

VOTE 2

Provincial Legislature

Operational budget	R437 609 000
Remuneration of the Speaker and Deputy Speaker	R 3 253 000 ¹
Statutory amount (Members' remuneration)	R 77 790 000
Total budget	R518 652 000
Total to be appropriated (excl. Members' remuneration)	R 440 862 000
Responsible MEC	Speaker of the Provincial Legislature
Administering department	Provincial Legislature
Accounting officer	Secretary: Provincial Legislature

1. Overview

Vision

The vision of the Provincial Legislature (hereafter referred to as the Legislature) is: *To be an activist, people-centred Legislature.*

Mission statement

The Legislature's mission statement is: *To deepen democracy and entrench activism in KwaZulu-Natal through robust oversight, effective public participation and efficient law-making.*

Strategic objectives

Strategic policy direction: By focussing on its oversight role and by encouraging public participation, the Legislature seeks to align its operations and strategic position with the overall aim of government to achieve accountability and effective service delivery for all citizens of the province in the following areas: access to quality education and health care, prevention of crime and eradication of corruption, creation of decent work and expansion of work opportunities, and agrarian reform and rural development.

Law-making

To be an effective, efficient and visible law-maker through:

- Improved technical capacity on law-making by the Legislature.
- Constitutionally compliant laws enacted by the Legislature.

Oversight

To ensure effective execution of oversight on service delivery, governance and implementation of laws (and conventions) by the Provincial Executive Council through:

- Improved oversight on compliance and accountability by provincial organs of state in terms of relevant legislative prescripts and protocols.
- Improved oversight on service delivery targets set in the NDP, PGDP and MTSF and on the achievement of government outcomes.
- Acceleration of economic transformation in the province.

¹ At the time of going to print, the proclamation determining the 2015 salary adjustment relating to office bearers had not been signed by the Premier, hence this amount remains unchanged from the 2015/16 EPRE.

Public participation

To ensure enhanced public participation in all legislative processes of the Legislature through:

- Improved citizen engagement and participation in the legislative processes.
- Improved public and civic education programmes to empower the citizens of KwaZulu-Natal.

Governance and leadership

To ensure improved leadership and governance of the Legislature through:

- Improved institutional performance, efficiencies, communication and transformation.
- Improved institutional fiscal discipline and implementation of financial and supply chain prescripts.
- Improved corporate and human capital management services.
- Improved institutional internal controls and governance practices.
- Improved intergovernmental and international relations.

Core functions

In order to achieve the above strategic objectives, the Legislature is responsible for carrying out the following core functions:

- To maintain the highest standards in drafting, amending and passing legislation.
- To timeously consider, pass, amend or reject legislation referred to the Legislature by the Executive Council or the National Council of Provinces (NCOP).
- To maintain oversight over the provincial executive authority in the province, including the implementation of legislation.

Legislative mandates

The following mandates clearly define the duties and the requirements of the Legislature:

- Constitution of the Republic of South Africa (Act No. 108 of 1996)
- Promotion of Access to Information Act (Act No. 2 of 2000)
- Labour Relations Act (Act No. 66 of 1995)
- Basic Conditions of Employment Act (Act No. 75 of 1997)
- Employment Equity Act (Act No. 55 of 1998)
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Broad-Based Black Economic Empowerment Act (Act No. 53 of 2002)
- State Information Technology Agency Act (Act No. 38 of 2002)
- KZN Petitions Act (Act No. 3 of 2004)
- KZN Funding of Political Parties' Act (Act No. 7 of 2008)
- Financial Management of Parliament Act (Act No. 9 of 2009)
- Financial Management of Parliament Amendment Act (Act No. 34 of 2014)

It is noted that provincial legislatures are no longer governed by the Public Finance Management Act (Act No. 1 of 1999, as amended) and Treasury Regulations. These have been replaced by the Financial Management of Parliament Amendment Act (FMPAA) which was enacted in 2014, to be implemented with effect from 1 April 2015. This is commented on in further detail in Section 2 below.

In addition to the above, the Legislature's functions are governed by the Standing Rules and the Resolutions of the Legislature Executive Committee (LexCo).

2. Review of the 2015/16 financial year

Section 2 provides a review of 2015/16, outlining the main achievements and progress made by the Legislature, as well as providing a brief discussion on challenges and new developments.

Financial Management of Parliament Amendment Act (FMPAA)

As mentioned, the FMPAA was enacted in 2014, with implementation to commence from 1 April 2015. It is anticipated that the full implementation of the Act will take some time, bearing in mind that the Legislature has been under the PFMA since its enactment, and therefore 2015/16 was seen as a transitional period. Accordingly, the Legislature and Provincial Treasury continued working closely together to review the areas that require change, with the aim being the implementation of the FMPAA as far as possible in 2016/17.

One of the main focus areas in 2015/16 where success was achieved was adapting the 2016/17 MTEF budget process to fall in line with the FMPAA. In this regard, the Speaker, as the Treasury of the Legislature, submitted the Legislature's budget request directly to the MEC for Finance, and not *via* Provincial Treasury's MTEC process which is followed by all provincial departments. The budget request was based on a zero-based budget exercise which was undertaken by the Legislature, in line with a resolution taken by the Legislature's new oversight committee, the Standing Committee on Oversight (STACOV). The outcome of the zero-based budget exercise was determined at a meeting held between the MEC and the Speaker, and is commented on later in this chapter.

Cost-containment plan

In December 2014, to address in-year spending pressures, the Legislature devised and implemented a cost-containment plan. While it is acknowledged that the Legislature is not bound by Cabinet decisions, it has indicated that it will try and adhere to cost-cutting measures, as far as possible, and hence this cost-containment plan was further rolled out in 2015/16. The resultant savings were utilised to alleviate in-year spending pressures, such as the filling of critical posts in terms of the revised organisational structure, as mentioned below. The areas of cost-containment included scaling down on the purchase of furniture and equipment, curtailing travel, overtime and catering costs, reviewing and scaling down public participation events, placing a moratorium on further job evaluations, etc.

Organisational structure

In terms of the provincial cost-cutting measures, Cabinet instructed in 2015/16 that all vacant posts must be frozen, and any revised organograms which have the effect of increasing a department's or entity's total staff number may not be implemented. As mentioned above, though, the Legislature is not bound by Cabinet decisions, and therefore continued filling critical posts in terms of its revised organisational structure, utilising funds reprioritised from enforced savings as far as possible. The revised organisational structure aims to ensure that the Legislature has sufficient capacity to implement the new legislation applicable to provincial legislatures, the various SAP modules, as well as the sector oversight model, which is mentioned below. At the same time, however, rather than employing new staff, the Legislature began looking at business processes, the re-alignment of functions and the re-distribution of workloads, with the aim of improving productivity and enhancing business efficiencies.

Strengthening oversight

The Legislature continued to strengthen oversight through continued implementation of the sector oversight model by giving support to committees and expanding their reach within communities. The sector oversight model was developed in consultation with National Parliament and the National Speakers' Forum, as a standard model to be used by Parliament and the nine legislatures as a mechanism to hold the executive accountable. For instance, in terms of the model, all legislature committees must have their own researchers. Researchers were appointed for some of the bigger committees in the province, and this assisted the oversight role of these committees in 2015/16, and also helped committee members to improve their skills' base and better understand the challenges facing communities. However, the need to implement the Legislature's revised organisational structure on a phased-in basis meant that not all committees received the required support in terms of the sector oversight model, meaning that there was still some reliance on support provided by the Provincial Treasury in 2015/16.

Public participation

In line with the above-mentioned cost-containment plan, the structure of public participation events was changed in 2015/16 to take place as a report-back session on only one day, with no sitting. Sector parliaments were also reduced in number, with the People's Assembly and Learners' Parliaments being taken out of the programme. The participants in the Learners' Parliament were catered for in the Youth Parliament.

Taking into account the above-mentioned changes in structure, the following public participation events continued in 2015/16, including the active use of community radio slots to educate members of the public about the Legislature's roles and functions:

- Workers' Parliament was held in Amajuba.
- Youth Parliament was held in Umzinyathi.
- Women's Parliament was held in Ilembe.
- Senior Citizens' Parliament was held in Umkhanyakude.
- People with Disability Parliament was held in Uthukela.
- One TLTP event was held in Zululand.
- Civil Organisations' Symposium was held in uMgungundlovu.

The focus of the TLTP initiative was on the Executive Council Members providing responses to issues raised in the previous years. As a result, the sessions had greater impact on the public than in prior years, as the public was able to see the link between what they had raised before, and the role of the Legislature in holding the Executive to account. The first sitting which focussed on having report-back sessions on issues raised in previous sessions was held in the Umzimkulu Municipality.

Revamping of the Legislature buildings

The Law Society building, owned by the Legislature, was damaged by fire in 2014/15. During the 2015/16 Adjustments Estimate, the Legislature received a once-off allocation of R1.500 million, based on an assessment by Department of Public Works (DOPW) to renovate this building, and replace the network cables and office furniture. The project consultants were appointed and the site viewing was completed in the third quarter of 2015/16. DOPW was in the process of sourcing the construction contractor toward the end of 2015/16, and it is anticipated that the work will be completed in the first half of 2016/17.

The Legislature received once-off funding in 2015/16 for improvements to the two party caucus rooms, as well as the main chamber (including the galleries). These improvements, the bulk of which will be finalised by the end of the financial year, will allow the holding of parallel hearings in the main chamber and the majority party caucus room. There was slow progress on the revamping of the audio-visual systems in the main chamber due to delays by DOPW in finalising the needs assessment report. It is anticipated that this project will commence in late 2015/16, and will continue into 2016/17.

Improved Hansard production

In 2014/15, the Legislature was allocated additional once-off funding of R14 million for the improved Hansard production project. It was anticipated that the hardware and software would be purchased and installed toward the end of 2014/15, but the required procurement processes took far longer than envisaged, and the Hansard production project funding was largely absorbed by other spending pressures. Although there were no major developments in 2015/16, the Legislature took a decision to continue with this project on a phased-in basis commencing in 2016/17, from reprioritised savings, and this is commented on in Section 3 below.

3. Outlook for the 2016/17 financial year

Section 3 looks at the key focus areas of 2016/17, outlining what the Legislature is hoping to achieve, as well as briefly looking at challenges and proposed new developments. The bulk of the Legislature's budget relates to the areas of law-making and oversight, as well as public participation. The Legislature

will aim to improve its oversight over, among others, departments and public entities during the year. Also, the Legislature will continue to focus on procedures and processes that need to be reviewed and/or changed to facilitate the roll-out of the FMPAA, as outlined below.

Financial Management of Parliament Amendment Act (FMPAA)

As mentioned, it is anticipated that the full implementation of the FMPAA will take some time. In 2016/17, the focus will be on fully establishing the Internal Audit and Treasury components in the Speaker's office.

It is noted that most provinces are in agreement that the budget allocation of provincial legislatures should be top-sliced from the provincial equitable share and elevated to National Government level, as this will ensure the autonomy of provincial legislatures when compared to the other provincial departments, and will be in line with the concepts of the FMPAA. This issue of top-slicing is unlikely to be resolved in the near future, though.

Public participation

In line with the previously mentioned changes to public involvement initiatives like TLTP and sector parliaments, public participation initiatives will continue in 2016/17, although the sector parliaments will continue to be scaled down by the removal of the People's Assembly and Learners' Parliaments from the programme.

The following public participation events are thus scheduled to be held in 2016/17, although the venues will only be confirmed in April 2016:

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

With regard to TLTP, the Legislature identified a gap in the programme's structure in that the report of the oversight committee teams is not debated and adopted in the area where the report back happens. Going forward, the Legislature will arrange a two-day sitting, with the first day dedicated to presentation of the oversight report and responses from the Executive Council, and the second day dedicated to a formal debate on the report. This addition will allow scrutiny of the responses given by the Executive Council, and the adoption of the resolutions contained in the report. The Speaker will then be able to refer the report to the relevant portfolio committees to track the implementation thereof and conduct the necessary oversight.

Improved Hansard production

As mentioned previously, it is the Legislature's intention to commence with the installation of the improved Hansard production project on a phased-in basis over the 2016/17 MTEF, through funds reprioritised from other areas.

Part of this initiative relates to planned improvements to the video conferencing room. The initial idea of video conferencing rooms in the legislative sector was for briefings on NCOP legislation *via* video. The link to all legislatures is through a platform in Parliament (which is booked two days in advance). Legislatures currently cannot use the facility to link up on their own or with other institutions which have the facility. The aim of improving the facility is to widen the scope of operations to enable independent link-up with other legislatures or any other institution that has the facility. In this way, the facility can be used by committees to share experiences, without leaving the respective province, thus saving costs. With prior notification to the Legislature, the facility will also be available for use by departmental HODs to confer with their counterparts in other provinces.

4. Receipts and financing

4.1 Summary of receipts and departmental receipts collection

Table 2.1 below shows the sources of funding and own receipts of Vote 2 over the seven-year period 2012/13 to 2018/19. The table also compares actual and budgeted receipts against actual and budgeted payments. Details of departmental receipts are presented in *Annexure – Vote 2: Provincial Legislature*.

Table 2.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Treasury funding									
Equitable share	401 748	416 457	436 628	455 259	455 259	455 259	481 842	505 975	535 345
Conditional grants	-	-	-	-	-	-	-	-	-
Total receipts: Treasury funding	401 748	416 457	436 628	455 259	455 259	455 259	481 842	505 975	535 345
Departmental receipts									
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	73	107	69	51	51	63	54	57	60
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	449	802	1 610	432	432	2 214	455	478	506
Sale of capital assets	564	-	486	-	-	-	-	-	-
Transactions in financial assets and liabilities	1 245	3 015	785	252	252	784	265	278	294
Total departmental receipts	2 331	3 924	2 950	735	735	3 061	774	813	860
Total receipts	404 079	420 381	439 578	455 994	455 994	458 320	482 616	506 788	536 205
Total payments	431 718	460 929	476 027	465 494	479 262	479 262	518 652	538 851	569 128
Surplus/(Deficit) before financing	(27 639)	(40 548)	(36 449)	(9 500)	(23 268)	(20 942)	(36 036)	(32 063)	(32 923)
Financing									
of which									
Surplus own revenue surrendered	(1 702)	(3 261)	(2 247)	-	-	-	-	-	-
Surplus own revenue from prior year	953	1 702	263	-	2 247	2 247	-	-	-
Provincial cash resources	27 712	35 998	45 996	9 500	21 021	21 021	36 036	32 063	32 923
Surplus/(Deficit) after financing	(676)	(6 109)	7 563	-	-	2 326	-	-	-

Summary of departmental receipts

The Legislature collects revenue in the form of interest earned on positive cash balances in the bank against *Interest, dividends and rent on land*, commission on insurance, waste paper in respect of *Sale of goods and services other than capital assets*, as well as recoveries of debts and other miscellaneous items reflected against *Transactions in financial assets and liabilities*.

The PFMA and the FMPAA both provide for provincial legislatures to retain any monies received (i.e. revenue collected). Therefore, in contrast to provincial departments, the Legislature retains its own departmental receipts, and is thus funded from two sources, namely Treasury funding (equitable share) and departmental receipts. In accordance with this legislation, the Legislature is allocated any surplus revenue collected in the prior year during the next year's Adjustments Estimate. This explains the *Surplus own revenue surrendered* and *Surplus own revenue from prior year* reflected in the *Financing* section in Table 2.1.

The surplus own revenue from the prior year reflected in the 2014/15 column is far lower than the surplus own revenue surrendered in 2013/14. The reason for this is that the revenue collected in 2013/14 included an amount of R2.998 million, being interest relating to the Political Parties' Fund (PPF). This amount was allocated back to the Legislature in the 2013/14 Adjustments Estimate to increase the PPF allocation in 2013/14, and is therefore excluded from surplus own revenue from the prior year in 2014/15.

Sale of goods and services other than capital assets comprises revenue collected from items such as the sale of old printer cartridges and commission on pay-roll deductions such as insurance and garnishees. This revenue is difficult to predict, accounting for the fluctuations in the prior years.

With regard to *Interest, dividends and rent on land*, the revenue reflected in 2013/14, 2014/15 and the 2015/16 Revised Estimate is fairly high, largely due to the Legislature's under-spending each year in respect of the Members' remuneration, as well as under-spending in respect of the improved Hansard production project in 2014/15. This under-spending resulted in more cash in the bank than anticipated. This category is difficult to predict with accuracy, especially taking into account the reduction in the Members' remuneration allocation following the zero-based budget exercise, as commented on later in this chapter, accounting for the conservative amounts over the MTEF.

Revenue collected against *Sale of capital assets* in 2012/13 and 2014/15 relates to auction sales of redundant assets (mainly vehicles). Such auction sales are difficult to predict, and hence no revenue budget is provided for this category in 2015/16 and over the 2016/17 MTEF at this stage.

Revenue collected against *Transactions in financial assets and liabilities* is difficult to accurately estimate, as it relates to the collection of amounts owing from previous financial years, such as debts relating to both staff and Members, and this accounts for the fluctuating trend, and the conservative amounts reflected over the MTEF. The 2012/13 amount includes a refund of R1.180 million from the Office of the Premier in respect of shared costs for certain events held in 2011/12, including Women's Parliament, People with Disability Parliament, and the International Day of Disabled Persons. The 2013/14 collection includes prior years' interest of R2.998 million relating to the PPF, as explained above.

Summary of receipts and financing

Table 2.1 also compares total receipts and total payments. In 2012/13, the Legislature received provincial cash resources of R27.712 million as follows:

- The operational budget of R17.749 million that was unspent in 2011/12 was allocated back for spending in 2012/13. This was in line with a decision taken by Provincial Treasury and the Finance Portfolio Committee (FPC) at the time, that the Legislature be allowed to retain its surplus voted funds every year from 2012/13 onward.
- R2.755 million was allocated toward the above-budget 2012 wage agreement for the Legislature staff.
- A once-off R7.208 million was allocated to assist with the implementation and roll-out of SAP.

For the first time in several years, the 2012/13 year-end spending of the Legislature was largely on track, with minimal over-spending of R676 000. However, the operational budget was over-spent by R3.815 million, largely because the purchase and installation of the SAP system was higher than anticipated. This was offset by under-spending of R3.139 million against the Members' remuneration due to continued over-provision in the baseline.

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

- R2.998 million, being the interest earned on the PPF since its inception in 2005, was paid into the Provincial Revenue Fund (PRF) by the Legislature. This amount was formally appropriated back in the 2013/14 Adjustments Estimate, to be used to increase the PPF allocation for 2013/14 only.
- R33 million related to unspent voted funds that remained in the Legislature's bank account over the years. Following a detailed reconciliation from 2003/04, an amount of R33 million was paid into the PRF, and was formally allocated to the Legislature in the 2013/14 Adjustments Estimate, in line with the above-mentioned decision that the Legislature be allowed to retain its surplus voted funds every year. These funds were used to offset in-year spending pressures, including the building revamping projects and the upgrading and filling of critical posts in terms of the sector oversight model.

The Legislature's budget was over-spent by R6.109 million at the end of 2013/14. The operational budget was over-spent by R11.064 million, but this was offset by under-spending of R4.955 million in respect of the Members' remuneration due to the ongoing over-provision in the baseline. The over-spending in respect of the operational budget was largely due to the following:

- Costs relating to the roll-out of SAP were higher than anticipated, partly due to the support and change management services required.
- There were higher than expected costs in respect of public participation events.

- There was spending pressure from the upgrading of posts in terms of the sector oversight model, and the annual wage adjustment for Legislature staff was higher than budgeted for.

In 2014/15, the Legislature received once-off provincial cash resources which resulted in a net increase of R45.996 million as follows:

- R27.855 million was allocated in respect of the special allowance to Members whose tenure of office was affected by these elections, but the full amount was not required. During the Adjustments Estimate, the unspent balance of R19.227 million was split as follows:
 - R8.753 million was redirected to offset in-year spending pressures in the operational budget.
 - R974 000 was suspended from Vote 2 to Vote 6: Provincial Treasury for the payment of the former MEC for Finance's exit package after the 2014 general elections.
 - R9.500 million was suspended from 2014/15 and was reallocated back to Vote 2 in 2015/16 for strengthening oversight and IT infrastructure.
- R7 million was allocated to assist with observing and monitoring the 2014 general elections. Of this, only R2.966 million was spent, but the balance of R4.034 million was redirected in the Adjustments Estimate to offset in-year spending pressures in the operational budget.
- R5 million was allocated for the feasibility study in respect of the proposed new Legislature complex (in line with the revival of the government office precinct project at the time).
- R14 million was allocated for the improved Hansard production project.
- R4.955 million, being Members' remuneration funding that was unspent in 2013/14, was allocated back to increase the operational budget, as follows:
 - R2.998 million was allocated to increase the transfer to the PPF in 2014/15. As mentioned, this amount, which relates to interest earned on the PPF in prior years, was appropriated back to the Legislature in 2013/14 to increase the transfer to the PPF. However, this amount was inadvertently not transferred to the PPF, and this adjustment was to correct that oversight.
 - R1.957 million was allocated to offset in-year spending pressures in the operational budget.
- R2.340 million was deducted relating to previous years' irregular expenditure. Cabinet approved that, where departments were unable to provide sufficient justification for the irregular expenditure, this amount must become a first charge against the vote.

The Legislature's budget was under-spent by R7.563 million at the end of 2014/15, in respect of both the Members' remuneration and the operational budget. The Members' remuneration was under-spent by R4.147 million due to the ongoing over-provision in the baseline, and the operational budget was under-spent by R3.416 million. However, if one takes into account the under-spending in respect of funds that were specifically and exclusively appropriated for the improved Hansard production project and the Legislature complex feasibility study, then the year-end under-spending in respect of the operational budget should have been in the region of R19 million. This means that, in effect, the Legislature over-spent its operational budget by R15.584 million, despite the implementation of a cost-containment plan. The over-spending in respect of the operational budget was largely due to the following:

- There was over-expenditure on consultants and professional services costs relating to SAP.
- There was over-spending on contractors, as a result of late invoicing from DOPW, the implementing agent, in respect of 2013/14 projects such as the Tatham Art Gallery parking for Members.
- Audit costs were over-spent because the 2013/14 audit took far longer to complete than anticipated as a result of problems associated with the change-over to SAP.
- There was over-spending in respect of property payments and operating leases because of higher than budgeted costs, largely in respect of security services, cleaning services, water and electricity, etc.

In the 2015/16 Main Appropriation, the Legislature received once-off provincial cash resources of R9.500 million, which were suspended from 2014/15 and reallocated back in 2015/16 for strengthening oversight and IT infrastructure. In the 2015/16 Adjusted Appropriation, additional cash resources of

R11.521 million were allocated, consisting of R7.563 million allocated back to the Legislature in respect of the operational budget and Members' remuneration funding that was unspent in 2014/15, R2.112 million for the above-budget 2015 wage adjustment for the Legislature staff, R1.500 million to cater for renovations to the Law Society building which was damaged by fire in 2014/15, as well as R346 000 to assist the Legislature to implement a long service recognition policy similar to the Public Service policy implemented in 2012.

As at the end of the third quarter, the Legislature is anticipating to end 2015/16 with a balanced budget. The surplus of R2.236 million in the 2015/16 Revised Estimate relates to the fact that the Legislature is anticipating to over-collect revenue by this amount in 2015/16, as explained above.

The Legislature's budget shows healthy growth over the 2016/17 MTEF as a result of an increase in the baseline of R30.536 million, R32.063 million, and R32.923 million in each year of the MTEF, in line with the zero-based budget exercise. Furthermore, additional once-off funding of R5.500 million was allocated in 2016/17, comprising R1.500 million for the replacement of a lift in the Legislature building, and R4 million for hosting a Commonwealth Parliamentary Association (CPA) conference in the province.

4.2 Donor funding

The Legislature receives no direct funding in respect of the Legislature Support programme, which is funded by the European Union (EU), with the aim of contributing to the strengthening of democracy and good governance. Instead, the programme funds projects which support the entire Legislative sector, mainly aimed at achieving constitutional imperatives. The specific purpose is to support South African Legislatures to fulfil their constitutional mandates in a citizen-oriented manner. The allocation of any EU funding and the payment and monitoring thereof is undertaken centrally at a national level on behalf of the nine provinces.

5. Payment summary

This section summarises the expenditure and budgeted estimates for the vote in terms of programmes and economic classification. Details of the economic classification per programme are given in *Annexure – Vote 2: Provincial Legislature*.

5.1 Key assumptions

The Legislature applied the following broad assumptions when compiling the budget:

- All inflation related increases are based on CPI projections.
- Provision was made for the carry-through costs of the above-budget 2015 wage agreement (which, in the case of the Legislature, was similar to provincial departments) and an inflationary wage adjustment of 7.2, 6.8 and 6.8 per cent for each of the three years of the 2016/17 MTEF, respectively.
- Although the Legislature is not bound by Cabinet decisions, it has indicated that, over the 2016/17 MTEF, it will try and adhere to, as far as possible, the expanded cost-cutting measures, as reissued by Provincial Treasury in 2015/16, in conjunction with National Treasury Instruction 01 of 2013/14: Cost-containment measures.
- It is noted that, in addition to the above, as a result of the need to lower the expenditure ceiling across the country (see Section 5.2 below), provincial departments had to adhere to the following guidelines:
 - Expenditure on *Compensation of employees* was lowered by freezing all vacant non-OSD posts. This cut does not affect Education or Health as these are to be protected in this process.
 - Departments' equitable share funded *Goods and services* budgets were cut by 2 per cent.
 - Departments' and public entities' hosting of events budgets were cut over the MTEF.
- Although the Legislature, like Education and Health, was protected from these cuts, over the MTEF only critical vacant posts will be filled in terms of its revised organisational structure, taking into account that funds will need to be reprioritised internally in this regard. It is noted that the outcome of

the zero-based budget included provision for critical posts that were filled in recent years without adequate carry-through funding.

- Provision was made for ongoing training and change management relating to the roll-out of SAP. SAP training will have to be provided to any new staff and Members on an ongoing basis.
- With regard to public participation, two TLTP sittings and five sectoral parliaments were catered for. The cost of each of these events will vary slightly, depending on location and the population of the area. The cost will only be confirmed in April 2016, once the respective venues are finalised.

5.2 Additional allocations for the 2014/15 to 2016/17 MTEF

Table 2.2 shows additional funding received by the Legislature over the three MTEF periods: 2014/15, 2015/16 and 2016/17. The purpose of such a table is two-fold. Firstly, it shows the quantum of additional funding allocated to the Legislature in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated. The carry-through allocations for the 2014/15 and 2015/16 MTEF periods (i.e. for the financial year 2018/19) are based on the incremental percentage used in the 2016/17 MTEF.

Table 2.2 : Summary of additional provincial allocations for the 2014/15 to 2016/17 MTEF

R thousand	2014/15	2015/16	2016/17	2017/18	2018/19
2014/15 MTEF period	19 963	1 860	2 149	2 256	2 387
Legislature complex - feasibility study	5 000	-	-	-	-
Improved Hansard production	14 000	-	-	-	-
Carry-through of previous wage agreements	963	1 860	2 149	2 256	2 387
2015/16 MTEF period		9 500	-	-	-
Unspent statutory funding suspended from 2014/15 for strengthening oversight and IT infrastructure		9 500	-	-	-
2016/17 MTEF period			38 300	34 481	35 505
Above-budget 2015 wage agreement			2 264	2 418	2 582
Zero-based budget baseline adjustment			30 536	32 063	32 923
Commonwealth Parliamentary Association conference			4 000	-	-
Procurement of a lift for Legislature building			1 500	-	-
	19 963	11 360	40 449	36 737	37 892

In the 2014/15 MTEF, additional funding was allocated toward the carry-through costs of the 2013 wage agreement for Legislature staff. Also, a once-off amount of R19 million was allocated in 2014/15, comprising R5 million for the revived feasibility study in respect of the proposed new Legislature complex and a once-off amount of R14 million for the improved Hansard production project.

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

With regard to the 2016/17 MTEF, due to data updates of the equitable share formula, a declining provincial own revenue, as well as cuts implemented by National Treasury as a result of the need to lower the expenditure ceiling across the country and to reprioritise to fund various national priorities that have recently arisen, the funding available to the province was reduced or cut. Provinces were also instructed that the baselines of provincial Departments of Health be protected in view of the impact that the exchange rate has had on the affordability of medicines, which are largely imported. In order to effect these cuts in KZN, expenditure on *Compensation of employees* was lowered by freezing all vacant non-OSD posts, and departments' equitable share funded *Goods and services* budgets were cut by 2 per cent over the MTEF. It is noted that the Legislature's baseline was also protected from these cuts.

As such, in the 2016/17 MTEF, the following additional allocations were made:

- Additional funding was allocated over the MTEF for the carry-through costs of the above-budget 2015 wage agreement for Legislature staff.
- Additional amounts of R30.526 million, R32.063 million and R32.923 million were allocated over the MTEF in respect of the previously mentioned zero-based budget baseline adjustment. In addition (not evident in the table), amounts of R8 million, R8.400 million and R8.887 million were

reprioritised from savings on the statutory Members' remuneration to the operational budget, as part of the baseline adjustment. In total, then, the Legislature's operational budget was increased by R38.536 million, R40.463 million and R42.810 million over the 2016/17 MTEF. It is noted that the baseline was increased to assist the Legislature with operational spending pressures, largely resulting from critical posts that were filled in recent years without adequate carry-through funding, increasing travel and subsistence costs relating to Members and portfolio committees, increasing SAP licence fees and ongoing SAP support, higher than budgeted operating leases and property payments (particularly increased security services costs), as well as an increase in the secretarial and research allowances paid to political parties to bring them in line with national guidelines.

- A once-off amount of R4 million was allocated in respect of the CPA conference that is planned to be held in KZN in 2016. This amount includes, among others, provision for the conference venue hire for six days, accommodation and transport for 250 delegates in and around Durban for this period, welcoming and gala dinner, conference meals, etc.
- A once-off R1.500 million was allocated for the replacement of a lift in the Legislature building.

It is noted that the Legislature requested that the PPF be increased by R5 million in 2015/16, with carry-through, as part of the zero-based budget exercise. The PPF, which is aimed at assisting political parties to carry out their constitutional mandate, in terms of the KZN Funding of Political Parties' Act, No. 7 of 2008, was capped at R30 million in 2011/12, in line with a Cabinet resolution. As such, the "uncapping" of this amount requires Cabinet approval. Subsequent to the zero-based budget exercise, in December 2015, the Legislature obtained Cabinet approval to reverse the capping. However, Cabinet did not indicate how the increase should be funded over the MTEF, and this issue is currently under discussion.

5.3 Summary by programme and economic classification

Tables 2.3 and 2.4 below provide a summary of the vote's expenditure and budgeted estimates over the seven-year period, by programme and economic classification, respectively. It is noted that the Members' remuneration forms a direct charge on the PRF, and so is not included as a programme, but is reflected as *Direct charge on the Provincial Revenue Fund*.

The following comments are made with regard to the Members' remuneration allocation:

- The 2014/15 amount is high because it includes R8.669 million in respect of the allowance paid to Members that exited the Legislature following the 2014 general elections. This accounts for the minimal growth in the Members' remuneration from 2014/15 to the 2015/16 Main Appropriation.
- The 2015/16 Adjusted Appropriation and Revised Estimate reflect a reduction of R8 million, as the Members' remuneration continued to be over-budgeted for. These savings were redirected to offset operational spending pressures in the two programmes in the 2015/16 Adjustments Estimate. Also, as mentioned, as part of the above-mentioned zero-based budget exercise, the Legislature compiled a zero-based budget in respect of the Members' remuneration, based on which the statutory budget was adjusted downwards by approximately R8 million in each year of the MTEF. These savings were redirected to offset operational spending pressures.
- The Members' remuneration grows steadily over the MTEF, following the above-mentioned reductions resulting from the zero-based budget exercise.

Table 2.3 : Summary of payments and estimates by programme: Provincial Legislature

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
1. Administration	148 503	168 686	167 774	142 716	165 529	165 529	171 165	174 990	184 161
2. Parliamentary Business	216 055	221 148	226 159	240 457	239 412	239 412	269 697	283 518	299 964
Direct charge on the Provincial Revenue Fund									
Members' remuneration	67 160	71 095	82 094	82 321	74 321	74 321	77 790	80 343	85 003
Total	431 718	460 929	476 027	465 494	479 262	479 262	518 652	538 851	569 128
of which:									
Departmental receipts	2 331	3 924	2 950	735	735	3 061	774	813	860

Table 2.4 : Summary of provincial payments and estimates by economic classification: Provincial Legislature

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Current payments	262 322	290 402	299 174	286 324	306 592	306 592	335 565	348 806	368 061
Compensation of employees	130 132	153 015	160 533	153 269	163 727	163 727	185 627	195 922	206 309
Goods and services	132 083	137 387	138 641	133 055	142 865	142 865	149 938	152 884	161 752
Interest and rent on land	107	-	-	-	-	-	-	-	-
Transfers and subsidies to:	78 199	82 436	84 401	87 372	87 372	87 372	97 097	101 988	107 902
Provinces and municipalities	10	16	20	36	36	36	38	40	42
Departmental agencies and accounts	276	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	233	221	141	207	207	207	217	228	241
Public corporations and private enterprises	-	-	-	26	26	26	27	28	30
Non-profit institutions	77 456	82 199	84 240	86 780	86 780	86 780	95 948	100 782	106 627
Households	224	-	-	323	323	323	867	910	962
Payments for capital assets	24 037	16 996	9 545	9 477	10 977	10 977	8 200	7 714	8 162
Buildings and other fixed structures	2 853	4 181	2 055	850	2 350	2 350	395	940	995
Machinery and equipment	15 352	6 332	4 179	7 139	7 139	7 139	6 238	5 129	5 427
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	5 832	6 483	3 311	1 488	1 488	1 488	1 567	1 645	1 740
Payments for financial assets	-	-	813	-	-	-	-	-	-
Total	364 558	389 834	393 933	383 173	404 941	404 941	440 862	458 508	484 125
of which:									
Departmental receipts	2 331	3 924	2 950	735	735	3 061	774	813	860
Adjusted total	364 558	389 834	393 933	383 173	404 941	404 941	440 862	458 508	484 125
Members' remuneration	67 160	71 095	82 094	82 321	74 321	74 321	77 790	80 343	85 003
Adjusted total (incl. Members' remuneration)	431 718	460 929	476 027	465 494	479 262	479 262	518 652	538 851	569 128

The Legislature's operational budget (i.e. the two programmes excluding the Members' remuneration), reflects several marked fluctuations over the seven years. As mentioned, the Legislature's budget was protected from the MTEF budget cuts. The following paragraphs summarise the trends at programme and economic classification level, while further detail is given in Section 6.

Programme 1: Administration shows a fluctuating trend, largely because the budget for various once-off projects, such as the building revamping projects and other major procurement costs, is centralised under this programme. For instance, the peak in 2013/14 can be ascribed to the continued roll-out of SAP and several building revamping projects, such as the Tatham Art Gallery parking and renovations to the Speaker's cottage. This accounts for the slight reduction from 2013/14 to 2014/15. The 2014/15 amount includes provision for the continued roll-out of SAP, the purchase of tools of trade (such as lap-tops) for all new Members following the 2014 general elections, the purchase of motor vehicles for the Speaker's Office, the revived Legislature complex feasibility study, as well as procurement costs in respect of the improved Hansard production project. Although no expenditure was incurred in respect of the latter two projects, the provision was largely used to absorb other in-year spending pressures. These once-off amounts explain the reduction from 2014/15 to the 2015/16 Main Appropriation. The 2015/16 Adjusted Appropriation included funding for the above-budget wage agreement for the Legislature staff, provision for the renovation of the Law Society building, as well as the reprioritisation of savings from Corporate Governance in Programme 2 to this programme to establish an Auxiliary Services unit which will oversee various transversal activities. In addition, the 2015/16 Adjusted Appropriation included unspent operational and Members' remuneration funding from 2014/15 that was allocated back to cater for in-year-spending pressures, including outstanding commitments from 2014/15 relating to building maintenance and SAP costs, higher than budgeted risk management costs, and continued support and training relating to SAP and GRAP reporting requirements. These largely once-off amounts in 2015/16, as well as the fact that the 2016/17 allocation includes once-off provision for the hosting of the CPA conference and the replacement of a lift in the Legislature building, account for the fairly low growth from 2015/16 to 2016/17. The MTEF allocations include R18.738 million, R19.675 million and R20.816 million of the additional funding allocated as a result of the zero-based budget exercise, contributing to the growth in the MTEF baseline when compared to the 2015/16 Main Appropriation.

Apart from a slight dip in the 2015/16 Adjusted Appropriation and Revised Estimate, Programme 2: Parliamentary Business shows reasonable growth over the seven years. This programme includes substantial provision for public participation initiatives, overseas study tours undertaken by portfolio committees, support for political parties in the form of constituency, secretarial and research allowances, as well as the PPF (which is capped at R30 million at this stage, as mentioned previously). Although there are once-off amounts that affect the trend of this programme in the prior years, they are not as significant as those in Programme 1, and therefore the trend does not show similar fluctuations. As mentioned, in 2014/15, the Legislature implemented a cost-containment plan, whereby enforced savings were identified in Programme 2 to offset Programme 1's projected over-expenditure. These enforced savings included scaling down in respect of public involvement initiatives and associated travel costs, as well as limiting expenditure on non-essential *Goods and services* items, such as catering costs. The slight reduction in the 2015/16 Adjusted Appropriation relates to the reprioritisation of savings from this programme to Programme 1 to establish an Auxiliary Services unit which will oversee various transversal activities. The MTEF allocations include R19.798 million, R20.788 million and R21.994 million of the additional funding allocated to the Legislature as a result of the zero-based budget exercise, again contributing to the growth in the MTEF baseline when compared to the 2015/16 Main Appropriation.

Compensation of employees in Table 2.4 relates to the Legislature staff (excluding the Members' remuneration trends, which have already been explained above). *Compensation of employees* reflects a steady increase, which can be attributed to the implementation of the prior year job evaluation review results (with substantial back-pay in some instances), the filling of critical posts in terms of the revised organisational structure incorporating the sector oversight model, as well as the annual sale of leave (leave encashment). The 2015/16 Main Appropriation is low as the Legislature did not budget adequately for the critical posts that were filled in recent years. This was rectified to some extent in the Adjusted Appropriation by the reprioritisation of funds from other areas, including from the statutory Members' remuneration which was over-provided for. The 2015/16 Adjusted Appropriation includes additional funding for the above-budget 2015 wage agreement for the Legislature staff. The increase over the MTEF provides for the carry-through costs of the above-budget wage agreement, as well as the carry-through costs of critical posts that were filled in prior years without being adequately budgeted for, funded from the zero-based budget exercise.

The slight fluctuations in *Goods and services* in the prior years can largely be ascribed to projects with once-off costs, including the roll-out of SAP, current building revamping projects, as well as other once-off projects which are largely catered for under this category. The high 2013/14 spending relates to outstanding 2012/13 commitments in respect of public participation events, the building revamping projects, as well as costs relating to the SAP implementing agent. Once-off costs continued into 2014/15, including the revived Legislature complex feasibility study, a portion of the funding allocated for the improved Hansard production project, etc. Even though the allocated funds were not spent on these two projects, they were utilised to absorb in-year spending pressures, accounting for the decrease from 2014/15 to the 2015/16 Main Appropriation. The 2015/16 Adjusted Appropriation includes unspent operational and Members' remuneration funding from 2014/15 that was allocated back to cater for in-year spending pressures, such as outstanding commitments from 2014/15 relating to the building revamping projects and SAP costs, higher than budgeted risk management costs, continued support and training relating to SAP and GRAP reporting requirements, etc. The increase over the MTEF comprises additional funding resulting from the zero-based budget exercise to fund escalating costs relating to operating payments, property payments, travel and subsistence, etc. The growth from 2016/17 to 2017/18 is fairly low, because the 2016/17 allocation includes once-off provision for hosting a CPA conference in KZN.

The category *Transfers and subsidies* increases steadily over the seven-year period, as follows:

- *Provinces and municipalities* caters for the payment of motor vehicle licences.
- The 2012/13 amount reflected against *Departmental agencies and accounts* relates to a transfer to SARS in respect of overdue PAYE dating back to prior years. When the Legislature moved from the VIP system to PERSAL in 2003, the balance in the old SARS account was inadvertently not cleared.
- *Foreign governments and international organisations* caters mainly for subscription fees and conference attendance costs in respect of the CPA. The high spending in 2012/13 and 2013/14 relates

to higher than budgeted attendance costs in respect of CPA conferences. The MTEF amounts are based on the actual fees paid in 2015/16.

- *Public corporations and private enterprises* caters for insurance claims for motor vehicle accidents relating to the Legislature's official vehicles. No accident claims were received in prior years.
- *Non-profit institutions*, which comprises constituency, secretarial and research allowances, as well as the PPF, shows a steady increase over the seven years, despite the PPF being capped at R30 million, at this stage, as mentioned previously. The 2014/15 amount includes the once-off R2.998 million relating to prior year interest earned on the PPF. The MTEF allocations include some additional funding allocated for the secretarial and research allowances resulting from the zero-based budget exercise, mainly to provide for support staff, including researchers, as mentioned.
- *Households* caters for donations made as part of the Speaker's Social Responsibility programme, as well as staff exit costs, both of which are difficult to predict.

Buildings and other fixed structures, which relates to capital building revamping projects, fluctuates depending on the nature of the work required – i.e. whether the work is classified as current maintenance and repairs, rather than capital renovations. The prior year amounts, including the peak in 2013/14, are largely made up of the costs of the Tatham Art Gallery parking for Members and renovations to the Speaker's office. The increase in the 2015/16 Adjusted Appropriation includes a once-off provision for the renovation of the Law Society building, accounting for the reduction from 2015/16 to 2016/17. Although the building revamping projects are continuing over the MTEF, the extent and nature of the work to be done are still under review. As such, the bulk of the funding is reflected as current infrastructure under *Goods and services*.

Machinery and equipment shows a fluctuating trend over the seven-year period due to several once-off costs. The significantly high 2012/13 spending can be ascribed to the purchase and installation of SAP, as well as the payment for generators that were procured in 2011/12 but not paid for by year-end. The high 2013/14 amount includes provision for outstanding SAP commitments, while the fairly high 2014/15 amount includes the purchase of tools of trade for all new Members following the 2014 general elections. The 2015/16 Main Appropriation is high as it includes the additional funding for IT infrastructure, accounting for the decrease from 2015/16 to 2016/17. The 2016/17 allocation includes provision for the replacement of a lift in the Legislature building, accounting for the fairly low growth from 2016/17 to 2017/18, whereafter the growth continues at a lower level. The MTEF allocations provide for the purchase of furniture, vehicles and computers for staff and Members.

Software and other intangible assets fluctuates in the prior years, largely due to the roll-out of the various SAP modules, which went live in 2013/14 (hence the high spending in prior years). The decreasing trend from 2013/14 to 2015/16 relates to the fact that the SAP roll-out will be in its final stages.

There was expenditure of R813 000 in respect of *Payments for financial assets* in 2014/15, largely relating to the write-off of previous years' debt, some dating back as far as 2002.

5.4 Summary of conditional grant payments and estimates – Nil

5.5 Summary of infrastructure payments and estimates

Table 2.5 below provides a summary of infrastructure payments and estimates, reflecting the cost of renovations and repairs to the Legislature buildings over the seven-year period, based on input received from DOPW. Further infrastructure details are given in *Annexure – Vote 2: Provincial Legislature*.

Infrastructure spending fluctuates markedly over the seven years, as it is dependent on the nature of the work required to be done to the Legislature buildings. As mentioned, the MTEF infrastructure allocations are preliminary at this stage. *Maintenance and repair: Current* spending in the prior year relates mainly to routine office repairs, including projects such as partitioning in the Administration building to accommodate new staff, etc. From 2013/14 onward, the building revamping projects are included under both *Upgrades and additions: Capital* and *Maintenance and repair: Current*.

Table 2.5 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Existing infrastructure assets	4 796	11 338	8 587	4 900	6 400	6 400	4 490	5 110	4 995
Maintenance and repair: Current	1 943	7 157	6 532	4 050	4 050	4 050	4 095	4 170	4 000
Upgrades and additions: Capital	2 853	4 181	2 055	850	2 350	2 350	395	940	995
Refurbishment and rehabilitation: Capital	-	-	-	-	-	-	-	-	-
New infrastructure assets: Capital	-	-	-	-	-	-	-	-	-
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	-	-	-	-	-	-	-	-	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	-	-	-	-	-	-	-	-	-
Total	4 796	11 338	8 587	4 900	6 400	6 400	4 490	5 110	4 995
Capital infrastructure	2 853	4 181	2 055	850	2 350	2 350	395	940	995
Current infrastructure	1 943	7 157	6 532	4 050	4 050	4 050	4 095	4 170	4 000

Maintenance and repair: Current in 2013/14 includes current repairs undertaken to the Speaker's cottage and offices of the Deputy Speaker, as well as the revamping of the toilets in the main chamber area. The MTEF allocations provide for, among others, lift maintenance, day-to-day maintenance, as well as the painting of the Legislature buildings.

The prior year spending in respect of *Upgrades and additions: Capital* includes renovations undertaken to the Speaker's cottage and costs relating to the Tatham Art Gallery parking for Members. This project was completed by the end of December 2012, but the Legislature is dependent on DOPW for the submission of invoices and supporting documentation. The total cost of the parking project was approximately R6 million, and the bulk was paid in 2013/14, with an outstanding balance paid in 2014/15. The increase in the 2015/16 Adjusted Appropriation includes a once-off provision for the renovation of the Law Society building, accounting for the reduction from 2015/16 to 2016/17. The MTEF allocations provide for continued revamping of the Legislature buildings.

5.6 Summary of Public Private Partnerships – Nil

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

5.8 Transfers to other entities

Table 2.6 reflects spending on *Transfers* to other entities from 2012/13 to 2018/19. Note that these were inadvertently not reported on as other entities in prior year *EPRE* documents.

Table 2.6 : Summary of transfers to other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Commonwealth Parliamentary Association	1.2. Office of the Secretary	233	221	141	207	207	207	217	228	241
Political Parties' Fund	2.5. Members' Facilities	30 000	30 000	32 998	30 000	30 000	30 000	30 000	30 000	30 000
Total		30 233	30 221	33 139	30 207	30 207	30 207	30 217	30 228	30 241

Payments are made to the CPA mainly for subscription fees and attendance costs relating to CPA conferences. The high spending in 2012/13 and 2013/14 comprises higher than budgeted travel and subsistence costs in respect of CPA conferences. The MTEF amounts are based on the estimated fees to be paid in 2015/16. Although the Legislature was allocated an additional R4.500 million in 2016/17 to host a CPA conference in KZN, this amount will not be transferred to the CPA, but will be utilised from the administrative costs of hosting the conference, and therefore is reflected against *Goods and services*.

The Legislature transfers funds annually to the PPF, in terms of the KZN Funding of Political Parties' Act. As mentioned, the annual transfer was capped at its 2010/11 level of R30 million from 2011/12 onward, in line with a Cabinet resolution, although this is once again under discussion. The 2014/15 amount includes the once-off R2.998 million relating to prior years' interest earned on the PPF, as explained previously.

5.9 Transfers to local government – Nil

The Legislature makes no transfer payments to local government. Although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds will not be transferred to any municipality, and hence the table reflecting transfers to local government is excluded.

5.10 Transfers and subsidies

Table 2.7 reflects spending on *Transfers and subsidies* by programme and main category. The category as a whole shows a steady increase from 2012/13 to 2018/19, details of which are provided below the table.

Table 2.7 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
1. Administration	743	237	161	592	592	592	1 149	1 206	1 275
Provinces and municipalities	10	16	20	36	36	36	38	40	42
Motor vehicle licences	10	16	20	36	36	36	38	40	42
Departmental agencies and accounts	276	-	-	-	-	-	-	-	-
Transfer to SARS	276	-	-	-	-	-	-	-	-
Foreign government and international organisations	233	221	141	207	207	207	217	228	241
Commonwealth Parliamentary Association	233	221	141	207	207	207	217	228	241
Public corporations and private enterprises	-	-	-	26	26	26	27	28	30
Insurance companies	-	-	-	26	26	26	27	28	30
Households	224	-	-	323	323	323	867	910	962
Social benefits	63	-	-	-	-	-	-	-	-
Other transfers to households	161	-	-	323	323	323	867	910	962
2. Parliamentary Business	77 456	82 199	84 240	86 780	86 780	86 780	95 948	100 782	106 627
Non-profit institutions	77 456	82 199	84 240	86 780	86 780	86 780	95 948	100 782	106 627
Funding for political parties (e.g. const. allow.)	47 456	52 199	51 242	56 780	56 780	56 780	65 948	70 782	76 627
Political Parties' Fund	30 000	30 000	32 998	30 000	30 000	30 000	30 000	30 000	30 000
Total	78 199	82 436	84 401	87 372	87 372	87 372	97 097	101 988	107 902

The category *Transfers and subsidies* under Programme 1 includes the following:

- *Provinces and municipalities* caters for the payment of motor vehicle licences, as mentioned above.
- The 2012/13 amount against *Departmental agencies and accounts* relates to a transfer to SARS for overdue PAYE dating back to prior years, as explained earlier.
- *Foreign governments and international organisations* caters mainly for CPA subscription fees and conference costs, as mentioned.
- The amounts against *Public corporations and private enterprises* cater for insurance claims for motor vehicle accidents relating to the Legislature's official vehicles.
- *Households* caters for donations made as part of the Speaker's Social Responsibility programme, as well as staff exits, both of which are difficult to predict, accounting for the fluctuations.

The category *Transfers and subsidies* under Programme 2 comprises *Non-profit institutions*, which includes the constituency, secretarial and research allowances, as well as the PPF, shows a steady increase, despite the capping of the PPF at R30 million, as mentioned. The 2014/15 amount includes the once-off R2.998 million relating to prior years' interest earned on the PPF. The MTEF allocations include some additional funding allocated for the secretarial and research allowances resulting from the zero-based budget exercise, mainly to increase the allowances provided to support staff, including researchers, as mentioned above.

6. Programme description

The uniform budget and programme structure for all Provincial Legislatures consists of two programmes, namely Programme 1: Administration and Programme 2: Parliamentary Business. The payments and budgeted estimates for these two programmes are summarised in terms of economic classification below, details of which are given in *Annexure – Vote 2: Provincial Legislature*.

6.1 Programme 1: Administration

Programme 1 consists of four sub-programmes, as follows:

- Office of the Speaker provides political and administrative leadership to the Legislature, and ensures the provision of protocol services to Members. This sub-programme caters for the running costs of the Office of the Speaker, as well as the Speaker's Responsibility programme.
- Office of the Secretary co-ordinates planning, performance monitoring, evaluation and reporting, and ensures effectiveness of internal control, risk management and governance processes.
- Financial Management aims to provide efficient and effective financial management, and includes the CFO's office, financial management services, as well as SCM services. The main purpose is to plan the departmental budget, as well as to monitor and evaluate expenditure and revenue collection. In addition, various costs relating to the vote as a whole are centralised under this sub-programme, such as cell-phone, land-line and all current maintenance costs.
- Corporate Services renders corporate services through ICT, communication, human resources management and institutional support (i.e. library services, fleet services, security services, etc). Capital building renovation costs and other major procurement costs are centralised under this sub-programme, accounting for the size of the budget, as well as the fluctuations in trends.

Tables 2.8 and 2.9 below summarise payments and estimates for Programme 1 for the financial years 2012/13 to 2018/19. It is mentioned that various costs relating to the vote as a whole, including current maintenance costs, are centralised under the Financial Management sub-programme, while the Corporate Services sub-programme caters for capital and other major procurement projects. This means that some projects, such as SAP, are catered for under both sub-programmes. Many of these projects have largely once-off costs, accounting for the fluctuating trend from 2012/13 to the 2015/16 Adjusted Appropriation.

Table 2.8 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
1. Office of the Speaker	29 855	28 707	23 682	22 867	24 092	24 092	27 735	29 485	31 195
2. Office of the Secretary	13 437	16 530	18 780	17 298	22 724	22 724	23 808	20 869	22 079
3. Financial Management	52 260	54 176	57 177	50 483	47 955	47 955	56 465	57 032	60 339
4. Corporate Services	52 951	69 273	68 135	52 068	70 758	70 758	63 157	67 604	70 548
Total	148 503	168 686	167 774	142 716	165 529	165 529	171 165	174 990	184 161

Table 2.9 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Current payments	123 723	151 453	157 255	132 647	153 960	153 960	161 816	166 070	174 724
Compensation of employees	64 971	84 589	82 473	74 669	86 199	86 199	94 633	99 867	104 683
Goods and services	58 645	66 864	74 782	57 978	67 761	67 761	67 183	66 203	70 041
Interest and rent on land	107	-	-	-	-	-	-	-	-
Transfers and subsidies to:	743	237	161	592	592	592	1 149	1 206	1 275
Provinces and municipalities	10	16	20	36	36	36	38	40	42
Departmental agencies and accounts	276	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	233	221	141	207	207	207	217	228	241
Public corporations and private enterprises	-	-	-	26	26	26	27	28	30
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	224	-	-	323	323	323	867	910	962
Payments for capital assets	24 037	16 996	9 545	9 477	10 977	10 977	8 200	7 714	8 162
Buildings and other fixed structures	2 853	4 181	2 055	850	2 350	2 350	395	940	995
Machinery and equipment	15 352	6 332	4 179	7 139	7 139	7 139	6 238	5 129	5 427
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	5 832	6 483	3 311	1 488	1 488	1 488	1 567	1 645	1 740
Payments for financial assets	-	-	813	-	-	-	-	-	-
Total	148 503	168 686	167 774	142 716	165 529	165 529	171 165	174 990	184 161

The high spending in respect of the sub-programme: Office of the Speaker, particularly in 2012/13 and 2013/14, can largely be attributed to outstanding commitments from prior years relating to public participation events, as well as the building of capacity in anticipation of the functions to be allocated to the Office of the Speaker (as the Treasury), in line with the FMPAA. This included largely once-off costs such as establishing systems and skills development, accounting for the dip in 2014/15 and the 2015/16 Main Appropriation. The slight increase in the 2015/16 Adjusted Appropriation relates to unspent operational and Members' remuneration funding from 2014/15 that was allocated back in 2015/16 to cater for in-year spending pressures relating to the phasing in of the revised organisational structure. The MTEF allocations reflect reasonable growth as a result of additional funding allocated in terms of the zero-based budget exercise.

Similarly, the Office of the Secretary sub-programme increased in 2013/14 and 2014/15 to cater for outstanding commitments from prior years, resulting in the slight decrease in the 2015/16 Main Appropriation. The increase in the 2015/16 Adjusted Appropriation relates to unspent operational and Members' remuneration funding from 2014/15 allocated back to cater for in-year spending pressures including the filling of some critical posts in terms of the revised organisational structure and higher than budgeted risk management costs. Also contributing to the increase were savings reprioritised from the sub-programme: Financial Management, as explained below. The MTEF allocations reflect some growth as a result of additional funding from the zero-based budget exercise. The 2016/17 allocation includes the once-off additional funding allocated for the CPA conference, accounting for the slight reduction from 2016/17 to 2017/18.

With regard to the Financial Management sub-programme, the slight fluctuations in the prior years relate to the Legislature building revamping projects, while the peak in 2014/15 is largely due to the payment of some SAP invoices relating to prior years. The service provider had to show improvement in some areas before the Legislature would pay the invoices. These once-off commitments explain the reduction from 2014/15 to 2015/16. The slight reduction in the 2015/16 Adjusted Appropriation relates to the reprioritisation of savings from this sub-programme, as a result of delays in the filling of certain critical posts, as well as the non-filling of posts that are not critical. These savings were moved to the sub-programmes: Office of the Secretary and Corporate Services to fund in-year spending pressures resulting from the filling of critical posts. The MTEF allocations reflect reasonable growth because of additional funding allocated in terms of the zero-based budget exercise, mainly to fund increasing property payments (particularly increased security services costs) and operating leases, largely relating to printing and publication costs pertaining to the Legislature's public participation programme.

The Corporate Services sub-programme fluctuates markedly due to various once-off procurement costs. For instance, the fluctuations in the two prior years can largely be ascribed to the purchase and roll-out of SAP. The 2014/15 amount is far higher than the 2015/16 Main Appropriation as it includes the purchase of tools of trade for all new Members, following the 2014 general elections. Also included is a portion of the once-off funding for the procurement of the new Hansard system (which was not spent on the project itself, but was used to absorb in-year spending pressures, as mentioned above). The 2015/16 Main Appropriation is further under-stated because of a decision taken by the Legislature not to continue establishing the Co-operative Governance unit under Programme 2 at this stage, but rather establish an Auxiliary Services unit under this sub-programme, which will oversee transversal activities, such as facilities and security issues, in line with the revised organisational structure. This decision, which is commented on further in Programme 2 below, was effected in the 2015/16 Adjusted Appropriation. Also contributing to the increase in the Adjusted Appropriation was unspent operational and Members' remuneration funding from 2014/15 allocated back to cater for in-year spending pressures relating to the filling of some critical posts in terms of the revised organisational structure, as well as outstanding 2014/15 commitments in respect of building revamping projects and SAP costs. In addition, savings were reprioritised from the sub-programme: Financial Management, as mentioned above, and there was a once-off provision for the renovation of the Law Society building, all of which account for the reduction from the 2015/16 Adjusted Appropriation to 2016/17. The 2016/17 allocation includes a once-off amount of R1.500 million for the replacement of a lift in the Legislature building. The MTEF allocations reflect reasonable growth when compared to the 2015/16 Main Appropriation, as a result of additional funding allocated in terms of the zero-based budget exercise for various operational spending pressures.

Compensation of employees increased substantially in the prior years, largely due to the annual wage agreements for the Legislature staff, the implementation of the job evaluation review results, the filling of critical posts in terms of the revised organisational structure, as well as the annual leave encashment. The peak in 2013/14 was due to significant once-off back-pay relating to the upgrading of posts, accounting for the slight reduction from 2013/14 to 2014/15. This category was under-budgeted for in 2015/16, and this was corrected in the 2015/16 Adjusted Appropriation by reprioritising savings from other areas, as well as allocating back unspent operational and Members' remuneration funding from 2014/15. The 2015/16 Adjusted Appropriation also includes additional funding for the above-budget 2015 wage agreement. The MTEF allocations provide for the carry-through costs of the above-budget wage agreement, as well as provision for the carry-through costs of critical posts that were filled in recent years, funded through the zero-based budget exercise.

The fluctuations in *Goods and services* can be ascribed to the fact that once-off projects, including the roll-out of SAP and current building revamping projects, are largely catered for under this category. The high 2013/14 amount relates to outstanding 2012/13 commitments, including building revamping projects, as well as the further roll-out of SAP. The 2014/15 amount includes the once-off funding for the Hansard project and the Legislature complex feasibility study (which was not spent on the projects themselves, but was largely used to absorb in-year spending pressures, as mentioned). This accounts for the dip from 2014/15 to 2015/16. The increase in the 2015/16 Adjusted Appropriation relates to unspent operational and Members' remuneration funding from 2014/15 allocated back in 2015/16 to cater for in-year spending pressures, including higher than budgeted risk management costs and the payment of some SAP invoices relating to prior years, accounting for the slight reduction to 2016/17. The 2016/17 allocation includes the once-off additional funding for hosting the CPA conference in KZN. The MTEF allocations show reasonable growth as a result of additional funding allocated in terms of the zero-based budget exercise, largely to fund increasing property payments and operating leases.

The category *Transfers and subsidies* fluctuates in the prior years, as explained below:

- *Provinces and municipalities* reflects the payment of motor vehicle licences, as mentioned.
- The 2012/13 amount reflected against *Departmental agencies and accounts* relates to a transfer to SARS in respect of overdue PAYE dating back to prior years, as explained earlier.
- *Foreign governments and international organisations* caters mainly for subscription fees and conference attendance costs in respect of the CPA, as mentioned.
- *Public corporations and private enterprises* caters for insurance claims for motor vehicle accidents relating to the Legislature's official vehicles. No accident claims were received in prior years.
- *Households* caters for donations made as part of the Speaker's Social Responsibility programme, as well as staff exits, both of which are difficult to predict.

Buildings and other fixed structures, which relates to the Legislature building revamping projects, fluctuates depending on the nature of the work required. The 2012/13 and 2013/14 amounts are largely made up of the costs of the Tatham Art Gallery parking for Members and renovations to the Speaker's office. The fairly high 2014/15 amount includes carry-through costs of some prior year projects. The 2015/16 Adjusted Appropriation includes a once-off provision for the renovation of the Law Society building, as mentioned previously. Although the building revamping projects are continuing over the MTEF, the extent and nature of the work to be done is still under review. As such, the bulk of the funding is reflected as current infrastructure under *Goods and services* at this stage.

Machinery and equipment shows a fluctuating trend from 2012/13 to 2016/17 due to several once-off purchases. The high 2012/13 spending can be ascribed to the purchase and installation of SAP, as well as the payment for generators that were procured in 2011/12 but not paid for by year-end. The high 2013/14 amount includes provision for outstanding SAP commitments, while the fairly high 2014/15 amount provides for the purchase of tools of trade for all new Members following the 2014 general elections. These once-off amounts account for the fluctuations from 2012/13 to 2014/15. Similarly, the 2015/16 Main Appropriation is high as it includes the additional funding for IT infrastructure, accounting for the decrease from 2015/16 to 2016/17. The 2016/17 allocation includes the once-off provision for the

replacement of a lift in the Legislature building. The MTEF allocations provide for the purchase of furniture, vehicles and computers for staff and Members.

Software and other intangible assets fluctuates in the prior years, largely due to the roll-out of the various SAP modules, which went live in 2013/14 (hence the high expenditure in the prior years). There is marginal growth over the MTEF, to cater for ongoing SAP costs.

There was expenditure of R813 000 in respect of *Payments for financial assets* in 2014/15, largely relating to the write-off of previous years' debt, some dating back as far as 2002.

Service delivery measures – Programme 1: Administration

Table 2.10 illustrates the main service delivery measures pertaining to Programme 1. It is noted that the Legislature sector has not yet agreed on standardised service delivery measures. It is further noted that the Legislature has streamlined Programme 1's service delivery measures compared to prior years, and has introduced two new ones, indicated by "New" in the table.

Table 2.10 : Service delivery measures – Programme 1: Administration

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2015/16	2016/17	2017/18	2018/19	
1. Improved performance monitoring and reporting	• No. of performance reports against Annual Oversight Plans (AOP) and APP targets	9	5	5	5	
2. Achieved clean audit by 2016/17	• Quarterly review reports on key controls, audits and risk issues	4	4	4	4	
3. Developed and implemented transformation plan/policy	• No. of reports on the development and implementation of the transformation plan/policy	4	4	4	4	
4. Improved ICT management	• No. of reports on the review and implementation of the ICT plan	New	4	4	4	
5. Improved human resources management and development	• No. of reports on development and implementation of the HR plan	New	4	4	4	
6. Improved control environment and attainment of clean audit in respect of SCM	• No. of reports on the development and implementation of the SCM strategy	New	4	4	4	

6.2 Programme 2: Parliamentary Business

This programme consists of six sub-programmes, conforming to the customised budget structure for the sector. The main objectives and services of these sub-programmes are as follows:

- **Law-making:** To pass effective and relevant laws in the province. This sub-programme also incorporates the functions of House Proceedings and Hansard.
- **NCOP:** To facilitate NCOP liaison services.
- **Oversight:** To execute and conduct effective oversight of the Executive Committees, and to provide research and legal services.
- **Public Participation:** To address complaints through the petitions' system, and to create awareness of legislative processes through public education and the promotion of public involvement. This sub-programme combines both staff and sectoral public participation costs.
- **Members' Facilities:** To provide benefits and facilities in respect of Members and to offer support to political parties. This sub-programme makes provision for the constituency and secretarial allowances, as well as the PPF.
- **Co-operative Governance:** To strengthen inter-parliamentary relations.

Tables 2.11 and 2.12 below summarise payments and estimates for Programme 2 for the period 2012/13 and 2018/19. As mentioned under Programme 1 above, a decision was taken by the Legislature in 2015/16 not to establish the Co-operative Governance unit at this stage, but rather establish an Auxiliary Services

unit under the sub-programme: Corporate Services in Programme 1, to oversee transversal activities, such as facilities and security issues, in line with the revised organisational structure. This decision was taken in view of the fact that the Co-operative Governance unit has not been established after three years, partly because many of the associated governance functions are currently being undertaken by the Office of the Secretary. This decision was implemented in the 2015/16 Adjusted Appropriation, accounting for an amount still being reflected in the 2015/16 Main Appropriation. Prior and ensuing years were adjusted for comparative purposes. As a result of this decision, the Legislature will no longer be using the sub-programme: Co-operative Governance in terms of the budget structure for the Legislature sector.

Programme 2 shows a generally steady growth over the seven-year period. This programme includes substantial funding for public participation events, overseas study tours undertaken by portfolio committees, as well as support for political parties in the form of constituency and secretarial allowances and the PPF. It is noted, too, that the implementation of the sector oversight model impacts mainly on this programme, particularly the sub-programmes: Oversight and Members' Facilities.

Table 2.11 : Summary of payments and estimates by sub-programme: Parliamentary Business

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
1. Law-making	25 881	37 956	41 535	35 609	40 407	40 407	45 063	47 841	50 616
2. NCOP	1 058	275	692	1 962	1 962	1 962	2 066	2 170	2 296
3. Oversight	51 250	61 383	59 081	66 757	67 277	67 277	78 132	83 630	88 480
4. Public Participation	30 182	29 890	30 097	33 994	32 494	32 494	33 648	33 513	35 457
5. Members' Facilities	107 684	91 644	94 754	97 272	97 272	97 272	110 788	116 364	123 115
6. Co-operative Governance	-	-	-	4 863	-	-	-	-	-
Total	216 055	221 148	226 159	240 457	239 412	239 412	269 697	283 518	299 964

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Current payments	138 599	138 949	141 919	153 677	152 632	152 632	173 749	182 736	193 337
Compensation of employees	65 161	68 426	78 060	78 600	77 528	77 528	90 994	96 055	101 626
Goods and services	73 438	70 523	63 859	75 077	75 104	75 104	82 755	86 681	91 711
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	77 456	82 199	84 240	86 780	86 780	86 780	95 948	100 782	106 627
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	77 456	82 199	84 240	86 780	86 780	86 780	95 948	100 782	106 627
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	216 055	221 148	226 159	240 457	239 412	239 412	269 697	283 518	299 964

The sub-programme: Law-making shows steady growth in the prior years. The high 2013/14 amount includes provision for outstanding 2012/13 public participation commitments. The 2014/15 amount includes a portion of the once-off funding for the improved Hansard production project, which was not spent on the system itself, but was utilised to absorb in-year spending pressures, including the Legacy project. This project related to the compilation of an end-of-term handover project, entitled Twenty Years of Democracy: A Legacy Report, with the focus on ensuring a smooth transition between the fourth and fifth Legislatures. This accounts for the dip from 2014/15 to 2015/16. The high Adjusted Appropriation relates to savings identified in the sub-programmes: Oversight and Public Participation because of delays

in the filling of certain critical posts, as well as the non-filling of posts considered not critical. These savings were moved to the Law-making sub-programme to fund in-year spending pressures as a result of the filling of critical posts in terms of the revised organisational structure, including carry-through costs of posts filled from 2014/15. The growth is continued over the 2016/17 MTEF as a result of additional funding from the zero-based budget exercise.

The NCOP sub-programme shows a generally steady increase. The low amounts in 2013/14 and 2014/15 relate to the fact that there were fewer NCOP activities in those years, in view of the build-up to the 2014 general elections.

The sub-programme: Oversight reflects significant increases, in line with the implementation of the sector oversight model. Also contributing to the high spending, particularly in 2013/14, was the payment of outstanding public participation commitments, including outstanding travel claims. This sub-programme increases substantially from 2015/16 onward to provide for the continued roll-out of the sector oversight model. The slight increase in the 2015/16 Adjusted Appropriation relates to additional funding for the above-budget 2015 wage agreement for Legislature staff, offset by enforced savings reprioritised to the Law-making sub-programme. The growth over the MTEF relates to additional funding from the zero-based budget exercise.

With regard to the sub-programme: Public Participation, which combines both staff and sectoral public participation costs, there is a generally steady increase over the seven years. The 2012/13 amount is fairly high, as it includes payment of outstanding public participation commitments relating to prior years. The minor fluctuations over the period relate to enforced savings to offset in-year pressures in other areas, such as Law-making.

The Members' Facilities sub-programme includes provision for the constituency, secretarial and research allowances, as well as the PPF, which is capped at R30 million at this stage, as mentioned previously. The 2012/13 amount is high because it includes payment of outstanding travel claims and prior year commitments in respect of public participation events, accounting for the reduction in 2013/14. The 2014/15 amount includes the once-off R2.998 million relating to prior years' interest earned on the PPF. The healthy growth over the MTEF caters for public participation events and the continued implementation of the sector oversight model. Also, in terms of the zero-based budget exercise, additional funding was allocated for the secretarial and research allowances, including provision for support staff, such as researchers, which are contract based, and are not on the Legislature's organisational structure. The additional amount was allocated to bring these allowances in line with the guidelines from National Parliament, including provision for an annual wage adjustment in respect of these support staff. The MTEF allocations also provide for increased travel and subsistence costs for the various portfolio committees funded from the zero-based budget exercise.

The Co-operative Governance sub-programme has been commented on above.

Compensation of employees shows reasonable growth over the seven-year period as a result of the annual wage adjustments for the Legislature staff. The Legislature commenced implementing the sector oversight model in 2012/13, as explained above, accounting for the increases (as well as the slight fluctuations relating to the upgrading of posts and resultant backpay) from that year to 2015/16. The MTEF allocations include provision for the carry-through of posts filled from 2014/15 without adequate budget in respect of the sector oversight model, funded from the zero-based budget exercise.

The fluctuations in *Goods and services* can be ascribed to the previously mentioned once-off spending in prior years. For instance, 2012/13 is fairly high, as it includes payment of outstanding travel claims and prior year commitments in respect of public participation events, accounting for the reduction from 2012/13 to 2013/14. The further reduction in 2014/15 relates to enforced savings identified under Programme 2 to offset Programme 1's projected over-expenditure, in line with the cost-containment plan. The MTEF allocations include some additional funding resulting from the zero-based budget exercise, largely to provide for increased travel and subsistence costs for the various portfolio committees.

Transfers and subsidies to: Non-profit institutions comprises the constituency, secretarial and research allowances payable to political parties, as well as the PPF. The category shows a steady increase over the

seven years, despite the capping of the PPF at R30 million at this stage. The 2014/15 amount includes the once-off increase of R2.998 million, relating to interest earned on the PPF which was formally appropriated back to the Legislature for increasing the 2014/15 transfer to the PPF. The MTEF allocations include some additional funding for the secretarial and research allowances resulting from the zero-based budget exercise, mainly to provide for support staff, including researchers, as mentioned above.

Service delivery measures – Programme 2: Parliamentary Business

Table 2.13 below illustrates the main service delivery measures relating to Programme 2. The Legislature sector has not yet agreed on standardised service delivery measures. It is noted that the Legislature has introduced two new service delivery measures, indicated by “New” in the table.

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

Outputs		Performance indicators	Estimated performance	Medium term targets			
			2015/16	2016/17	2017/18	2018/19	
1.	Increased level of awareness and knowledge of the Legislature and its core business	• No. of public education campaigns/workshops	20	20	20	20	
2.	Enhanced oversight, law-making and accountability	• No. of sittings facilitated	26	26	26	26	
3.	Improved oversight over departmental planning	• No. of final draft AOPs submitted	New	18	18	18	
		• No. of progress reports and development of a provincial service delivery baseline	4	4	4	4	
4.	Improved input into the departmental APPs and budgets	• No. of reports on the consideration of 2017/18 draft APPs and budgets tabled at committee meetings	16	15	15	15	
5.	Improved oversight over departmental performance against their APPs and budgets	• No. of analysis reports on quarterly and annual reports	5 per Committee	5 per Committee	5 per Committee	5 per Committee	
6.	Improved tracking of resolutions	• Quarterly reports on resolutions	4	4	4	4	
7.	Improved oversight over financial management and performance of depts. and public entities	• No. of reports on Finance Committee hearings conducted	3	3	3	3	
8.	Improved oversight over depts. and public entities i.r.o. attainment of clean audit reports	• No. of SCOPA hearings conducted	2	2	2	2	
9.	Enhanced oversight through focused intervention studies and oversight visits	• No. of focused intervention studies conducted	8	9	16	16	
		• No. of oversight visits conducted	48	64	64	64	
10.	Empowered committees to perform oversight	• No. of study tours	5	5	5	5	
11.	Improved processing of legislation before committees	• No. of reports on Bills processed	New	4	4	4	

7. Other programme information

7.1 Personnel numbers and costs

Tables 2.14 and 2.15 reflect personnel information pertaining to the Legislature. Note that the tables include information relating to the Legislature staff only, and not the Members of the Legislature.

It is noted that the KZN Legislature’s salary structure is very different to the Public Service. For the most part, the KZN Legislature’s salary levels are higher than Public Service counterparts. This position is exacerbated by the fact that, in recent years (apart from 2015/16), the annual wage adjustments for the administrative staff have been higher than the Public Service wage agreements. This issue of the increasing wage gap was raised as a concern by STACOV at a meeting held in August 2014, and negotiations are underway with the unions in this regard. However, prior year above-budget wage increases continue to have carry-through costs. Also, on occasions when the KZN Legislature received additional funding from Provincial Treasury to provide for the above-budget wage agreement, the additional funding was based on the lower Public Service increase.

Table 2.14 : Personnel numbers and costs by programme

Personnel numbers	As at 31 March 2013	As at 31 March 2014	As at 31 March 2015	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 31 March 2019
1. Administration	130	113	115	116	116	116	116
2. Parliamentary Business	104	107	108	109	109	109	109
Total	234	220	223	225	225	225	225
Total provincial personnel cost (R thousand)	130 132	153 015	160 533	163 727	185 627	195 922	206 309
Unit cost (R thousand)	556	696	720	728	825	871	917

Table 2.15 : Summary of personnel numbers and costs by component

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Total for the department									
Personnel numbers (head count)	234	220	223	225	225	225	225	225	225
Personnel cost (R thousands)	130 132	153 015	160 533	153 269	163 727	163 727	185 627	195 922	206 309
Human resources component									
Personnel numbers (head count)	8	7	10	9	9	9	10	10	10
Personnel cost (R thousands)	4 554	5 355	5 618	5 730	5 730	5 730	6 497	6 857	7 220
Head count as % of total for department	3.42	3.18	4.48	4.00	4.00	4.00	4.44	4.44	4.44
Personnel cost as % of total for department	3.50	3.50	3.50	3.74	3.50	3.50	3.50	3.50	3.50
Finance component									
Personnel numbers (head count)	23	23	24	17	17	17	18	18	18
Personnel cost (R thousands)	12 752	14 995	15 732	16 045	16 045	16 045	18 191	19 200	20 218
Head count as % of total for department	9.83	10.45	10.76	7.56	7.56	7.56	8.00	8.00	8.00
Personnel cost as % of total for department	9.80	9.80	9.80	10.47	9.80	9.80	9.80	9.80	9.80
Full time workers									
Personnel numbers (head count)	200	200	210	212	212	212	212	212	212
Personnel cost (R thousands)	123 625	145 364	155 506	147 606	157 541	157 541	178 346	188 126	197 994
Head count as % of total for department	85.47	90.91	94.17	94.22	94.22	94.22	94.22	94.22	94.22
Personnel cost as % of total for department	95.00	95.00	96.87	96.30	96.22	96.22	96.08	96.02	95.97
Part-time workers									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R thousands)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-
Contract workers									
Personnel numbers (head count)	34	20	13	13	13	13	13	13	13
Personnel cost (R thousands)	6 507	7 651	5 027	5 663	6 186	6 186	7 281	7 796	8 315
Head count as % of total for department	14.53	9.09	5.83	5.78	5.78	5.78	5.78	5.78	5.78
Personnel cost as % of total for department	5.00	5.00	3.13	3.70	3.78	3.78	3.92	3.98	4.03

The personnel numbers from 2012/13 onward include the implementation of the job evaluation review results, as well as the filling of critical posts in terms of the revised organisational structure, including the sector oversight model. The following points are noted:

- The high personnel numbers in 2012/13 continuing into 2013/14 relate to the employment of interns during that year, and this accounts for the similar increase in contract worker numbers.
- The “Contract workers” shown in Table 2.15 include interns (in the prior years), Members’ drivers, as well as two SAP specialists, etc. Note that this category excludes contract positions such as management positions, as well as staff in the office of the Speaker and in the Office of the Whipery.
- It is envisaged that a further 26 critical posts in terms of the revised organisational structure will be filled over the MTEF, once the productivity and work system investigations have been undertaken. These are not reflected in the tables at this stage. The required budget adjustments and reprioritisation will be made in-year to fund these critical posts, taking into account the Legislature’s cost-containment plan, as well as the budget cuts facing the province as a whole.

7.2 Training

Tables 2.16 and 2.17 give a summary of the Legislature’s spending and information on training for the period 2012/13 to 2018/19. All training for the Legislature is centralised under Programme 1. Both tables illustrate the number of staff and Members affected by the various training programmes and initiatives, and this accounts for the number of both staff reflected in Table 2.17 being higher than the personnel

numbers reflected in Section 7.1 above. Table 2.17 also includes a gender breakdown, the types of training, and details of the number of bursaries and learnerships.

The Skills Development Act is not applicable to provincial legislatures. The amounts reflected relate to specific training courses that will assist in capacitating the various components of the Legislature. The high 2013/14 amount relates to the training that was conducted to ensure the smooth implementation of SAP and the sector oversight model. The 2015/16 amount includes provision for the ongoing training of new Members following the 2014 general elections. The MTEF allocations provide for ongoing SAP training to both staff and Members, as well as training on the implementation of the FMPAA.

Table 2.16 : Payments on training by programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
1. Administration	3 576	4 484	3 654	5 084	5 084	5 084	4 184	5 454	5 770
Travel and subsistence	967	857	1 125	1 170	1 170	1 170	1 232	1 294	1 369
Payments on tuition	2 609	3 627	2 529	3 914	3 914	3 914	2 952	4 160	4 401
Other	-	-	-	-	-	-	-	-	-
2. Parliamentary Business	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	3 576	4 484	3 654	5 084	5 084	5 084	4 184	5 454	5 770

Table 2.17 : Information on training: Provincial Legislature

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Number of staff	234	289	292	294	294	294	294	294	294
Number of personnel trained	137	102	176	184	184	184	194	204	216
of which									
Male	68	39	88	92	92	92	97	102	108
Female	69	63	88	92	92	92	97	102	108
Number of training opportunities	38	38	38	41	41	41	44	46	49
of which									
Tertiary	12	12	13	14	14	14	15	16	17
Workshops	15	15	13	14	14	14	15	16	17
Seminars	-	-	-	-	-	-	-	-	-
Other	11	11	12	13	13	13	14	15	16
Number of bursaries offered	17	20	21	22	22	22	23	24	26
Number of interns appointed	-	30	-	-	-	-	-	-	-
Number of learnerships appointed	17	-	21	22	22	22	23	24	26
Number of days spent on training	3	306	3	3	3	3	3	3	3

ANNEXURE – VOTE 2: PROVINCIAL LEGISLATURE

Table 2.A : Details of departmental receipts: Provincial Legislature

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	73	107	69	51	51	63	54	57	60
Sale of goods and services produced by department (excl. capital assets)	-	-	-	-	-	-	-	-	-
Sales by market establishments	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	-	-	-	-	-	-	-	-	-
Sale of scrap, waste, arms and other used current goods (excl. capital assets)	73	107	69	51	51	63	54	57	60
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	449	802	1 610	432	432	2 214	455	478	506
Interest	449	802	1 610	432	432	2 214	455	478	506
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	564	-	486	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	564	-	486	-	-	-	-	-	-
Transactions in financial assets and liabilities	1 245	3 015	785	252	252	784	265	278	294
Total	2 331	3 924	2 950	735	735	3 061	774	813	860

Estimates of Provincial Revenue and Expenditure

Table 2.B : Payments and estimates by economic classification: Provincial Legislature

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Current payments	262 322	290 402	299 174	286 324	306 592	306 592	335 565	348 806	368 061
Compensation of employees	130 132	153 015	160 533	153 269	163 727	163 727	185 627	195 922	206 309
Salaries and wages	116 522	132 552	140 817	133 021	141 726	141 726	162 664	171 798	180 786
Social contributions	13 610	20 463	19 716	20 248	22 001	22 001	22 963	24 124	25 523
Goods and services	132 083	137 387	138 641	133 055	142 865	142 865	149 938	152 884	161 752
Administrative fees	3 960	56	970	896	896	896	1 395	1 156	1 221
Advertising	6 529	8 550	6 929	9 006	9 056	9 056	8 935	9 208	9 745
Assets less than the capitalisation threshold	1 282	165	756	727	727	727	285	349	369
Audit cost: External	1 425	2 617	3 560	2 251	3 451	3 451	2 019	2 120	2 243
Bursaries: Employees	549	598	261	643	643	643	756	794	840
Catering: Departmental activities	13 431	12 316	10 669	16 513	16 563	16 563	19 146	19 604	20 743
Communication (G&S)	8 150	11 010	10 067	5 660	5 660	5 660	11 967	10 740	11 362
Computer services	3 617	7 930	2 481	1 129	2 938	2 938	3 494	3 541	3 746
Cons and prof serv: Business and advisory services	1 137	3 630	16 438	2 209	4 956	4 956	5 963	7 356	7 782
Cons and prof serv: Infrastructure and planning	-	-	-	-	-	-	-	-	-
Cons and prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons and prof serv: Scientific and technological services	-	-	-	-	-	-	-	-	-
Cons and prof serv: Legal costs	27	402	387	294	294	294	290	305	323
Contractors	7 556	7 512	11 321	5 793	6 575	6 575	10 459	10 616	11 232
Agency and support / outsourced services	1 586	-	-	-	-	-	-	-	-
Entertainment	71	60	47	270	285	285	673	714	755
Fleet services (including government motor transport)	1 666	2 110	1 536	1 709	1 709	1 709	1 558	1 635	1 730
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	9	-	-	646	646	646	187	28	30
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	329	269	-	400	400	400	-	-	-
Inventory: Materials and supplies	39	101	-	135	135	135	84	88	93
Inventory: Medical supplies	-	-	-	5	5	5	7	7	7
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	111	-	-	-	-	-	-	-	-
Consumable supplies	541	1 226	1 500	364	369	369	1 210	1 268	1 341
Consumable: Stationery, printing and office supplies	776	1 167	1 043	948	948	948	1 169	1 239	1 311
Operating leases	5 857	7 008	8 361	4 758	4 758	4 758	6 473	6 579	6 961
Property payments	6 181	8 263	8 984	5 521	8 556	8 556	5 298	5 563	5 885
Transport provided: Departmental activity	5 996	4 570	2 335	3 430	3 430	3 430	8 743	8 763	9 271
Travel and subsistence	47 175	38 160	33 954	41 785	41 693	41 693	31 593	31 631	33 466
Training and development	2 609	3 627	2 529	3 914	3 914	3 914	2 952	4 160	4 401
Operating payments	3 295	3 845	5 766	9 835	9 979	9 979	9 464	9 945	10 522
Venues and facilities	8 179	12 195	8 747	14 214	14 279	14 279	15 818	15 475	16 373
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	107	-	-	-	-	-	-	-	-
Interest	107	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	78 199	82 436	84 401	87 372	87 372	87 372	97 097	101 988	107 902
Provinces and municipalities	10	16	20	36	36	36	38	40	42
Provinces	10	16	20	36	36	36	38	40	42
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	10	16	20	36	36	36	38	40	42
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	276	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	276	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	233	221	141	207	207	207	217	228	241
Public corporations and private enterprises	-	-	-	26	26	26	27	28	30
Public corporations	-	-	-	-	-	-	27	28	30
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	27	28	30
Private enterprises	-	-	-	26	26	26	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	26	26	26	-	-	-
Non-profit institutions	77 456	82 199	84 240	86 780	86 780	86 780	95 948	100 782	106 627
Households	224	-	-	323	323	323	867	910	962
Social benefits	63	-	-	-	-	-	-	-	-
Other transfers to households	161	-	-	323	323	323	867	910	962
Payments for capital assets	24 037	16 996	9 545	9 477	10 977	10 977	8 200	7 714	8 162
Buildings and other fixed structures	2 853	4 181	2 055	850	2 350	2 350	395	940	995
Buildings	-	4 181	2 055	850	2 350	2 350	395	940	995
Other fixed structures	2 853	-	-	-	-	-	-	-	-
Machinery and equipment	15 352	6 332	4 179	7 139	7 139	7 139	6 238	5 129	5 427
Transport equipment	1 340	1 821	1 594	2 039	2 039	2 039	1 500	2 254	2 385
Other machinery and equipment	14 012	4 511	2 585	5 100	5 100	5 100	4 738	2 875	3 042
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	5 832	6 483	3 311	1 488	1 488	1 488	1 567	1 645	1 740
Payments for financial assets	-	-	813	-	-	-	-	-	-
Total	364 558	389 834	393 933	383 173	404 941	404 941	440 862	458 508	484 125
of which:									
Departmental receipts	2 331	3 924	2 950	735	735	3 061	774	813	860
Adjusted total	364 558	389 834	393 933	383 173	404 941	404 941	440 862	458 508	484 125
Members' remuneration	67 160	71 095	82 094	82 321	74 321	74 321	77 790	80 343	85 003
Adjusted total (incl. Members' remuneration)	431 718	460 929	476 027	465 494	479 262	479 262	518 652	538 851	569 128

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Current payments	123 723	151 453	157 255	132 647	153 960	153 960	161 816	166 070	174 724
Compensation of employees	64 971	84 589	82 473	74 669	86 199	86 199	94 633	99 867	104 683
Salaries and wages	57 335	73 323	72 693	63 241	73 018	73 018	82 346	86 961	91 029
Social contributions	7 636	11 266	9 780	11 428	13 181	13 181	12 287	12 906	13 654
Goods and services	58 645	66 864	74 782	57 978	67 761	67 761	67 183	66 203	70 041
Administrative fees	3 834	51	850	855	855	855	1 131	877	926
Advertising	3 286	4 319	2 129	1 776	1 776	1 776	2 772	2 319	2 455
Assets less than the capitalisation threshold	1 282	165	756	727	727	727	279	343	363
Audit cost: External	1 425	2 617	3 560	2 251	3 451	3 451	2 019	2 120	2 243
Bursaries: Employees	219	598	261	433	433	433	346	363	384
Catering: Departmental activities	2 813	1 591	1 124	1 556	1 556	1 556	1 500	1 170	1 238
Communication (G&S)	5 786	8 688	7 610	4 766	4 766	4 766	7 310	5 851	6 190
Computer services	3 617	7 856	2 393	1 129	2 938	2 938	3 494	3 541	3 746
Cons and prof serv: Business and advisory services	344	3 124	13 366	2 010	4 757	4 757	5 842	7 228	7 646
Cons and prof serv: Infrastructure and planning	-	-	-	-	-	-	-	-	-
Cons and prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons and prof serv: Scientific and technological services	-	-	-	-	-	-	-	-	-
Cons and prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	4 205	3 199	7 662	4 290	4 897	4 897	4 177	4 020	4 253
Agency and support / outsourced services	955	-	-	-	-	-	-	-	-
Entertainment	64	30	47	214	214	214	335	358	379
Fleet services (including government motor transport)	1 666	2 074	1 530	1 709	1 709	1 709	1 558	1 635	1 730
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	9	-	-	646	646	646	187	28	30
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	329	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	34	101	-	135	135	135	82	86	91
Inventory: Medical supplies	-	-	-	5	5	5	7	7	7
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	541	611	907	341	341	341	1 039	1 091	1 154
Consumable: Stationery, printing and office supplies	659	863	923	761	761	761	865	920	974
Operating leases	5 857	7 008	8 361	4 758	4 758	4 758	6 473	6 579	6 961
Property payments	6 181	8 162	8 969	5 521	8 556	8 556	5 288	5 553	5 875
Transport provided: Departmental activity	(4)	180	-	85	85	85	344	99	105
Travel and subsistence	8 993	8 654	8 614	12 981	13 366	13 366	13 826	12 525	13 251
Training and development	2 609	3 359	2 529	3 414	3 414	3 414	2 454	3 637	3 848
Operating payments	2 742	2 473	2 884	5 215	5 215	5 215	4 514	4 801	5 079
Venues and facilities	1 199	1 141	307	2 400	2 400	2 400	1 341	1 052	1 113
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	107	-	-	-	-	-	-	-	-
Interest	107	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	743	237	161	592	592	592	1 149	1 206	1 275
Provinces and municipalities	10	16	20	36	36	36	38	40	42
Provinces	10	16	20	36	36	36	38	40	42
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	10	16	20	36	36	36	38	40	42
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	276	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	276	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	233	221	141	207	207	207	217	228	241
Public corporations and private enterprises	-	-	-	26	26	26	27	28	30
Public corporations	-	-	-	-	-	-	27	28	30
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	27	28	30
Private enterprises	-	-	-	26	26	26	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	26	26	26	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	224	-	-	323	323	323	867	910	962
Social benefits	63	-	-	-	-	-	-	-	-
Other transfers to households	161	-	-	323	323	323	867	910	962
Payments for capital assets	24 037	16 996	9 545	9 477	10 977	10 977	8 200	7 714	8 162
Buildings and other fixed structures	2 853	4 181	2 055	850	2 350	2 350	395	940	995
Buildings	-	4 181	2 055	850	2 350	2 350	395	940	995
Other fixed structures	2 853	-	-	-	-	-	-	-	-
Machinery and equipment	15 352	6 332	4 179	7 139	7 139	7 139	6 238	5 129	5 427
Transport equipment	1 340	1 821	1 594	2 039	2 039	2 039	1 500	2 254	2 385
Other machinery and equipment	14 012	4 511	2 585	5 100	5 100	5 100	4 738	2 875	3 042
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	5 832	6 483	3 311	1 488	1 488	1 488	1 567	1 645	1 740
Payments for financial assets	-	-	813	-	-	-	-	-	-
Total	148 503	168 686	167 774	142 716	165 529	165 529	171 165	174 990	184 161

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Current payments	138 599	138 949	141 919	153 677	152 632	152 632	173 749	182 736	193 337
Compensation of employees	65 161	68 426	78 060	78 600	77 528	77 528	90 994	96 055	101 626
Salaries and wages	59 187	59 229	68 124	69 780	68 708	68 708	80 318	84 837	89 757
Social contributions	5 974	9 197	9 936	8 820	8 820	8 820	10 676	11 218	11 869
Goods and services	73 438	70 523	63 859	75 077	75 104	75 104	82 755	86 681	91 711
Administrative fees	126	5	120	41	41	41	264	279	295
Advertising	3 243	4 231	4 800	7 230	7 280	7 280	6 163	6 889	7 290
Assets less than the capitalisation threshold	-	-	-	-	-	-	6	6	6
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	330	-	-	210	210	210	410	431	456
Catering: Departmental activities	10 618	10 725	9 545	14 957	15 007	15 007	17 646	18 434	19 505
Communication (G&S)	2 364	2 322	2 457	894	894	894	4 657	4 889	5 172
Computer services	-	74	88	-	-	-	-	-	-
Cons and prof serv: Business and advisory services	793	506	3 072	199	199	199	121	128	136
Cons and prof serv: Infrastructure and planning	-	-	-	-	-	-	-	-	-
Cons and prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons and prof serv: Scientific and technological services	-	-	-	-	-	-	-	-	-
Cons and prof serv: Legal costs	27	402	387	294	294	294	290	305	323
Contractors	3 351	4 313	3 659	1 503	1 678	1 678	6 282	6 596	6 979
Agency and support / outsourced services	631	-	-	-	-	-	-	-	-
Entertainment	7	30	-	56	71	71	338	356	376
Fleet services (including government motor transport)	-	36	6	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	269	-	400	400	400	-	-	-
Inventory: Materials and supplies	5	-	-	-	-	-	2	2	2
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	111	-	-	-	-	-	-	-	-
Consumable supplies	-	615	593	23	28	28	171	177	187
Consumable: Stationery, printing and office supplies	117	304	120	187	187	187	304	319	337
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	101	15	-	-	-	10	10	10
Transport provided: Departmental activity	6 000	4 390	2 335	3 345	3 345	3 345	8 399	8 664	9 166
Travel and subsistence	38 182	29 506	25 340	28 804	28 327	28 327	17 767	19 106	20 215
Training and development	-	268	-	500	500	500	498	523	553
Operating payments	553	1 372	2 882	4 620	4 764	4 764	4 950	5 144	5 443
Venues and facilities	6 980	11 054	8 440	11 814	11 879	11 879	14 477	14 423	15 260
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	77 456	82 199	84 240	86 780	86 780	86 780	95 948	100 782	106 627
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	77 456	82 199	84 240	86 780	86 780	86 780	95 948	100 782	106 627
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	216 055	221 148	226 159	240 457	239 412	239 412	269 697	283 518	299 964

Table 2.E: Provincial Legislature - Payments of infrastructure by category

Table 21.1 : Provincial Legislature – Payments on infrastructure by category													
Project name	Project status	Municipality/ Region	Type of infrastructure	Project duration		Source of funding	Budget programme name	Delivery mechanism (individual project or packaged programme)	Total project cost	Expenditure to date from previous years	Total available	MTEF Forward estimates	
				Date: Start	Date: Finish							MTEF 2016/17	MTEF 2017/18
R thousands													
Existing infrastructure assets			School - primary/ secondary/ specialised; admin block; water; electricity; sanitation; etc.						-	-	4 490	5 110	4 995
of which:													
Maintenance and repair: Current									-	-	4 095	4 170	4 000
Repairs to Legislature and senate	Ongoing	Msunduzi	Legislature building	Ongoing	Ongoing	Equitable share	Programme 1	Packaged prog	-	-	3 262	3 270	4 000
Routine maintenance and repairs	Ongoing	Msunduzi	Legislature building and admin block	01 April 2016	31 March 2018	Equitable share	Programme 1	Packaged prog	-	-	833	900	-
Upgrades and additions: Capital									-	-	395	940	995
Legislature revamping capital	Ongoing	Msunduzi	Capital revamping of Legislature building	Ongoing	Ongoing	Equitable share	Programme 1	Packaged prog	-	-	395	940	995
Refurbishment and rehabilitation: Capital									-	-	-	-	-
New infrastructure assets: Capital									-	-	-	-	-
Infrastructure transfers									-	-	-	-	-
of which:									-	-	-	-	-
Infrastructure transfers: Current									-	-	-	-	-
Infrastructure transfers: Capital									-	-	-	-	-
Infrastructure: Payments for financial assets									-	-	-	-	-
Infrastructure: Leases									-	-	-	-	-
Total									-	-	4 490	5 110	4 995
Capital Infrastructure									-	-	395	940	995
Current Infrastructure									-	-	4 095	4 170	4 000