

III. DELIVERING THE STRATEGY - ORGANISATION AND RESOURCES

Values:

Constitutionality

We subscribe to social justice, fundamental human rights and the democratic values of human dignity, equality and freedom as listed in the Bill of Rights, a cornerstone of democracy in South Africa.

People-centredness

We respect all our people, honour our integrity and are committed to service delivery.

Co-operative government

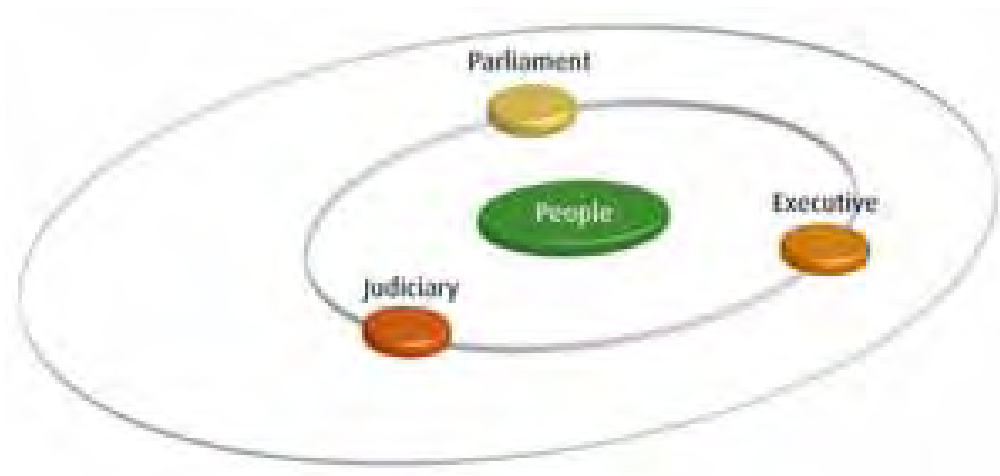
We co-operate with other spheres of government.

Professionalism and good institutional governance

We are accountable and transparent, provide value for money, are customer-focused and strive for the highest service quality.

III. DELIVERING THE STRATEGY

ORGANISATION AND RESOURCES



3.1 VALUES

Our values guide the management of Parliament. Our values are formed by that which we treasure and hold dear. It forms the foundation that will give rise to policies, which provide guidance in the implementation of everyday services and projects.

The values of Parliament are derived from the role that Parliament plays in the context of our democracy. Therefore our values are formed by the people of South Africa, the Constitution, our co-operation with other arms of government, and our will to act with professionalism and good institutional governance.

We keenly believe in the following:

Constitutionality

We subscribe to social justice, fundamental human rights and the democratic values of human dignity, equality and freedom as listed in the Bill of Rights, a cornerstone of democracy in South Africa.

People-centredness

We respect all our people, honour our integrity and are committed to service delivery.

Co-operative government

We co-operate with other spheres of government.

Professionalism and good institutional governance

We are accountable and transparent, provide value for money, are customer-focused and strive for the highest service quality.

3.1.a Constitutionality

We are, firstly, guided by all the values and principles embedded in the Constitution – our foundation for establishing a society based on democratic values, social justice, and fundamental human rights. We embrace and uphold the Bill of Rights, the cornerstone of democracy in South Africa which enshrines the rights of all people in our country and affirms the democratic values of human dignity, equality and freedom.

We respect, protect, promote and fulfil the rights enshrined in the Bill of Rights, where everyone is equal before the law, has inherent dignity and the right to have their dignity respected and protected; where everyone has the right to life, freedom and security, and where no one may be subjected to slavery, servitude or forced labour; where everyone has the right to privacy, freedom of conscience, religion, thought, belief and opinion; where everyone has the right to freedom of expression, the right to assemble and demonstrate, and freedom of association.

3.1.b People-centredness

Secondly, we honour and respect the people of South Africa, believing that South Africa belongs to all who live in it, united in our diversity. We believe in building our democratic and open society in which government is based on the will of the people, aimed at improving the quality of

life of all citizens and to free the potential of each person. We are responsive to the needs of the people, and are committed to service delivery and acting with integrity.

3.1.c Co-operative government

As part of the three arms of government, Parliament is committed to co-operate with the other arms of government to provide effective, transparent, accountable and coherent government for the Republic as a whole. We preserve the peace, national unity and indivisibility of the Republic, and secure the wellbeing of the people of South Africa. We are loyal to the Constitution, the Republic and its people, and respect the constitutional status, institutions, powers and functions of government in other spheres. We are committed to not assume any power or function except those conferred on Parliament in terms of the Constitution, and to exercise our powers and perform our duties in a manner that does not encroach on the geographical, functional or institutional integrity of government in another sphere. We co-operate with other government arms and spheres in mutual trust and good faith by fostering friendly relations, assisting and supporting one another, informing one another of, and consulting one another on matters of common interest. We co-ordinate our actions with one another, adhere to agreed procedures, and avoid legal proceedings against one another.

3.1.d Professionalism and good institutional governance

Parliament as an institution is committed to being a professional organisation which subscribes to good governance. We are committed to being accountable and transparent, providing value for money, and being customer-focused. We commit ourselves to a good work ethic and strive for the highest service quality, including the following:

- Subscribing to a high standard of professional ethics.
- The efficient, economical and effective use of resources.
- Being developmental-orientated.
- Providing services in an impartial, fair, equitable manner.
- Responding to the needs of the people, and encouraging the public to participate in policy-making.
- Having accountable administration of Parliament.
- Ensuring transparency by providing the public with timely, accessible and accurate information.
- Providing good human resource management and career-development practices to maximize human potential.
- Broadly representative public administration with employment and management practices based on ability, objectivity, fairness, and the need to address the imbalances of the past.

3.2 POLICIES

The parliamentary policies seek to guide and regulate the daily implementation of services and projects. These cover:

- Policy on Code of Ethics and Conduct for Managers and Designated Employees
- Policy on Acceptance of Gifts and Benefits
- Policy on Career Management
- Policy on Cell Phones
- Policy on Donor Funding
- Policy on Employee Conduct
- Policy on HIV & AIDS
- Policy on International Participation by Employees
- Policy on Leave of Absence
- Policy on Library Collection and Development
- Policy on Parliamentary Records
- Policy on Performance Management
- Policy on Promotions
- Policy on Recruitment and Selection
- Policy on Sexual Harassment
- Policy on Smoking
- Policy on Succession Planning
- Policy on Learning and Development
- Policy on Travel, Accommodation and S&T

3.3 ORGANISATIONAL DESIGN

The organisational structure is designed to ensure proper operational and administrative management of Parliament. The structure is based on commonality of functions with a view to preventing unnecessary duplication. The structure is subdivided into Divisions, Sections, Units and Offices. The main components include Office of the Secretary to Parliament, National Assembly Division, National Council of Provinces Division, Legislation and Oversight Division, Corporate Services Division, and Institutional Support Division. As the institution moves from being function driven to becoming more process driven, this current structure might need to be reviewed.

3.4 HUMAN RESOURCES

The staff establishment consists of 1182 staff as of 31 March 2008. In terms of the occupational levels, the establishment consists of:

3.5 PERFORMANCE MANAGEMENT

The performance management system is part of the strategic management processes of planning, budgeting, performance management and reporting.

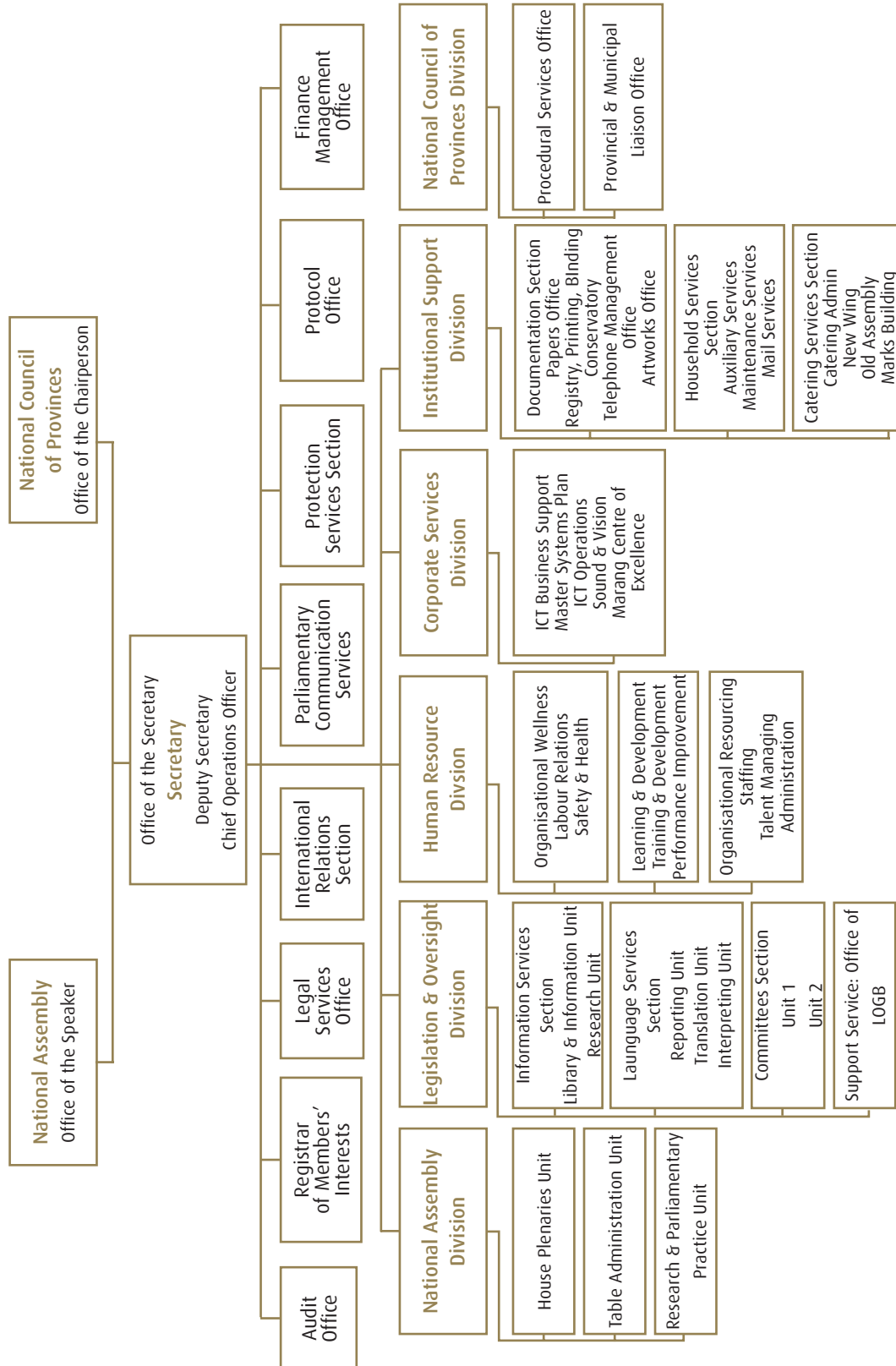
The main objectives of performance management are evaluative and developmental in nature: evaluation of performance to ensure achievement of performance objectives, and identification of gaps in performance and development of initiatives to address these gaps through relevant human resource development initiatives. The assessment of managerial competencies is a key component of the performance system.

The key processes of performance planning, contracting, review and assessment will be strengthened by empowering managers with appropriate people management competencies following the competence profiling and assessment process.

TOTAL NUMBER OF STAFF PER OCCUPATIONAL LEVEL

Occupational Levels	Male				Female				Total 2008
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	1	1	0	0	0	0	0	0	2
Senior management	6	2	0	0	3	0	1	0	12
Professionals, specialists & mid-management	42	5	11	11	27	17	2	8	123
Skilled, junior mgmt, supervisors	123	42	7	21	135	84	5	38	455
Semiskilled & discretionary decision-making	63	81	5	23	131	80	2	7	392
Unskilled and defined decision-making	6	50	0	5	26	92	1	18	198
Total	241	181	23	60	322	273	11	71	1182

3.6 ORGANISATIONAL STRUCTURE



3.7 BUDGET OF PARLIAMENT (EXPENDITURE ESTIMATES)

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

Parliament's budget is divided into five programmes: Administration, Legislation and Oversight, Public and International Participation, Members' Facilities and Associated Services.

- **Administration** provides strategic leadership, institutional policy, overall management, administration and corporate services to the executive, management and staff of Parliament.

- **Legislation and Oversight** fulfils Parliament's legislative and oversight functions and provides procedural services to enable the institution to function smoothly.

- **Public and International Participation** fulfils Parliament's public participation and international participation role and provides support to undertake such activities.

- **Members' Facilities** provides telephone, travel and other facilities to Members of Parliament and funds medical aid contributions and travel facilities for certain former members.

- **Associated Services provides** financial support to political parties represented in Parliament.



Parliament upholds our citizens' political rights, the basic values and principles governing public administration, and oversees the implementation of constitutional imperatives.

Expenditure estimates

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08		2008/09	2009/10	2010/11
R thousand								
1. Administration	178 181	209 192	263 060	191 110	182 010	215 677	230 071	245 632
2. Legislation and Oversight	98 777	138 452	129 126	164 950	167 122	178 268	187 805	199 015
3. Public and International Participation	38 600	41 320	71 547	60 881	77 556	64 489	67 781	71 842
4. Members' Facilities	109 672	113 869	134 488	173 370	163 381	183 026	192 299	203 826
5. Associated Services	73 694	95 101	156 848	245 403	245 403	263 073	278 413	295 117
Subtotal	498 924	597 934	755 069	835 714	835 472	904 532	956 369	1 015 432
Direct charge against the National Revenue Fund	203 903	211 719	223 256	242 380	240 452	253 979	266 678	282 679
Members' Remuneration	203 903	211 719	223 256	242 380	240 452	253 979	266 678	282 679
Total	702 827	809 653	978 325	1 078 094	1 075 924	1 158 511	1 223 047	1 298 111
Change to 2007 Budget estimate				–	(2 170)	21 643	27 150	30 459

Economic classification

Current payments	587 860	695 387	807 025	817 206	810 055	879 179	927 563	984 902
Compensation of employees	391 684	401 182	446 577	507 081	507 037	553 559	585 658	622 545
Goods and services	196 176	294 205	360 448	310 125	303 018	325 620	341 905	362 357
<i>of which:</i>								
Communication	14 682	14 994	14 498	17 937	17 937	18 834	19 776	20 958
Computer services	2 512	6 019	8 322	8 029	8 029	8 430	8 852	9 379
Consultants, contractors and special services	36 334	87 206	95 104	40 681	40 681	42 713	44 849	47 531
Inventory	9 355	13 338	6 912	13 033	13 033	13 685	14 369	15 227
Maintenance, repairs and running costs	2 272	6 931	6 726	6 508	6 508	6 834	7 175	7 602
Operating leases	2 256	3 109	3 608	4 985	4 985	5 234	5 496	5 825
Travel and subsistence	97 609	120 220	164 889	186 015	186 015	195 305	205 073	217 350
Transfers and subsidies	75 986	96 226	158 991	247 903	247 505	265 698	281 169	298 041
Provinces and municipalities	750	550	231	–	–	–	–	–
Foreign governments and international organisations	1 542	575	1 912	2 500	2 102	2 625	2 756	2 924
Non-profit institutions	73 694	95 101	156 848	245 403	245 403	263 073	278 413	295 117
Payments for capital assets	38 981	18 040	12 309	12 985	18 364	13 634	14 315	15 168
Machinery and equipment	38 981	18 040	11 880	12 985	17 295	13 634	14 315	15 168
Software and other intangible assets	–	–	429	–	1 069	–	–	–
Total	702 827	809 653	978 325	1 078 094	1 075 924	1 158 511	1 223 047	1 298 111

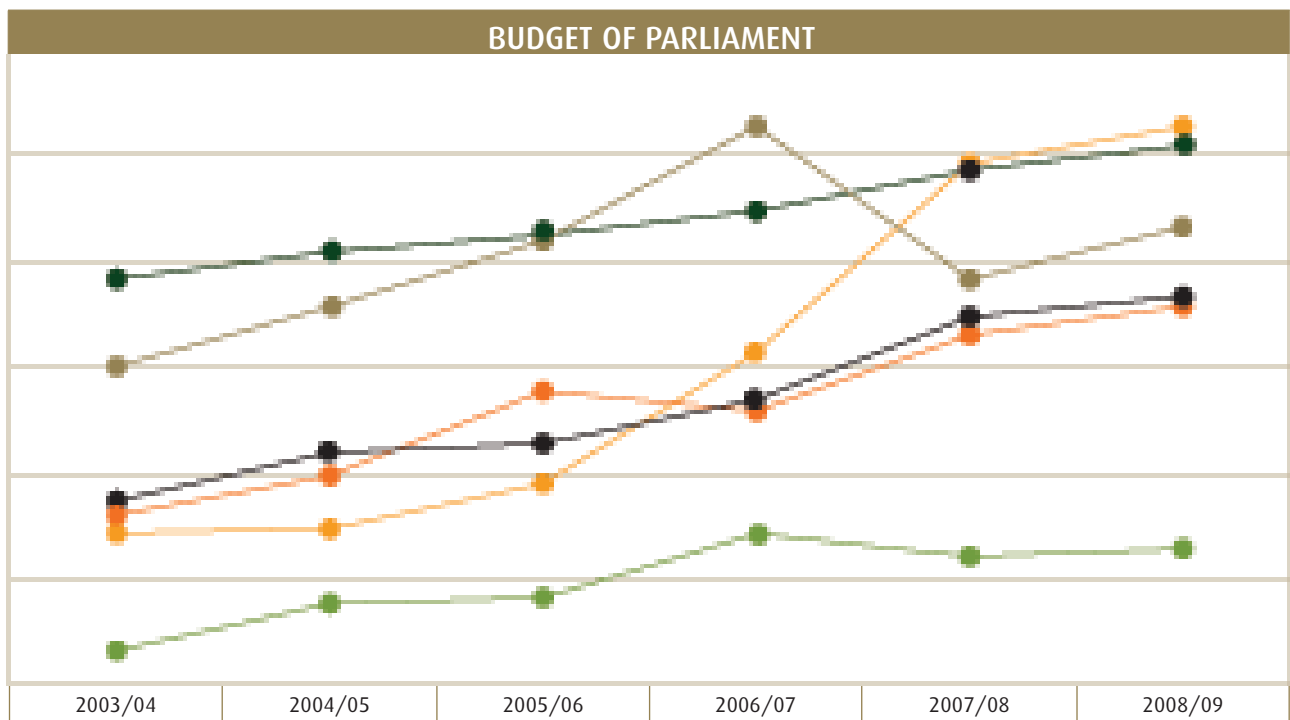
Expenditure trends

Expenditure increased from R498.9 million in 2004/05 to R835.7 million in 2007/08, at an average annual rate of 18.8 per cent, driven by the implementation of the vision adopted by Parliament during 2004/05. Various projects were implemented as strategic interventions to ensure that the strategic objectives are achieved. Transfer payments to political parties as per section 57 of the Constitution also had an impact on the increase in expenditure.

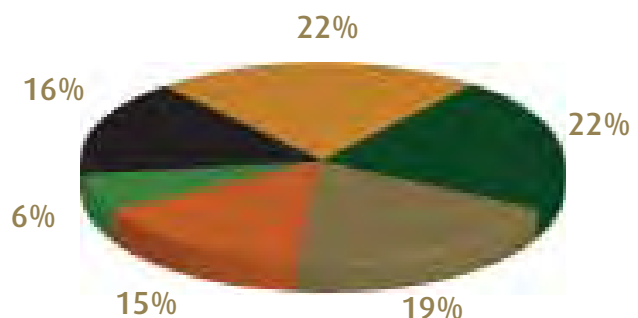
Total expenditure increased by 25.3 per cent between 2005/06 and 2006/07, due mainly to the increase in spending by Administration for the implementation of Parliament’s Master Systems Plan and improved capacity, and also because of the increase in spending by Public and International Participation for costs related to international events and visits such as the Observer Commission to the Democratic Republic of Congo and the 20th plenary of the SADC Parliamentary Forum.

The budget grows steadily over the medium term at an average annual rate of 6.7 per cent, mainly for additional capacity in terms of the oversight functions of committees (researchers and content specialists) and for the international participation models being developed and implemented.

Parliament received additional funds of R21.6 million in 2008/09, R27.1 million in 2009/10 and R30.5 million in 2010/11 to cater for increases in the compensation of employees and other inflationary adjustments to costs related to different projects.



- Associated Services (22%)
- Direct Charge (22%)
- Administration (19%)
- Members’ Facilities (16%)
- Legislation and Oversight (15%)
- Public and International Participation (6%)



3.8 PROGRAMME 1: ADMINISTRATION

Administration provides administrative services to the executive, management and staff of Parliament to support strategic leadership, institutional policy and overall management. It carries out its functions through five subprogrammes, whose activities include human resources, ICT services and general administrative and support services.

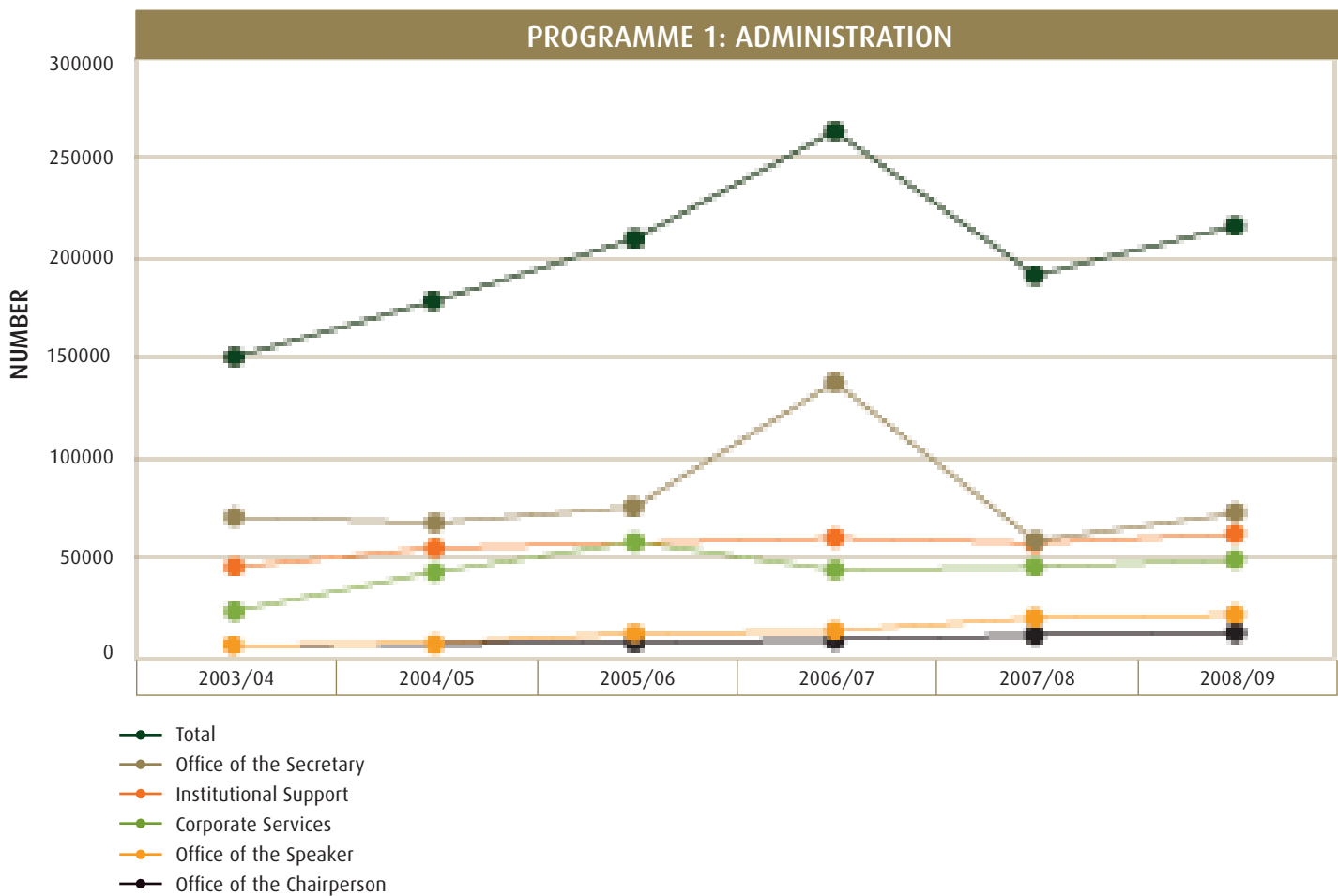
Expenditure estimates

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Office of the Speaker	7 131	11 844	13 201	19 701	21 322	22 467	23 807
Office of the Chairperson	6 493	7 536	8 787	11 000	11 905	12 544	13 292
Office of the Secretary	67 244	75 267	137 590	58 260	71 897	78 572	85 095
Corporate Services	42 679	57 608	43 811	45 149	48 863	51 488	54 558
Institutional Support	54 634	56 937	59 671	57 000	61 690	65 002	68 880
Total	178 181	209 192	263 060	191 110	215 677	230 071	245 632
Change to 2007 Budget estimate				-	15 023	19 383	22 304
Economic classification							
Current payments	159 446	203 434	256 005	186 009	210 321	224 447	239 674
Compensation of employees	100 760	93 009	115 230	127 711	149 119	160 182	171 577
Goods and services	58 686	110 425	140 775	58 298	61 202	64 265	68 097
of which:							
Communication	4 502	3 352	3 603	3 749	3 936	4 133	4 380
Computer services	2 459	4 797	8 225	7 582	7 961	8 359	8 857
Consultants, contractors and special services	25 255	57 413	56 591	13 096	13 750	14 438	15 299
Inventory	7 807	9 583	4 798	9 051	9 504	9 979	10 574
Maintenance, repairs and running costs	1 855	4 093	5 820	6 050	6 353	6 670	7 067
Operating leases	1 073	1 675	2 115	2 429	2 550	2 678	2 838
Travel and subsistence	7 707	11 528	14 404	16 341	17 148	18 008	19 082
Transfers and subsidies	750	378	60	-	-	-	-
Provinces and municipalities	750	378	60	-	-	-	-
Payments for capital assets	17 985	5 380	6 995	5 101	5 356	5 623	5 958
Machinery and equipment	17 985	5 380	6 912	5 101	5 356	5 623	5 958
Software and other intangible assets	-	-	83	-	-	-	-
Total	178 181	209 192	263 060	191 110	215 677	230 071	245 632

Expenditure trends

Expenditure grew slowly, at an average annual rate of 2.4 per cent between 2004/05 and 2007/08, peaking in 2006/07 in the Office of the Secretary, under goods and services. This is due to the implementation of Parliament’s Master Systems Plan, including the introduction of the Oracle enterprise resource planning system, a system to manage travel arrangements, and a content management application that provides for the centralised electronic management of all documents and records and will automate all core business processes.

Over the medium term, the budget grows at an average annual rate of 8.7 per cent due to the restructuring of support services, in line with Parliament’s strategic focus on upgrading committee rooms with technology and new audiovisual systems.



3.9 PROGRAMME 2: LEGISLATION AND OVERSIGHT

Legislation and Oversight provides procedural, administrative, language and information services for Parliament to fulfil its legislative and oversight functions.

There are three subprogrammes:

National Assembly provides procedural advice and guidance for the National Assembly proceedings.

National Council of Provinces provides procedural advice and guidance for the National Council of Provinces proceedings.

Legislation and Oversight provides procedural advice, research services and administrative services for committee proceedings.

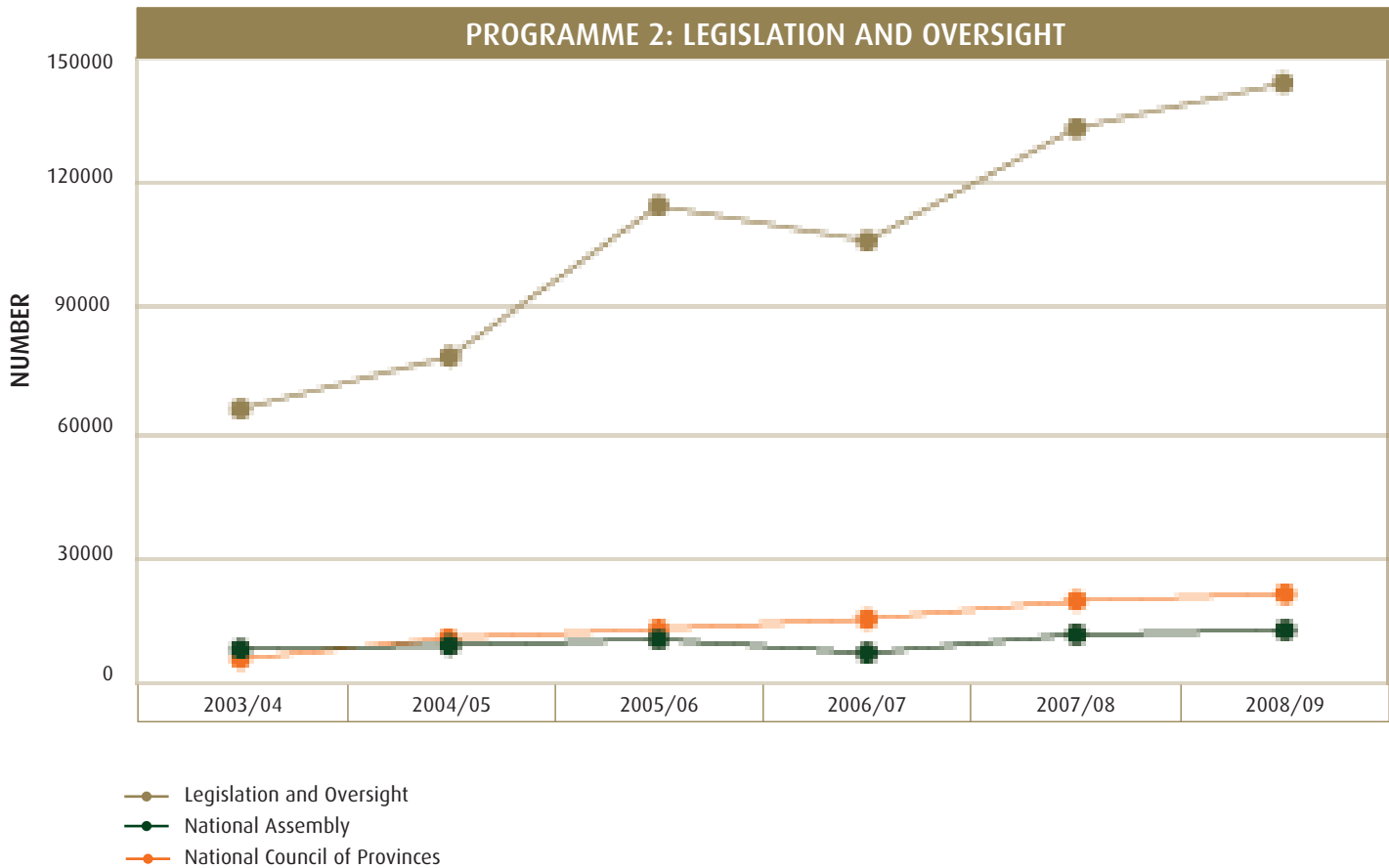
Expenditure estimates

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
National Assembly	9 392	10 821	7 538	12 000	12 969	13 667	14 483
National Council of Provinces	11 125	13 272	15 637	20 000	21 615	22 771	24 130
Legislation and Oversight	78 260	114 359	105 951	132 950	143 684	151 367	160 402
Total	98 777	138 452	129 126	164 950	178 268	187 805	199 015
Change to 2007 Budget estimate				-	5 070	5 948	6 246

Economic classification	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Current payments	91 112	128 174	127 505	161 341	174 479	183 826	194 800
Compensation of employees	62 634	68 798	78 777	104 902	115 218	121 601	128 863
Goods and services	28 478	59 376	48 728	56 439	59 261	62 225	65 937
<i>of which:</i>							
Communication	2 416	2 527	2 721	3 251	3 414	3 584	3 798
Computer services	-	1 222	95	24	25	26	28
Consultants, contractors and special services	1 103	17 081	1 534	3 118	3 273	3 437	3 642
Inventory	1 199	2 457	2 100	2 394	2 514	2 639	2 797
Maintenance, repairs and running costs	328	2 649	906	284	298	313	331
Operating leases	736	1 016	1 122	1 665	1 748	1 836	1 946
Travel and subsistence	11 598	18 905	26 606	28 179	27 488	28 862	30 585
Transfers and subsidies	-	152	42	-	-	-	-
Provinces and municipalities	-	152	42	-	-	-	-
Payments for capital assets	7 665	10 126	1 579	3 609	3 789	3 978	4 215
Machinery and equipment	7 665	10 126	1 233	3 609	3 789	3 978	4 215
Software and other intangible assets	-	-	346	-	-	-	-
Total	98 777	138 452	129 126	164 950	178 268	187 805	199 015

Expenditure trends

Between 2004/05 and 2007/08, expenditure increased from R98.8 million in 2004/05 to R165 million in 2007/08, at an average annual rate of 18.6 per cent due to the Taking Parliament to the People programme (implemented by the National Council of Provinces), additional oversight capacity, and implementing the initial phase of the language project. The highest increase is seen in 2005/06 in the Legislation and Oversight subprogramme under goods and services and payments of capital assets, mainly for strengthening committees. Over the medium term, the budget grows at an average annual rate of 6.5 per cent due to further improvements to the capacity of committees, especially in the area of research and content specialists.



Measurable Objectives:

- Strengthen the oversight function of Parliament by:
 - employing an additional 29 researchers, 6 support staff and 30 content specialists for committees by March 2009.
 - developing an oversight model for Parliament and a best practice guide by December 2008.
- Develop oversight skills of members by maintaining the leadership development programme for 25 per cent of members a year.

3.10 PROGRAMME 3: PUBLIC AND INTERNATIONAL PARTICIPATION

Public and International Participation provides the services required by Parliament to fulfil its public participation and international participation functions.

There are two subprogrammes:

Public Affairs provides education and information, public relations, media relations and events management. International Relations provides protocol services, administration for bilateral and multilateral meetings, and services for official visits.

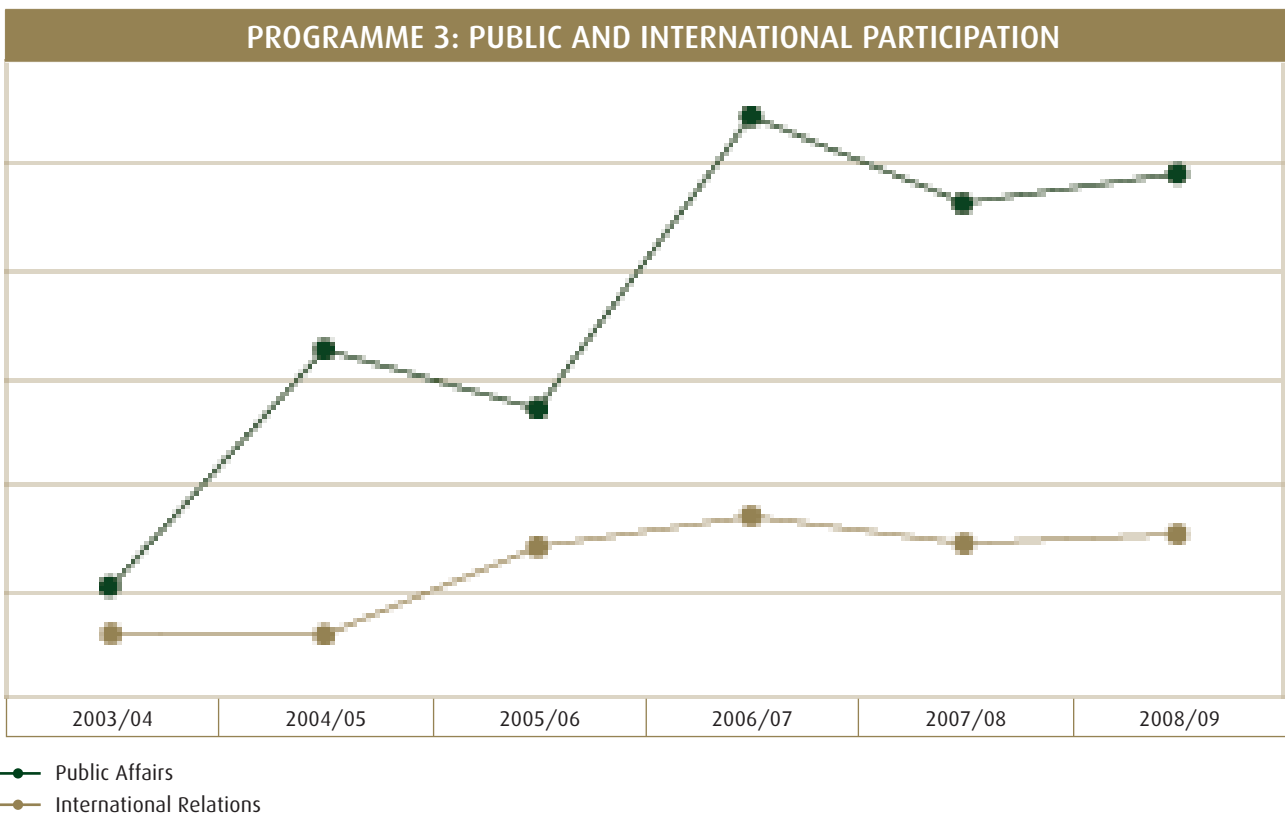
Expenditure estimates

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Public Affairs	32 654	27 122	54 487	46 381	49 129	51 636	54 729
International Relations	5 946	14 198	17 060	14 500	15 360	16 145	17 113
Total	38 600	41 320	71 547	60 881	64 489	67 781	71 842
Change to 2007 Budget estimate				-	563	660	693
Economic classification							
Current payments	34 418	38 824	66 530	56 026	59 391	62 429	66 167
Compensation of employees	6 767	9 325	11 062	11 639	12 784	13 492	14 300
Goods and services	27 651	29 499	55 468	44 387	46 607	48 937	51 867
of which:							
Communication	503	673	781	924	970	1 019	1 080
Computer services	53	-	2	423	444	466	494
Consultants, contractors and special services	9 976	10 970	31 429	21 116	22 172	23 280	24 674
Inventory	349	916	-	1 059	1 112	1 168	1 238
Maintenance, repairs and running costs	89	189	-	174	183	192	204
Operating leases	447	418	371	891	936	982	1 041
Travel and subsistence	9 101	8 886	21 359	12 268	12 881	13 525	14 335
Transfers and subsidies	1 542	595	1 917	2 500	2 625	2 756	2 924
Provinces and municipalities	-	20	5	-	-	-	-
Foreign governments and international organisations	1 542	575	1 912	2 500	2 625	2 756	2 924
Payments for capital assets	2 640	1 901	3 100	2 355	2 473	2 596	2 751
Machinery and equipment	2 640	1 901	3 100	2 355	2 473	2 596	2 751
Total	38 600	41 320	71 547	60 881	64 489	67 781	71 842
Details of major transfers and subsidies							
Foreign governments and international organisations							
Current	1 542	575	1 912	2 500	2 625	2 756	2 924
International associations	1 542	575	1 912	2 500	2 625	2 756	2 924

Expenditure trends

Expenditure increased from R38.6 million in 2004/05 to R60.9 million in 2007/08, at an average annual rate of 16.4 per cent. The most significant increase was in 2006/07 in Public Affairs (which will be Parliamentary Communication Services in future) under goods and services due to participation in forums such as the Commonwealth Parliamentary Association, the Inter-Parliamentary Union and the African Caribbean Pacific-European Union.

Over the medium term, the budget increases at an average annual rate of 5.7 per cent. Increases in compensation of employees over the full period under review are due to increased capacity in the areas of media and public relations and events management aligned to the Parliamentary Communication Services. Increases in goods and services are costs related to the hosting of different events, including international events and the participation in international forums.



Measurable Objectives:

- Improve communication about Parliament by restructuring the Public Affairs subprogramme into the Parliamentary Communication Services subprogramme by December 2008.
- Integrate multilingual communication by implementing the language policy project to use all official languages in parliamentary processes by December 2009.
- Deepen democracy and respond to the needs of the citizenry by establishing 5 additional parliamentary democracy offices.
- Increase access to and involvement in parliamentary processes by establishing a call centre by March 2009.
- Increase public participation by conducting a People’s Assembly annually and the Taking Parliament to the People programmes twice a year.

3.11 PROGRAMME 4: MEMBERS' FACILITIES

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

There are two subprogrammes:

National Assembly Members' Facilities provides facilities for members of the National Assembly.

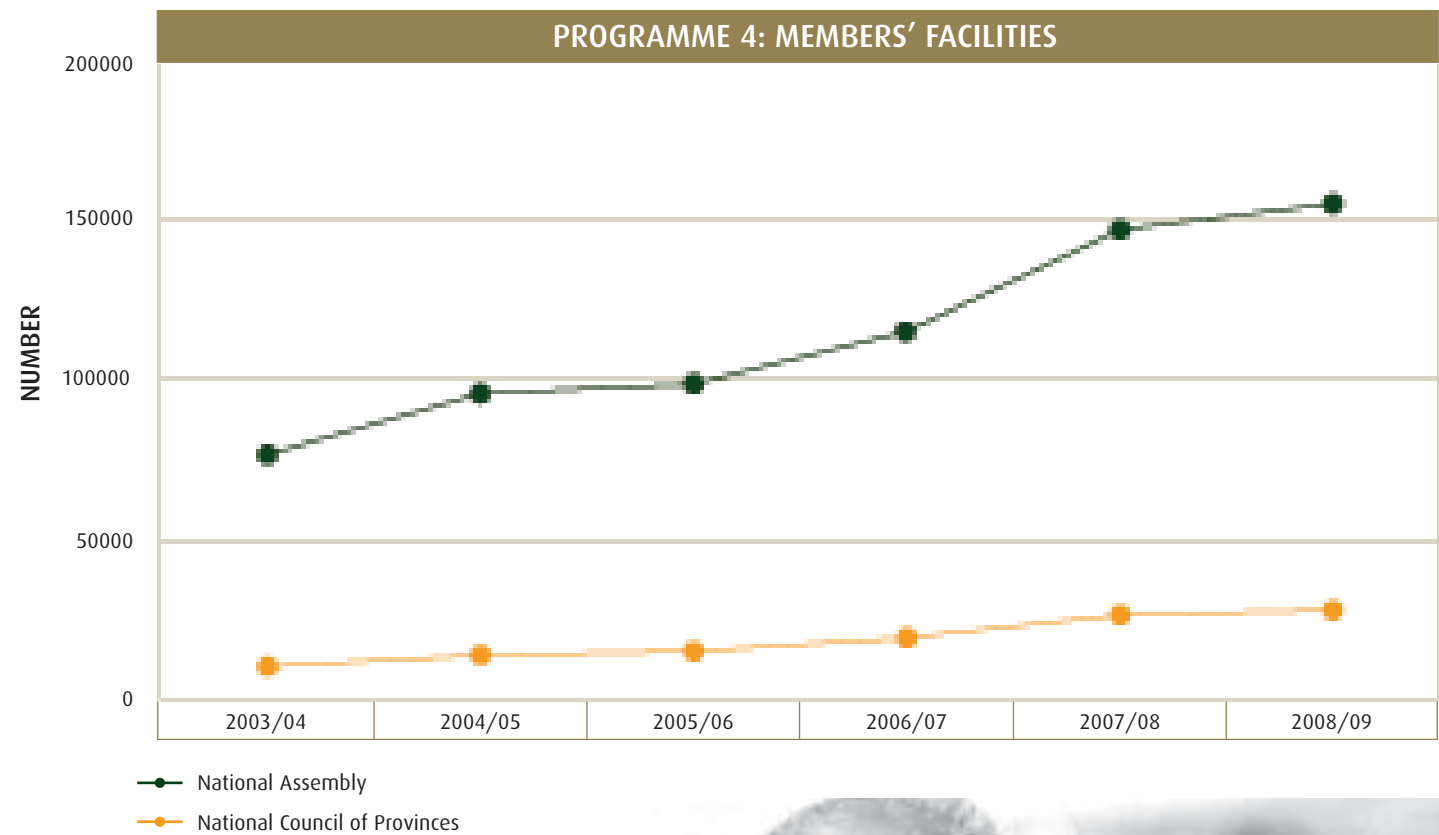
National Council of Provinces Members' Facilities provides facilities for members of the National Council of Provinces.

Expenditure estimates

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
National Assembly Members' Facilities	95 749	98 733	115 184	146 943	155 130	162 990	172 769
National Council of Provinces Members' Facilities	13 923	15 136	19 304	26 427	27 895	29 310	31 057
Total	109 672	113 869	134 488	173 370	183 025	192 299	203 826
Change to 2007 Budget estimate				-	987	1 159	1 217
Economic classification							
Current payments	98 981	113 236	133 729	171 450	181 009	190 183	201 582
Compensation of employees	17 620	18 331	18 252	20 449	22 459	23 704	25 126
Goods and services of which:	81 361	94 905	115 477	151 001	158 550	166 479	176 456
Communication	7 261	8 442	7 393	10 013	10 514	11 039	11 700
Consultants, contractors and special services	-	1 742	5 550	3 351	3 518	3 694	3 916
Inventory	-	382	14	529	555	583	618
Travel and subsistence	69 203	80 901	102 520	131 227	137 788	144 677	153 348
Transfers and subsidies	-	-	124	-	-	-	-
Provinces and municipalities	-	-	124	-	-	-	-
Payments for capital assets	10 691	633	635	1 920	2 016	2 117	2 244
Machinery and equipment	10 691	633	635	1 920	2 016	2 117	2 244
Total	109 672	113 869	134 488	173 370	183 025	192 299	203 826

Expenditure trends

Expenditure increased from R109.7 million in 2004/05 to R173.4 million in 2007/08, at an average annual rate of 16.5 per cent, due to the increase in constituency allowances, with the highest increase of 28.9 per cent occurring in 2007/08. The budget stabilises over the medium term, growing at an average annual rate of 5.5 per cent.



Parliament represents the people and ensures government by the people under the Constitution.

3.12 PROGRAMME 5: ASSOCIATED SERVICES

Associated Services provides financial support to the political parties represented in Parliament.

There are three subprogrammes:

Political Party Support provides financial support to the political parties represented in Parliament.

Constituency Support provides financial support to the constituency offices of the political parties represented in Parliament.

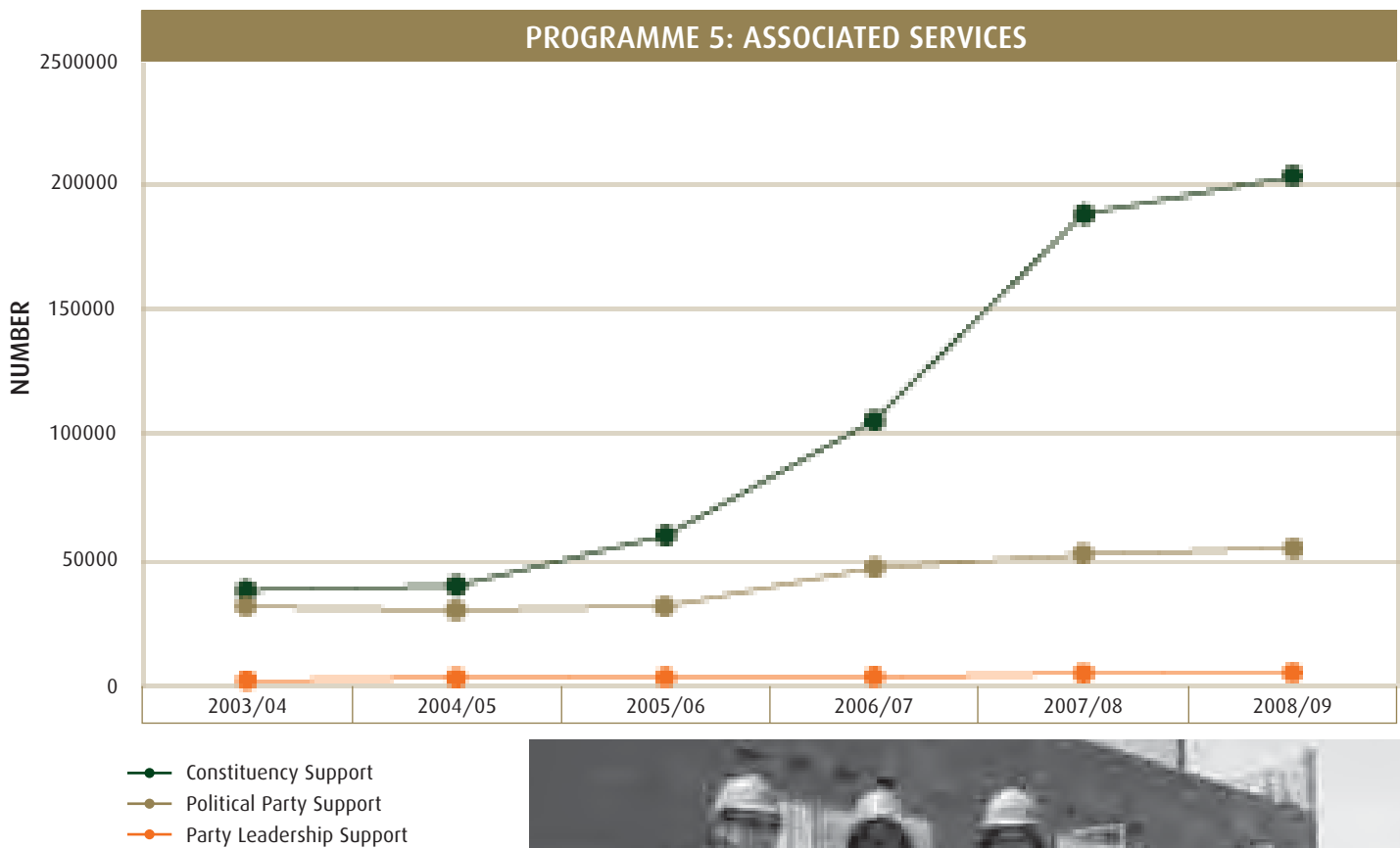
Party Leadership Support provides financial support to the leaders of political parties represented in Parliament.

Expenditure estimates

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Political Party Support	30 360	31 697	47 453	52 347	54 964	57 713	61 175
Constituency Support	40 041	59 930	105 749	188 001	202 801	215 127	228 035
Party Leadership Support	3 293	3 474	3 646	5 055	5 308	5 573	5 907
Total	73 694	95 101	156 848	245 403	263 073	278 413	295 117
Change to 2007 Budget estimate				-	-	-	(1)
	Audited outcome			appropriation	Medium-term expenditure estimate		
R thousand	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Economic classification							
Transfers and subsidies	73 694	95 101	156 848	245 403	263 073	278 413	295 117
Non-profit institutions	73 694	95 101	156 848	245 403	263 073	278 413	295 117
Total	73 694	95 101	156 848	245 403	263 073	278 413	295 117
Details of major transfers and subsidies							
Nonprofit institutions							
Current	73 694	95 101	156 848	245 403	263 073	278 413	295 117
Constituency allowance	40 041	59 930	105 749	188 001	202 801	215 127	228 035
Political party support	30 360	31 697	47 453	52 347	54 964	57 713	61 175
Party leadership support	3 293	3 474	3 646	5 055	5 308	5 573	5 907

Expenditure trends

Expenditure over the period under review is dominated by transfer payments to political parties required by the Constitution and in alignment with the policy of Parliament. Between 2004/05 and 2007/08, expenditure grew from R73.7 million to R245.4 million at an average annual rate of 49.3 per cent due to the increase in constituency allowances, leadership support and administrative support allowances, with the highest amount being R188 million in 2007/08. The budget grows steadily over the medium term, at an average annual rate of 6.3 per cent.



Establishing a society based on democratic values, social justice and fundamental human rights.

3.13 FINANCIAL MANAGEMENT OF PARLIAMENT

At present, the financial administration of Parliament is regulated by provisions in various Acts. Parliament's financial management is regulated by section 31 of the now repealed Powers and Privileges of Parliament Act. Section 1 remains operative by virtue of transitional provisions in the Powers, Privileges and Immunities of Parliament and Provincial Legislatures Act, 2004. The Treasury Regulations, in terms of the Public Finance Management Act (PFMA), do not include Parliament.

Section 216 of the Constitution requires Parliament to establish uniform Treasury norms and standards for all spheres of government. In compliance with this section, the PFMA deals with the financial management of the national and provincial spheres of government (mainly the executive branch), and the Municipal Finance Management Act does likewise in relation to local government. There is no comprehensive legislation which deals with the financial management of Parliament (although the provisions of the Powers, Privileges and Immunities of Parliament and Provincial Legislatures Act, the Exchequer Act and the PFMA apply to various degrees) and Provincial Legislatures.

A draft Financial Management of Parliament Bill is in progress to regulate financial management in the legislative sector. This will be in line with Parliament's constitutionally based power to determine and control its internal arrangements.

Since 2001 Parliament has adopted the national framework and started to phase in key instruments such as tabling a Strategic Plan, Budget Vote, and Annual Report.

- **Strategic Plan.** Parliament adopted a new vision on 22 February 2005, and subsequently tabled its first Strategic Plan in June 2005. Apart from providing the strategic intent for Parliament, the Strategic Plan also consolidated the main business areas of Parliament into its Core Objectives. The Strategic Plan now includes the outputs and measurable objectives of Parliament
- **Budget Vote.** As part of the Estimates of National Expenditure (ENE), Parliament has co-operated with the National Treasury since 2001 to restructure its budget programmes in accordance to its main business. As part of this phase-in approach, certain elements will be introduced in the immediate future, including result indicators and key performance indicators for Parliament.
- **Annual Report.** Parliament tabled its first Annual Report, including financial statements, in August 2001. Since then Parliament tabled Annual Reports for financial years 01/02, 02/03, 03/04, 04/05, 05/06 and 06/07. The Annual Report reflects Parliament's account of its voted funds as applied in implementing its strategic intent.

The Internal Audit Office is responsible for the internal audit function of Parliament, facilitates the external audit by the Office of the Auditor-General and monitors the fraud prevention plan.



