reviewed in-year, depending on progress made.

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 2016/17 amounts include the once-off allocation for hosting a CPA conference. The 2016/17 Adjusted Appropriation reflects provision for internal audit services that were outsourced to PwC, accounting for the fairly low growth to 2017/18, as well as reprioritisation of R2.700 million (with carry-through) from the sub-programme: Corporate Services to increase *Compensation of employees* which was under-budgeted for. The MTEF allocations reflect inflationary growth, and make provision for the Office of the Secretary, as well as the 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. 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 under this sub-programme, such as cell-phone, land-line and all current maintenance costs. The high 2016/17 Adjusted Appropriation includes provision for phase one of the audio-visual project. This was offset to some extent by a shift of approximately R4 million from this sub-programme to Corporate Services, to correctly locate the Facilities Management function, and this movement was continued over the MTEF, accounting for the reduction in 2017/18 compared to the 2016/17 Main Appropriation. Thereafter growth over the MTEF is inflation related, and includes provision for increased property payments and operating leases, as well as printing and publication costs.

Corporate Services includes ICT, communication, human resources management and institutional support (fleet services, etc.), as well as security and facilities management. 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 renovation of the Law Society building, accounting for the size of the budget, as well as the fluctuations in trends. The 2016/17 allocation includes a once-off amount of R1.500 million for the replacement of a lift in the Legislature building. The Adjusted Appropriation includes provision for the Law Society building, as well as the funds moved to correctly locate the Facilities Management function, with carry-through over the MTEF. The growth over the MTEF is inflation related. As mentioned, although the renovation of the Law Society building is anticipated to commence in the second half of 2017/18, the MTEF budget does not yet cater for this project, but this will be reviewed in-year.

Compensation of employees increased substantially in the prior years, largely due to the annual wage agreements for the Legislature staff, the implementation of the job evaluation review results and resultant backpay, as well as the filling of critical posts in terms of the revised organisational structure. The growth over the MTEF is lower than National Treasury's prescribed cost of living adjustments but, as mentioned, the 1.5 per cent annual pay progression is not applicable to the Legislature sector, nor are the annual wage adjustments determined by the DPSA. Also as mentioned, the Legislature has taken a decision not to fill the existing critical vacant posts that were provided for in the 2016/17 Main Appropriation until the restructuring and job evaluation exercise has been finalised, hence there is likely to be under-expenditure at year-end. Programme 1 has nine critical vacant posts, some of which are new but most are due to recent retirements and/or resignations, including Chief Director: Corporate Services, Manager: Security, three IT Specialist posts, two Budget Analysts, etc.

Goods and services includes provision for several once-off projects, including the roll-out of SAP and current building revamping projects. The 2016/17 allocation includes the once-off allocation for hosting a CPA conference in KZN. The 2016/17 Adjusted Appropriation includes provision for various once off-projects, such as the improved security at the Legislature complex and phase one of the audio-visual project. The MTEF allocations 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. It is envisaged that phase two of the audio-visual project will commence in 2017/18, but the funding for this will be reviewed in-year.

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.
- *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 renovation of the Law Society building which is anticipated to commence in the second half of 2017/18. As mentioned, the MTEF budget does not cater for this project, and this will be reviewed in-year.

Machinery and equipment fluctuates over the seven-year period due to several once-off costs. The 2016/17 amount includes provision for the replacement of a lift in the Legislature building, accounting for the drop from 2016/17 to 2017/18. The MTEF allocations provide for the purchase of furniture, as well as new and replacement vehicles and computers for both staff and Members, which is cyclical in nature.

Software and other intangible assets fluctuates in the prior years, largely due to the roll-out of the various SAP modules. The growth from 2016/17 to 2019/20 is largely inflation related, and includes provision 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 – Programme 1: 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. It is further noted that the Legislature recently undertook a thorough review of its performance information, resulting in the outputs and performance indicators changing significantly. The revised measures are in line with the Legislature's APP, and they are reflected as "New" in the 2016/17 Estimated performance column in Table 2.10.

Table 2.10 : Service delivery measures – Programme 1: Administration

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2016/17	2017/18	2018/19	2019/20
1. Achieved clean administration	<ul style="list-style-type: none"> Quarterly reports on follow-up audits on management efforts towards achieving a clean audit 	New	4	4	4
2. Improved institutional performance, planning, monitoring, reporting and evaluation	<ul style="list-style-type: none"> Quarterly and annual performance reports detailing implementation of 2017/18 APP and Annual Oversight Plan targets as well as progress in the development of the 2018/19 APP and Annual Oversight Plans in compliance with FMPPLA and the clearing of applicable audit and risk issues 	New	5	5	5
3. Improved management of the Legislature's budget and expenditure	<ul style="list-style-type: none"> Quarterly budget performance reports detailing implementation of 2017/18 budget as well as progress in the development of the 2018/19 budget in compliance with FMPPLA and the clearing of applicable audit and risk issues 	New	4	4	4
4. An implemented procurement plan aligned to the Legislature's budget	<ul style="list-style-type: none"> Quarterly reports on the implementation of the procurement plan in compliance with SCM prescripts as well as clearing of applicable audit and risk issues 	New	4	4	4
5. Improved human resources management and development	<ul style="list-style-type: none"> Quarterly reports on the development and implementation of the HR plan in compliance with HR prescripts and clearing of applicable audit and risk issues 	New	4	4	4
6. Improved ICT management, services and support	<ul style="list-style-type: none"> Quarterly reports on the implementation of ICT plan and clearing of applicable audit and risk issues 	New	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. Programme 2 consists of five sub-programmes, largely conforming to the customised budget structure for the sector, namely Law-making, NCOP, Oversight, Public Participation and Members' Facilities.

It is noted that the Legislature does not use the sector sub-programme: Co-operative Governance. The Legislature took a decision not to establish the 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 2013/14 to 2019/20. 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		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
1. Law-making	37 956	41 535	38 749	45 063	53 417	53 417	48 280	45 749	48 312
2. NCOP	275	692	822	2 066	2 066	2 066	1 670	1 768	1 867
3. Oversight	61 383	59 081	64 299	78 132	87 954	87 954	81 351	87 086	91 962
4. Public Participation	29 890	30 097	21 618	33 648	27 483	27 483	26 831	27 725	29 278
5. Members' Facilities	91 644	94 754	87 462	110 788	106 499	106 499	107 595	112 639	122 600
Total	221 148	226 159	212 950	269 697	277 419	277 419	265 727	274 967	294 019

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

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
Current payments	138 949	141 919	131 895	173 749	176 471	176 471	163 445	168 340	181 421
Compensation of employees	68 426	78 060	80 333	90 994	92 367	92 367	96 312	101 994	107 706
Goods and services	70 523	63 859	51 562	82 755	84 104	84 104	67 133	66 346	73 715
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	82 199	84 240	81 055	95 948	100 948	100 948	102 282	106 627	112 598
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	82 199	84 240	81 055	95 948	100 948	100 948	102 282	106 627	112 598
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	221 148	226 159	212 950	269 697	277 419	277 419	265 727	274 967	294 019

The sub-programme: Law-making focusses on passing effective and relevant laws in the province, and also incorporates the functions of House Proceedings and Hansard. The sub-programme includes provision for the Chief Operations Officer, Legislative Operations (staff), Legislative Operations (Members), as well as Hansard and Language Services. In the 2016/17 Adjusted Appropriation, savings were reprioritised from the Members' Facilities and Public Participation sub-programmes, and were moved to Law-making, which was under-budgeted for. This movement was carried through over the MTEF, accounting for the 2017/18 amount being higher than the 2016/17 Main Appropriation. However, portion of the MTEF budget cuts were effected against this sub-programme (mainly in respect of travel and subsistence costs and venues and facilities), resulting in the reduction from the 2016/17 Adjusted Appropriation to 2017/18, and the fluctuating trend over the MTEF. This will be reviewed in-year, to ensure that the core functions are not negatively affected by the budget cuts.

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 allocations are based on the current spending trends, which indicate that the sub-programme will be under-spent in 2016/17, although the 2016/17 Revised Estimate is not reflecting that. This accounts for the drop from 2016/17 to 2017/18, whereafter the growth is largely inflation related.

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. In the 2016/17 Adjusted Appropriation, an additional R8 million was allocated from funds unspent in the prior year for overseas study tours, which were not held in 2014/15 and 2015/16 as part of cost-containment. This accounts for the drop from the 2016/17 Adjusted Appropriation to 2017/18. The implementation of the sector oversight model impacts mainly on this sub-programme, because of the increase in the number of researchers appointed for the various committees, accounting for the significant increase from 2015/16 to the 2016/17 Main Appropriation, continued 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. As mentioned, savings were reprioritised from this sub-programme in the 2016/17 Adjusted Appropriation and were moved to Law-making. This movement was carried through over the MTEF, accounting for the 2017/18 amount being lower than the 2016/17 Main Appropriation. Moreover, portion of the MTEF budget cuts were effected against this sub-programme (mainly in respect of catering and travel and subsistence costs), resulting in the fairly low 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 7.8 and 7.10 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. In the 2016/17 Adjusted Appropriation, savings were reprioritised from this sub-programme and were moved to Law-making, with carry-through over the MTEF, accounting for the 2017/18 amount being lower than the 2016/17 Main Appropriation. 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 increased substantially in the prior years, largely due to the annual wage agreements for the Legislature staff, the implementation of the job evaluation review results and resultant backpay, as well as the filling of critical posts in terms of the revised organisational structure. The growth over the MTEF is lower than National Treasury's prescribed cost of living adjustments but, as mentioned, the 1.5 per cent annual pay progression is not applicable to the Legislature sector, nor are the annual wage adjustments determined by the DPSA. Also as mentioned, the Legislature has taken a decision not to fill the existing critical vacant posts that were provided for in the 2016/17 Main Appropriation until the restructuring and job evaluation exercise has been finalised. Programme 2 has four critical vacant posts, including the Chief Operations Officer and Protocol Manager.

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. In the 2016/17 Adjusted Appropriation, an additional R8 million was allocated from funds unspent in the prior year for overseas study tours, and this was offset to some extent by funds that were moved to the Members remuneration, to correctly place the telephone allowances of Members under the statutory allocation. This accounts for the drop from the 2016/17 Adjusted Appropriation to 2017/18. As mentioned, the full MTEF budget cuts were effected against this category.

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 7.10 above.

Service delivery measures – Programme 2: 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.

As mentioned, the Legislature recently undertook a thorough review of its performance information, resulting in some changes to the outputs and performance indicators in this programme. The revised measures are in line with the APP, and they are reflected as "New" in the 2016/17 Estimated performance column in Table 2.13.

Table 2.13: Service delivery measures – Programme 2: Parliamentary Business

Outputs	Performance indicators	Estimated performance		Medium term targets	
		2016/17	2017/18	2018/19	2019/20
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	• No. of sittings facilitated	26	25	25	25
3. Improved tracking of implementation of resolutions and answers to questions	• Quarterly progress reports on implementation of resolutions	4	4	4	4
4. Improved oversight over departmental planning	• No. of approved Committee Annual Oversight Plans and Committee Annual Operational Plans	18	18	18	18
5. Improved oversight over the implementation of the NDP by provincial departments	• No. of progress reports on the development of provincial service delivery baseline on NDP targets	4	4	4	4
6. Improved input by the Committees into the departmental APPs and budgets	• No. of reports on the consideration of 2018/19 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	5 per Committee	55	55	55
8. Stakeholder involvement sessions (draft APP and budget, quarterly and annual reports)	• No. of reports	New	4	4	4
9. Improved oversight over financial management and performance of depts 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 focused intervention studies conducted	9	11	11	11
	• No. of oversight visits conducted	64	64	64	64
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	New	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	New	4	4	4

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 2016/17 - 2019/20				
	2013/14		2014/15		2015/16		2016/17		2017/18		2018/19		2019/20		Pers. growth rate	Costs growth rate	% costs of total		
	Pers. no ¹	Costs	Pers. no ¹	Costs	Pers. no ¹	Costs	Filled posts	Addit. posts	Pers. no ¹	Costs	Pers. no ¹	Costs	Pers. no ¹	Costs					
Salary level																			
1 – 6	37	14 266	46	13 788	46	12 798	46	-	46	12 256	46	12 745	46	13 300	46	13 997	0.0%	4.5%	6.5%
7 – 10	120	90 873	126	97 995	123	98 151	115	-	115	85 624	120	86 557	120	90 079	120	95 403	1.4%	3.7%	44.9%
11 – 12	38	41 217	21	42 906	21	43 544	16	-	16	39 189	21	40 618	21	45 942	21	48 452	9.5%	7.3%	22.1%
13 – 16	25	6 659	28	5 844	28	6 236	24	-	24	47 274	33	53 002	33	54 983	33	57 893	11.2%	7.0%	26.5%
Total*	220	153 015	221	160 533	218	160 729	201	-	201	184 343	220	192 922	220	204 304	220	215 745	3.1%	5.4%	100.0%
Programme																			
1. Administration	113	84 589	113	82 473	109	80 396	98	-	98	91 976	113	96 610	113	102 310	113	108 039	4.9%	5.5%	50.0%
2. Parliamentary Business	107	68 426	108	78 060	109	80 333	103	-	103	92 367	107	96 312	107	101 994	107	107 706	1.3%	5.3%	50.0%
Total*	220	153 015	221	160 533	218	160 729	201	-	201	184 343	220	192 922	220	204 304	220	215 745	3.1%	5.4%	100.0%
*Members' remuneration excluded:	69	71 095	69	73 425	69	77 204	69	-	69	80 790	69	83 343	69	88 260	69	93 203	0.0%	4.9%	-

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 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 prior years (apart from 2015/16 and 2016), the annual wage adjustments for the administrative staff was higher than the Public Service wage agreements. Also, on occasions when the Legislature received additional funding from Provincial Treasury to provide for the above-budget wage adjustment, the additional funding was based on the lower Public Service increase.

As mentioned, in 2016/17, the Legislature embarked on a restructuring and job evaluation exercise aimed at achieving an updated organisational that is aligned to the current institutional strategic plan. The aim is not to expand the organisational structure but improve productivity and enhance business efficiencies by re-aligning functions and ensuring fair distribution of workloads. As such, 13 critical vacant posts will not be filled in 2016/17 pending the finalisation of the restructuring and job evaluation exercise, and any financial implications resulting from the exercise will be funded by reprioritisation over the MTEF. 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 218 in 2015/16 to 201 in 2016/17. 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. The Legislature has made provision for the 220 posts over the MTEF, including these 13 critical posts. However, this will be reviewed and adjusted taking into consideration the outcome of the restructuring and job evaluation exercise.

Also as mentioned, the growth in *Compensation of employees* over the MTEF is lower than National Treasury's prescribed cost of living adjustments but, as mentioned, the 1.5 per cent annual pay progression is not applicable to the Legislature sector, nor are the annual wage adjustments determined by the DPSA.

9.2 Training

Table 2.15 gives a summary of the Legislature's spending and information on training for the period 2013/14 to 2019/20. 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 above. Table 2.15 also includes a gender breakdown, the types of training, and details of the number of bursaries and learnerships.

Table 2.15 : Information on training: Provincial Legislature

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
Number of staff	289	290	287	294	294	270	289	289	289
Number of personnel trained	102	78	62	66	66	66	70	74	78
of which									
Male	39	32	20	22	22	22	24	25	27
Female	63	46	42	44	44	44	46	49	51
Number of training opportunities	38	38	39	50	50	50	54	58	62
of which									
Tertiary	12	13	10	15	15	15	16	17	18
Workshops	15	13	11	15	15	15	16	17	18
Seminars	-	-	-	-	-	-	-	-	-
Other	11	12	18	20	20	20	22	24	26
Number of bursaries offered	20	21	10	15	15	15	24	25	26
Number of interns appointed	30	-	-	-	-	-	-	-	-
Number of learnerships appointed	-	21	-	10	10	10	24	25	26
Number of days spent on training	56	53	139	140	140	140	142	142	142
Payments on training by programme									
1. Administration	3 359	2 529	898	2 454	2 454	2 454	2 600	2 753	2 905
2. Parliamentary Business	268	-	-	498	-	-	523	553	584
Total	3 627	2 529	898	2 952	2 454	2 454	3 123	3 306	3 489

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 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 departmental receipts: Provincial Legislature

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	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	107	69	65	54	54	61	57	60	63
Sale of goods and services produced by department (excluding capital assets)	-	-	-	-	-	-	-	-	-
Sales by market establishments	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	-	-	-	-	-	-	-	-	-
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	107	69	65	54	54	61	57	60	63
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	802	1 610	3 273	455	455	5 484	478	506	534
Interest	802	1 610	3 273	455	455	5 484	478	506	534
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	486	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	-	486	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	3 015	785	-	265	265	69	278	294	310
Total	3 924	2 950	3 338	774	774	5 614	813	860	907

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		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
Current payments	290 402	299 174	271 616	335 565	362 016	362 016	336 852	356 761	380 393
Compensation of employees	153 015	160 533	160 729	185 627	184 343	184 343	192 922	204 304	215 745
Salaries and wages	132 552	140 817	141 230	162 664	161 880	162 138	166 901	176 748	186 647
Social contributions	20 463	19 716	19 499	22 963	22 463	22 205	26 021	27 556	29 098
Goods and services	137 387	138 641	110 887	149 938	177 673	177 673	143 930	152 457	164 648
Administrative fees	56	970	576	1 395	1 435	1 435	1 185	1 429	1 509
Advertising	8 550	6 929	4 537	8 935	10 016	10 016	7 141	7 561	7 988
Minor assets	165	756	51	285	285	285	-	-	-
Audit cost: External	2 617	3 560	2 970	2 019	3 086	3 219	3 068	3 268	3 451
Bursaries: Employees	598	261	364	756	356	356	925	1 297	1 370
Catering: Departmental activities	12 316	10 669	5 851	19 146	17 176	16 826	13 275	8 763	9 252
Communication (G&S)	11 010	10 067	8 302	11 967	8 003	8 003	7 290	7 720	8 152
Computer services	7 930	2 481	2 675	3 494	2 363	2 363	3 541	3 746	3 956
Cons. and prof. serv: Business and advisory services	3 630	16 438	9 833	5 963	18 747	18 614	14 334	19 686	20 772
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	402	387	613	290	490	490	600	635	670
Contractors	7 512	11 321	4 127	10 459	17 857	17 857	8 095	8 572	9 052
Agency and support / outsourced services	-	-	(1)	-	-	-	-	-	-
Entertainment	60	47	15	673	224	224	437	463	490
Fleet services (including government motor transport)	2 110	1 536	2 002	1 558	1 558	1 558	1 901	2 008	2 120
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	958	187	537	537	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	269	-	510	-	-	-	-	-	-
Inventory: Materials and supplies	101	-	-	84	84	84	-	91	96
Inventory: Medical supplies	-	-	-	7	7	7	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 226	1 500	1 306	741	1 231	1 196	1 886	1 997	2 235
Consumable: Stationery, printing and office supplies	1 167	1 043	2 910	1 638	1 286	1 770	2 167	2 464	2 601
Operating leases	7 008	8 361	6 959	6 473	6 473	6 823	6 444	6 500	6 864
Property payments	8 263	8 984	10 155	5 298	8 064	8 064	8 384	8 872	9 260
Transport provided: Departmental activity	4 570	2 335	3 900	8 743	6 965	6 965	4 423	3 490	3 685
Travel and subsistence	38 160	33 954	30 794	31 593	53 360	52 911	42 086	46 158	52 395
Training and development	3 627	2 529	898	2 952	2 454	2 454	3 123	3 306	3 489
Operating payments	3 845	5 766	5 433	9 464	8 973	8 973	6 371	6 748	7 128
Venues and facilities	12 195	8 747	5 149	15 818	6 643	6 643	7 254	7 683	8 113
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	82 436	84 401	81 471	97 097	101 336	101 336	102 678	107 040	113 035
Provinces and municipalities	16	20	19	38	38	38	40	42	44
Provinces	16	20	19	38	38	38	40	42	44
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	16	20	19	38	38	38	40	42	44
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	221	141	292	217	217	217	228	241	255
Public corporations and private enterprises	-	-	-	27	27	27	28	30	32
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	27	27	27	28	30	32
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	27	27	27	28	30	32
Non-profit institutions	82 199	84 240	81 055	95 948	100 948	100 948	102 282	106 627	112 598
Households	-	-	105	867	106	106	100	100	106
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	105	867	106	106	100	100	106
Payments for capital assets	16 996	9 545	5 846	8 200	9 700	9 700	7 714	8 162	8 619
Buildings and other fixed structures	4 181	2 055	-	395	1 895	1 895	940	995	1 051
Buildings	4 181	2 055	-	395	1 895	1 895	940	995	1 051
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	6 332	4 179	4 139	6 238	6 238	6 238	5 129	5 427	5 731
Transport equipment	1 821	1 594	1 196	1 500	1 500	1 500	2 254	2 385	2 519
Other machinery and equipment	4 511	2 585	2 943	4 738	4 738	4 738	2 875	3 042	3 212
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	6 483	3 311	1 707	1 567	1 567	1 567	1 645	1 740	1 837
Payments for financial assets	-	813	-	-	-	-	-	-	-
Total	389 834	393 933	358 933	440 862	473 052	473 052	447 244	471 963	502 047
Members' remuneration	71 095	82 094	77 204	77 790	83 279	83 279	88 056	93 251	98 473
Adjusted total (incl. Members' remuneration)	460 929	476 027	436 137	518 652	556 331	556 331	535 300	565 214	600 520
of which:									
Departmental receipts	3 924	2 950	3 338	774	774	5 614	813	860	907

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
Current payments	151 453	157 255	139 721	161 816	185 545	185 545	173 407	188 421	198 972
Compensation of employees	84 589	82 473	80 396	94 633	91 976	91 976	96 610	102 310	108 039
Salaries and wages	73 323	72 693	70 922	82 346	80 522	80 780	84 085	89 046	94 033
Social contributions	11 266	9 780	9 474	12 287	11 454	11 196	12 525	13 264	14 006
Goods and services	66 864	74 782	59 325	67 183	93 569	93 569	76 797	86 111	90 933
Administrative fees	51	850	576	1 131	1 231	1 231	848	997	1 053
Advertising	4 319	2 129	1 280	2 772	3 972	3 972	2 412	2 553	2 697
Minor assets	165	756	51	279	279	279	-	-	-
Audit cost: External	2 617	3 560	2 970	2 019	3 086	3 219	3 068	3 268	3 451
Bursaries: Employees	598	261	364	346	346	346	794	841	888
Catering: Departmental activities	1 591	1 124	(45)	1 500	1 500	1 500	758	803	848
Communication (G&S)	8 688	7 610	5 889	7 310	7 335	7 335	7 114	7 534	7 956
Computer services	7 856	2 393	2 675	3 494	2 294	2 294	3 541	3 746	3 956
Cons. and prof. serv: Business and advisory services	3 124	13 366	9 582	5 842	18 596	18 463	14 124	19 654	20 738
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	3 199	7 662	2 751	4 177	15 858	15 858	5 949	6 300	6 654
Agency and support / outsourced services	-	-	(1)	-	-	-	-	-	-
Entertainment	30	47	6	335	188	188	314	333	352
Fleet services (including government motor transport)	2 074	1 530	2 002	1 558	1 558	1 558	1 901	2 008	2 120
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	958	187	537	537	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	34	-	-	-	-	-	-
Inventory: Materials and supplies	101	-	-	82	82	82	-	91	96
Inventory: Medical supplies	-	-	-	7	7	7	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	611	907	1 149	570	1 033	998	1 524	1 614	1 831
Consumable: Stationery, printing and office supplies	863	923	2 708	1 334	805	1 289	1 686	1 997	2 109
Operating leases	7 008	8 361	6 938	6 473	6 473	6 823	6 444	6 500	6 864
Property payments	8 162	8 969	10 048	5 288	8 054	8 054	8 378	8 872	9 260
Transport provided: Departmental activity	180	-	58	344	344	344	99	105	111
Travel and subsistence	8 654	8 614	6 250	13 826	12 037	11 588	11 420	12 094	12 770
Training and development	3 359	2 529	898	2 454	2 454	2 454	2 600	2 753	2 905
Operating payments	2 473	2 884	2 103	4 514	4 159	4 159	3 057	3 237	3 418
Venues and facilities	1 141	307	81	1 341	1 341	1 341	766	811	856
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	237	161	416	1 149	388	388	396	413	437
Provinces and municipalities	16	20	19	38	38	38	40	42	44
Provinces	16	20	19	38	38	38	40	42	44
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	16	20	19	38	38	38	40	42	44
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	221	141	292	217	217	217	228	241	255
Public corporations and private enterprises	-	-	-	27	27	27	28	30	32
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	27	27	27	28	30	32
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	27	27	27	28	30	32
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	105	867	106	106	100	100	106
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	105	867	106	106	100	100	106
Payments for capital assets	16 996	9 545	5 846	8 200	9 700	9 700	7 714	8 162	8 619
Buildings and other fixed structures	4 181	2 055	-	395	1 895	1 895	940	995	1 051
Buildings	4 181	2 055	-	395	1 895	1 895	940	995	1 051
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	6 332	4 179	4 139	6 238	6 238	6 238	5 129	5 427	5 731
Transport equipment	1 821	1 594	1 196	1 500	1 500	1 500	2 254	2 385	2 519
Other machinery and equipment	4 511	2 585	2 943	4 738	4 738	4 738	2 875	3 042	3 212
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	6 483	3 311	1 707	1 567	1 567	1 567	1 645	1 740	1 837
Payments for financial assets	-	813	-	-	-	-	-	-	-
Total	168 686	167 774	145 983	171 165	195 633	195 633	181 517	196 996	208 028

Estimates of Provincial Revenue and Expenditure

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
Current payments	138 949	141 919	131 895	173 749	176 471	176 471	163 445	168 340	181 421
Compensation of employees	68 426	78 060	80 333	90 994	92 367	92 367	96 312	101 994	107 706
Salaries and wages	59 229	68 124	70 308	80 318	81 358	81 358	82 816	87 702	92 614
Social contributions	9 197	9 936	10 025	10 676	11 009	11 009	13 496	14 292	15 092
Goods and services	70 523	63 859	51 562	82 755	84 104	84 104	67 133	66 346	73 715
Administrative fees	5	120	-	264	204	204	337	432	456
Advertising	4 231	4 800	3 257	6 163	6 044	6 044	4 729	5 008	5 291
Minor assets	-	-	-	6	6	6	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	410	10	10	131	456	482
Catering: Departmental activities	10 725	9 545	5 896	17 646	15 676	15 676	12 517	7 960	8 404
Communication (G&S)	2 322	2 457	2 413	4 657	668	668	176	186	196
Computer services	74	88	-	-	69	69	-	-	-
Cons. and prof. serv: Business and advisory services	506	3 072	251	121	151	151	210	32	34
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	402	387	613	290	490	490	600	635	670
Contractors	4 313	3 659	1 376	6 282	1 999	1 999	2 146	2 272	2 398
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	30	-	9	338	36	36	123	130	138
Fleet services (including government motor transport)	36	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	269	-	476	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	2	2	2	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	615	593	157	171	198	198	362	383	404
Consumable: Stationery, printing and office supplies	304	120	202	304	481	481	481	467	492
Operating leases	-	-	21	-	-	-	-	-	-
Property payments	101	15	107	10	10	10	6	-	-
Transport provided: Departmental activity	4 390	2 335	3 842	8 399	6 621	6 621	4 324	3 385	3 574
Travel and subsistence	29 506	25 340	24 544	17 767	41 323	41 323	30 666	34 064	39 625
Training and development	268	-	-	498	-	-	523	553	584
Operating payments	1 372	2 882	3 330	4 950	4 814	4 814	3 314	3 511	3 710
Venues and facilities	11 054	8 440	5 068	14 477	5 302	5 302	6 488	6 872	7 257
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	82 199	84 240	81 055	95 948	100 948	100 948	102 282	106 627	112 598
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
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	82 199	84 240	81 055	95 948	100 948	100 948	102 282	106 627	112 598
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	221 148	226 159	212 950	269 697	277 419	277 419	265 727	274 967	294 019