

2 March 2016

Dear Chairperson

Submission to the National Assembly Standing Committee on Appropriations on the 2016 National Budget

It is important that government knows what people think of its spending and revenue collection plans. International experience has shown that increased public engagement with the budget process can result in more effective use of resources to provide public services.

Most people are either unaware that they are allowed to make individual submissions to parliamentary committees on the national budget, or they think that it is a complicated and technical process. To help them over this hurdle, the International Budget Partnership (IBP) and Code4SA developed an online tool to give people the opportunity to easily tell parliament what they think about the 2016/17 national budget.

The tool, available at <http://vote4thebudget.org/>, gave the public the opportunity to weigh in on the five biggest increases and five biggest cuts to programmes in Budget 2016/17. People could also provide their opinions on five projects currently not funded in the budget, or not funded sufficiently as determined by civil society budget experts. Users were then given the option to send their opinions as an individual submission directly to the Standing Committee on Appropriations.

A total of 204 people used the tool to send an individual submission on the 2016/17 National Budget to the Secretary of the Appropriations Committee.

In this submission we provide an overview of the development and content of the tool, as well as how it was disseminated using social and other electronic media. In the final section, we provide a summary of the 204 submissions.

Who is the International Budget Partnership and Code4SA?

The IBP collaborates with civil society organizations around the world to use budget analysis and advocacy as a tool to improve effective governance and reduce poverty. IBP's goal for its work in South Africa is improved service delivery to poor communities through more effective and efficient budget implementation. IBP pursues this goal by supporting grassroots campaigns that strengthen and integrate the oversight and accountability system.

Code for South Africa (Code4SA) is a non-profit civic technology organisation. They promote informed decision-making that drives social change. Established in October 2013 and based in Cape Town, they have developed a strong presence in the civil society and media spaces. They work closely with their partners

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to strengthen the impact of their work through technical support, implementation, creating demand for open data and promoting an enabling environment for informed decision-making

Development of Vote4thebudget

IBP and Code4SA decided to develop a simple and user-friendly tool that would ask the public to answer only three questions. The first question asked people to rank the five biggest increases in the 2016 Budget in the order of their preference from the increase that they liked most to that which they liked least. The second question asked people to rank the five biggest decreases in the 2016 Budget in the same way. The final question required users to rank five programmes that are currently not funded, or not funded sufficiently, again from the one that they most wanted to be included in the budget to the one they liked least.

For the first question, we defined an increase for a programme as the positive difference in absolute Rands between the revised estimate in 2015 and the 2016 Budget allocation for that programme. Using the estimates presented in the 2016 Estimates of National Expenditure, the following five programmes were identified as having received the largest increases in the 2016 Budget:

1. R11.6 billion more to the social grants programme, specifically to increase the sizes of such grants as the old age pension, the child support grant, and the disability grant, as well as to increase the number of beneficiaries receiving these grants
2. R6.6 billion more for loans, bursaries and debt relief to poor university students, as well as increase subsidies to universities
3. R4.4 billion to fund salary increases for police officers, detectives, and managers in the police service
4. R1.6 billion increase in the conditional grant to provinces for the prevention, detection, and treatment of HIV, AIDS, and Tuberculosis
5. R915 million to the Community Work Programme to employ youths for the maintenance of parks, roads, and other community facilities

A decrease for a programme was defined as the absolute Rand amount drop between the revised estimate in 2015 and the 2016 budget allocation for that programme. Again using the estimates presented in the 2016 Estimates of National Expenditure, the following five programmes were identified as having experienced the largest decreases in the 2016 Budget:

1. R3 billion reduction in the funding set aside for potential bailouts of the Land and Agricultural Development Bank of South Africa, the Postbank, and the Development Bank of Southern Africa
2. R691 million reduction in the funding for the Post Office
3. R423 million reduction in the budget for salaries, travel expenses, and property costs for South African embassies and consulates in other countries

4. R193 reduction in the funding for the Small Enterprise Finance Agency, which provides support for small business
5. R221 million reduction in funding for employment creation projects through the Jobs Fund

To identify potential new projects to be included in the budget, or programmes which could benefit from substantial increases in their budgets, the IBP approached a number of its partners in civil society to submit ideas. The only qualifying criteria was that these projects should fall into the broader social service category.

After final consultation on the complete list of proposed projects with the civil society organisations, the following projects (with an estimated budget) were included in the online budget tool:

1. R1.8 billion for a dedicated Conditional Grant for Scholar Transport to enable provinces to provide transport to learners who have to walk more than 5 km to the nearest school – submitted by Zukiswa Kota, Public Service Accountability Monitor (PSAM)
2. R2.5 billion to provide for the adequate remuneration for qualified teachers working in Early Childhood Development Centres – submitted by Zukiswa Kota, Public Service Accountability Monitor (PSAM)
3. R4 billion to fund salary increases for all staff currently working in the public health system to ensure that funds are not moved away from such other critical areas as infrastructure and goods and services – submitted by Daygan Eagar, Rural Health Advocacy Project (RHAP)
4. R560 million for the expansion of the Social Relief of Distress programme to enable the provision of temporary meals and small cash transfers to more of the poor who are unable to meet their or their families' basic needs – submitted by Daniel McLaren, Studies in Poverty and Inequality Institute (SPII)
5. R40 million for dedicated funding for expenses related to psychological first aid and support services for victims of sexual offences in 56 Thuthuzela Care Centres – submitted by Lisa Vetten, Wits Institute for Social and Economic Research (WiSER)

Dissemination of Vote4thebudget

The tool went live at 16:53 on 24 February, the same afternoon the budget was tabled. Voting was closed at 11:00 on the 29th of February.

Through concerted efforts by IBP and Code4SA the tool was disseminated widely using various channels, but predominantly through online platforms and social media.

We created a dedicated Facebook page (<https://www.facebook.com/Vote4thebudget-782887368512202/>) and Twitter account (@vote4thebudget) and used them to encourage the public to cast their votes on the budget with the tool. We also worked with media (including *The Sowetan*, IOL, SABC News, and eNCA) to publicise the tool. A number of civil society organisations also disseminated the

tool through their mailing lists and various social media platforms. Parliamentary Monitoring Group and the People’s Assembly also promoted the tool on their websites.

Table 1 shows the main sources through which traffic was directed to the online budget tool. The majority of people who visited the site and voted on it were not linked to the tool from any media platform, but instead came to the site directly.

The information below shows that social media, in particular Facebook, played a major role in directing traffic to the online budget tool. It also accounted for the second largest number of submissions (people could visit the website without making a submission). While many visits to the site originated from Twitter, a relatively small number of submissions resulted from Twitter. Other important sources of traffic were the news sites, such as the sowetanlive.co.za, sabc.co.za, eNCA, and Business Day. Links in online newsletters or emails sent out by partners also generated a significant number of referrals.

Table 1: The most important sources of traffic for www.vote4thebudget.org

Source	Sessions	Number of Submissions
Direct	560	72
Referral from Facebook	144	31
Referral from sowetanlive.co.za	68	19
Referral from a link in a newsletter	86	17
Referral from sabc.co.za	160	14
Referral from eNCA	94	11
Referral from Twitter	127	9
Referral from bdlive.co.za	27	7
Referral from Google	27	7

Summary of the submissions

204 submissions were made to the Standing Committee on Appropriations through the online budget tool. The remainder of this section provides a summary of these submissions.¹ Table 2 shows the breakdown of total support for the five biggest increases in the 2016 Budget. Just more than one-quarter of the total support went to the proposed increase in funding to enable poor students to study at universities and for the subsidies to universities. A slightly lower share of the total support, at 23.5 percent, went to the proposed increase in funding for social grants, to both increase the size of the grants and the number of people receiving grants.

The funding for the salary increases for police officers, detectives, and managers employed in the police force received almost 18 percent of overall support. The additional funding for the Community Work Programme and the conditional grant to provinces to address HIV, AIDS, and Tuberculosis enjoyed similar shares of support at 16.8 percent and 16.4 percent respectively.

¹ For each of the three questions users were asked to rank the projects/programmes based on their preferences, from most liked to least liked. The results presented here were calculated by weighting the votes for each programme according to its rankings in all the submissions.

Table 2: Five biggest increases in the 2016 Budget: Results

Programme	% Share of total support
R6.6 billion for loans, bursaries, and debt relief to poor students, and subsidies to universities	25.5
R11.6 billion to pay grants to more people and to increase the sizes of the grants	23.5
R4.4 billion for salary increases for police officers, detectives, and managers in the police	17.8
R915 million for the Community Work Programme to employ youths	16.8
R1.6 billion to provinces for the prevention, detection, and treatment of HIV, AIDS, and Tuberculosis.	16.4

Next we will look at the results of the voting on the five biggest decreases in the 2016 Budget. The R3 billion reduction in the transfers to various parastatals and state-owned enterprises, as well as the reduction in money allocated for expenses in South African embassies and consulates abroad, enjoyed exactly the same share of support, at 27.1 percent each. This accounts for more than 50 percent of overall support. A further 23.1 percent of support went to the reduction in funding for the Post Office.

The reduction in funding for two programmes related to job creation, namely small business support through the Small Enterprise Finance Agency and projects of the Jobs Fund, enjoyed small shares of support at 11.6 percent and 11 percent, respectively.

Table 3: Five biggest decreases in the 2016 Budget: Results

Programme	% Share of total support
R3 billion reduction in bailouts to the Land Bank, the Post Bank, and the Development Bank of Southern Africa	27.1
R423 million reduction in salaries, travel expenses, and property costs for South African embassies and consulates in other countries	27.1
R691 million reduction in funding for the Post Office	23.1
R193 reduction in the funding for the Small Enterprise Finance Agency, which provides support for small business	11.6
R221 million reduction in funds for employment creation projects through the Jobs Fund	11.0

Finally, Table 4 presents the overall results from people's opinions on which new programmes government should fund, or which programmes should receive significant increases in funding.

The two projects related to the provision of education enjoyed more than 50 percent of the overall support. The Conditional Grant to provide transport to scholars who are currently walking more than five kilometres to the nearest school received just less than 26 percent of the overall support, while just less than 25 percent of support went to the funding of adequate remuneration for qualified teachers in Early Childhood Development Centre.

More money to fund salary increases for staff currently working in the public health system, and thus avoid reprioritisation of funds away from, for example, health infrastructure, received 19.4 percent of overall support. Significant additional funding to expand the Social Relief of Distress programme, which provides meals and small cash transfers to the poor, received 16.4 percent of total support. The provision of dedicated funding for expenses related to psychological first aid and support services for victims of sexual offences in 56 Thuthuzela Care Centres countrywide received 13.6 percent of overall support.

Table 4: Potential New Projects: Results

Programme	% Share of total support
R1.8 billion for a Conditional Grant for Scholar Transport	25.8
R2.5 billion for adequate remuneration for qualified teachers working in Early Childhood Development Centres	24.9
R4 billion for salary increases for all staff currently working in the public health system	19.4
R560 million for the expansion of the Social Relief of Distress programme	16.4
R40 million for expenses related to psychological first aid and support services for victims of sexual offences in Thuthuzela Care Centres	13.6

Conclusion

These results suggest the following:

- The public is happiest about the additional funding for poor university students and for social grants, but less supportive about additional funding for the Community Works Programme and the interventions related to HIV, AIDS, and Tuberculosis.
- There is relatively strong support for the reduction in funds set aside for supporting state-owned enterprises and expenses related to South African missions abroad, but the public is generally less happy about the reduction in funding for small business support and employment creation projects.
- Most people would like to see dedicated funding to provide scholar transport and adequate remuneration for trained Early Childhood Development teachers, but are less supportive of more funding for the Social Relief of Distress Programme, which directly supports the poor, and of more funding for certain support services at the Thuthuzela Care Centres.

The IBP trusts that this initiative provided some useful information to the Committee and other institutions involved in the budget process. We are planning to repeat a similar exercise at the tabling of the MTBPS in November. We would welcome an opportunity to meet with the Committee to discuss how this tool could be made more useful.

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