

Vote 2

Parliament

R thousand	2006/07 To be appropriated	2007/08	2008/09
MTEF allocations	782 133	835 727	881 889
<i>of which:</i>			
Current payments	601 352	633 405	666 502
Transfers and subsidies	158 061	178 398	190 213
Payments for capital assets	22 720	23 924	25 174
Statutory amounts	229 218	241 367	253 979
Executive authority	Parliament		
Accounting officer	Secretary to Parliament		

Aim

The aim of the vote is to provide the support services required by Parliament to fulfil its constitutional functions, to assist political parties represented in Parliament to secure administrative support and service constituents, and to provide members of Parliament with the necessary facilities.

Programme purposes

Programme 1: Administration

Manage Parliament, providing procedural and legal advice and support; facilitate public involvement in parliamentary processes; facilitate Parliament's legislative and oversight processes; and provide institutional support and corporate services.

Programme 2: Members' Facilities

Provide telephone, travel and other facilities for MPs, and fund medical aid contributions and travel facilities for certain former members.

Programme 3: Associated Services

Provide financial support to political parties represented in Parliament and pay membership fees to certain interparliamentary bodies.

Strategic overview and key policy developments: 2002/03 – 2008/09

Building a democratic Parliament which is transparent and responsive to the electorate, and which develops and follows a legislative agenda that is aimed at accelerating the transformation of South African society, has been Parliament's overriding policy and strategic objective since 1994.

In recent years, and in particular 2002/03, the demand on members of Parliament (MPs) to engage in oversight activities and participate in international organisations, events and forums has increased. Public participation activities have also increased.

Improving service delivery to Parliament

The parliamentary service provides the services required by members of Parliament to perform their constitutional functions, including passing legislation, overseeing organs of state and the executive, facilitating public involvement in the legislative process, exercising co-operative governance, providing a platform for public consideration of issues, and reviewing the Constitution. The work of the parliamentary service can be broadly classified into two types of service: those relating directly to parliamentary procedures, such as procedural and legislative services, and those related to the functioning of Parliament, such as human resources services, ICT and technical services, protection services and accommodation services.

The parliamentary service continued to put in place a range of steps to improve general service delivery. Some key infrastructure and ICT projects include: an enterprise resource planning system; a new travel system for MPs; and the launch of the parliamentary democracy offices project, which aims to bring MPs closer to the public by setting up parliamentary information offices. There is a continuing need for project management skills to assist in implementing these projects.

Current challenges and initiatives

The parliamentary service is faced with various challenges, like improving and developing parliamentary processes, including the oversight, public participation and international participation processes. Other key issues include implementing institutional policy, developing institutional systems, improving human resources capacity, improving communication and service delivery, and providing accommodation and facilities.

Several initiatives have either been completed or are under way to address these challenges. New systems to be implemented include an electronic document management system, an institutional intranet and the refurbishment of certain committee rooms.

An important development is a new strategic plan, and establishing institutional mechanisms to align strategic planning, business planning and budgeting. During 2003/04, new budget processes were put in place. Key objectives and outputs were prioritised, and systems were improved and integrated. These will be further improved by the new enterprise resource planning system. Training staff in the operation of all new systems is an ongoing focus.

The legislation and oversight function has received attention, and the language services section was re-engineered, with the transcription service moved from one platform to another. A survey was conducted on the research and legal capacity needs of the parliamentary committees, and a process started for developing and documenting standard operating procedures. Strengthening the research function to improve Parliament's oversight function will receive considerable attention in the medium term. This should place Parliament in a better position to hold the executive accountable for service delivery.

Restructuring the parliamentary service

The restructuring of the parliamentary service is in progress: key positions in the office of the secretary have been identified and partially filled; the finance management office and a number of other key sections are to be significantly reorganised, strengthened and expanded. A performance management system, focusing on linking individual and organisational performance, has been implemented. The relocation of parliamentary service staff to a single building in the latter part of 2004/05 should also contribute to better service delivery.

Expenditure estimates

Table 2.1 Parliament

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2002/03	2003/04	2004/05	2005/06		2006/07	2007/08	2008/09
R thousand								
1. Administration	172 188	246 968	314 016	393 794	290 805	472 332	497 366	523 354
2. Members' Facilities	99 919	86 992	109 672	182 457	113 172	151 912	159 963	168 322
3. Associated Services	60 947	71 778	75 236	96 161	95 593	157 889	178 398	190 213
4. Changes in Retained Revenue	(25 693)	42 803	81 844	–	–	–	–	–
Subtotal	307 361	448 541	580 768	672 412	499 570	782 133	835 727	881 889
Direct charge on National Revenue Fund	172 829	191 331	203 903	213 149	211 876	229 218	241 367	253 979
Members' Remuneration	172 829	191 331	203 903	213 149	211 876	229 218	241 367	253 979
Total	480 190	639 872	784 671	885 561	711 446	1 011 351	1 077 094	1 135 868
Change to 2005 Budget estimate				–	(174 115)	41 500	48 000	53 001

Economic classification

Current payments	414 230	558 211	669 704	770 078	595 429	830 570	874 772	920 481
Compensation of employees	295 261	343 789	391 684	468 198	386 677	534 593	562 926	592 341
Goods and services	144 662	171 619	196 176	301 880	208 752	295 977	311 845	328 140
<i>of which:</i>								
Communication	14 767	13 689	14 682	15 840	10 953	16 296	17 160	18 056
Computer Services	–	2 683	2 512	6 080	4 204	8 752	9 216	9 697
Consultants, contractors and special services	7 568	40 132	36 334	40 131	27 751	39 529	41 624	43 799
Inventory	14 969	9 087	9 355	11 755	8 129	17 930	18 880	19 867
Maintenance repair and running cost	–	2 173	2 272	3 348	2 315	3 226	3 397	3 574
Operating leases	–	1 844	2 256	4 457	3 082	4 369	4 601	4 841
Travel and subsistence	88 696	83 806	97 609	172 681	119 410	161 807	170 383	179 286
Financial transactions in assets and liabilities	(25 693)	42 803	81 844	–	–	–	–	–
Transfers and subsidies	61 587	72 517	75 986	96 826	96 826	158 061	178 398	190 213
Provinces and municipalities	640	739	750	665	665	172	–	–
Foreign governments and international organisations	1 355	–	1 542	1 043	1 043	1 043	1 098	1 156
Non-profit institutions	59 592	71 778	73 694	95 118	95 118	156 846	177 300	189 057
Payments for capital assets	4 373	9 144	38 981	18 657	19 191	22 720	23 924	25 174
Machinery and equipment	4 373	9 144	38 981	18 657	19 191	22 720	23 924	25 174
Total	480 190	639 872	784 671	885 561	711 446	1 011 351	1 077 094	1 135 868

Expenditure trends

Expenditure grew rapidly between 2002/03 and 2005/06, rising from R480,2 million to R885,6 million, an average annual increase of 29,8 per cent. It is expected to increase further over the medium-term expenditure framework (MTEF), albeit at a slower rate of 9,5 per cent.

The increases between 2002/03 and 2005/06 provided for increased capacity, and for some specific projects, including the restructuring of Parliament's offices and services, and implementing the language policy and new management processes. This increase was offset against negative spending in the *Revenue* programme.

The 2006 Budget set out additional allocations of R41,5 million for 2006/07, R48 million for 2007/08 and R53 million for 2008/09. These allocations are for capacity building and increases in members' remuneration.

Departmental receipts

Income, generated mainly from the sale of assets, commissions from insurance agencies for deductions from salaries, the parliamentary catering service and interest earned, is projected to be R8,9 million in 2006/07, rising to R9,9 million in 2008/09. Interest decreases over the medium term, as it is anticipated that the current bank balance will not be sustained.

Table 2.2 Departmental receipts

R thousand	Audited outcome			Adjusted appropriation	Medium-term receipts estimate		
	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
Departmental receipts	11 195	13 830	16 479	14 823	8 940	9 414	9 906
Sales of goods and services produced by department	7 326	6 363	6 309	6 763	6 614	6 965	7 328
Sales of scrap, waste and other used current goods	55	–	–	–	–	–	–
Fines, penalties and forfeits	2	–	–	–	–	–	–
Interest, dividends and rent on land	3 387	7 467	9 876	7 560	2 326	2 449	2 577
Sales of capital assets	425	–	294	500	–	–	–
Total	11 195	13 830	16 479	14 823	8 940	9 414	9 906

Programme 1: Administration

The objective of the *Administration* programme is to provide the core support services required by Parliament to fulfil its legislative and oversight functions, and to provide the auxiliary support services required to enable the institution to function smoothly. It carries out its functions through six subprogrammes, whose activities include providing procedural support to the National Assembly and the National Council of Provinces, human resources and ICT services, and general administrative and support services

Expenditure estimates

Table 2.3 Administration

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
Office of the Secretary	41 031	116 948	140 775	187 825	249 190	262 397	276 108
National Assembly	3 447	4 662	5 149	10 039	11 045	11 630	12 238
National Council of Provinces	5 414	6 090	10 114	16 615	20 252	21 325	22 440
Legislation and Oversight	59 197	56 715	75 602	97 234	99 614	104 894	110 375
Corporate Services	14 885	17 537	30 776	30 205	35 139	37 001	38 935
Institutional Support	48 214	45 016	51 600	51 876	57 092	60 118	63 259
Total	172 188	246 968	314 016	393 794	472 332	497 366	523 354
Change to 2005 Budget estimate				(8 043)	13 851	6 663	7 011

Table 2.3 Administration (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
Economic classification							
Current payments	167 175	237 085	284 976	375 862	451 377	475 481	500 326
Compensation of employees	111 012	130 664	170 161	237 557	285 754	300 899	316 622
Goods and services	56 163	106 421	114 815	138 305	165 623	174 583	183 705
<i>of which:</i>							
Communication	4 792	5 521	7 421	5 902	7 755	8 166	8 593
Computer Services	–	2 683	2 512	6 080	8 752	9 216	9 697
Consultants, contractors and special services	7 568	40 132	36 334	27 381	36 694	38 639	40 658
Inventory	14 965	9 087	9 355	11 252	17 401	18 323	19 281
Maintenance repair and running cost	–	2 173	2 272	3 348	3 226	3 397	3 574
Operating leases	–	1 844	2 256	4 457	4 369	4 601	4 841
Travel and subsistence	15 595	26 995	28 406	40 321	51 424	54 149	56 979
Transfers and subsidies	640	739	750	665	172	–	–
Provinces and municipalities	640	739	750	665	172	–	–
Payments for capital assets	4 373	9 144	28 290	17 267	20 783	21 884	23 028
Machinery and equipment	4 373	9 144	28 290	17 267	20 783	21 884	23 028
Total	172 188	246 968	314 016	393 794	472 332	497 366	523 354

Expenditure trends

Expenditure increased rapidly between 2002/03 and 2005/06, rising from R172,2 million to R393,8 million, an average annual increase of 31,8 per cent, as a result of the restructuring of offices and services.

Over the MTEF, expenditure is expected to continue to rise, but at a slower rate of 9,9 per cent, reaching R523,4 million by 2008/09. The increases will be used for a number of projects aimed at achieving strategic objectives and to continue the restructuring of offices and services.

Service delivery objectives and indicators

Recent outputs

The following projects have been successfully implemented: finalising Parliament's vision implementation programme; implementing a new travel system for members; establishing an organisational development and policy unit; hosting the UN forum; launching the new black rod to the National Council of Provinces; and completing a human resources audit and developing a competency framework.

The following projects have made considerable progress: the pilot Parliamentary democracy offices project in four provinces (Limpopo, North West, Northern Cape, and Mpumalanga); upgrading and refurbishing accommodation; and launching the African Peer Review Mechanism.

Selected medium-term output targets

Administration

Measurable objective: Improve the capacity of MPs by providing administrative and procedural support services for parliamentary processes so that Parliament is able to fulfil its constitutional mandate.

Subprogramme	Output	Measure/Indicator	Target
Office of the Secretary	Register of MPs' interests Public participation	Accurate and up-to-date register Percentage of participation activities successfully conducted	100% accuracy 100% implemented
National Assembly	Procedural advice and guidance on parliamentary proceedings	Quality and timeliness of procedural advice provided	In accordance with requirements of National Assembly and the speaker
National Council of Provinces	Procedural advice and guidance on parliamentary proceedings Provision of provincial legislature and local government liaison service	Quality and timeliness of procedural and legal advice provided Successful facilitation of provincial mandates	In accordance with requirements of the National Council of Provinces and its chairperson 100% facilitated
Legislation and Oversight	Production of papers and records relating to parliamentary proceedings Library and research services	Accuracy and timeliness Percentage of information and research requests delivered within given timeframes	100% accuracy within the given timeframes 95% delivered within requested timeframes
Corporate Services	Provision of human resources services and ICT services	Quality and timeliness of services according to requests	100% in accordance with requests
Institutional Support	Provisioning services, catering services, household services, artwork management, and documentation management	Quality and timeliness of services according to requests	100% in accordance with requests

Programme 2: Members' Facilities

Members' Facilities provides telephone, travel and other logistical facilities for MPs, and also funds medical aid contributions and travel facilities for certain former members.

There are two subprogrammes:

- *National Assembly* provides telephone, travel and other logistical facilities for members of the National Assembly.
- *National Council of Provinces* provides telephone, travel and other logistical facilities for members of the National Council of Provinces.

Expenditure estimates

Table 2.4 Members' Facilities

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
R thousand							
National Assembly	85 026	76 645	95 749	115 813	131 408	138 373	145 603
National Council of Provinces	14 893	10 347	13 923	66 644	20 504	21 591	22 719
Total	99 919	86 992	109 672	182 457	151 912	159 963	168 322
Change to 2005 Budget estimate				3 285	(37 115)	(39 460)	(41 522)

Table 2.4 Members' Facilities (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
Economic classification							
Current payments	99 919	86 992	98 981	181 067	149 975	157 924	166 176
Compensation of employees	11 420	21 794	17 620	17 492	19 621	20 661	21 741
Goods and services	88 499	65 198	81 361	163 575	130 354	137 263	144 435
<i>of which:</i>							
Communication	9 975	8 168	7 261	9 938	8 541	8 994	9 464
Consultants, contractors and special services	–	–	–	12 750	2 835	2 985	3 141
Travel and subsistence	73 101	56 811	69 203	132 360	110 383	116 233	122 307
Payments for capital assets	–	–	10 691	1 390	1 937	2 040	2 146
Machinery and equipment	–	–	10 691	1 390	1 937	2 040	2 146
Total	99 919	86 992	109 672	182 457	151 912	159 963	168 322

Expenditure trends

Expenditure increased rapidly from R99,9 million in 2002/03 to R182,5 million in 2005/06, an average annual rate of 22,2 per cent. This growth went towards the rising cost of air travel, and additional costs following the 2004/05 elections.

The decline in expenditure in 2006/07 and the negative growth rate of 2,7 per cent over the subsequent years of the MTEF is due to changes to the member base after the elections and the effect of certain policy changes relating to members' entitlements.

Service delivery objectives and indicators

Recent outputs

In 2004/05, Parliament provided 454 members with the necessary telephone, travel and logistical facilities, and funded medical aid contributions and travel facilities for former members. Parliament also provided training for members, including training relating to public finance and economics, corporate governance, oversight, and computer training for disabled members.

Selected medium-term output targets

Members' Facilities

Measurable objective: Provide facilities to members and former members of Parliament according to internal policy, so that they may fulfil their functions efficiently and effectively.

Subprogramme	Output	Measure/Indicator	Target
National Assembly	Facilities to members and former members of the National Assembly	Turnaround time on claims received	4 days
National Council of Provinces	Facilities to members and former members of the National Council of Provinces	Turnaround time on claims received	4 days

Programme 3: Associated Services

There are four subprogrammes:

- *Political Party Support* provides financial support to political parties represented in Parliament.
- *Constituency Support* provides financial support to the constituency offices of political parties represented in Parliament.
- *Party Leadership Support* provides financial support to leaders of political parties represented in Parliament.

- *Membership Fees* funds membership fees to certain interparliamentary bodies so that Parliament may continue its involvement in international participation programmes and in the activities of interparliamentary associations.

Expenditure estimates

Table 2.5 Associated Services

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2002/03	2003/04	2004/05		2005/06	2006/07	2007/08
R thousand							
Political Party Support	23 086	31 451	30 360	31 688	47 287	52 780	56 151
Constituency Support	34 971	38 126	40 041	59 956	105 911	120 678	128 864
Party Leadership Support	1 149	2 162	3 293	3 474	3 648	3 841	4 042
Membership Fees	1 741	39	1 542	1 043	1 043	1 098	1 156
Total	60 947	71 778	75 236	96 161	157 889	178 398	190 213
Change to 2005 Budget estimate				(85)	56 350	71 274	77 491

Economic classification

Transfers and subsidies	60 947	71 778	75 236	96 161	157 889	178 398	190 213
Foreign governments and international organisations	1 355	–	1 542	1 043	1 043	1 098	1 156
Non-profit institutions	59 592	71 778	73 694	95 118	156 846	177 300	189 057
Total	60 947	71 778	75 236	96 161	157 889	178 398	190 213

Details of major transfers and subsidies:

Foreign governments and international organisations							
Current	1 355	–	1 542	1 043	1 043	1 098	1 156
International associations	1 355	–	1 542	1 043	1 043	1 098	1 156
Non-profit institutions							
Current	59 592	71 778	73 694	95 118	156 846	177 300	189 057
Association staff membership	386	39	–	–	–	–	–
Political party support	23 086	31 451	30 360	31 688	47 287	52 780	56 151
Constituency allowance	34 971	38 126	40 041	59 956	105 911	120 678	128 864
Party leadership support	1 149	2 162	3 293	3 474	3 648	3 841	4 042

Expenditure trends

Expenditure grew steadily from R60,9 million in 2002/03 to R96,2 million in 2005/06, an average annual increase of 16,4 per cent. This is due to the 2005/06 increase in financial support to the constituency offices of political parties presented in Parliament. The sharp increase of 64,2 per cent in 2006/07 compared to 2005/06 is because of increases in political party allowances and general member support.

This is taken further over the MTEF, when expenditure is predicted to grow at a rate of 25,5 per cent, reaching R190,2 million by 2008/09.

Table 2.6 Changes in Retained Revenue

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
R thousand							
Changes in Retained Revenue	(25 693)	42 803	81 844	-	-	-	-
Total	(25 693)	42 803	81 844	-	-	-	-
Economic classification							
Current payments	(25 693)	42 803	81 844	-	-	-	-
Financial transactions in assets and liabilities	(25 693)	42 803	81 844	-	-	-	-
Total	(25 693)	42 803	81 844	-	-	-	-

Annexure

Vote 2: Parliament

Table 2.A: Summary of expenditure trends and estimates per programme and economic classification

Table 2.B: Summary of personnel numbers and compensation of employees

Table 2.C: Summary of expenditure on training

Table 2.A Summary of expenditure trends and estimates per programme and economic classification

Programme	Appropriation		Audited outcome	Appropriation			Revised estimate
	Main	Adjusted		Main	Additional	Adjusted	
R thousand	2004/05		2004/05	2005/06			2005/06
1. Administration	340 927	328 934	314 016	401 837	(8 043)	393 794	290 805
2. Members' Facilities	169 720	169 720	109 672	179 172	3 285	182 457	113 172
3. Associated Services	77 490	77 490	75 236	96 246	(85)	96 161	95 593
4. Changes in Retained Revenue	–	–	81 844	–	–	–	–
Subtotal	588 137	576 144	580 768	677 255	(4 843)	672 412	499 570
Direct charge on National Revenue Fund	196 534	208 527	203 903	208 306	4 843	213 149	211 876
Members' Remuneration	196 534	208 527	203 903	208 306	4 843	213 149	211 876
Total	784 671	784 671	784 671	885 561	–	885 561	711 446

Economic classification

Current payments	659 864	659 864	669 704	736 062	34 016	770 078	595 429
Compensation of employees	389 549	406 266	391 684	456 468	11 730	468 198	386 677
Goods and services	270 315	253 598	196 176	279 594	22 286	301 880	208 752
Financial transactions in assets and liabilities	–	–	81 844	–	–	–	–
Transfers and subsidies	78 371	78 371	75 986	97 171	(345)	96 826	96 826
Provinces and municipalities	881	881	750	925	(260)	665	665
Foreign governments and international organisations	533	533	1 542	793	250	1 043	1 043
Non-profit institutions	76 957	76 957	73 694	95 453	(335)	95 118	95 118
Payments for capital assets	46 436	46 436	38 981	52 328	(33 671)	18 657	19 191
Machinery and equipment	46 436	46 436	38 981	52 328	(33 671)	18 657	19 191
Total	784 671	784 671	784 671	885 561	–	885 561	711 446

Table 2.B Summary of personnel numbers and compensation of employees

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
A. Permanent and full-time contract employees							
Compensation (R thousand)	295 261	343 789	391 684	468 198	534 593	562 926	592 341
Unit cost (R thousand)	232	257	285	302	309	325	342
Compensation as % of total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Personnel numbers (head count)	1 271	1 340	1 373	1 549	1 730	1 730	1 730
Total for department							
Compensation (R thousand)	295 261	343 789	391 684	468 198	534 593	562 926	592 341
Unit cost (R thousand)	232	257	285	302	309	325	342
Personnel numbers (head count)	1 271	1 340	1 373	1 549	1 730	1 730	1 730

Table 2.C Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
Training and staff development							
Expenditure (R thousand)	500	2 399	4 636	6 135	7 497	7 894	7 894
Bursaries (employees)							
Expenditure (R thousand)	–	539	480	1 000	756	796	796
Total	500	2 938	5 116	7 135	8 253	8 690	8 690