**Option for section 15 of the Money Bills Act**

**(based on clauses 53 and 55 of the FSR Bill)**

**Parliamentary Budget Office**

(1) There is hereby established a juristic person operating within the administration of Parliament called the Parliamentary Budget Office, headed by a Director, the main objective of which is to provide independent, objective and professional advice and analysis to Parliament on matters related to the budget and other money Bills.

(2) The core function of the Parliamentary Budget Office is to support the implementation of this Act by undertaking research and analysis for the committees referred to in section 4, including—

* + - * 1. annually providing reviews and analysis of the documentation tabled in Parliament by the Executive in terms of this Act;
				2. providing advice and analysis on proposed amendments to the fiscal framework, the Division of Revenue Bill and money Bills and on policy proposals with budgetary implications;
				3. monitoring and synthesising matters and reports tabled and adopted in a House with budgetary implications, with particular emphasis on reports by other committees;
				4. keeping abreast of policy debates and developments in key expenditure and revenue areas;
				5. monitoring and reporting on potential unfunded mandates arising out of legislative, policy or budgetary proposals; and
1. undertaking any other work deemed necessary by the Director to support the implementation of this Act.

(3) The Parliamentary Budget Office may undertake research on request by the Houses, other committees or members of Parliament on matters related to the budget and other money Bills, subject to capacity.

(4) There must be a cooperative relationship between the Parliamentary Budget Office and other research structures in Parliament.

(5) The advisory board ~~committees contemplated in section 4~~ must recommend to the respective Houses—

* + - * 1. a person with the requisite experience, qualifications and leadership skills to manage the Parliamentary Budget Office with the functions as set out in 15(2) and 15(3) for appointment as Director by resolution of both Houses; and
				2. the conditions of service, including the salary and allowance of the Director, which must take into account the knowledge and experience of the person ~~and substantially the same as those of the top rank of the public service~~.

(6) Pending the establishment of the ~~committees~~ advisory board referred to in section 4, an ad hoc joint committee established by resolution of both Houses and composed in a manner consistent with democracy of an equal number of members from both Houses must fulfil the functions contemplated in subsection (5).

1. Any committee considering making a recommendation contemplated in subsec­tion (5) must do so in an open and transparent manner.
2. The Director may be removed from office only on—
	* + - 1. the ground of misconduct, incapacity or incompetence;
				2. a finding to that effect by a joint sitting of the committees on finance and appropriations of each House; and
				3. the adoption by both Houses of a resolution calling for that person's removal.
3. The Director shall be obliged to report to Parliament any inappropriate political or executive interference to prevent the office from providing independent, objective and professional advice on matters related to the budget and other money Bills.
4. The Parliamentary Budget Office must annually receive a transfer of funds from Parliament's budget to carry out its duties and functions.

(10A) The Director is the accounting authority for the Parliamentary Budget Office and is responsible and accountable for the financial and human resource management of the office and must -

(a)exercise the utmost care to protect the assets and records of the Parliamentary Budget Office;

(b) act with fidelity, honesty, integrity and in the best interests of the Parliamentary Budget Office in managing the financial affairs of the Parliamentary Budget Office;

(c) on request, disclose to the Executive Authority or the Secretary to Parliament all material facts relating to the affairs of the Parliamentary Budget Office, including those reasonably discoverable, that in any way may influence decisions or actions of the Executive Authority or Secretary to Parliament;

(d) seek, within the Director’s sphere of influence, to prevent any prejudice to the financial interests of the Republic;

(e) ensure that the Parliamentary Budget Office has and maintains—

(i) effective, efficient and transparent systems of financial and risk management;

(ii) an effective, efficient and transparent system of internal audit; and

(iii) a procurement and provisioning system that is fair, equitable, transparent, competitive and cost-effective;

(f) take appropriate and cost-effective steps to—

(i) collect revenue due to the Parliamentary Budget Office;

(ii) prevent losses resulting from criminal conduct and expenditure that is not in accordance with the Parliamentary Budget Office’s operational policies; and

(iii) manage available working capital efficiently and economically;

(g) manage and safe-guard the assets of the Authority, and manage the revenue, expenditure and liabilities of the Parliamentary Budget Office;

(h) establish systems and processes to ensure that effective and appropriate disciplinary steps are taken against any staff member of the Parliamentary Budget Office who—

(i) contravenes a law relevant to the performance of the Parliamentary Budget Office’s functions; or

(ii) engages in conduct that undermines the financial management and internal control systems of the Parliamentary Budget Office; and

(jii) generally ensure that the Parliamentary Budget Office complies with its legal obligations.

The Director must –

(i) ensure that full and proper records of the financial affairs of the Parliamentary Budget Office are kept and maintained;

prepare financial accounts for the Parliamentary Budget Office for each financial year which will form part of the annual report of Parliament;

annually submit to the Executive Authority for tabling in Parliament a rolling three year budget in time for inclusion in Parliament's budget; and

submit to the Executive Authority within five months after the end of each financial year, for tabling in Parliament, a report on the use of funds and the activities and performance of the Parliamentary Budget Office, including any matter that may be prescribed by regulation in terms of this section.

1. The Director must appoint deputy directors and personnel with the requisite experience and qualifications as may be necessary to carry out the duties and functions of the Parliamentary Budget Office as specified in subsections (2) and (3).
2. The Director, in consultation with the ~~committees referred to in section 4~~ advisory board must determine—
	* + - 1. the structure of the Parliamentary Budget Office; and
				2. the conditions of service of the deputy directors and personnel of the Parliamentary Budget Office, which must take cognisance of the conditions of service of officials in the Parliamentary Service.
3. The Director may delegate authority to perform any function imposed by this section to a person appointed in terms of subsection (12).
4. When the position of Director is vacant, or if the Director is unable to fulfil the duties and functions of that position, the advisory board must nominate a person in the employ of the Parliamentary Budget Office to act as Director until a Director is appointed in accordance with subsection (5).
5. In carrying out the duties and functions of the Parliamentary Budget Office, the Director may procure the services of experts or consultants or organisations by contract.
6. The Executive Authority may prescribed regulations concerning the implementation of this section to ensure consistency with the Financial Management of Parliament and Provincial Legislatures Act.