

# Vote 02

## Provincial Legislature

### Adjustment budget summary

2016/17				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	316 243	351 818	-	35 575
<i>of which:</i>				
Current payments	228 207	238 082	-	9 875
Transfers and Subsidies	62 936	88 636	-	25 700
Payments for Capital Assets	25 100	25 100	-	-
Payments for Financial Assets	-	-	-	-
<b>Direct charge against the Provincial Revenue Fund</b>	<b>59 362</b>	<b>62 865</b>	<b>-</b>	<b>3 503</b>
Executive authority	Speaker of the Legislature			
Accounting officer	Secretary of the Legislature			

### Vote purpose

*To exercise oversight over the executive arm of government, provide financial and administrative support to political parties represented in the legislature and provide effective administrative management and support to members of the Legislature.*

## Adjusted Estimates of Provincial Expenditure and Revenue 2016

### Programme summary

Table 2.1: Adjusted estimates

R thousand	2016/17							Total adjustments appropriation	Adjusted appropriation
	Main appropriation	Adjustments appropriation							
		Roll-overs	Unforeseeable/unavoidable	Virement and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Programme</b>									
1. Administration	119 272	6 640	-	(8 345)	-	-	-	(1 705)	117 567
2. Facilities for Members and Political Parties	64 828	500	-	192	-	-	25 700	26 392	91 220
3. Parliamentary Services	72 781	1 265	-	6 120	-	-	-	7 385	80 166
<b>Subtotal</b>	<b>256 881</b>	<b>8 405</b>	<b>-</b>	<b>(2 033)</b>	<b>-</b>	<b>-</b>	<b>25 700</b>	<b>32 072</b>	<b>288 953</b>
<b>Direct charge against the Provincial Revenue Fund</b>									
Statutory	59 362	1 470	-	2 033	-	-	-	3 503	62 865
<b>Total</b>	<b>316 243</b>	<b>9 875</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25 700</b>	<b>35 575</b>	<b>351 818</b>
<b>Economic classification.</b>									
<b>Current Payments</b>	<b>228 207</b>	<b>9 875</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9 875</b>	<b>238 082</b>
Compensation of employees	175 856	-	-	-	-	-	-	-	175 856
Goods and services	52 351	9 875	-	-	-	-	-	9 875	62 226
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfer and subsidies to:</b>	<b>62 936</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25 700</b>	<b>25 700</b>	<b>88 636</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikon	-	-	-	-	-	-	-	-	-
Public corporations & private enterprises	-	-	-	-	-	-	-	-	-
Non-profit making institutions	62 474	-	-	-	-	-	25 700	25 700	88 174
Households	462	-	-	-	-	-	-	-	462
<b>Payment for capital assets</b>	<b>25 100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25 100</b>
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	25 100	-	-	-	-	-	-	-	25 100
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>316 243</b>	<b>9 875</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25 700</b>	<b>35 575</b>	<b>351 818</b>

The institution's main appropriation has been increased by a total of R35.575 million. This total comprises R9.875 million retained income that had been surrendered and will be utilised to cater for the shortfall on Statutory payments (Direct charge against the Provincial Revenue Fund), the difference of R25.700 million is for political party funding at R23.0 million and constituency allowance at R2.700 million respectively.

# Programme 1: Administration

Table 2.1.1: Adjusted estimates

Administration		2016/17							Adjusted appropriation
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
		Roll-overs	Unforseeable/unavoidable	Virement and shifts	Function shifts	Declared unspent funds		Other adjustments	
<b>Subprogramme</b>									
1. Office of the Speaker	12 450	600	-	(26)	-	-	-	574	13 024
2. Office of the Secretary	8 697	-	-	(2 996)	-	-	-	(2 996)	5 701
3. Financial Management	17 790	830	-	1 303	-	-	-	2 133	19 923
4. Corporate Services	69 699	3 410	-	(6 852)	-	-	-	(3 442)	66 257
5. Internal Audit	5 238	1 500	-	(16)	-	-	-	1 484	6 722
6. Safety	5 398	300	-	242	-	-	-	542	5 940
<b>Total</b>	<b>119 272</b>	<b>6 640</b>	<b>-</b>	<b>(8 345)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 705)</b>	<b>117 567</b>
<b>Economic classification.</b>									
<b>Current Payments</b>	<b>93 710</b>	<b>6 640</b>	<b>-</b>	<b>(8 345)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 705)</b>	<b>92 005</b>
Compensation of employees	64 960	-	-	(8 345)	-	-	-	(8 345)	56 615
Goods and services	28 750	6 640	-	-	-	-	-	6 640	35 390
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfer and subsidies to:</b>	<b>462</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>462</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations & private enterprises	-	-	-	-	-	-	-	-	-
Non-profit making institutions	-	-	-	-	-	-	-	-	-
Households	462	-	-	-	-	-	-	-	462
<b>Payment for capital assets</b>	<b>25 100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25 100</b>
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	25 100	-	-	-	-	-	-	-	25 100
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>119 272</b>	<b>6 640</b>	<b>-</b>	<b>(8 345)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 705)</b>	<b>117 567</b>

The programme's main appropriation of R119.272 million has been adjusted to R117.567 million. The R1.705 million decrease covers for the following:

- R6.640 million from the retained income surrendered at the beginning of the financial year is used to fund the budget pressures in maintenance and repairs, cellular phones and telephone expenses and travelling and subsistence expenditure.
- R8.345 million reduction in the Compensation of Employees of the programme will cover for the Compensation of Employees deficits on programme 2 and 3.

## Programme 2: Facilities for Members and Political Parties

Table 2.1.2: Adjusted estimates

Facilities for Members and Political Services		2016/17							Adjusted appropriation
		Adjustments appropriation						Total adjustments appropriation	
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virement and shifts	Function shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
<b>Subprogramme</b>									
1. Facilities and Benefits to Members	59 362	1 470	-	2 033	-	-	-	3 503	62 865
2. Political Support Services	64 828	500	-	192	-	-	25 700	26 392	91 220
<b>Total</b>	<b>124 190</b>	<b>1 970</b>	<b>-</b>	<b>2 225</b>	<b>-</b>	<b>-</b>	<b>25 700</b>	<b>29 895</b>	<b>154 085</b>
<b>Economic classification.</b>									
<b>Current Payments</b>	<b>61 716</b>	<b>1 970</b>	<b>-</b>	<b>2 225</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 195</b>	<b>65 911</b>
Compensation of employees	54 416	-	-	2 225	-	-	-	2 225	56 641
Goods and services	7 300	1 970	-	-	-	-	-	1 970	9 270
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfer and subsidies to:</b>	<b>62 474</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25 700</b>	<b>25 700</b>	<b>88 174</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations & private enterprises	-	-	-	-	-	-	-	-	-
Non-profit making institutions	62 474	-	-	-	-	-	25 700	25 700	88 174
Households	-	-	-	-	-	-	-	-	-
<b>Payment for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>124 190</b>	<b>1 970</b>	<b>-</b>	<b>2 225</b>	<b>-</b>	<b>-</b>	<b>25 700</b>	<b>29 895</b>	<b>154 085</b>

The programme's budget of R124.190 million has been increased by R29.895 million to R154.085 million.

- Compensation of Employees' shortfall of R2.225 million will be catered from the projected surplus of programme 1.
- R1.970 million will cater for the budget pressures on Members travelling.
- R23.000 million is for political party funding. The current budget for political party funding of R21.000 million is far less than last financial year's adjustment budget of R42.7 million; and
- R2.700 million is for the constituency allowances rate for Members of Parliament (MPL's) which has been increased from R36 thousand per member per month to R40 thousand per member per month. This increase was not included in the 2016/17 budget.

## Programme 3: Parliamentary Services

Table 2.1.3: Adjusted estimates

Parliamentary Services		2016/17							Adjusted appropriation
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation		
		Roll-overs	Unforseeable/unavoidable	Virement and shifts	Function shifts	Declared unspent funds		Other adjustments	
<b>Subprogramme</b>									
1. Library, Research and Information Services	16 310	200	-	469	-	-	-	669	16 979
2. House Proceedings	9 404	345	-	(727)	-	-	-	(382)	9 022
3. Committee Services	18 273	200	-	1 904	-	-	-	2 104	20 377
4. Legal Services	5 282	320	-	1 370	-	-	-	1 690	6 972
5. NCOP	6 196	-	-	571	-	-	-	571	6 767
6. Public Participation and Awareness	8 176	-	-	1 305	-	-	-	1 305	9 481
7. Hansard and Language Services	9 140	200	-	1 228	-	-	-	1 428	10 568
<b>Total</b>	<b>72 781</b>	<b>1 265</b>	<b>-</b>	<b>6 120</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7 385</b>	<b>80 166</b>
<b>Economic classification.</b>									
<b>Current Payments</b>	<b>72 781</b>	<b>1 265</b>	<b>-</b>	<b>6 120</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7 385</b>	<b>80 166</b>
Compensation of employees	56 480	-	-	6 120	-	-	-	6 120	62 600
Goods and services	16 301	1 265	-	-	-	-	-	1 265	17 566
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfer and subsidies to:</b>									
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations & private enterprises	-	-	-	-	-	-	-	-	-
Non-profit making institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
<b>Payment for capital assets</b>									
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>									
<b>Total</b>	<b>72 781</b>	<b>1 265</b>	<b>-</b>	<b>6 120</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7 385</b>	<b>80 166</b>

The programme's budget of R72.781 million has been adjusted to R80.166 million. The increase is to cater for the following:

- R1.265 million from the retained funds will cater for the budget pressures in the SOPA activities.
- The R6.120 million surplus from the compensation of employees in programme 1 will be used to cater for the programme's projected deficit.

## Details of adjustments to Estimates of Provincial Expenditure and Revenue 2016

### Virements and shifts

**Table 2.2: Details on virements per programme and economic classification**

Programmes					
1.Administration					
2.Facilities for Members and Political Parties					
3. Parliamentary Services					
FROM			TO		
Programme by Economic Classification	Motivation	R thousand	Programme by Economic Classification	Motivation	R thousand
Programme 1		(2 225)	Programme 2		2 225
Compensation of Employees	The anticipated saving that resulted from the budgeted vacant posts will be used to cover the projected overspending of compensation of employees on programme 2	(2 225)	Compensation of Employees	The projected deficit to be covered by the surplus from programme 1	2 225
Virements to other programmes as a percentage of the programme budget		0%			1%
Programme 1		(6 120)	Programme 3		6 120
Compensation of Employees	The anticipated saving that resulted from the budgeted vacant posts will be used to cover the projected overspending of compensation of employees on programme 3	(6 120)	Compensation of Employees	The projected deficit to be covered by the surplus from programme 1	6 120
Shift within the programme as a percentage of the programme budget		0.00%			
Virements to other programmes as a percentage of the programme budget		6%			8%
Total for Vote		(8 345)			8 345

## Details of adjustments to Estimates of Provincial Expenditure 2016

### Roll over of funds – R9.875 million

#### Programme 2: Facilities for Members and Political Parties

An amount of R9.875 million has been surrendered and re - allocated back to the institution to cover the budget pressure on costs of the annual increase for Members which has not yet been implemented.

### Other adjustments – R25.700 million

#### Adjustments due to significant and unforeseeable economic and financial events – R25.700 million

#### Programme 2: Facilities for Members and Political Parties

R25.700 million to be utilised to fund the budget pressures which include R23.000 million political party funding and R2.700 million for the increase of constituency allowances rate for Members of Parliament (MPL's) which was not included in the 2016/17 budget.

## Expenditure for 2015/16 and actual expenditure for 2016/17

Table 2.3: Expenditure trends

R thousand	2015/16				2016/17			
	Adjusted appropriation	Expenditure outcome		Preliminary outcome		Adjusted appropriation	Preliminary outcome	
	Apr 2015-Sept 2015	Apr 15-Sept 15 % of adjusted appropriation	Apr 2015-Mar 2016	Apr 15-Mar 16. % of adjusted appropriation	Apr 2016-Sept 2016	Apr 16-Sept 16 % of adjusted appropriation		
<b>Programme</b>								
1. Administration	95 778	42 818	44.7%	89 258	93.2%	117 567	48 121	40.9%
2. Facilities for Members and Political Parties	143 445	85 583	59.7%	145 147	101.2%	154 085	95 010	61.7%
3. Parliamentary Services	68 612	31 925	46.5%	63 555	92.6%	80 166	35 254	44.0%
<b>Total</b>	<b>307 835</b>	<b>160 326</b>	<b>52.1%</b>	<b>297 960</b>	<b>96.8%</b>	<b>351 818</b>	<b>178 385</b>	<b>50.7%</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>212 325</b>	<b>102 259</b>	<b>48.2%</b>	<b>201 329</b>	<b>94.8%</b>	<b>238 082</b>	<b>110 555</b>	<b>46.4%</b>
Compensation of employees	156 810	76 354	48.7%	152 801	97.4%	175 856	84 876	48.3%
Goods and services	55 515	25 905	46.7%	48 528	87.4%	62 226	25 679	41.3%
Interest and rent on land	-	-	0.0%	0%		-	-	
<b>Transfer and subsidies to:</b>	<b>83 522</b>	<b>57 255</b>	<b>68.6%</b>	<b>85 545</b>	<b>102.4%</b>	<b>88 636</b>	<b>64 722</b>	<b>73.0%</b>
Provinces and municipalities	-	-		18	0.0%	-	4	0.0%
Departmental agencies and accounts	-	-	0.0%	0%	0.0%	-	-	0.0%
Universities and technikons	-	-	0.0%	0%	0.0%	-	-	0.0%
Public corporations and private enterprises	-	-	0.0%	0%	0.0%	-	-	0.0%
Non-profit institutions	83 467	57 213	68.5%	85 382	102.3%	88 174	64 718	73.4%
Households	55	42	0.0%	145	100.0%	462	-	0.0%
<b>Payments for capital assets</b>	<b>11 988</b>	<b>812</b>	<b>6.8%</b>	<b>10 088</b>	<b>84.2%</b>	<b>25 100</b>	<b>3 108</b>	<b>12.4%</b>
Buildings and other fixed structures	-	-	0.0%	-	0.0%	-	-	0.0%
Machinery and equipments	11 988	812	6.8%	10 088	84.2%	25 100	3 108	12.4%
Biological assets	-	-	0.0%	-	0.0%	-	-	0.0%
Software & other intangible assets	-	-	0.0%	-	0.0%	-	-	0.0%
Land and subsoil assets	-	-	0.0%	0%	0.0%	-	-	0.0%
<b>Payments for financial assets</b>	-	-	0.0%	998	0.0%	-	-	0.0%
<b>Total</b>	<b>307 835</b>	<b>160 326</b>	<b>52.1%</b>	<b>297 960</b>	<b>96.8%</b>	<b>351 818</b>	<b>178 385</b>	<b>50.7%</b>

As at 30 September 2016, the institution spent 50.7 percent of the current year budget of R351.818 million as compared to 52.1 percent or R160.326 million during the same period in the previous financial year.

*Transfers and Subsidies* shows expenditure of 73.0 percent in 2016/17 as compared to 68.6 percent in 2015/16. The high spending trend is due to over expenditure resulted from payments of performance bonuses to political parties staff that were not budgeted for in the previous years and payment of accruals on transfers to political parties.

**Payment of Capital Assets** reflect expenditure of 12.4 percent in 2016/17 compared with 6.8 percent in 2015/16. The low expenditure was due to delay in the purchase of laptop and desktop computers and network equipment and servers. The process of the desktop computers purchase is still underway. The unavailability of certain models which are compatible to the institution's server is delaying the procurement process. The payment will be dependent on the completion of the procurement process.

## Departmental receipts

Table 2.5: Receipts

R thousand	Adjusted estimate	2015/16				2016/17			
		Audited outcome				Actual receipts			
		Apr 15 - Sept 15	Apr 15-Sept 15 % of adjusted estimate	Apr 15 - Mar 16	Apr 15-Mar 16 % of adjusted estimate	Budget estimate	Adjusted estimate	Apr 16 - Sept 16	Apr 16-Sept 16 % of adjusted estimate
Tax receipts									
Sales of goods and services	138	79	57.5%	158	114.1%	130	118	55	46.4%
Sales of capital assets	-	-	-	-	-	-	183	183	99.8%
Financial transactions in assets and liabilities	153	108	70.6%	159	103.6%	77	30	(123)	-411.1%
<b>Total departmental receipts</b>	<b>291</b>	<b>187</b>	<b>64.4%</b>	<b>316</b>	<b>108.6%</b>	<b>207</b>	<b>331</b>	<b>114</b>	<b>34.4%</b>

The main source of revenue for Provincial Legislature is commission on insurance. The revenue budget increases from R0.207 million to R0.331 million showing an increase of 59.5 percent due to sale of capital assets which was not anticipated.

## Summary of changes to Transfers and Subsidies

Table 2.4: Summary of changes to transfers and subsidies per programme.

R thousand	Main appropriation	2016/17							Adjusted appropriation
		Adjustments appropriation							
		Roll-overs	Unforeseeable/unavoidable	Virement and shifts	Function shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
<b>1. Administration</b>									
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Households	462	-	-	-	-	-	-	-	462
<b>2. Facilities for Members and Political Parties</b>									
Constituency Allowances	62 474	-	-	-	-	-	25 700	25 700	88 174
<b>Total</b>	<b>62 936</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25 700</b>	<b>25 700</b>	<b>88 636</b>