

# VOTE 2

## GAUTENG PROVINCIAL LEGISLATURE

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	641 673	649 557		7 884
of which:				
Current payments	533 030	526 567	(6 463)	
Transfers and subsidies	102 701	110 585		7 884
Payments for capital assets	5 942	12 405		6 463
Payment for financial assets				
Executive authority	Speaker			
Accounting officer	Secretary to the Legislature			

### 1. Vision and Mission

#### Vision

A modern and transformative legislature that fosters public pride and confidence in democracy and enhances service delivery to the people of Gauteng.

#### Mission

In observing our constitutional obligations, Gauteng Provincial Legislature (GPL):

- Is a modern and dynamic African Legislature of the 21<sup>st</sup> Century;
- Is a caring, responsive, activist and transformative Legislature;
- Reflects the values, aspirations and cultures of the South African people;
- Is the most competent, accessible, transparent and accountable Legislature;
- Fosters ethical and good governance;
- Attracts, develops, and retains skilled and professional staff; and
- Recognises staff contributions, rewards their achievements and provide a stimulating environment.

### 2. Changes to programme purpose, objective and measures

No changes.

### 3. Summary of Adjusted Estimates of Departmental Expenditure 2016/17

TABLE 2.1: GAUTENG PROVINCIAL LEGISLATURE

Programme	Main Appropriation	2016/17 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
<b>R thousand</b>										
1. Leadership and Governance	52 375				(1 672)				(1 672)	50 703
2. Office of the Secretary	20 706				(128)				(128)	20 578
3. Corporate Support Services	293 806				11 715			7 884	19 599	313 405
4. Core Business	229 795				(10 641)				(10 641)	219 154
5. Office of the CFO	44 991				726				726	45 717
<b>Total for programmes</b>	<b>641 673</b>							<b>7 884</b>	<b>7 884</b>	<b>649 557</b>

Economic classification	Main Appropriation	2016/17 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
<b>R thousand</b>										
<b>Current payments</b>	<b>533 030</b>				<b>(6 463)</b>				<b>(6 463)</b>	<b>526 567</b>
Compensation of employees	300 171				(15 640)				(15 640)	284 531
Salaries & wages	300 171				(15 640)				(15 640)	284 531
Social contribution										
Goods and services	232 859				9 177				9 177	242 036
Interest and rent on land										
<b>Transfers and subsidies</b>	<b>102 701</b>							<b>7 884</b>	<b>7 884</b>	<b>110 585</b>
Provinces and municipalities										
Non-profit institutions	102 701							7 884	7 884	110 585
Households										
<b>Payments for capital assets</b>	<b>5 942</b>				<b>6 463</b>				<b>6 463</b>	<b>12 405</b>
Buildings and other fixed structures	600				2 394				2 394	2 994
Machinery and equipment	5 342				4 069				4 069	9 411
Heritage assets										
Software and other intangible assets										
<b>Payments for financial assets</b>										
<b>Total economic classification</b>	<b>641 673</b>							<b>7 884</b>	<b>7 884</b>	<b>649 557</b>

The Institution embarked on a process of reviewing and realigning the budget to the institutional priorities and political imperatives. During this process spending projections for the second half of the financial year were reviewed to respond to changes in events including political imperatives that had an impact on the main budget. Consequently, areas of reprioritisation and cost-savings measures were identified and implemented resulting in declared unspent funds (savings) in Programmes 1, 2, 4 and 5. The identified savings were then redirected to emerging priorities and areas of budgetary pressure in Programme 3 on the basis of priority and capability to spend.

Funds were shifted within and between programmes and economic classification primarily from compensation of employees to areas of budgetary pressure and emerging priorities in goods and services. Savings were identified from funded vacancy backlogs. Further savings have been identified within goods and services from non-essential items.

An amount of R7.9 million is reallocated to the institution from its retained income to fund an increase for Constituency Allowance for members and parties in order to fulfil their constitutional obligations.

#### 4. Details of Adjustments to Estimates of Departmental Expenditure 2016

##### Programme 1: Leadership and Governance

**TABLE 2.2: PROGRAMME 1: LEADERSHIP AND GOVERNANCE**

Sub-programme	Main Appropriation	2016/17 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
<b>R thousand</b>										
1. Office of the Speaker	27 787				(2 561)				(2 561)	25 226
2. Office of the Deputy Speaker	8 003				(29)				(29)	7 974
3. Chairperson of Committees	14 566				1 025				1 025	15 591
4. Legislative Service Board	1 794				21				21	1 815
5. Deputy Chairperson of Committees	225				(128)				(128)	97
<b>Total for programme</b>	<b>52 375</b>				<b>(1 672)</b>				<b>(1 672)</b>	<b>50 703</b>

Economic classification	Main Appropriation	2016/17 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
<b>R thousand</b>										
<b>Current payments</b>	<b>52 375</b>				<b>(1 672)</b>				<b>(1 672)</b>	<b>50 703</b>
Compensation of employees	19 669				(1 991)				(1 991)	17 678
Salaries & wages	19 669				(1 991)				(1 991)	17 678
Social contribution										
Goods and services	32 706				319				319	33 025
Interest and rent on land										
<b>Transfers and subsidies</b>										
Provinces and municipalities										
Households										
<b>Payments for capital assets</b>										
Buildings and other fixed structures										
Software and other intangible assets										
<b>Payments for financial assets</b>										
<b>Total economic classification</b>	<b>52 375</b>				<b>(1 672)</b>				<b>(1 672)</b>	<b>50 703</b>

**TABLE: 2.3: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 1: LEADERSHIP AND GOVERNANCE**

Economic classification	Motivation	From	Motivation	To
<b>Current payments</b>		<b>(2 718)</b>		<b>1 046</b>
Compensation of employees	Savings were realised as a result of delays in the filling of the funded vacant positions	(1 991)		
Goods and services	Savings realised due to non-utilisation of the consultants for the performance assessment of the Secretary to the Legislature	(727)	The budget of the Office of Chairperson of Committees is increased to fund the shortfall for committee members travel commitments	1 046
Interest and rent on land				
<b>Transfers and subsidies</b>				
Provinces and municipalities				
Households				
<b>Payments for capital assets</b>				
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				
<b>Payments for financial assets</b>				
<b>Total economic classification</b>		<b>(2 718)</b>		<b>1 046</b>

**Virements and shifts**

An amount of R1.7 million is shifted to fund pressurised areas under Programme 3: Corporate Support Services, that include, business enhancement project, insurance to cover the under insured main building of the Legislature as revealed by the assessment report, and recruitment costs for senior management positions. The savings were realised under compensation of employees as a result of delays in the filling of the funded vacant positions and non-utilisation of the consultants for the performance assessment of the Secretary to the Legislature.

An amount of R1 million is shifted from Office of the Speaker under compensation of employees to Office of the Chairperson of Committees under goods and services to fund the shortfall for committees travel. The shortfall is due to deferment of committee travel from 2015/16 to 2016/17 which was delayed by the late response from the Department of International Relations and Cooperation.

An amount of R21 000 is shifted from Office of the Speaker under compensation of employees to the Legislative Services Board under goods and services to fund the shortfall for professional fees relating to independent external board members.

**Programme 2: Office of the Secretary****TABLE: 2.4: PROGRAMME 2: OFFICE OF THE SECRETARY**

Sub-programme	Main Appropriation	2016/17 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
<b>R thousand</b>										
1. Office of the Secretary	20 336				42				42	20 378
2. Office of the Integrity Commissioner	370				(170)				(170)	200
<b>Total for programme</b>	<b>20 706</b>				<b>(128)</b>				<b>(128)</b>	<b>20 578</b>

Economic classification	Main Appropriation	2016/17 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
<b>R thousand</b>										
<b>Current payments</b>	<b>20 706</b>				(128)				(128)	<b>20 578</b>
Compensation of employees	13 319				(1 329)				(1 329)	11 990
Salaries & wages	13 319				(1 329)				(1 329)	11 990
Social contribution										
Goods and services	7 387				1 201				1 201	8 588
Interest and rent on land										
<b>Transfers and subsidies</b>										
Provinces and municipalities										
Households										
<b>Payments for capital assets</b>										
Buildings and other fixed structures										
Software and other intangible assets										
<b>Payments for financial assets</b>										
<b>Total economic classification</b>	<b>20 706</b>				(128)				(128)	<b>20 578</b>

TABLE: 2.5 DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 2: OFFICE OF THE SECRETARY

Economic classification	Motivation	From	Motivation	To
<b>Current payments</b>		<b>(1 499)</b>		<b>1 371</b>
Compensation of employees	The savings were realised as a result of delays in the filling of the funded vacant positions	(1 329)		
Goods and services	Savings due to reduced consultant fees relating to members' training	(170)	The budget increases to fund the Baseline Assessment Study and Multi party women's caucus	1 371
Interest and rent on land				
<b>Transfers and subsidies</b>				
Provinces and municipalities				
Departmental agencies and accounts				
Higher education institutions				
Foreign governments and international organisations				
Public corporations and private enterprises				
Non-profit institutions				
Households				
<b>Payments for capital assets</b>				
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				
<b>Payments for financial assets</b>				
<b>Total economic classification</b>		<b>(1 499)</b>		<b>1 371</b>

**Virements and shifts**

An amount of R1.3 million is shifted within the Office of the Secretary from compensation to goods and services to fund the Baseline Assessment Study. The baseline assessment study seeks to gather baseline data on the six strategic goals, outcomes and performance indicators against which to set performance targets for the remaining three years of the strategic plan. Furthermore the study aims to develop sound data collection tools that will subsequently be used to monitor and assess the outputs, outcomes and impact of the GPL five year strategic plan.

An amount of R42 000 is shifted within goods and services from Office of the Integrity Commissioner to Office of the Secretary to fund Multi-Party Women's Caucus.

An amount of R128 000 is shifted within goods and services from the Office of the Integrity Commissioner to Information and Technology to fund Business Enhancement project. The Business Enhancement project is a multi-year strategic project of GPL to modernize business practices, and to streamline / integrate all business solutions with the aim of effectively and efficiently supporting the core mandates of the Legislature. Savings were realised from reduced consultant fees in relation to members' training.

**Programme 3: Corporate Support Services****TABLE: 2.6: PROGRAMME 3: CORPORATE SUPPORT SERVICES**

Sub-programme	Main Appropriation	2016/17 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
R thousand										
1. ED Corporate Support Services	94 645				(4 131)				(4 131)	90 514
2. Members Affairs	114 906							7 884	7 884	122 790
3. Institutional Support Services	35 257				1 908				1 908	37 165
4. Operational Support Services	34 701				8 373				8 373	43 074
5 IT and Technology	14 297				5 565				5 565	19 862
<b>Total for programme</b>	<b>293 806</b>				<b>11 715</b>			<b>7 884</b>	<b>19 599</b>	<b>313 405</b>

Economic classification	Main Appropriation	2016/17 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
R thousand										
<b>Current payments</b>	<b>186 477</b>				<b>7 716</b>				<b>7 716</b>	<b>194 193</b>
Compensation of employees	94 339				(4 357)				(4 357)	89 982
Salaries & wages	94 339				(4 357)				(4 357)	89 982
Social contribution										
Goods and services	92 138				12 073				12 073	104 211
Interest and rent on land										
<b>Transfers and subsidies</b>	<b>102 701</b>							<b>7 884</b>	<b>7 884</b>	<b>110 585</b>
Provinces and municipalities										
Non-profit institutions	102 701							7 884	7 884	110 585
Households										
<b>Payments for capital assets</b>	<b>4 628</b>				<b>3 999</b>				<b>3 999</b>	<b>8 627</b>
Buildings and other fixed structures	600				2 394				2 394	2 994

Economic classification	Main Appropriation	2016/17 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
<b>R thousand</b>										
Machinery and equipment	4 028				1 605				1 605	5 633
Software and other intangible assets										
Payments for financial assets										
<b>Total economic classification</b>	<b>293 806</b>				<b>11 715</b>			<b>7 884</b>	<b>19 599</b>	<b>313 405</b>

**TABLE: 2.7: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 3: CORPORATE SUPPORT SERVICES**

Economic classification	Motivation	From	Motivation	To
<b>Current payments</b>		<b>(4 817)</b>		<b>12 533</b>
Compensation of employees	The savings were realised as a result of delays in the filling of the funded vacant positions	(4 357)		
Goods and services	Funds were incorrectly allocated to goods and services	(460)	To fund the rental shortfall for SAGE building, the budget shortfall for security service contract, Microsoft licence fees as well as to settle the outstanding municipal rates and taxes to the city of Johannesburg. The reallocation of funds is also to fund the business enhancement project, recruitment of senior managers and the shortfall for policy development	12 533
Interest and rent on land				
<b>Transfers and subsidies</b>				
Provinces and municipalities				
Departmental agencies and accounts				
Higher education institutions				
Foreign governments and international organisations				
Public corporations and private enterprises				
Non-profit institutions				
Households				
<b>Payments for capital assets</b>		<b>(480)</b>		<b>4 479</b>
Buildings and other fixed structures			Installation of chillers and air condition services at the SAGE building	2 394
Machinery and equipment	Savings were realised as a result of reduction in the number of motor vehicles for GPL activities	(480)	To fund the procurement of laptops, equipment for graphic designers and audio visual specialist as well as emergency doors and for the Disaster Recovery Planning	2 085
Heritage assets				
Specialised military assets				
Biological assets				
Land and sub-soil assets				
Software and other intangible assets				
<b>Payments for financial assets</b>				
<b>Total economic classification</b>		<b>(5 297)</b>		<b>17 012</b>

**Virements and shifts**

An amount of R1.9 million is shifted from ED: Corporate Support Services under compensation of employees to Operational Support Services under building and fixed structures to fund the Installation of chillers and air condition services.

A total amount of R1.2 million is shifted from ED: Corporate Support Services under compensation of employees to Information and Technology to fund Disaster Recovery Planning (R630 000 under goods and services; R563 000 under machinery and equipment).

An amount of R1.2 million is shifted from ED: Corporate Support Services under compensation of employees to Institutional Support Services under goods and services fund the recruitment of senior managers and the shortfall for policy development.

A total amount of R9.9 million is received from Programme 4: Core Business to goods and services and capital assets to fund rental shortfall for SAGE building, budget shortfall for security service contract, Microsoft licence fees, recruitment costs for senior management positions and to settle the outstanding municipal rates and taxes to the city of Johannesburg. Furthermore, the reallocation will fund the procurement of laptops, equipment for graphic designers and audio visual specialist and the business enhancement project.

An additional amount of R128 000 is received from Programme 2: Office of the Secretary within goods and services to fund the Business enhancement project.

A further amount of R1.7 million is received from Programme 1: Leadership and Governance to goods and services and capital assets to fund business enhancement project, insurance to cover the under insured main building of the Legislature as revealed by an assessment report, and the recruitment costs for senior management positions.

#### Additional provincial funding: R7.9 million

The institution has re-allocated an amount of R7.9 million from its retained income to fund an increase for Constituency Allowance for members and parties in order to fulfil their constitutional obligations.

### Programme 4: Core Business

**TABLE: 2.8: PROGRAMME 4: CORE BUSINESS**

Sub-programme	Main Appropriation	2016/17 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
R thousand										
1. ED Core Business	139 103				(4 004)				(4 004)	135 099
2. Parliamentary Business	42 323				(6 324)				(6 324)	35 999
3. Information and Knowledge Management	14 872				(88)				(88)	14 784
4. Communication	33 497				(225)				(225)	33 272
<b>Total for programme</b>	<b>229 795</b>				<b>(10 641)</b>				<b>(10 641)</b>	<b>219 154</b>

Economic classification	Main Appropriation	2016/17 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
R thousand										
<b>Current payments</b>	<b>229 795</b>				<b>(10 641)</b>				<b>(10 641)</b>	<b>219 154</b>
Compensation of employees	137 603				(7 085)				(7 085)	130 518
Salaries & wages	137 603				(7 085)				(7 085)	130 518
Social contribution										
Goods and services	92 192				(3 556)				(3 556)	88 636
Interest and rent on land										
<b>Transfers and subsidies</b>										
Provinces and municipalities										
Households										
<b>Payments for capital assets</b>										
Buildings and other fixed structures										
Software and other intangible assets										

Economic classification	Main Appropriation	2016/17 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
R thousand										
Payments for financial assets										
Total economic classification	229 795				(10 641)				(10 641)	219 154

TABLE: 2.9: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 4: CORE BUSINESS

Economic classification	Motivation	From	Motivation	To
<b>Current payments</b>		<b>(13 722)</b>		<b>3 081</b>
Compensation of employees	The savings were realised as a result of delays in the filling of the funded vacant positions	(7 085)	Fund will be utilised for the re-engineering of public participation projects	3 081
Goods and services	The savings were realised due to centralisation of travel budget for committees in line with policy, as well as from committee activities that were affected the by municipal elections recess	(6 637)		
Interest and rent on land				
<b>Transfers and subsidies</b>				
Provinces and municipalities				
Departmental agencies and accounts				
Higher education institutions				
Foreign governments and international organisations				
Public corporations and private enterprises				
Non-profit institutions				
Households				
<b>Payments for capital assets</b>				
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				
<b>Payments for financial assets</b>				
<b>Total economic classification</b>		<b>(13 722)</b>		<b>3 081</b>

### Virements and shifts

An amount of R3 million is shifted within ED: Core Business from compensation of employees to goods and services to fund the Re-engineering of public participation project. Savings were realised due to delays in filling of funded vacant positions.

An amount of R726 000 is shifted from ED: Core Business under compensation of employees to Supply Chain Management to fund the procurement of furniture for SAGE building and the library.

A total amount of R9.9 million is shifted to Programme 3: Corporate Support Services to goods and services and capital assets to fund rental shortfall for SAGE building, budget shortfall for security service contract, Microsoft licence fees as well as to settle the outstanding municipal rates and taxes to the city of Johannesburg. Furthermore, the reallocation will fund the procurement of laptops, equipment for graphic designers and audio visual specialist and the business enhancement project. The savings under goods and services have been realised due to centralisation of travel budget for committees in line with policy, as well as from committee activities that were affected by the municipal elections recess.

**Programme 5: Office of the CFO****TABLE: 2.10: PROGRAMME 5: OFFICE OF THE CFO**

Sub-programme	Main Appropriation	2016/17 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
R thousand										
1. Chief Financial Officer	40 624				(409)				(409)	40 215
2. Finance	597				(327)				(327)	270
3. Supply Chain Management	1 571				2 512				2 512	4 083
4. Audit, Risk and Governance	2 199				(1 050)				(1 050)	1 149
<b>Total for programme</b>	<b>44 991</b>				<b>726</b>				<b>726</b>	<b>45 717</b>

  

Economic classification	Main Appropriation	2016/17 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
R thousand										
<b>Current payments</b>	<b>43 677</b>				<b>(1 738)</b>				<b>(1 738)</b>	<b>41 939</b>
Compensation of employees	35 241				( 878)				(878)	34 363
Salaries & wages	35 241				(878)				(878)	34 363
Social contribution										
Goods and services	8 436				(860)				(860)	7 576
Interest and rent on land										
<b>Transfers and subsidies</b>										
Provinces and municipalities										
Households										
<b>Payments for capital assets</b>	<b>1 314</b>				<b>2 464</b>				<b>2 464</b>	<b>3 778</b>
Buildings and other fixed structures										
Machinery and equipment	1 314				2 464				2 464	3 778
Software and other intangible assets										
<b>Payments for financial assets</b>										
<b>Total economic classification</b>	<b>44 991</b>				<b>726</b>				<b>726</b>	<b>45 717</b>

**TABLE: 2.11: DETAILS OF SHIFTS AND VIREMENTS PER ECONOMIC CLASSIFICATION: PROGRAMME 5: OFFICE OF THE CFO**

Economic classification	Motivation	From	Motivation	To
<b>Current payments</b>		<b>(2 255)</b>		<b>517</b>
Compensation of employees	The savings were realised as a result of delays in the filling of the funded vacant positions	(878)		
Goods and services	Savings have been realised from conferences and internal audit plan costing which were less than anticipated	(1 377)	To fund the art curator that will be responsible to archive and document GPL art work, restore damaged art work and facilitate the exhibition of the art work	517
Interest and rent on land				

Economic classification	Motivation	From	Motivation	To
<b>Transfers and subsidies</b>				
Provinces and municipalities				
Departmental agencies and accounts				
Higher education institutions				
Foreign governments and international organisations				
Public corporations and private enterprises				
Non-profit institutions				
Households				
<b>Payments for capital assets</b>				<b>2 464</b>
Buildings and other fixed structures			To fund the procurement of furniture for SAGE building and the library	2 464
Machinery and equipment				
Heritage assets				
Specialised military assets				
Biological assets				
Land and sub-soil assets				
Software and other intangible assets				
<b>Payments for financial assets</b>				
<b>Total economic classification</b>		<b>(2 255)</b>		<b>2 981</b>

#### Virements and shifts

An amount of R469 000 is shifted within office of the CFO from compensation of employees to goods and services to fund the art curator that will be responsible to archive and document GPL art work as well as restore damaged art work. The Art curator will also be responsible for art awareness programmes within the GPL as well as host a GPL art exhibition.

An amount of R361 000 is shifted from the Office of the CFO under compensation of employees to Supply Chain Management under machinery and equipment to fund the procurement of furniture for SAGE building.

An amount of R48 000 is shifted from Office of the CFO under compensation of employees to Supply Chain Management under goods and services to fund the procurement of labels for asset counting and the shortfall for planned supplier workshop.

A total amount of R1.3 million is shifted within the programme from goods and services to payments for capital assets to fund the procurement of furniture for SAGE building and the library. Savings have been realised from conferences and internal audit plan costing which were less than anticipated. Furthermore an amount of R726 000 is received from Programme 4: Core Business to payments for capital assets to fund the procurement of furniture for the SAGE building and the library.

## 5. Expenditure 2015/16 and preliminary expenditure 2016/17

TABLE: 2. 13 EXPENDITURE 2015/16 AND PRELIMINARY EXPENDITURE 2016/17

Programme	2015/16				2016/17		
	Expenditure Outcome				Preliminary expenditure		
	Adjusted appropriation	April 2015 - September 2015	April 2015 - March 2016	April 2015 - March 2016 as a % of adjusted appropriation	Adjusted appropriation	April 2016 - September 2016	% change 15/16-16/17 Apr-Sept
R thousand							
1. Leadership and Governance	48 296	10 761	39 160	81%	50 703	15 153	41%
2. Office of the Secretary	18 408	5 963	14 867	81%	20 578	6 855	15%
3. Corporate Support Services	287 726	159 251	283 771	99%	313 405	171 685	7%
4. Core Business	204 938	83 528	186 149	91%	219 154	87 524	5%
5. Office of the CFO	41 105	17 610	38 125	93%	45 717	18 583	6%
<b>Total for programmes</b>	<b>600 473</b>	<b>277 113</b>	<b>562 072</b>	<b>94%</b>	<b>649 557</b>	<b>299 800</b>	<b>8%</b>

Programme  R thousand	2015/16				2016/17		
	Expenditure Outcome				Preliminary expenditure		
	Adjusted appropriation	April 2015 - September 2015	April 2015 - March 2016	April 2015 - March 2016 as a % of adjusted appropriation	Adjusted appropriation	April 2016 - September 2016	% change 15/16-16/17 Apr-Sept
<b>Current payments</b>	486 208	189 098	443 668	91%	526 567	205 227	27%
Compensation of employees	267 776	129 651	258 011	96%	284 531	130 174	0%
Goods and Services	218 432	59 447	185 657	85%	242 036	75 053	26%
Interest and rent on land							
<b>Transfers and subsidies</b>	97 911	82 581	97 911	100%	110 585	91 313	11%
Provinces and municipalities							
Departmental agencies and accounts							
Higher education institutions							
Foreign governments & international organisations							
Public corporations & private enterprises							
Non-profit institutions	97 911	82 581	97 911	100%	110 585	91 313	11%
Households							
<b>Payments for capital assets</b>	16 354	5 434	20 493	125%	12 405	3 260	(40%)
Buildings and other fixed structures	6 030	4 129	12 165	202%	2 994	1 871	(55%)
Machinery and equipment	9 914	1 305	8 328	84%	9 411	1 389	(6%)
Heritage assets							
Specialised military assets							
Biological assets							
Land and sub-soil assets							
Software and other intangible assets	410						
<b>Payments for financial assets</b>							
<b>Total economic classification</b>	600 473	277 113	562 072	94%	649 557	299 800	8%

### Expenditure trends for 2015/16

For the 2015/16 financial year, the GPL was allocated an amount of R600.4 million to implement the Annual Performance Plan in support of the core mandate of facilitating Law-making, ensuring Public Participation in the legislative processes and exercising Oversight over the executive and the organs of the state.

Of the total allocated budget, an amount of R267.8 million was allocated to compensation of employees, R218.4 million to goods and services, R97.9 million to transfers to political parties and R16.4 million to capital assets. A significant amount of this aggregate was allocated to Programme 3: Corporate Support Services at R287.7 million which provides support to all stakeholders, internally and externally through Members facilities, Human Resource, Information Communication Technology, Security and Administration to ensure adequate functioning of the institution. The total allocation for this programme is inclusive of the Political Party funding and Constituency allowance. Another considerable amount of R204.9 million of the total institution's allocation was appropriated to Programme 4: Core Business for the execution of the GPL's core mandate.

In exercising its constitutional obligations the GPL spent a total amount of R562.1 million or 94 percent of the allocation for the 2015/16 financial year. A substantial amount of the total expenditure for the fiscal year was spent on compensation of employees at R258 million, translating to 96 per cent of the allocated adjustment budget. Expenditure on goods and services amounted to R185.7 million or 85 per cent of the allocated budget and was mainly spent on Public Outreach Programmes conducted by Committees, House and Committee sittings, launch of 20 year products, Voter Education and Registration campaign and Committees international study tours. In addition, the provision of facilities and support

services to Members of the GPL, hosting of Institutional events as well as on operational costs comprising IT services, maintenance and repairs, rent & municipal services, security services, transport services, canteen and cleaning services.

Section 236 of the Constitution promotes multi-party democracy and in particular funding of political parties participating in provincial legislatures on an equitable and proportional basis. The GPL holds onto the belief that an election is only fair if the electorate can make an informed choice. Hence the need for public funding of political parties is an essential component of deepening our nascent democracy. It is envisaged that enhanced party funding in the GPL will help deepen democracy. Political parties are seen as vital public institutions to enhance citizens' participation in their own governance and in democracy.

In this regard, a total amount of R97.9 million or 100 per cent of the budget was transferred to Political Parties with Political Party Funding at R68 million and Constituency Allowance at R29.9 million.

Expenditure on capital payments for the financial year amounted to R20.5 million and largely relates to SAGE building projects, procurement of office furniture, laptops and motor vehicles, as well as installation of Members touch screens and air-conditioning chillers.

#### **Expenditure trends for the first half of 2016/17**

The Institution spent a total amount of R298.8 million during the first half of the financial year. Compensation of employees accounted for R130.2 million and goods and services for R74 million of the total expenditure for the mid-year under review.

In enabling members to fulfil their constitutional obligations and thus reducing dependency on private funding and enhancing multi-party democracy, a total amount of R91.3 million was transferred to political parties with Political Party Funding at R72 million and Constituency Allowance at R19.3 million.

Capital payments for the reporting period amounted to R3.3 million mainly on the installation of chillers and air-condition services, and computer hardware.

#### **Programme 1: Leadership and Governance**

In providing overall strategic leadership and direction to the Institution, the programme has spent R15.2 million during the first six months of the financial year when compared to the R10.8 million that was spent in the same period of 2015/16. The increase in expenditure is largely evident in goods and services at R8.4 million and compensation of employees accounted for R6.8 million. The expenditure on goods and services is mostly driven by International study tours undertaken by the Standing Committee on Public Accounts (SCOPA) to Sweden and Committee for the Scrutiny of Subordinate Legislation (CSSL) to Australia, professional service fees for independent external board members, Voter Education and Registration campaign, programme strategic planning session and quarterly management meetings, attendance and participation in conferences such as Women's Leadership, vision and Economic empowerment conference, Africa Parliamentary Budget Office conference and CPA Africa region, and attendance and participation in the National Speaker's forum as well as the Commonwealth Parliamentary Association (CPA) Secretariat handover meeting, among others.

#### **Programme 2: Office of the Secretary**

In providing administrative leadership to the Institution, the programme spent R6.9 million during the first half of the financial year as compared to R6 million spent in the same period of the last financial year, representing a variance of 15 percent. Of the expenditure, compensation of employees accounted for R5.1 million and goods and services for R1.8 million. Expenditure on goods and services is in relation to, strategic planning review session, printing and publication of the 2015-16 Annual report, baseline assessment study, Multi-Party Women Caucus 2016 Vita Basadi awards and printing of booklet, attendance of CPA Africa Region in Mauritius, attendance of the second Society of Clerks-at-the-Table (SOCATT) seminar, attendance of the Leadership Development for Women in Government and State Owned Entities conference, legal fees, Secretaries' Association of the Legislatures of South Africa (SALSA) forum, and attendance of the National Council of State Legislatures (NCSL) conference in Chicago.

#### **Programme 3: Corporate Support Services**

The programme expenditure for the first half of the financial year amounted to R170.7 million in comparison to an amount of R159.3 million spent in the same period of the 2015/16. Of the total expenditure for the programme, an amount of R42.5 million was spent on compensation of employees for GPL and political support staff salaries. In ensuring sustained support to the primary stakeholders, the programme spent R33.8 million on goods and services.

The increase is evident in transfers to political parties at R91.3 million, the bulk of which is transferred in the beginning of the financial year.

The increased expenditure in 2016/17 relates to recruitment costs for senior management as the previous management contract expired; consultants company was hired to facilitate the process, disaster recovery planning and main building condition assessment.

In addition, an amount of R3.1 million was paid for capital payments, mainly relates to the installation of chillers and

air-condition services, and computer hardware.

#### Programme 4: Core Business:

An amount of R87.5 million was spent by the programme for the six months when compared to R83.5 million that was spent in the same period of 2015/16 financial year. Of the total expenditure for the period, an amount of R60.6 million was spent on compensation of employees for the payment of staff salaries and a further amount of R26.9 million has been spent on goods and services. The growth in the current financial expenditure is attributable to the public hearings on expropriation and language bills, literature review for the evaluation of sector parliaments as well as evaluation of the Bua Le Sechaba public participation mechanisms under the Re-engineering of public participation project, transport for stakeholders attending house sittings and participating in the public education workshops and committee activities, hosting of the Vita Basadi awards as well as the National Women's and Youth Parliament.

#### Programme 5: Office of the CFO

The programme spent R18.6 million during the first half of the financial year as compared to R17.6 million that was spent in the same period of 2015/16. The increase by R1 million in the current year expenditure is mainly in compensation of employees due to the appointment of new staff. In addition, goods and services contribute to the increased expenditure due to removal of furniture from Sage Building to Main Building, professional services in respect of external Audit Risk Committee members, external audit fees and implementation of the Business Continuity Plan.

## 6. Departmental receipts

Not applicable.

## 7. Changes to transfers and subsidies, conditional grants and infrastructure

### 7.1. Changes to transfers and subsidies

TABLE 2.14: SUMMARY OF CHANGES TO TRANSFERS AND SUBSIDIES

Programme	Main Appropriation	2016/17 Adjustments							Total Adjustments	Adjusted Appropriation
		Function Shifts, Surrenders and Suspensions	Roll-overs: National	Roll-overs: Provincial	Virements and Shifts	Unforeseeable/unavoidable	Additional Funding: National	Additional Funding: Provincial		
R thousand										
Programme 3	30 660							7 884	7 884	38 544
Constituency Allowance	30 660							7 884	7 884	38 544
Total changes in transfers	30 660							7 884	7 884	38 544

The budget for transfers and subsidies increases from R30.7 million to R38.5 million. The institution has re-allocated an amount of R7.9 million from its retained income to fund an increase for Constituency Allowance for members and parties in order to fulfil their constitutional obligations.

### 7.2. Changes to conditional grants

Not applicable.

### 7.3. Changes to infrastructure

Not applicable.