

Vote 29

Land Affairs

2006/07				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	4 852 196	3 730 196	(1 122 000)	-
<i>of which:</i>				
Current payments	990 648	984 731	(5 917)	-
Transfers and subsidies	3 806 189	2 570 985	(1 235 204)	-
Payments for capital assets	55 359	174 480	-	119 121
Executive authority	Minister of Agriculture and Land Affairs			
Accounting officer	Director-General of Land Affairs			

Aim

The aim of the Department of Land Affairs is to create and maintain an equitable and sustainable land dispensation that results in social and economic development for all South Africans.

Changes to programme purposes and measurable objectives

There were no changes to programme purposes or measurable objectives.

Adjusted Estimates of National Expenditure 2006

Table 29.1: Land affairs

Programme		2006/07					
		Additional appropriation					Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
1. Administration	358 970	-	-	9 817	-	9 817	368 787
2. Surveys and Mapping	81 255	-	-	(2 100)	-	(2 100)	79 155
3. Cadastral Surveys	95 283	-	-	(3 000)	-	(3 000)	92 283
4. Restitution	3 369 132	-	-	-	(1 122 000)	(1 122 000)	2 247 132
5. Land Reform	907 289	-	-	-	-	-	907 289
6. Spatial Planning and Information	28 215	-	-	(5 629)	-	(5 629)	22 586
7. Auxiliary and Associated Services	12 052	-	-	912	-	912	12 964
Total	4 852 196	-	-	-	(1 122 000)	(1 122 000)	3 730 196
Economic classification							
Current payments	990 648	-	-	(5 917)	-	(5 917)	984 731
Compensation of employees	524 543	-	-	(64 407)	-	(64 407)	460 136
Goods and services	466 105	-	-	58 490	-	58 490	524 595

Table 29.1: Land affairs (continued)

R thousand	2006/07						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
Transfers and subsidies	3 806 189	-	-	(113 204)	(1 122 000)	(1 235 204)	2 570 985
Provinces and municipalities	8 449	-	-	36	-	36	8 485
Departmental agencies and accounts	2 244	-	-	-	-	-	2 244
Foreign governments and international organisations	-	-	-	2 019	-	2 019	2 019
Public corporations and private enterprises	40	-	-	-	-	-	40
Non-profit institutions	1 000	-	-	-	-	-	1 000
Households	3 794 456	-	-	(115 259)	(1 122 000)	(1 237 259)	2 557 197
Payments for capital assets	55 359	-	-	119 121	-	119 121	174 480
Buildings and other fixed structures	75	-	-	-	-	-	75
Machinery and equipment	50 257	-	-	1 866	-	1 866	52 123
Software and other intangible assets	5 027	-	-	255	-	255	5 282
Land and subsoil assets	-	-	-	117 000	-	117 000	117 000
Total	4 852 196	-	-	-	(1 122 000)	(1 122 000)	3 730 196

Details of adjustments to Estimates of National Expenditure 2006

Virements

Table 29.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(43 447)	53 264	
Current payments	(42 949)	49 588	
Compensation of employees	(42 949)	-	Savings are mainly due to delays in filling vacant posts and high staff turnover.
Goods and services	-	49 588	Shifted funds will be used for re-engineering the department's business process to improve service delivery, and for outsourcing the recruitment process to assist with filling vacant posts.
Transfers and subsidies	-	3 676	
Provinces and municipalities	-	4	Shifted funds will be used for RSC levies.
Households	-	3 672	Shifted funds will be used for retirements.
Payments for capital assets	(498)	-	
Machinery and equipment	(498)	-	Savings arose because the cost of equipment was less than anticipated.
2. Surveys and Mapping	(4 129)	2 029	
Current payments	(2 130)	-	
Compensation of employees	(2 100)	-	Savings are due to vacant posts because of a general shortage of skills and high staff turnover.
Goods and services	(30)	-	Savings are due to lower than anticipated spending.
Transfers and subsidies	(1 999)	2 029	
Provinces and municipalities	-	10	Funds shifted from goods and services (in this programme) will be used for RSC levies.
Foreign governments and international organisations	-	2 019	Funds shifted from employer social benefits and goods and services will be used for membership fees to the Regional Centre for Mapping of Resources for Development (RCMRD)
Households	(1 999)	-	Funds shifted from employer social benefits (in this programme) will be used for membership fees to the RCMRD.

Table 29.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
3. Cadastral Surveys	(3 326)	326	
Current payments	(341)	323	
Compensation of employees	(341)	-	Savings are mainly due to delays in filling vacant posts and high staff turnover.
Goods and services	-	323	Funds have been shifted from compensation of employees (in this programme).
Transfers and subsidies	-	3	
Provinces and municipalities	-	3	Funds shifted from compensation of employees (in this programme) will be used for RSC levies.
Payments for capital assets	(2 985)	-	
Machinery and equipment	(2 985)	-	Savings arose from delays in procuring IT infrastructure and equipment for the new office in Limpopo.
5. Land Reform	(123 856)	123 856	
Current payments	(6 860)	4 017	
Compensation of employees	(6 860)	-	Savings are mainly due to delays in filling vacant posts and high staff turnover.
Goods and services	-	4 017	Funds have been shifted from compensation of employees (in this programme).
Transfers and subsidies	(116 996)	19	
Provinces and municipalities	-	19	Funds shifted from compensation of employees (in this programme) will be used for RSC levies.
Households	(116 996)	-	Funds were shifted to payments for capital assets for proactive land acquisition.
Payments for capital assets	-	119 820	
Machinery and equipment	-	2 565	Funds shifted from compensation of employees (in this programme) will be used for buying equipment.
Software and other intangible assets	-	255	Funds shifted from compensation of employees (in this programme) will be used for upgrading software.
Land and subsoil assets	-	117 000	Funds shifted from transfers and subsidies in this programme will be used for proactive land acquisition.
6. Spatial Planning and Information	(12 157)	6 528	
Current payments	(12 157)	5 592	
Compensation of employees	(12 157)	-	Savings are due to a delay in decentralising the spatial planning and information function in five identified provinces.
Goods and services	-	5 592	Funds were shifted from compensation of employees (in this programme).
Transfers and subsidies	-	64	
Households	-	64	Funds shifted from compensation of employees (in this programme) will be used for retirements.
Payments for capital assets	-	872	
Machinery and equipment	-	872	Funds shifted from compensation of employees (in this programme) will be used for replacing equipment.
7. Auxiliary and Associated Services	(1 000)	1 912	
Current payments	(1 000)	-	
Goods and services	(1 000)	-	Savings are due to delays in implementing projects.
Payments for capital assets	-	1 912	
Machinery and equipment	-	1 912	R1 million shifted from goods and services (in this programme) and R912 000 from compensation of employees (in programme 6) will be used to buy 35 motor vehicles for land reform implementers.
Total for vote	(187 915)	187 915	

Other adjustments – R1,122 billion

Savings

Programme 4: Restitution

Savings of R1,122 billion have been surrendered due to various factors, such as: protracted negotiations with landowners, which delay the settlement of claims and land purchases; community and traditional leadership disputes which contribute to delays in deciding the

restitution option and in processing claims; high staff turnover resulting in capacity constraints; and development planning taking longer than the settlement process.

Gifts, donations and sponsorships

The Department of Land Affairs intends making a donation of R161 000 in the form of 20 planners' drawing boards and chairs to the University of Venda to assist the university to meet minimum requirements in terms of the Planning Profession Act for accreditation as an academic institution that can offer the planning profession programme to previously disadvantaged groups.

Expenditure 2005/06 and preliminary expenditure 2006/07

Table 29.3: Land Affairs

Programme	2005/06				2006/07		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2005 - Sep 2005	Apr 2005 - Mar 2006	Apr 05 - Mar 06 % of adjusted appropriation	Adjusted appropriation	Apr 2006 - Sep 2006	% change 05/06 - 06/07 Apr - Sep
1. Administration	318 270	103 870	269 337	84,6	368 787	142 803	37,5
2. Surveys and Mapping	84 501	28 382	73 136	86,6	79 155	27 365	(3,6)
3. Cadastral Surveys	84 543	36 200	77 671	91,9	92 283	39 957	10,4
4. Restitution	2 705 678	728 310	1 789 381	66,1	2 247 132	686 345	(5,8)
5. Land Reform	704 699	183 515	644 864	91,5	907 289	286 586	56,2
6. Spatial Planning and Information	19 222	8 254	17 003	88,5	22 586	7 798	(5,5)
7. Auxiliary and Associated Services		2 302	6 032	59,0	12 964	1 074	(53,3)
Total	3 927 132	1 090 833	2 877 424	73,3	3 730 196	1 191 928	9,3
Current payments	859 474	341 136	747 149	86,9	984 731	372 874	9,3
Compensation of employees	442 308	181 872	361 005	81,6	460 136	191 761	5,4
Goods and services	415 966	158 271	381 672	91,8	524 595	180 575	14,1
Interest and rent on land	-	(4)	-	-	-	-	-
Financial transactions in assets and liabilities	1200	997	4 472	372,7	-	538	(46,0)
Transfers and subsidies	2 991 888	742 083	2 079 563	69,5	2 570 985	804 269	8,4
Provinces and municipalities	9 182	549	9 068	98,8	8 485	8 273	1406,9
Departmental agencies and accounts	956	417	1 777	185,9	2 244	1 750	319,7
Foreign governments and international organisations	-	-	-	-	2 019	-	-
Public corporations and private enterprises	36	1	10	27,8	40	-	(100,0)
Non-profit institutions	1 000	-	-	-	1 000	-	-
Households	2 980 714	741 116	2 068 708	69,4	2 557 197	794 246	7,2
Payments for capital assets	75 770	7 614	50 712	66,9	174 480	14 785	94,2
Buildings and other fixed structures	75	-	-	-	75	-	-
Machinery and equipment	68 287	6 807	32 633	47,8	52 123	13 629	100,2
Software and other intangible assets	7483	807	18 079	241,6	5 282	1 156	43,2
Land and subsoil assets	-	-	-	-	117 000	-	-
Total	3 927 132	1 090 833	2 877 424	73,3	3 730 196	1 191 928	9,3

Selected expenditure trends for the first half of the 2006/07 financial year

Expenditure in the first six months of 2006/07 was R1,2 billion, or 32 per cent of the adjusted appropriation of R3,7 billion for the year as a whole.

In the first six months of 2006/07, spending in the *Restitution* programme amounted to R686 million, or 30,5 per cent of the adjusted appropriation of R2,2 billion, and spending in the *Land Reform* programme amounted to R286,6 million, or 31,6 per cent of the adjusted appropriation of R907,3 million.

Summary of changes to transfers and subsidies, and conditional grants

Table 29.4: Summary of changes to transfers and subsidies per programme

		2006/07					
		Additional appropriation				Total additional appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	307	-	-	3 676	-	3 676	3 983
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	135	-	-	4	-	4	139
Regional Services Council levies	135	-	-	4	-	4	139
Households							
Social benefits							
Current	133	-	-	50	-	50	183
Leave gratuity	133	-	-	50	-	50	183
Other transfers							
Current	-	-	-	3 622	-	3 622	3 622
Employer social benefit (bursaries)	-	-	-	3 622	-	3 622	3 622
2. Surveys and Mapping	2 049	-	-	30	-	30	2 079
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	30	-	-	10	-	10	40
Regional Services Council levies	30	-	-	10	-	10	40
Foreign governments and international organisations							
Current	-	-	-	2 019	-	2 019	2 019
Regional Centre for Mapping of Resources for Development	-	-	-	2 019	-	2 019	2 019
Households							
Other transfers							
Current	2 019	-	-	(1 999)	-	(1 999)	20
Employer social benefit (bursaries)	2 019	-	-	(1 999)	-	(1 999)	20
3. Cadastral Surveys	64	-	-	3	-	3	67
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	64	-	-	3	-	3	67
Regional Services Council levies	64	-	-	3	-	3	67

Table 29.4: Summary of changes to transfers and subsidies per programme (continued)

		2006/07					
		Additional appropriation				Total	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	additional appropriation	
4. Restitution	3 135 074	-	-	-	(1 122 000)	(1 122 000)	2 013 074
Households							
Other transfers							
Capital	3 134 947	-	-	-	(1 122 000)	(1 122 000)	2 012 947
Restitution grants	3 134 947	-	-	-	(1 122 000)	(1 122 000)	2 012 947
5. Land Reform	667 683	-	-	(116 977)	-	(116 977)	550 706
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	83	-	-	19	-	19	102
Regional Services Council levies	83	-	-	19	-	19	102
Households							
Other transfers							
Current	-	-	-	4	-	4	4
Regional Services Council levies	-	-	-	4	-	4	4
Capital	657 357	-	-	(117 000)	-	(117 000)	540 357
Land reform grant	657 357	-	-	(117 000)	-	(117 000)	540 357
6. Spatial Planning and Information	1 010	-	-	64	-	64	1 074
Households							
Social benefits							
Current	-	-	-	64	-	64	64
Leave gratuity	-	-	-	64	-	64	64