



**PROVINCIAL LEGISLATURE OF THE
FREE STATE**


**REPORT OF THE COMMITTEE ON BUDGET AND OVERSIGHT TO
THE FREE STATE LEGISLATURE WITH REGARD TO THE MID –
YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT
FOR 2024/25 FINANCIAL YEAR**


21 August 2025

The Committee on Budget and Oversight herewith tables its report regarding the Mid-Year Budget and Performance Report for 2024/25 Financial Year.

The Committee on Budget and Oversight would like to extend its appreciation to the delegation led by the Speaker that appeared before the Committee on the 22 November 2024 for their assistance during the Consideration of the report.

Chairperson and Members of the Portfolio Committee:



N.J GAREKOE
CHAIRPERSON

R. JANKIELSOHN

A. CLOETE

M. J. MSIMANGA

D. MKHABELA

D. VAN VUUREN

M.KHOABANE

Z. SIGWEBELA

M.J FOKO

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1. INTRODUCTION

The Portfolio Committee on Budget and Oversight met with the Free State Legislature on Microsoft Teams to consider their Mid-Year Budget and Performance Assessment for 2024/25 of the Free State Legislature.

2. MEMBERS OF THE PORTFOLIO COMMITTEE

The Portfolio Committee comprises of the following Honorable Members:

Garekoe, N	(Chairperson)
Sigwebela,Z	(Member)
Cloete, A	(Member)
Jankielsohn, R	(Member)
Meeko, T.	(Member)
Msimanga, M. J.	(Member)
Mkhabela, D	(Member)
Van Vuuren. D.	(Member)
Khoabane, M	(Member)

3. PROCEDURE OF THE PORTFOLIO COMMITTEE

The Portfolio Committee on Budget and Oversight met with the Free State Legislature on 22 November 2024 on Microsoft Teams to consider their Mid-Year Budget and Performance Assessment for 2024/25 Financial Year.

4. CONSIDERATION OF MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT FOR 2024/25 OF THE FREE STATE LEGISLATURE

4.1 Committees and House

- The house sittings are convened to consider the business of the house in line with Rules and Orders of the Free State Legislature.
- The Rules and Orders and Audit Committees are convening regularly in line with their terms of reference.

4.2 Budget and Financial Performance Summary Analysis

- The Legislature generated revenue of R2,241 million from own receipts, emanating from interest, parking revenue and disposal of assets.
- Expenditure incurred for the period April - September 2024 is recorded at 57 per cent against budget. The recorded overspending is attributed to public hearings which were held during the April - May 2024 period with wrapping up on legislation at the end of the 6th term.
- Cash flow forecasts have been maintained to align with spending trends, although note should be taken of an emerging risk of sustaining cashflow, if additional funds are not allocated through the Adjustment Appropriation.
- The expenditure patterns when compared to the budget year to date reports an overspending. A proposed reprioritization of funds from areas of savings toward capital projects is planned for the 2nd semester.

4.3 Adjustment Budget

- Expenditure is at 57 per cent at the end of 30 September 2024, which is a concerning overspent against its budget.
- Programmes of the Legislature recorded overspending, in the main under its operational budget.
- A shortfall for Political Party funding was recorded at the beginning of the financial year and request to supplement the shortfall through the Adjustment Budget was made, along with gratuity pay outs to former MPLs, operational and capital projects and expenditure. Additional funding will have to be sourced from Treasury to absorb these pressures.
- A consultation between the Speaker and MEC Treasury convened to discuss budget pressures for the current period.

- The Legislature aims to use retained revenue which were generated from bank interest for the past periods to alleviate some budget pressures in the current financial year.

4.4 Non-Financial Performance Report

4.4.1 First Quarter Non-Financial Performance Report

Programme	Total Planned Indicators / Targets	Indicators Achieved	Indicators Not Achieved
Programme: 1 (One): Institutional Leadership (Administration)	37	32	5
Programme: 2 (Two) Core Business	15	12	3
Programme: 3 (Three) International Relations	1	1	
Programme: 4 (Four) Members and Political Support Party	2	2	
TOTAL	55	47	8

4.4.1.1 First Quarter Non-Financial Performance Reporting by Percentage

Programme name:	Percentage
Institutional Leadership (Administration)	86% (Achieved Planned Targets)
Core Business	80% (Achieved Planned Targets)
International Relations	100% (Achieved Planned Targets)
Members & Political parties Support	100% (Achieved Planned Targets)

4.4.2 2nd Quarter Non-Financial Performance Report

Programme	Total Planned Indicators / Targets	Indicators Achieved	Indicators Not Achieved
Programme: 1 (One):	33	30	3
Institutional Leadership (Administration)			
Programme: 2 (Two) Core Business	16	15	1
Programme: 3 (Three) International Relations			
Programme: 4 (Four) Members and Political Support Party	2	2	
TOTAL	51	47	4

4.4.2.1 Second Quarter Non-Financial Performance Reporting by Percentage

Programme name:	Percentage
Institutional Leadership (Administration)	90% (Achieved Planned Targets)
Core Business	94% (Achieved Planned Targets)
International Relations	No targets planned for reported period
Members & Political parties Support	100% (Achieved Planned Targets)

5. FINDINGS/OBSERVATIONS

- The baseline budget of the Free State Legislature has been on a declining trajectory.
- The current arrangement where the Executive holds decision making power over the budget allocation to the Free State Legislature raises constitutional concerns as that potentially allows the Executive to underfund the Legislature thus undermining its oversight and accountability functions.
- The Executive engages in the Budget Lekgotla prior to any consultations with the Free State Legislature and that disadvantages the institution in the budgeting process.
- The Free State Legislature has decided to reduce the political party funding without consulting the political parties.
- The legislature holds plenaries, but they are not enough to deal with the outstanding business of the house such as questions and committee reports.
- The Free State Legislature does not have archives where Committee reports are stored so that they can be accessed when such a need arises.

6. RECOMMENDATIONS

The Committee recommends that:

- The Free State Legislature must engage Treasury on the baseline budget of the legislature.
- The Free State Legislature must hold more plenaries so that outstanding questions and committee reports may be dealt with.
- The legislature must adhere and respond to the concerns and/or observations raised and provide progress report thereof in 30 days after the tabling of the report in the House.
- The report be adopted by the Committee.

