

## **Report of the Joint Standing Committee on the Financial Management of Parliament on the Parliament of the Republic of South Africa's Draft 2024/25 Annual Performance Plan, dated 28 November 2023**

The Joint Standing Committee on the Financial Management of Parliament, having considered the Parliament of the Republic of South Africa's draft 2024/25 Annual Performance Plan, reports as follows:

### **1. Introduction**

- 1.1 Section 4 of the Financial Management of Parliament and Provincial Legislatures Act, No. 10 of 2009 (the FMPPLA) provides for the establishment of an oversight mechanism to maintain oversight of the financial management of Parliament. The Joint Standing Committee on the Financial Management of Parliament (the Committee) was established in terms of the Joint Rules of Parliament. The Committee has the powers afforded to parliamentary committees under sections 56 and 69 of the Constitution.
- 1.2 Parliament derives its mandate from:
  - Chapter 4 of the Constitution of the Republic of South Africa, 1996, No 108 of 1996, which sets out its composition, powers and functions;
  - the FMPPLA which regulates the institution's financial management;
  - the Money Bills Amendment Procedure and Related Matters Act, 2009, No 9 of 2009 (Money Bills Act) which provides procedures to amend money bills; and
  - the Powers, Privileges and Immunities of Parliament and Provincial Legislatures Act of 2004, No 4 of 2004 which defines and declares the national and provincial legislatures' powers, privileges and immunities.
- 1.3 Parliament has as its vision to be an activist and responsive people's Parliament that improves the quality of life of South Africans and ensures enduring equality in our society. Its mission is to represent the people and to ensure government by the people in fulfilling its constitutional functions of passing laws and overseeing executive action. To this end, the institution conducts its business in line with the following values: openness, responsiveness, accountability, teamwork, professionalism, and integrity.
- 1.4 Section 17(1) of the FMPPLA requires that the Executive Authority table planning and budgeting documents in Parliament for referral to the oversight mechanism. These include the draft annual performance plan (APP) and draft budget which should be tabled at least one month before the draft budget must be submitted to the National Treasury. Accordingly, the draft APP was tabled on 1 June 2023, referred to the Committee on 2 June 2023, and presented to the Committee by the Secretary to Parliament in a meeting held on 8 November 2023.
- 1.5 This report comprises five parts: an overview of the Strategic Plan of the Sixth Parliament (Part A); an overview of the macro strategic framework for the Seventh Parliament (Part B); overview of the draft 2024/25 APP and budget (Part C); overview of the 2024/25 budget (Part D); and the Committee's observations and recommendations (Part E). The report should be read with the Strategic Plan of the Sixth Parliament, and the Committee's report in respect of it.

## **PART A**

### **2. Overview of the Strategic Plan of the Sixth Parliament**

#### **2.1 Strategic Plan of the Sixth Parliament**

- 2.1.1 Section 14(1) of the FMPPLA requires that the accounting officer must prepare and present the draft strategic plan to the Executive Authority within 6 months of the election of the National Assembly (NA), or by another date determined by Parliament.
- 2.1.2 Section 14(2) of the FMPPLA requires that the draft strategic plan must:
  - cover the following five years or another period determined by Parliament;
  - specify the administration's priorities for the period of the strategic plan;
  - include objectives and outcomes for each of Parliament's programmes;
  - include multi-year projections of all revenue and expenditure; and
  - include performance measures and indicators for assessing the administration's performance in implementing the strategic plan.

- 2.1.3 The Medium-Term Strategic Framework sets out the government's strategic plan for 2019 to 2024. It contains 7 priorities, 81 outcomes with 561 indicators. Parliament will monitor the overall impact of the development indicators contained in it.
- 2.1.4 The implementation of the strategic plan is achieved through annual performance plans and associated operational plans and budgets. APPs outline the outputs that must be delivered to achieve the outcomes in strategic plans. Operational plans in turn focus on the activities and inputs needed to deliver outputs.
- 2.1.5 The 2024/25 APP will be the fourth towards the implementation of the Strategic Plan of the Sixth Parliament which was approved in 2020. It represents a continuation of the changes that were first introduced in 2021/22.
- 2.1.6 In 2021/22 Parliament reduced its programmes from five to three. Since that time performance has also been measured using the client satisfaction model rather than the more conventional method informed by the Department of Planning, Monitoring and Evaluation's framework on strategic and annual performance plans.

## **Part B**

### **3. New Macro Strategic Framework for the Seventh Parliament**

- 3.1.1 Parliament hosted a strategy review session in November 2022 themed around improving the quality of governance and accountability through enhanced oversight, and with a focus on how Parliament may be redefined to effectively respond to the demands of citizens. It was attended by Parliament's executive authority, presiding officers and senior management team. External stakeholders were invited to participate to share their insights on how Parliament's performance may be improved.
- 3.1.2 Analysis of the Sixth Parliament's performance revealed the following, all of which contribute to poor outcomes for the institution:
  - weak oversight and accountability, and no implementation of parliamentary committee recommendations;
  - fragmented governance and ineffective decision-making
  - diminishing public trust;
  - poor public participation, and stakeholder management, including poor co-ordination with key partners;
  - lack of technical tools to support oversight;
  - ineffective support for constituency work;
  - lack of clarity of powers, functions, decision-making and limitations of structures;
  - uneven resource allocation; and
  - weak strategy execution.
- 3.1.3 In light of the above, the following interventions were identified to improve Parliament's performance:
  - greater strategic clarity;
  - the development of instruments supporting oversight-modelling;
  - development of useful institutional indicators and scorecards;
  - the development of an implementation plan for Zondo recommendations;
  - the development of a new partnership framework to lead and co-ordinate oversight activities;
  - the development of an oversight priority model
  - the development of a committee planning framework;
  - the review of the support for constituency offices to be conducted;
  - the development of an impact assessment framework for bills;
  - the review of the petitions system; and
  - the development of a stakeholder engagement framework.
- 3.1.4 The session identified that, ideally, the Seventh Parliament should:
  - be a transformative, responsive and accountable Parliament;
  - practise effective stakeholder management and participation;
  - practise effective decision-making, and strategy execution; and
  - optimise resource allocation according to the institutional strategy.
- 3.1.5 Bearing the above in mind the strategic review session resulted in the development of an action plan for executing Parliament's strategy. This included selecting critical indicators

capturing the work of Parliament from an impact and outcome level. The institution's 2023/24 APP was reviewed, and a draft macro-strategy for the Seventh Parliament was created.

## Part C

### 4. Draft 2024/25 Annual Performance Plan and Budget

#### 4.1 Programme 1: Administration

##### *Overview*

- 4.1.1 Programme 1 provides strategic leadership, governance, management, corporate and support services to Parliament, and comprises the following sub-programmes: Executive Authority, Office of the Secretary, and Corporate and Support Services. It consolidates three former programmes namely Strategic Leadership and Governance, Administration and Support Services.
- 4.1.2 To ensure an effective and efficient institution, the parliamentary service must address its current way of work and develop a future way of work. This will require significant transformation and change in the management approach, enabling policy, business processes, related skills, and facilities. The institutional culture must be driven by professionalism, service excellence, big data, and technology-enabled processes.
- 4.1.3 In the next five years the institution must implement modern technologies to work smarter, invest in skills development to build institutional capacity, and improve the working conditions to ensure motivated and engaged employees. To do so, the administration will require management capacity to build institutional agility and enhance institutional responsiveness, as well as investment in a significant programme of ICT infrastructure and skills development to protect the institution from possible external disruptions.
- 4.1.4 The programme to invest in ICT infrastructure, systems and skills must allow the institution to transition from its traditional capabilities towards building capacity to include effective stakeholder management and participation, optimal resource allocation, and effective decision-making and strategy execution. It must provide a seamless and valuable experience for parliamentarians, as the primary clients of the parliamentary service.
- 4.1.5 In respect of the restoration of the buildings damaged during the 2022 fire, the institution will partner with the Development Bank of South Africa (DBSA) and other stakeholders, including the Department of Public Works and Infrastructure (DPWI) and the National Treasury to deliver the project.
- 4.1.6 In order to achieve the above, the following will be required:
- a high-level change management plan to ensure transformation of the institution;
  - the implementation of the plan to restore the buildings affected by the 2022 fire;
  - the implementation of an institutional process to ensure strategic clarity;
  - the review and optimisation of the business model for Parliament;
  - the professionalising of the parliamentary service towards ensuring service excellence;
  - the alignment of the institutional structure to its strategy;
  - skills transformation towards data and information management, and analysis and problem solving in support of the work of a transformative parliament; and
  - the development and implementation of a new broadcasting strategy for the 7th Parliament.

##### *Transformational Targets*

- 4.1.7 Table 1 below, outlines the transformational targets under this programme over a three-year period.

Description	Output	2024/25 Target	2025/26 Target	2026/27 Target
<b>Strategic Theme: Operational Excellence</b>				
Improve public trust and confidence in Parliament	Institutional Strategy to improve public trust	<b>Institutional strategy implemented and monitored</b>	Institutional strategy implemented and monitored	Review and align targets to the 7th Parliament strategic plan
Development of a broadcasting strategy for the 7th Parliament	Broadcasting Strategy Implemented	<b>Implementation plan executed according to set milestones</b>	Implementation plan executed according to set milestones	
To	New	<b>New</b>	New	

Professionalise the Parliamentary Service	implementation plan for realignment project developed and implemented	<b>implementation plan for realignment implemented</b>	implementation plan for realignment implemented	
	Change management implementation plan developed and implemented	<b>Change management implemented</b>	Implementation monitored	
	Policy review implementation plan developed and implemented	<b>Policy review plan implemented</b>	Policy review plan implemented	
Implement the plan for the restoration of Parliamentary buildings	Restoration plan implemented	<b>Restoration plan executed, to milestones</b>	Restoration plan executed, according to plan milestones	
Shift towards outcome and impact-driven business analytics using <i>big data</i>	Big data and analytics implementation plan	<b>Big data and analytics plan implemented according to milestones</b>	Big data and analytics plan implemented according to milestones	

**Table 1: Programme 1 - Transformational Targets (Source: Parliament of the RSA Draft 2024/25 APP)**

- 4.1.8 Per the table above, the administration intends to, in 2024/25:
- implement and monitor the institutional strategy to improve public trust in the institution;
  - implement the plan for the development of a broadcasting strategy for the Seventh Parliament according to the identified milestones;
  - professionalise the parliamentary service through the implementation of the new realignment plan, a change management plan, and a review of institutional policies;
  - implement the restoration project according to the milestones identified for the period; and
  - implement the big data and analytics business plan, according to milestones identified for the period, for the shift towards impact driven processes.

*Operational targets*

- 4.1.9 In terms of the operational targets under this programme, the administration intends to perform as outlined in Table 2 below.

Output	Indicator	Annual performance targets				
		Actual	Estimated	MTEF		
		2022/23	2023/24	2024/25	2025/26	2026/27
Digital Service	% member satisfaction	80	80	80	80	80
Facility Management Service	% member satisfaction	75	75	75	75	75

**Table 2: Programme 1 – Operational Targets (Source: Parliament of the RSA draft 2024/25 APP)**

*Risks affecting performance under Programme 1*

- 4.1.10 The administration identified the following risks related that may impact the implementation of the above:

- inadequate accommodation to support for the work of Parliament, as a result of the 2022 fire;
- poor management of the institutional changes required to execute institutional change initiatives;
- insufficient and inadequate financial resources to effectively fulfil Parliament's constitutional mandate;
- renewed environmental threats;
- aging technological infrastructure;
- lingering impact of Covid-19 on parliamentary operations;
- failure of third-party service providers;
- poor maintenance of parliamentary buildings;
- possible nationwide electricity grid collapse that would threaten the work of Parliament, the safety of those on the precinct, and negatively impact livelihoods;
- possible other infectious diseases that may hamper the support to the delivery of the mandate of Parliament.

## **4.2. Programme 2: Legislation and Oversight**

### *Overview*

- 4.2.1 Programme 2 provides for support services for the effective functioning of the NA and the NCOP including procedural, legal and content advice; information services and record keeping; and secretarial and support services for the houses and their committees. The programme covers the core business of Parliament and focusses on the outputs, activities and inputs related to legislation and oversight functions.
- 4.2.2 The processing of legislation, oversight and public involvement are interrelated and are integral to establishing and achieving the outcomes of the institution. The role of civil society in the work of Parliament, and public participation in all its processes are a cornerstone of the South African democracy. To improve Parliament's performance in this regard several interventions are required. These are outlined in paragraphs 4.2.3 to 4.2.10 below.
- 4.2.3 The findings and recommendations of the Judicial Commission of Inquiry into Allegations of State Capture, Corruption and Fraud in the Public Sector, including Organs of State (the Zondo Commission) relating to Parliament, are aimed at strengthening the institution's oversight and accountability processes. The plan Parliament has adopted to implement the Zondo Commission's recommendations should address the shortcomings that were identified. Parliament was monitoring the implementation.
- 4.2.4 Per the APP, the oversight ecosystem is becoming increasingly more complex, with many entities actively involved in oversight of the executive. Effective oversight depended on collaboration and coordination especially considering ever-decreasing public funds. Parliament will develop a new framework extending to internal and external stakeholders, to direct collaboration and partnership in respect of oversight and accountability work.
- 4.2.5 The work performed in constituencies, by constituency offices, is likely to become central to parliamentary processes. Strategies responding to this development must be included in the public participation model. In 2024/25 Parliament will initiate a process to review the role and effectiveness of constituency offices.
- 4.2.6 Parliament will require skills development and technical instruments to support effective decision-making and oversight. The administration proposes economic modelling and scenario planning, amongst others, to assist in this regard. In coming years, Parliament will develop the required systems and skills to support economic modelling, data analysis, and scenario planning in support of oversight.
- 4.2.7 The committee planning system must become an outcomes-oriented system. Where relevant, committees may need to align oversight programmes to the development outcome indicators tabled by the Executive. In addition, the institution must develop effective processes to assess the performance of ministers, and for implementing consequences for under-performance. The administration argues that to do so the institution must adopt development indicators for South Africa as well as priority areas that focus oversight work. Based on these each committee should develop scorecards and a new planning framework to facilitate greater responsiveness and accountability by the Executive.
- 4.2.8 The institution faced several challenges in respect of improving public participation/involvement. These include the airing of virtual public hearings on pay-to-view and data-dependent platforms, insufficient notice to communities of public hearings, and

ineffective constituency offices. Parliament will implement a new stakeholder framework in the hopes of ensuring greater participation and cooperation.

4.2.9 The administration has identified the narrow focus of state entities on their own mandates instead of also on where their mandates overlapped as an impediment to collaboration and the joint pursuit of South Africa’s developmental agenda. Parliament must consider how it will champion ethical behaviour, a culture of accountability, and collaboration.

4.2.10 In terms of the international work of Parliament, South Africa needed to articulate its interest to the global community. The Department of International Relations and Cooperation (DIRCO) has launched a framework document on South Africa’s national interest. Parliament will align its international work to that of the national interest of the country.

*Transformational Targets*

4.2.11 Table 3 below summarises the transformational targets under Programme 2.

Description	Output	2024/25 Target	2025/26 Target	2026/27 Target
<b>Strategic Theme: Transformative Parliament</b>				
Develop and implement an Oversight Priority Model to ensure focused oversight	Oversight Priority Model	<b>Oversight Priority Model for 7th Parliament implemented</b>	Oversight Priority Model implemented	<b>Review and align targets to the 7th Parliament strategic plan</b>
Develop and implement a committee planning framework to align committee oversight with oversight focus areas	Committee planning framework	<b>Committee planning framework implemented as planned</b>	Committee planning implemented as planned	
Develop and implement a country indicator dashboard supporting the measurement of outcome progress towards attainment of the NDP impacts	Country outcome indicator dashboard implemented	<b>Country dashboard cascaded in scorecards</b>	Country dashboard utilised in scorecards and committee plans	
Implement data modelling and scenario tools to improve the quality of oversight	Modelling and scenario tools	<b>Modelling and scenario tools implemented</b>	Modelling and scenario tools implemented	
Develop an impact assessment framework for Bills	Impact assessment framework	<b>Framework implemented</b>	Framework implemented	
Develop and implement an Oversight monitoring and tracking mechanism	Monitoring and tracking mechanism	<b>Monitoring and tracking mechanism implemented</b>	Monitoring and tracking mechanism implemented	
<b>Strategic Theme: Responsive Parliament</b>				
Implementation of recommendations	Recommendations implemented	<b>Execution of plan, according to plan</b>	Execution of plan, according to plan	<b>Review and align</b>

made by the Commission on State Capture to strengthen oversight		<b>milestones</b>	milestones	<b>targets to the 7th Parliament strategic plan</b>
<b>Strategic Theme: Collaborative Engagement</b>				
Develop and new partnership framework on oversight	Partnership framework	<b>Framework implemented</b>	Framework implemented	<b>Review and align targets to the 7th Parliament strategic plan</b>
Review of support for Constituency Offices Review Parliament's strategy and capability to implement its international priorities aligned to the national agenda.	Review of support for Constituency Offices International engagement strategy and capability	<b>Recommendations adopted and implemented</b> <b>Strategy implemented and capacity created</b>	Recommendations implemented Strategy implemented and capacity created	
<b>Strategic Theme: Stakeholder Engagement</b>				
Implement a new stakeholder framework ensuring participation and cooperation	Stakeholder framework implemented	Stakeholder framework implemented and monitored	Stakeholder	<b>Review and align targets to the 7th Parliament strategic plan</b>
Develop and implement a petitions framework	Integrated petitions framework	Integrated petitions framework implemented	Integrated petitions framework implemented	

**Table 3: Programme 2 – Transformational Targets (Source: Parliament of the RSA draft 2024/25 APP)**

4.2.12 In summary, the institution will pursue the following transformational objectives under Programme 2:

- the implementation of the recommendations by the Zondo Commission
- the development and implementation of an oversight priority model to ensure scrutiny of critical areas;
- the development and implementation of a committee planning framework linked to the identified oversight priority areas;
- a country dashboard to assist in measuring progress towards the attainment of the NDP outcomes and impacts;
- scorecards for both houses of Parliament to ensure their strategies are aligned;
- investment in data-modelling and scenario tools to improve the quality of oversight;
- the development and implementation of an oversight monitoring and tracking mechanism;
- the development of an effective oversight partnership framework;
- the implementation of an impact assessment framework;
- the development and implementation of an effective petitions framework; and
- a review of Parliament's capabilities to implement its international priorities (as aligned to the national agenda).

*Operational Targets*

4.2.13 In terms of the operational targets under this programme, the administration intends to perform as outlined in Table 4 below.

<b>Output</b>	<b>Indicator</b>	<b>Annual performance targets</b>
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		Actual	Estimated	MTEF		
		2022/23	2023/24	2024/25	2025/26	2026/27
Programming Service	Number of annual parliamentary frameworks adopted	1	1	1	1	1
	Number of NA programmes adopted	4	4	4	4	4
	Number of NCOP programmes adopted	4	4	4	4	4
Capacity building service	% Member satisfaction	73	73	75	75	75
Research service	% Member satisfaction	75	75	75	75	75
Content advice service	% Member satisfaction	75	75	75	75	75
Procedural advice service	% Member satisfaction	75	75	75	75	75
Legal advice service	% Member satisfaction	75	75	75	75	75
Committee support service	% Member satisfaction	75	75	75	75	75
Public participation service	% Member satisfaction	75	75	75	75	75

**Table 4: Programme 2 – Operational Targets (Source: Parliament of the RSA draft 2024/25 APP)**

*Risks affecting performance under Programme 2*

- 4.2.14 The administration identified the following risks that may impact the achievement of the above
- insufficient time for committee oversight activities, inadequate information, and ineffective co-ordination of activities in committees, Houses, and the legislative sector may lead to ineffective oversight of the executive;
  - inadequate response by the executive to concerns raised by Parliament;
  - poor facilitating of debates that advance policy-making;
  - legislation being found to be unconstitutional owing to inadequate public participation;
  - Parliament not fulfilling its mandate of holding the executive to account, perceptions that politicians were conducting themselves unethically, and perceptions that Parliament was not executing its mandate may lead to further loss of public confidence in the institution;
  - disruptions of the work of Parliament;
  - ineffective and inadequate support to parliamentarians to fulfil their constitutional functions; and
  - an uncondusive working environment, poor communication and working relations, ineffective policy, and a weak performance culture may lead to low performance.

**4.3 Programme 3: Associated Services and Transfers**

*Overview*

- 4.3.1 Programme 3 provides for the facilities and financial support to represented political parties including leadership, administrative and constituency support, as well as for transfer payments to entities in Parliament. It comprises the following sub-programmes: Members' Facilities; Leadership, Administrative and Constituency support to political parties; Transfer to



the PBO; Legislative Sector Support; Office Supporting ISDs. This programme does not contain performance information.

## PART D

### 5. Financial Information

#### 5.1 Overview

##### 5.1.1

Table 5 below outlines the total budget for the 2024/25 financial year. The appropriation amounts to R3,032,211 billion. In addition, Parliament requested an amount of R492,893 million for direct charges i.e., remuneration of Members of Parliament. The sales by market establishment or own revenue are budgeted at R3 million, and the interest on income is budgeted at R15 million. Other revenue is budgeted at R249,133 million. In total, the 2024/25 budget amounts to R3,792,237 billion.

Programme	Medium-term expenditure estimate		
R thousands	2024/25	2025/26	2026/27
Programme 1: Administration	1 527 177	1 581 515	1 132 940
Programme 2: Legislation and Oversight	893 501	979 926	1 049 518
Programme 3: Associated services	878 666	914 035	981 162
<b>Subtotal</b>	<b>3 299 344</b>	<b>3 475 476</b>	<b>3 163 620</b>
Direct charge against the National Revenue Fund	492 893	514 975	553 598
<b>Total</b>	<b>3 792 237</b>	<b>3 990 451</b>	<b>3 717 218</b>

  

Economic classification			
	2024/25	2025/26	2026/27
<b>Current payments</b>	<b>2 666 413</b>	<b>2 830 988</b>	<b>3 038 696</b>
Compensation of employees	1 966 605	2 063 629	2 221 602
Goods and services	699 808	767 359	817 094
<b>Transfers and subsidies</b>	<b>571 725</b>	<b>600 312</b>	<b>645 335</b>
Payments for capital assets	554 099	559 151	33 187
Payments for financial assets			
<b>Total</b>	<b>3 792 237</b>	<b>3 990 451</b>	<b>3 717 218</b>

**Table 5: 2024/25 Budget (Source: Parliament of the RSA presentation on its 2024/25 draft APP and budget)**

##### 5.2

##### 5.2.1

#### Programme 1: Administration

Table 6 below illustrates the budget for Programme 1 which has been allocated as follows: the R129,284 million towards the Executive Authority; R636,915 million towards the Office of the Secretary to Parliament; and R763,978 million towards corporate services. The total budget for allocated to this programme amounts to R1,527,177 billion.

Sub-programme	Medium-term expenditure estimate		
R thousands	2024/25	2025/26	2026/27
Executive Authority	126 284	135 666	145 762
Office of the Secretary	636 915	648 848	131 145
Corporate Services	763 978	797 002	856 033
<b>Total</b>	<b>1 527 177</b>	<b>1 581 515</b>	<b>1 132 940</b>

  

Economic classification			
	2024/25	2025/26	2026/27
<b>Current payments</b>	<b>974 645</b>	<b>1 024 009</b>	<b>1 100 647</b>
Compensation of employees	729 514	752 201	811 079
Goods and services	245 131	271 808	289 568
<b>Transfers and subsidies</b>	<b>0</b>	<b>0</b>	<b>0</b>
Payments for capital assets	552 532	557 506	32 293
Payments for financial assets	0	0	0
<b>Total</b>	<b>1 527 177</b>	<b>1 581 515</b>	<b>1 132 940</b>

**Table 6: Prog 1 2024/25 budget (Source: Parliament of the RSA presentation on its 2024/25 draft APP and budget)**

##### 7.3

#### Programme 2: Legislation and Oversight

7.3.1

Table 7 below illustrates the budget towards Programme 2 which has been allocated as follows: R55,326 million to the NA; R71,992 million to the NCOP; R57,309 million to the sectoral parliaments; and R708,874 million to Shared Services. In total this programme will receive an allocation of R893,501 million.

Sub-programme		Medium-term expenditure estimate	
R thousands	2024/25	2025/26	2026/27
National Assembly	55 326	59 530	64 072
National Council of Provinces	71 992	76 704	81 998
Shared services	708 874	782 140	838 187
Sectorial Parliaments	57 309	61 552	65 261
<b>Total</b>	<b>893 501</b>	<b>979 926</b>	<b>1 049 518</b>
Economic classification			
<b>Current payments</b>	<b>891 934</b>	<b>978 281</b>	<b>1 048 624</b>
Compensation of employees	624 996	673 112	724 837
Goods and services	266 938	305 169	323 787
Transfers and subsidies	0	0	0
Payments for capital assets	1 567	1 645	894
Payments for financial assets			
<b>Total</b>	<b>893 501</b>	<b>979 926</b>	<b>1 049 518</b>

5.4

#### Programme 3: Associated Services and Transfers

5.4.1

Table 7 below, illustrates the allocation towards Programme 3 which has been allocated as follows: R286,626 million to Associated Services and Transfers i. members facilities which is budgeted for; R571,725 million for transfers to represented political parties in Parliament; and R20,315 million to the Parliamentary Budget Office (PBO). In total this programme will receive an allocation of R878,666 million.

Sub-programme	Medium-term expenditure estimate		
	2024/25	2025/26	2026/27
R thousands			
Members' Facilities	286 626	292 416	312 885
Transfer: Political Party Allowances	571 725	600 312	645 336
Transfer: Parliamentary Budget Office	20 315	21 307	22 941
<b>Total</b>	<b>878 666</b>	<b>914 035</b>	<b>981 162</b>

#### Economic classification

<b>Current payments</b>	<b>306 941</b>	<b>313 723</b>	<b>335 827</b>
Compensation of employees	119 203	123 341	132 088
Goods and services	187 738	190 382	203 739
Transfers and subsidies	571 725	600 312	645 335
Payments for capital assets	0	0	0
Payments for financial assets	0	0	0
<b>Total</b>	<b>878 666</b>	<b>914 035</b>	<b>981 162</b>

Table 8: Prog 3 2024/25 Budget (Source: Parliament of the RSA presentation on its 2024/25 draft APP and budget)

Part E

## 8. Observations and Recommendations

### 8.1 Observations

8.1.1

While the Committee appreciates the work accomplished to develop the 2024/25 APP and the macro structure for the Seventh Parliament, concerns around the implementation of the plans remain, especially considering the delay in the completion of the organisational re-alignment project, the number of critical vacancies, constrained budget, and various capacity constraints within the parliamentary service. The Committee is concerned about the lack of detail in the APP around how the structure will be implemented.

- 8.1.2 In addition to the above, the Committee notes the various risks identified to the successful implementation of the 2024/25 APP. It is also noted that the administration has not provided strategies to mitigate these risks.
- 8.1.3 As indicated in previous years, the Committee is concerned about the liability posed by Parliament's obligations in respect of the contributions to Parmed Medical Aid Scheme for former members of Parliament and provincial legislatures. The Committee is concerned about the lack of progress as far as negotiations with the National Treasury to transfer this liability away from Parliament and towards more appropriate vehicles.
- 8.1.4 The Committee has noted the R200 million budget reduction imposed on Parliament in the recent medium term budget policy statement (MTBPS). This will undoubtedly have a negative impact on the core business of Parliament.
- 8.1.5 The Committee remains concerned about the fact that Parliament was funded in the same manner as government departments. That Parliament is reliant on the Executive it is obligated to hold to account, is untenable. The slow progress in negotiations with the Minister of Finance towards a funding process that is appropriate for Parliament as a separate arm, of state, remains of grave concern as it impacts on Parliament's ability to execute its constitutional obligations.
- 8.1.6 The Committee notes the reported achievements in relation to public participation but remains concerned that efforts to encourage public participation in the law-making process are inadequate.
- 8.1.7 The Committee remains concerned about the broadcasting of parliamentary activities on a pay-to-view channel and data-dependent forums which, under the current economic conditions, make it impossible for a significant section of the population to have access to how they were represented at Parliament.

## **8.2. Recommendations**

The Executive Authority should respond to the following recommendations within 30 days of the adoption of this report.

- 8.2.1 The Committee recommends that the organisational re-alignment project be completed as a matter of urgency and before the Seventh Parliament. Furthermore, it is recommended that all vacancies critical to the institution and the implementation of the Seventh Parliament macro-structure be filled as a matter of urgency.
- 8.2.2 The Committee recommends that comprehensive risk management plans be developed to address the risks listed in relation to the implementation of programmes 1 and 2.
- 8.2.3 The Committee recommends that the senior management, which will be responsible for leading the implementation of the Seventh Parliament macro-structure, be capacitated to lead their divisions in a manner that will support the success of the strategy for the Seventh Parliament.
- 8.2.4 As in previous years the Committee recommends that discussions around how to resolve the Parmed matter be expedited to ensure that Parliament's baseline budget was not distorted as is the case currently. The Committee should be provided with a progress report detailing the proposals that have been made for an alternative vehicle for the Parmed liability.
- 8.2.5 The Committee should be briefed on how the institution will absorb the budget reduction announced in the MTBPS while still prioritising the activities the institution was obligated to perform.
- 8.2.6 The Committee should receive a detailed report on all efforts to find an appropriate means for funding Parliament, and why these have to date not borne any fruit.
- 8.2.7 The Committee recommends a review of the processes underpinning the institution's public participation efforts. Efforts to expand public participation should be ongoing and cover the extent of Parliament's activities.
- 8.2.8 The Committee notes that the finalisation of the institutional broadcasting strategy was dependent on the finalisation of the South African Broadcasting Corporation SOC Ltd Bill. We recommend that once that bill has been finalised, the broadcasting strategy should be completed as a matter of urgency. This strategy should include provision for free access to televised and social media content.

**Report to be considered.**