

VOTE 02

PROVINCIAL LEGISLATURE

NORTH WEST PROVINCIAL LEGISLATURE

Adjusted budget summary

R thousand	2016/17			
	Main Appropriation	Special Appropriation	Adjusted Appropriation	Increase
Amount to be appropriated	349 435		388 672	39 237
<i>Of which</i>				
Current payments	252 865		292 102	39 237
Transfers and subsidies	33 790		33 790	
Payments for capital assets	62 780		62 780	
Payments for Financial Assets				
Direct Charge against the Provincial Revenue Fund				
Executive authority	Premier of North West Province			
Accounting officer	Deputy Director General of the Department of Provincial Legislature			

Vote Purpose

- To initiate transformation laws.
- To promote public participation and transparency in an accountable manner.
- To establish and maintain a skilled administration to participate effectively in the Core business of the Legislature.
- To empower Members of the Legislature so as to effectively participate in the business of the legislature.
- To ensure integration, co-operation and co-ordination between the Legislature and Parliament.

Programmes

1. Administration
2. Members' Salaries
3. Legislature Operations

Summary of receipts

SUMMARY OF RECEIPTS

Item Description	Source of Funding			
	Conditional Grant	Equitable Share	Own Revenue	Financing
Main appropriation		349 435		
Rollovers				
of which				
Additional allocations		36 000		3 237
Equitable Share		36 000		
Retained Earnings				3 237
Less: Budget Reductions				
Totals		385 435		3 237
				388 672

Mid-year performance status

Indicators	Programme	Outcome to which it Contributes	Annual performance		
			As published in the 2015 ENE	Projected for 2016/17 as Published in the 2015 ENE	Achieved in the first six Months of 2016/17 (April To September)
Number of public hearings held	Legislature Operations	Departmental Mandate			0
Number of policies reviewed	Administration	Departmental Mandate	12	16	0
Number of policies developed	Administration	Departmental Mandate	6	1	0
Number of annual financial statements to Provincial Treasury	Administration	Departmental Mandate	1	1	0
Number of reports produced on Coordination and facilitation of the Strategic Planning for the Presiding Officers	Administration	Departmental Mandate	1	1	0
Number of radio interviews organized	Administration	Departmental Mandate	4	4	0
Number of Kgotla magazines prepared	Administration	Departmental Mandate	12	4	0
Number of reports on the oversight Activities submitted for tabling by the Portfolio Committees	Legislature Operations	Departmental Mandate	4	2	0
Number of reports submitted to the Secretary regarding the NCOP outreach Programme	Legislature Operations	Departmental Mandate	4	2	0
Number of reports produced on public Participation events organized	Legislature Operations	Departmental Mandate	4	2	0
Number of reports produced on Library Activities	Legislature Operations	Departmental Mandate	4	2	0
Number of reports prepared on petitions Received	Legislature Operations	Departmental Mandate	4	2	0
Number of reports prepared regarding Secretarial support provided to Provincial Delegates	Legislature Operations	Departmental Mandate	4	2	0

Adjusted Estimates of Provincial Revenue and Expenditure 2016

Departmental summary of 2016 Adjustment Estimates of Provincial Expenditure according to programmes

Programme	Main Appropriation	Special Appropriation	2016/17						Adjusted Appropriation
			Adjustments appropriation						
			Rollovers	Unforeseeable / unavoidable	Virements and Shifts	Function Shifts	Declared unspent funds	Other adjustments	
R thousand									
ADMINISTRATION	184 242						32 437	32 437	216 679
STATUTORY PAYMENTS	30 475								30 475
LEGISLATURE OPERATIONS	134 718						6 800	6 800	141 518
Subtotal	349 435						39 237	39 237	388 672
Direct charge against the Provincial Revenue Fund									
Total	349 435						39 237	39 237	388 672
Economic Classification									
Current payments	252 865						39 237	39 237	292 102
Compensation of employees	154 475								154 475
Goods and services	98 390						39 237	39 237	137 627
Interest and rent on land									
Transfers and subsidies	33 790								33 790
Provinces and municipalities	32 820								32 820
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	970								970
Payments for capital assets	62 780								62 780
Buildings and Other fixed structures	60 015								60 015
Buildings	59 460								59 460
Other fixed structures	555								555
Machinery and equipment	2 210								2 210
Transport assets									
Other Machinery and equipment	2 210								2 210
Biological assets									
Software and Other intangible assets	555								555
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Payments for Financial Assets									
Total	349 435						39 237	39 237	388 672

Programme summary of estimates according to subprogrammes

Programme 1 : ADMINISTRATION	Main Appropriation	Special Appropriation	2016/17						Adjusted Appropriation
			Adjustments appropriation						
			Rollovers	Unforeseeable / unavoidable	Virements and Shifts	Function Shifts	Declared unspent funds	Other adjustments	
R thousand									
Office of the Speaker	6 504						3 619	3 619	10 123
Office of the Secretary	5 812						1 618	1 618	7 430
Financial Management	80 187						17 150	17 150	97 337
Corporate Services	90 583						10 050	10 050	100 633
Internal Audit	1 156								1 156
Subtotal	184 242						32 437	32 437	216 679
Direct charge against the Provincial Revenue Fund									
Statutory payment									
Total	184 242						32 437	32 437	216 679
Economic Classification									
Current payments	120 492						32 437	32 437	152 929
Compensation of employees	67 250								67 250
Goods and services	53 242						32 437	32 437	85 679
Interest and rent on land									
Transfers and subsidies	970								970
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	970								970
Payments for capital assets	62 780								62 780
Buildings and Other fixed structures	60 015								60 015
Buildings	59 460								59 460
Other fixed structures	555								555
Machinery and equipment	2 210								2 210
Transport assets									
Other Machinery and equipment	2 210								2 210
Biological assets									
Software and Other intangible assets	555								555
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Payments for Financial Assets									
Total	184 242						32 437	32 437	216 679

2016/17 Adjusted Estimates of Provincial Revenue and Expenditure

Programme summary of estimates according to subprogrammes

Programme 2 : STATUTORY PAYMENTS

R thousand	2016/17								Adjusted Appropriation
	Main Appropriation	Special Appropriation	Adjustments appropriation					Total adjustments appropriation	
			Rollovers	Unforeseeable /unavoidable	Virements and Shifts	Function Shifts	Declared unspent funds		
Members Salaries	30 475								30 475
Subtotal	30 475								30 475
Direct charge against the Provincial Revenue Fund									
Statutory payment									
Total	30 475								30 475
Economic Classification									
Current payments	30 475								30 475
Compensation of employees	30 475								30 475
Goods and services									
Interest and rent on land									
Transfers and subsidies									
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets									
Buildings and Other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment									
Transport assets									
Other Machinery and equipment									
Biological assets									
Softw are and Other intangible assets									
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Payments for Financial Assets									
Total	30 475								30 475

Programme summary of estimates according to subprogrammes

Programme 3 : LEGISLATURE OPERATIONS

R thousand	2016/17								Adjusted Appropriation
	Main Appropriation	Special Appropriation	Adjustments appropriation					Total adjustments appropriation	
			Rollovers	Unforeseeable /unavoidable	Virements and Shifts	Function Shifts	Declared unspent funds		
Logistics Members	43 863								43 863
Exposure to Parliamentary Services	2 475								2 475
House Proceedings	3 431								3 431
Committee Services	60 427						5 000	5 000	65 427
NCOOP Liaison	1 628								1 628
Public Participation	20 405								20 405
Library, Research and Information Services	2 489						1 800	1 800	4 289
Subtotal	134 718						6 800	6 800	141 518
Direct charge against the Provincial Revenue Fund									
Statutory payment									
Total	134 718						6 800	6 800	141 518
Economic Classification									
Current payments	101 898						6 800	6 800	108 698
Compensation of employees	56 750								56 750
Goods and services	45 148						6 800	6 800	51 948
Interest and rent on land									
Transfers and subsidies	32 820								32 820
Provinces and municipalities	32 820								32 820
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets									
Buildings and Other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment									
Transport assets									
Other Machinery and equipment									
Biological assets									
Softw are and Other intangible assets									
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Payments for Financial Assets									
Total	134 718						6 800	6 800	141 518

Roll-overs

None

Unforeseeable and unavoidable expenditure

None

Summary of Virements and Shifts

Virements and shifts Table

Programmes					
Virements					
From			To		
Programme by Economic Classification	Motivation	R thousand	Programme by Economic Classification	Motivation	R thousand
Programme :		-	Programme :		-
Shift within the programme as a percentage of the programme budget		0%			
Virements of the programme as a percentage of the programme budget					
Programme :			Programme :		-
Shift within the programme as a percentage of the programme budget		0%			
Programme :		-	Programme :		-
Shift within the programme as a percentage of the programme budget		0%			
Virements of the programme as a percentage of the programme budget					
Total		-			

Declared unspent funds

According to Sec 23(1) of the Financial Management of Parliament and Provincial Legislature Act 2009, The North West Provincial Legislature is not required to return to the National Revenue Fund any money appropriated for a particular financial year but not spent for that year.

An amount of R3.2 million has therefore been added to the main appropriation of the NWPL as a result of the above mentioned act.

Other adjustments

Funds shifted between votes following a transfer of a function

None

Funds shifted within a vote to follow function shift

None

Appropriation of expenditure earmarked in the 2016 Budget speeches for future allocation

None

Adjustments due to significant and unforeseeable economic and financial events

None

Use of funds in emergency situations in terms of Section 25 of the PFMA

None

Self-financing expenditure

None

Gifts, donations and sponsorships

None

Direct charges against the Provincial Revenue Fund

R30.4 million for Members' salaries is a direct charge against the Provincial Revenue Fund.

Additional Allocations

None

Amounts surrendered

None

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

Programme	2015/16					2016/17			
	Adjusted appropriation	Actual Expenditure			Preliminary expenditure				
		Apr 15-Sep 15	Apr 15-Sep 15	% of Adjusted appropriation	Apr 15-Mar 16	% of Adjusted appropriation	Adjusted appropriation	Adjusted appropriation/total (%)	Apr 16-Sep 16
R thousand									
ADMINISTRATION	144 040	67 980	47.2%	144 711	100.5%	216 679	55.7%	105 064	48.5%
STATUTORY PAYMENTS	28 941	12 705	43.9%	26 995	93.3%	30 475	7.8%	13 862	45.5%
LEGISLATURE OPERATIONS	132 519	58 570	44.2%	130 557	98.5%	141 518	36.4%	70 929	50.1%
Subtotal	305 500	139 255	45.6%	302 263	98.9%	388 672	100.0%	189 855	48.8%
Direct charge against the Provincial Revenue Fund									
Subtotal									
Total	305 500	139 255	45.6%	302 263	98.9%	388 672	100.0%	189 855	48.8%
Economic classification									
Current payments	267 365	125 242	46.8%	263 908	98.7%	292 102	75.2%	145 261	49.7%
Compensation of employees	118 043	65 359	55.4%	140 296	118.9%	154 475	39.7%	78 132	50.6%
Goods and services	149 322	59 883	40.1%	123 605	82.8%	137 627	35.4%	67 129	48.8%
Interest and rent on land				7					
Transfers and subsidies	32 089	13 997	43.6%	32 726	102.0%	33 790	8.7%	20 851	61.7%
Provinces and municipalities						32 820	8.4%		
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Nonprofit institutions	31 168	13 984	44.9%	32 726	105.0%			20 356	
Households	921	13	1.4%			970	0.2%	495	51.0%
Payments for capital assets	6 046	16	0.3%	5 629	93.1%	62 780	16.2%	23 743	37.8%
Buildings and Other fixed structures						60 015	15.4%	23 306	38.8%
Machinery and equipment	3 938	16	0.4%	5 629	142.9%	2 210	0.6%	437	19.8%
Biological assets									
Software and Other intangible assets	2 108					555	0.1%		
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Payments for Financial Assets									
Total	305 500	139 255	45.6%	302 263	98.9%	388 672	100.0%	189 855	48.8%

Main Expenditure trends for the first half of 2016/17

Programme 1: Administration

In the first half of the 2016/17 financial year the programme has spent R105 million of its appropriation which comprises 49 per cent. As compared to the 2015/16 financial year the programme had its appropriation increased by R 67.9 million (47.2 per cent) followed by an expenditure increase of R37 million (54.5 per cent).

Programme 2: Legislature Operations

Programme 2 is primarily aimed at paying the salaries of the Members of Parliament. To this point the programme has only utilized 45.5 per cent of the allocated budget, recording underspending by 4.5 percentage points cumulative from the previous periods. With the persistence on underspending, a minimum of R2 million can be derived as savings that can help curb over expenditure on other Programmes.

Programme 3: Legislature Operations

The overall programme expenditure amounts to R70.9 million (48 per cent). The substantial expenditure is driven by funding for political party activities pertaining to the local government elections held in the current financial year (2016/17).

Economic Classification

Compensation of Employees

Expenditure on Compensation of Employees (50.6 per cent) is virtually on the threshold. The current spending poses a risk of resulting in a substantial accumulated over expenditure in the forthcoming quarters.

Goods and Services

Expenditure on goods and services is on the norm however it poses a risk of increasing in the next quarter. Spending registered R67.1 million (48.2 per cent) at the end of second quarter.

Transfers and subsidies

The high expenditure patterns for transfer payments are attributed to funding of Political parties' elections-related activities from 2015/16 financial year to the 2016/17 financial year. Transfers and subsidies currently spent 61.7 per cent indicative of a substantial increase from the previous year's 43.6 per cent spending. The marginal spending per month is expected to continue decreasing as the projections reflect expenditure only in periods 6, 9, and 12.

Payments for capital assets

The expenditure is marginally low as at 30 September 2016 by 12.2 percentage points. Expenditure amounts to R23.7 million which constitutes 37.8 per cent of the allocated budget. Infrastructure comprehends the enormous allocation under capital payments.

Departmental receipts

None

Changes to transfers and subsidies, and conditional grants

None

Summary of changes to Conditional Grants

None

Table B.5(a): Legislature-Payments of Infrastructure by category																	
Project No.	Project name	Ward No	VTSD Type	Project Status	Municipality / Region	Economic Classification (Buildings and Other fixed Structures, Goods & Services, Plant, machinery & Equipments, COE)	Type of infrastructure School - primary/secondary/ specialised; admin block; water; electricity; sanitation/toilet; fencing etc	Project duration		Source of funding	Budget programme name	Delivery Mechanism (Individual project or Packaged Program)	Total project cost	Total Expenditure to date from previous years	Total available '2016/17	MTEF Forward estimates	
								Date: Start	Date: Finish							MTEF 2017/18	MTEF 2018/19
1. New and replacement assets																	
1	Extention Legislature phase 2	Ward 8	Tow n	Tender	Mahikeng Ward 6	Buildings & other fixed structures	New building at Legislature	01/062015	01/072018	Equitable Share		Individual Project	210 171	-	48 000	75 000	87 171
Total New infrastructure assets													214 871	4 700	48 000	75 000	87 171
2. Upgrades and additions																	
2	Legislature (access point security upgrade)	Ward 8	Tow n	Design	Mahikeng Ward 6	Buildings & other fixed structures	Installation of security system (access point)	01/062015	01/022016	Equitable Share		Individual Project	-	-	-	-	-
3	Upgrading of Airconditioning at Legislature	Ward 8	Tow n	Tender	Mahikeng Ward 6	Buildings & other fixed structures	Upgrade of Airconditioning	01/062015	01/062016	Equitable Share		Individual Project	-	-	-	-	-
4	Legislature (NKP) Security Upgrade	Ward 8	Tow n	Design	Mahikeng Ward 6	Buildings & other fixed structures	Attending to National Key Points (Access Control, CCTV system, Fire Protection, Building Management, Asset Tracking, 1000m fencing, Lighting contingency system, contingencies)	01/042017	31/032018	Equitable Share		Individual Project	28 000	-	5 000	10 000	13 000
Total Upgrades and additions													29 700	1 700	5 000	10 000	13 000
3. Rehabilitation, renovations and refurbishments																	
5	Legislature Chamber	Ward 8	Tow n	Design	Mahikeng Ward 6	Buildings & other fixed structures	Refurbishment chamber	01/042017	31/032020	Equitable Share		Individual Project	13 789	-	2 789	11 000	-
Total Rehabilitation, renovations and refurbishments													13 789	-	2 789	11 000	-
4. Maintenance and repairs																	
6	Maintenance	Ward 8	Tow n	Plann	Mahikeng Ward 6	Goods & Services	Maintenance	01/042016	31/032017	Equitable Share		Individual Project	10 228	-	3 171	1 700	5 357
7	Infrastructure Condition Assessment	Ward 8	Tow n	Plann	Mahikeng Ward 6	Buildings & other fixed structures	Maintenance			Equitable Share		Individual Project	2 640	-	500	2 140	-
Total Maintenance and repairs													12 868	-	3 671	3 840	5 357
5. Infrastructure transfers - current																	
Total Infrastructure transfers - current																	
6. Infrastructure transfers - capital																	
Total Infrastructure transfers - capital																	
7. Programe Management Fees 1																	
Total Management Fees																	
8. CoE (HR capacitation; EIG / HRFPG)																	
TotalCoE (HR capacitation; EIG / HRFPG)																	
Total Legislature Infrastructure													271 228	6 400	59 460	99 840	105 528

