

# **Central Government and Administration**



# Vote 1

## The Presidency

	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	R149 787 000	R151 031 000		R1 244 000
Statutory appropriations	R1 785 000	R 1 785 000		
Responsible Minister	Minister in The Presidency			
Administering department	The Presidency			
Accounting officer	Director-General of The Presidency			

### Aim

*The aim of The Presidency is to provide effective administrative management and support to the President and Deputy President to facilitate their executive responsibilities in line with the Constitution.*

### Changes to programme purposes and measurable objectives

No changes were made.

### Adjusted 2003 Estimates of National Expenditure

Table 1.1: The Presidency

Programme	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1 Administration	60 638	-	-	500	-	500	61 138
2 Support Services to the President and Deputy President	52 930	-	-	(1 000)	-	(1 000)	51 930
3 Cabinet Office	6 330	-	-	(500)	20	(480)	5 850
4 Policy Co-ordination	16 401	1 000	-	1 000	224	2 224	18 625
5 National Youth Commission	13 488	-	-	-	-	-	13 488
<b>Total</b>	<b>149 787</b>	<b>1 000</b>	<b>-</b>	<b>-</b>	<b>244</b>	<b>1 244</b>	<b>151 031</b>
<b>Direct charge on the National Revenue Fund</b>							
Salary of the President	964	-	-	-	-	-	964
Salary of the Deputy President	821	-	-	-	-	-	821
<b>Total</b>	<b>151 572</b>	<b>1 000</b>	<b>-</b>	<b>-</b>	<b>244</b>	<b>1 244</b>	<b>152 816</b>
<b>Economic Classification</b>							
<b>Current</b>	<b>145 050</b>	<b>1 000</b>	<b>-</b>	<b>2 040</b>	<b>244</b>	<b>3 284</b>	<b>148 334</b>
Personnel	77 238	-	-	608	244	852	78 090
Transfer payments	13 488	-	-	-	-	-	13 488
Other current	54 324	1 000	-	1 432	-	2 432	56 756
<b>Capital</b>	<b>4 737</b>	<b>-</b>	<b>-</b>	<b>(2 040)</b>	<b>-</b>	<b>(2 040)</b>	<b>2 697</b>
Transfer payments	-	-	-	-	-	-	-
Acquisition of capital assets	4 737	-	-	(2 040)	-	(2 040)	2 697
<b>Total</b>	<b>149 787</b>	<b>1 000</b>	<b>-</b>	<b>-</b>	<b>244</b>	<b>1 244</b>	<b>151 031</b>

R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-Overs	Unforeseeable /unavoidable	Virement	Other Adjustments		
<u>Standard item classification</u>							
Personnel	77 238	-	-	608	244	852	78 090
Administrative	37 524	-	-	(968)	-	(968)	36 556
Inventories	4 406	1 000	-	-	-	1 000	5 406
Equipment	6 645	-	-	(727)	-	(727)	5 918
Land and buildings	-	-	-	-	-	-	-
Professional and special services	10 486	-	-	1 087	-	1 087	11 573
Transfer payments	13 488	-	-	-	-	-	13 488
Miscellaneous	-	-	-	-	-	-	-
<b>Total</b>	<b>149 787</b>	<b>1 000</b>	<b>-</b>	<b>-</b>	<b>244</b>	<b>1 244</b>	<b>151 031</b>

## Details of adjustments to 2003 Estimates of National Expenditure

### Roll-overs – R1,0 million

R1,0 million has been rolled over from 2002/03 (from National Treasury) to fund the printing costs of the Ten Year Review.

### Virement

**Table 1.2: The Presidency**

From programme	Amount	To programme	Amount
R thousand			
1 Administration	500	1 Administration	1 000
2 Support Services to the President and Deputy President	1 000	4 Policy Co-ordination	1 000
3 Cabinet Office	500		

### *Details of savings realised on the above programmes*

#### Programme 1: Administration

Savings of R500 000 were realised due to the moratorium on the filling of positions.

#### Programme 2: Support Services to the President and Deputy President

Savings of R500 000 were realised under Personnel expenditure due to the moratorium on the filling of positions. Further savings of R500 000 were realised from the lower than expected costs of minting the National Orders.

#### Programme 3: Cabinet Office

A saving of R500 000 was due to the lower than expected costs of the Cabinet Lekgotla.

### *Utilisation of savings to augment the above programmes*

#### Programme 1: Administration

R1,0 million has been allocated towards the implementation of the Integrated Document Management System (IDMS).

#### Programme 4: Policy Co-ordination

An expected shortfall of R1,0 million under Personnel expenditure has been financed with savings.

***Shifting of funds within a programme***

Programme 1: Administration

Funds have been shifted from capital expenditure to current expenditure for the implementation of the IDMS, for licence agreements for workstations, and for the cost of computer services.

**Other adjustments – R244 000**

***Salary adjustments***

R244 000 has been allocated to The Presidency to cover the costs of the higher than expected salary increases:

*Programme 3: Cabinet Office:* R20 000

*Programme 4: Policy Co-ordination:* R224 000.



# Vote 2

## Parliament

	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	R444 515 000	R456 465 000		R11 950 000
Statutory appropriations	R183 407 000	R183 407 000		
Responsible Minister	Speaker: National Assembly and Chairperson: National Council of Provinces (jointly referred to as the Presiding Officers of Parliament)			
Administering department	Parliament			
Accounting officer	Secretary to Parliament			

### Aim

*The aim of the vote is to provide the support services required by Parliament to fulfil its constitutional functions, to assist political parties represented in Parliament to secure administrative support and service constituents, and to provide members of Parliament with the necessary facilities.*

### Changes to programme purposes and measurable objectives

No changes were made.

### Adjusted 2003 Estimates of National Expenditure

Table 2.1: Parliament

Programme	Main appropriation	Additional appropriation				Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	
R thousand						
1 Administration	259 529	-	4 500	-	429	264 458
2 Members' Facilities	112 000	-	-	-	-	112 000
3 Associated Services	72 986	-	7 021	-	-	80 007
<b>Total</b>	<b>444 515</b>	<b>-</b>	<b>11 521</b>	<b>-</b>	<b>429</b>	<b>456 465</b>
<b>Direct charge on the National Revenue Fund</b>						
Members' Remuneration	183 407	-	-	-	-	183 407
<b>Total</b>	<b>627 922</b>	<b>-</b>	<b>11 521</b>	<b>-</b>	<b>429</b>	<b>639 872</b>
<b>Economic Classification</b>						
<b>Current</b>	<b>367 870</b>	<b>-</b>	<b>11 521</b>	<b>-</b>	<b>429</b>	<b>379 820</b>
Personnel	135 738	-	-	8 245	429	144 412
Transfer payments	72 986	-	7 021	-	-	80 007
Other current	159 146	-	4 500	(8 245)	-	155 401
<b>Capital</b>	<b>76 645</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>76 645</b>
Transfer payments	-	-	-	-	-	-
Acquisition of capital assets	76 645	-	-	-	-	76 645
<b>Total</b>	<b>444 515</b>	<b>-</b>	<b>11 521</b>	<b>-</b>	<b>429</b>	<b>456 465</b>

R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other Adjustments		
<u>Standard item classification</u>							
Personnel	135 738	-	-	8 245	429	8 674	144 412
Administrative	108 619	-	-	(8 245)	-	(8 245)	100 374
Inventories	8 094	-	-	-	-	-	8 094
Equipment	76 645	-	-	-	-	-	76 645
Land and buildings	-	-	-	-	-	-	-
Professional and special services	15 197	-	1 000	-	-	1 000	16 197
Transfer payments	72 986	-	7 021	-	-	7 021	80 007
Miscellaneous	27 236	-	3 500	-	-	3 500	30 736
<b>Total</b>	<b>444 515</b>	<b>-</b>	<b>11 521</b>	<b>-</b>	<b>429</b>	<b>11 950</b>	<b>456 465</b>

## Details of adjustments to 2003 Estimates of National Expenditure

### Unforeseeable and unavoidable expenditure – R11,521 million

#### Programme 1: Administration

Expenditure amounting to R3,5 million was incurred for the two meetings of the SADC Parliamentary Forum and the two meetings of the Pan African Parliament in June and July 2003. The decision to hold the meetings was taken after the budget was finalised.

As a result of the floor-crossing legislation, the configuration of political parties represented in the National Assembly has changed and the quantum of allowances payable has increased. In addition, the Speaker has reviewed the method of calculating of these allowances as well as the previous rates of remuneration. The net financial impact of the changes and revisions increased expenditure above the 2003/04 budget by R7,021 million.

During 2003, Parliament discovered fraud in members' travel vouchers. An investigation costing R1,0 million had to be conducted to determine the extent of the fraud.

### Virement

#### *Shifting of funds within programme*

#### Programme 1: Administration

Savings of R8,245 million on administrative expenditure was shifted to personnel expenditure to increase capacity.

### Other adjustments – R429 000

#### *Salary adjustments*

R429 000 has been allocated to Parliament to cover the costs of the higher than expected salary increases..



**Table 2.2: Summary of transfers and subsidies per programme**

R thousand	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/ Unavoidable expenditure	Virement	Other adjustments	Total additional appropriation	
<b>3 Associated Services</b>	<b>72 986</b>	-	<b>7 021</b>	-	-	<b>7 021</b>	<b>80 007</b>
Political Party Support	32 288	-	5 567	-	-	5 567	37 855
Constituency Support	37 439	-	-	-	-	-	37 439
Party Leadership Support	2 221	-	1 454	-	-	1 454	3 675
Membership Fees	1 038	-	-	-	-	-	1 038
<b>Total</b>	<b>72 986</b>	<b>-</b>	<b>7 021</b>	<b>-</b>	<b>-</b>	<b>7 021</b>	<b>80 007</b>



# Vote 3

## Foreign Affairs

	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	R2 243 555 000	R2 328 579 000		R85 024 000
Responsible Minister	Minister of Foreign Affairs			
Administering department	Department of Foreign Affairs			
Accounting officer	Director-General of Foreign Affairs			

### Aim

*The Department of Foreign Affairs is responsible for the formulation, co-ordination, implementation and management of South Africa's foreign policy and international relations programmes throughout the world.*

### Changes to programme purposes and measurable objectives

No changes were made.

### Adjusted 2003 Estimates of National Expenditure

Table 3.1: Foreign Affairs

Programme	Main appropriation	Additional appropriation				Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	
R thousand						
1 Administration	205 983	-	3 000	-	375	209 358
2 Foreign Relations	1 665 995	13 000	21 000	-	(110 622)	1 589 373
3 Public Diplomacy and Protocol	62 741	-	-	-	116	62 857
4 Foreign Properties	48 226	43 155	10 000	-	-	101 381
5 Auxiliary and Associated Services	260 610	-	105 000	-	-	365 610
<b>Total</b>	<b>2 243 555</b>	<b>56 155</b>	<b>139 000</b>	<b>-</b>	<b>(110 131)</b>	<b>2 328 579</b>
<b>Economic Classification</b>						
<b>Current</b>	<b>2 096 683</b>	<b>5 000</b>	<b>129 000</b>	<b>-</b>	<b>(110 131)</b>	<b>2 120 552</b>
Personnel	1 223 852	-	-	-	3 869	1 227 721
Transfer payments	201 673	-	105 000	-	-	306 673
Other current	671 158	5 000	24 000	-	(114 000)	586 158
<b>Capital</b>	<b>146 872</b>	<b>51 155</b>	<b>10 000</b>	<b>-</b>	<b>-</b>	<b>208 027</b>
Transfer payments	-	-	-	-	-	-
Acquisition of capital assets	146 872	51 155	10 000	-	-	208 027
<b>Total</b>	<b>2 243 555</b>	<b>56 155</b>	<b>139 000</b>	<b>-</b>	<b>(110 131)</b>	<b>2 328 579</b>

R thousand	Main appropriation	Additional appropriation				Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other Adjustments	
Standard item classification						
Personnel	1 223 852	-	-	-	3 869	1 227 721
Administrative	327 907	5 000	24 000	-	(114 000)	242 907
Inventories	32 627	-	-	-	-	32 627
Equipment	74 215	8 000	-	-	-	82 215
Land and buildings	217 806	38 043	10 000	-	-	265 849
Professional and special services	154 403	5 112	-	-	-	159 515
Transfer payments	201 673	-	105 000	-	-	306 673
Miscellaneous	11 072	-	-	-	-	11 072
Total	2 243 555	56 155	139 000	-	(110 131)	2 328 579

## Details of adjustments to 2003 Estimates of National Expenditure

### Roll-overs – R56,155 million

#### Programme 2: Foreign Relations

The Third Party Verification Mechanism (TPVM) was established in August 2002 to assist in the Democratic Republic of the Congo (DRC) peace process, and had a mandate up to 31 October 2002. However, due to the complexity of the matter the mandate was extended until the transitional government of the DRC is in place. R5,0 million has been rolled over for this purpose.

During 2002/03, the department planned to open the new missions in Muscat and Doha. There were delays in the refurbishment of the chanceries, but the equipment was already purchased and waiting for delivery. In addition, the department received funds to open the mission in Lubumbashi during the latter part of the previous financial year. The department was unable to secure proper accommodation in time, and there was also a delay in the refurbishment of the chancery there. Furthermore, computer equipment was ordered in the previous financial year for various offices. R8,0 million is being rolled over for this capital expenditure.

#### Programme 4: Foreign Properties

During the 2002/03 financial year, the department was engaged in three major capital projects: the refurbishment and adaptation of the chancery and diplomatic village in Kinshasa, the construction of the chancery in Berlin, and the acquisition of land in Abuja, Nigeria. Due to the magnitude of the projects it was not feasible to finalise them within one year, and R43,155 million is thus being rolled over.

### Unforeseeable and unavoidable expenditure – R139,0 million

#### Programme 1: Administration

An additional R3,0 million was allocated to supplement the department's operational budget because of the high level of involvement in new peace-keeping initiatives.

#### Programme 2: Foreign Relations

The second African Union (AU) Summit (which took place in Maputo, Mozambique, from 4 to 12 July 2003) identified and called for three Extraordinary Summits, for which preparatory meetings, of both officials and at Ministerial levels, have to be held. An additional R6,0 million will be used to fund these meetings.

An additional R5,0 million will be used to fund South Africa's engagement in the DRC, Burundi, the Comores, Sudan, Zimbabwe, Sao Tome and Principe, Liberia, Angola, Ethiopia/Eritrea, Rwanda, Sierra Leon, Cote'D'Ivoire, Madagascar and the Central African Republic. South Africa, as a member of the AU Troika, is expected to continue its direct or indirect engagement in these countries.

The presidents of South Africa and Haiti met during a multilateral conference earlier in 2003 and discussed Haiti's bicentennial independence celebrations in 2004. An agreement was reached to establish a commission led by the Ministers of Foreign Affairs of Haiti and South Africa to prepare for joint independence celebrations of the two countries in 2004. R10,0 million has been allocated for the celebrations.

#### Programme 4: Foreign Properties

In the year 2000 the department took over the function of managing state-owned properties abroad. The additional funding is for the finalisation of the Kinshasa and Berlin projects, which were not completed in time due to circumstances beyond the department's control. The amounts requested in the past for roll-over were significantly reduced to make up shortfalls elsewhere in the department's budget, since roll-over amounts are limited to the savings made by the entire department. Both projects will be finalised in the current financial year: Berlin in October 2003 and Kinshasa in November 2003. The additional amount of R10,0 million was allocated to settle the final accounts and pay out the retention monies held by the department.

#### Programme 5: Auxiliary and Associated Services

The NEPAD Secretariat is in the process of implementing the African Peer Review Mechanism. Funding of R5,0 million is allocated towards meeting South Africa's participation in this process.

An additional R100,0 million is allocated to the Department to provide for food relief for countries in Southern Africa.

### **Other adjustments – (R110,131 million)**

#### ***Salary adjustments***

R3,869 million has been allocated to the department to cover the costs of the higher than expected salary increase.

#### ***Savings***

A significant part of the department's budget is based on foreign exchange forecasts over the budget period. In view of the appreciation of the rand, National Treasury revised the foreign exchange forecast against major international currencies. The new rates suggested that the rand amount of the diplomatic budget under *Programme 2: Foreign Relations* be reduced by R114,0 million.

Table 3.2: Summary of transfers and subsidies per programme

R thousand	Main Appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/ Unavoidable expenditure	Virement	Other adjustments	Total additional appropriation	
	<b>201 673</b>	-	105 000	-	-	105 000	<b>306 673</b>
<b>5 Auxiliary and Associated Services</b>							
International Organisations							
United Nations: Membership Fees	76 000	-	-	-	-	-	76 000
United Nations Development Programme	950	-	-	-	-	-	950
Humanitarian Aid	10 000	-	-	-	-	-	10 000
African Union	14 500	-	-	-	-	-	14 500
Commonwealth: Membership Fees	7 000	-	-	-	-	-	7 000
Southern African Development Community: Membership Fees	8 620	-	-	-	-	-	8 620
Bureau of International Exposition: Membership Fees	25	-	-	-	-	-	25
African Caribbean and Pacific	1 100	-	-	-	-	-	1 100
Comprehensive Test Ban Treaty	1 420	-	-	-	-	-	1 420
Bacterial and Toxic Weapons Convention	414	-	-	-	-	-	414
South Centre	1 000	-	-	-	-	-	1 000
Indian Ocean Rim Research Centre: Witwatersrand	120	-	-	-	-	-	120
Perrez-Guerrero Trust Fund	50	-	-	-	-	-	50
Nepad	20 000	-	5 000	-	-	5 000	25 000
United Nations Development Programme: Local Office Costs	4 400	-	-	-	-	-	4 400
Other International Organisations	5 954	-	-	-	-	-	5 954
African Renaissance Fund	50 000	-	-	-	-	-	50 000
Research Assistance: Maritime Law Institute	120	-	-	-	-	-	120
World Food Programme	-	-	100 000	-	-	100 000	100 000
<b>Total</b>	<b>201 673</b>	-	105 000	-	-	105 000	<b>306 673</b>

# Vote 4

## Home Affairs

	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	R1 971 053 000	R2 132 688 000		R161 635 000
Responsible Minister	Minister of Home Affairs			
Administering department	Home Affairs			
Accounting officer	Director-General of Home Affairs			

### Aim

*The aim of the Department of Home Affairs is to protect and regulate the interests of the inhabitants of the Republic of South Africa, in respect of their individual status, identity and specific rights and powers, and to promote a supporting service to this effect.*

### Changes to programme purposes and measurable objectives

There were no changes.

### Adjusted 2003 Estimates of National Expenditure

Table 4.1: Home Affairs

Programme	Main appropriation	Additional appropriation				Adjusted appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		Total additional appropriation
R thousand							
1 Administration	233 291	9 909	1 860	-	371	12 140	245 431
2 Services to Citizens	765 555	19 693	38 062	-	1 013	58 768	824 323
3 Migration	276 263	-	62 876	-	557	63 433	339 696
4 Auxiliary and Associated Services	695 944	27 294	-	-	-	27 294	723 238
Total	1 971 053	56 896	102 798	-	1 941	161 635	2 132 688
<u>Economic Classification</u>							
Current	1 729 388	28 602	102 186	-	1 941	132 729	1 862 117
Personnel	613 988	8 909	25 657	-	1 941	36 507	650 495
Transfer payments	671 161	-	-	-	-	-	671 161
Other current	444 239	19 693	76 529	-	-	96 222	540 461
Capital	241 665	28 294	612	-	-	28 906	270 571
Transfer payments	-	-	-	-	-	-	-
Acquisition of capital assets	241 665	28 294	612	-	-	28 906	270 571
Total	1 971 053	56 896	102 798	-	1 941	161 635	2 132 688

R thousand	Main Appropriation	Additional appropriation				Adjusted appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other Adjustments		Total additional appropriation
<u>Standard item classification</u>							
Personnel	613 988	-	25 657	-	1 941	27 598	641 586
Administrative	111 559	-	1 505	-	-	1 505	113 064
Inventories	51 426	-	2 726	-	-	2 726	54 152
Equipment	224 274	1 000	650	-	-	1 650	225 924
Land and buildings	21 279	27 294	-	-	-	27 294	48 573
Professional and special services	277 366	28 602	72 260	-	-	100 862	378 228
Transfer payments	671 161	-	-	-	-	-	671 161
Miscellaneous	-	-	-	-	-	-	-
<b>Total</b>	<b>1 971 053</b>	<b>56 896</b>	<b>102 798</b>	<b>-</b>	<b>1 941</b>	<b>161 635</b>	<b>2 132 688</b>

## Details of adjustments to 2003 Estimates of National Expenditure

### Roll-overs – R56,896 million

#### Programme 1: Administration

The implementation of various projects for upgrading and rewriting systems to improve the service delivery of the department has resulted in severe performance and response problems when processing transactions and necessitated a detailed investigation into the current IT infrastructure. R8,909 million is being made available for this.

R1,0 million is being made available for the implementation of the Basic Accounting System in the regions.

#### Programme 2: Services to Citizens

R19,693 million is being rolled over to continue work on the Electronic Document Management System.

#### Programme 4: Auxiliary and Associated Services

R20,280 million is being rolled over mainly for the upgrading of all state-owned buildings as they do not comply with the Occupational Health and Safety Act of 1993 nor provide accessibility for people with disabilities.

R7,014 million will be used for the establishment of a new border post.

### Unforeseeable and unavoidable expenditure – R102,798 million

#### Programme 1: Administration, Programme 2: Services to Citizens and Programme 3: Migration

During the integration process of the TBVC and self-governing administrations with the national Department of Home Affairs, most of the officials from the TBVC and self-governing administrations were found, by the Judge White Commission, to have been irregularly promoted. The Department of Home Affairs reversed the officials' promotions and placed them at the ranks they occupied before July 1993. Following an application to the High Court (Transkei), the commission's findings were set aside and the department had to effect backdated payments and rectify its officials' remuneration to higher levels. The unforeseeable and unavoidable Personnel expenditure is R1,860 million in *Programme 1*, R8,062 million in *Programme 2*, and R2,480 million in *Programme 3*.



#### Programme 2: Services to Citizens

On 12 June 2003, the Minister of Home Affairs announced that the prescribed fees for the re-issue of identity documents would be waived after next year's national elections and that photographs for each applicant would be provided at no cost. No provision was made in the departmental budget and some of the funds earmarked for the ID campaign were used to pay for these. In addition, provision has been made for the remuneration of overtime and the employment of contract and voluntary workers to process identity documents, for the deployment of mobile units to remote areas, and for additional travel costs. The unforeseeable and unavoidable expenditure related to the ID campaign is R30,0 million.

#### Programme 3: Migration

In accordance with Section 4 of the new Immigration Act of 2002, an Immigration Advisory Board was established to replace the Immigration Selection Board. The Department of Home Affairs is required to provide support staff for the board. An additional R4,618 million is required for the Immigration Advisory Board to operate effectively.

The new Immigration Act and its regulations required the design of new forms and labels to be available immediately on 7 April 2003 for use by the department's regional and district offices and all foreign representatives, costing R1,781 million.

The Lindela Detention Centre provides food and other basic services to illegal foreigners awaiting repatriation or deportation. The rate of detention has escalated tremendously due to the unanticipated influx, requiring an additional R52,770 million.

The Cape Town High Court declared the appointment of departmental employees to the Standing Committee for Refugee Affairs as *ultra vires*, unlawful and inconsistent with the Constitution and the committee was dissolved. R1,227 million is needed for establishing and remunerating a new committee, which should function independently and without bias.

### **Other adjustments – R1,941 million**

#### ***Salary adjustments***

An amount of R1,941 million has been allocated to the department to cover the costs of the higher than expected salary increases:

- *Programme 1: Administration:* R371 000
- *Programme 2: Services to Citizens:* R1,013 million
- *Programme 3: Migration:* R557 000.



# Vote 5

## Provincial and Local Government

	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	R9 399 001 000	R9 466 231 000		R67 230 000
Responsible Minister	Minister for Provincial and Local Government			
Administering department	Provincial and Local Government			
Accounting officer	Director-General of Provincial and Local Government			

### Aim

*The aim of the Department of Provincial and Local Government is to develop and promote a national system of integrated and cooperative governance, and to support provincial and local government.*

### Changes to programme purposes and measurable objectives

No changes have been made.

### Adjusted 2003 Estimates of National Expenditure

Table 5.1: Provincial and Local Government

Programme	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted Appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1 Administration	50 784	7 330	-	3 445	-	10 775	61 559
2 Governance and Development	2 504 009	-	-	(5 511)	-	(5 511)	2 498 498
3 Institutional Reform and Support	6 799 734	15 288	34 112	538	10 500	60 438	6 860 172
4 Auxiliary and Associated Services	44 474	-	-	1 528	-	1 528	46 002
<b>Total</b>	<b>9 399 001</b>	<b>22 618</b>	<b>34 112</b>	<b>-</b>	<b>10 500</b>	<b>67 230</b>	<b>9 466 231</b>
<b>Economic Classification</b>							
<b>Current</b>	<b>6 981 892</b>	<b>22 372</b>	<b>34 112</b>	<b>(257)</b>	<b>10 500</b>	<b>66 727</b>	<b>7 048 619</b>
Personnel	68 998	-	-	(6 213)	-	(6 213)	62 785
Transfer payments	6 819 644	575	34 112	(1 000)	-	33 687	6 853 331
Other current	93 250	21 797	-	6 956	10 500	39 253	132 503
<b>Capital</b>	<b>2 417 109</b>	<b>246</b>	<b>-</b>	<b>257</b>	<b>-</b>	<b>503</b>	<b>2 417 612</b>
Transfer payments	2 410 253	-	-	-	-	-	2 410 253
Acquisition of capital assets	6 856	246	-	257	-	503	7 359
<b>Total</b>	<b>9 399 001</b>	<b>22 618</b>	<b>34 112</b>	<b>-</b>	<b>10 500</b>	<b>67 230</b>	<b>9 466 231</b>
<b>Standard item classification</b>							
Personnel	68 998	-	-	(6 213)	-	(6 213)	62 785
Administrative	30 703	8 713	-	2 003	10 500	21 216	51 919
Inventories	7 312	-	-	2 513	-	2 513	9 825
Equipment	7 909	867	-	1 615	-	2 482	10 391
Land and buildings	-	-	-	-	-	-	-
Professional and special services	54 132	12 463	-	520	-	12 983	67 115
Transfer payments	9 229 897	575	34 112	(1 000)	-	33 687	9 263 584
Miscellaneous	50	-	-	562	-	562	612
<b>Total</b>	<b>9 399 001</b>	<b>22 618</b>	<b>34 112</b>	<b>-</b>	<b>10 500</b>	<b>67 230</b>	<b>9 466 231</b>

## Details of adjustments to 2003 Estimates of National Expenditure

### Roll-overs – R22,618 million

#### Programme 1: Administration

R7,330 million will be rolled over for the refurbishment of the 87 Hamilton Street building.

#### Programme 3: Institutional Reform and Support

One of the Department of Land Affairs' incomplete Land Development Objective projects was transferred to the Department of Provincial and Local Government in 2001/02. R575 000 will be rolled over to finance its completion.

R6,0 million will be rolled over to facilitate the repair of 2500 asbestos roofs damaged by hail in a disaster area.

R8,713 million is being rolled over for the continuation of the Work on Fire programme to provide assistance in disaster areas.

### Unforeseeable and unavoidable expenditure – R34,112 million

#### Programme 3: Institutional Reform and Support

R6,899 million is being allocated to the Local Government Equitable Share to cover the unforeseen costs of the transfer of certain officials to municipalities from the former R293 towns in KwaZulu-Natal.

R27,213 million is being allocated for the rehabilitation of infrastructure in the Western Cape following floods.

## Virement

Table 5.2: Provincial and Local Government

From programme	Amount	To programme	Amount
R thousand			
2 Governance and Development	5 511	1 Administration	3 445
		3 Institutional Reform and Support	538
		4 Auxiliary and Associated Services	1 528

### *Details of savings realised on the above programme*

#### Programme 2: Governance and Development

Savings of R5,511 million resulted from delays in the filling of posts and the reduction in the project management costs of the Consolidated Municipal Infrastructure Programme.

### *Utilisation of savings to augment the above programmes as follows*

#### Programme 1: Administration

Additional funds of R3,445 million will be used to finance telecommunications, increased inventories and additional audit fees.

#### Programme 3: Institutional Reform and Support

The implementation of free basic services necessitated additional expenditure of R538 000.

Programme 4: Auxiliary and Associated Services

An additional R1,528 million will be used for the payment of software licences, communication projects, and for the payment of arrears to the members of the House of Traditional Leaders.

**Other adjustments – R10,5 million**

***Shifting of funds between votes***

Programme 3: Institutional Reform and Support

R10,5 million was shifted from the Department of Water Affairs and Forestry for the Working on Fire programme.

Table 5.3: Summary of transfers and subsidies per programme

	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/Unavoidable expenditure	Virement	Other adjustments	Total additional appropriation	
R thousand							
<b>2 Governance and Development</b>	<b>2 458 661</b>	-	-	-	-	-	<b>2 458 661</b>
Consolidated Municipal Infrastructure Programme							
Local Government	2 246 253	-	-	-	-	-	2 246 253
Provincial	38 408	-	-	-	-	-	38 408
Local Economic Development and Social Plan Grant	117 000	-	-	-	-	-	117 000
Municipal Infrastructure Investment Unit	10 000	-	-	-	-	-	10 000
Municipal Infrastructure Grant	47 000	-	-	-	-	-	47 000
<b>3 Institutional Reform and Support</b>	<b>6 746 485</b>	<b>575</b>	<b>34 112</b>	-	-	<b>34 687</b>	<b>6 781 172</b>
Disaster Management	-	-	27 213	-	-	27 213	27 213
South African Local Government Association	20 250	-	-	-	-	-	20 250
Local Government Capacity Building Grant	232 339	-	-	-	-	-	232 339
Municipal Systems Improvement Programme	150 418	575	-	-	-	575	150 993
Local Government Equitable Share	6 343 478	-	6 899	-	-	6 899	6 350 377
<b>4 Auxiliary and Associated Services</b>	<b>24 751</b>	-	-	<b>(1 000)</b>	-	<b>(1 000)</b>	<b>23 751</b>
Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities	8 940	-	-	(1 000)	-	(1 000)	7 940
Municipal Demarcation Board	14 311	-	-	-	-	-	14 311
South African Cities Network	1 500	-	-	-	-	-	1 500
<b>Total</b>	<b>9 229 897</b>	<b>575</b>	<b>34 112</b>	<b>(1 000)</b>	-	<b>33 687</b>	<b>9 263 584</b>

**Table 5.4: Summary of conditional grants to provinces <sup>1</sup>**

	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/Unavoidable Expenditure	Virement	Other adjustments	Total additional appropriation	
<b>2 Governance and Development</b>							
Consolidated Mun Infrs Prog (CMIP)	38 408	-	-	-	-	-	38 408
<b>3 Institutional Reform and Support</b>							
Local Government Capacity Building	232 339	-	-	-	-	-	232 339
Disaster Management	-	-	27 213	-	-	27 213	27 213
<b>Total</b>	<b>270 747</b>	<b>-</b>	<b>27 213</b>	<b>-</b>	<b>-</b>	<b>27 213</b>	<b>297 960</b>

<sup>1</sup> Main appropriation detail provided in the Division of Revenue Act, 2003

**Table 5.5: Summary of conditional grants to Local Government (municipalities) <sup>1</sup>**

	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/Unavoidable Expenditure	Virement	Other adjustments	Total additional appropriation	
<b>2 Governance and Development</b>							
Consolidated Mun Infrs Prog (CMIP)	2 246 253	-	-	-	-	-	2 246 253
Local Econ Develop and Social Plan Fund	117 000	-	-	-	-	-	117 000
Municipal Infrastructure Grant	47 000	-	-	-	-	-	47 000
<b>3 Institutional Reform and Support</b>							
Municipal Systems Improvement Programme	150 418	575	-	-	-	575	150 993
<b>Total</b>	<b>2 560 671</b>	<b>575</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>575</b>	<b>2 561 246</b>

<sup>1</sup> Main appropriation detail provided in the Division of Revenue Act, 2003





# Vote 6

## Public Works

	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	R4 466 700 000	R4 651 985 000		R185 285 000
Responsible Minister	Minister of Public Works			
Administering department	Public Works			
Accounting officer	Director-General of Public Works			

### Aim

*The aim of the Department of Public Works is to provide and manage, in accordance with prescribed standards and directives, the accommodation, housing, land and infrastructure needs of national departments, as well as to render associated and supporting services to manage the poverty alleviation programme and to promote the transformation of the construction industry.*

### Changes to programme purposes and measurable objectives

No changes were made to programme purposes and measurable objectives as a result of adjustments to the allocations.

### Adjusted 2003 Estimates of National Expenditure

Table 6.1: Public Works

Programme	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1 Administration	276 632	-	-	-	682	682	277 314
2 Provision of Land and Accommodation	3 851 075	2 860	180 031	-	1 668	184 559	4 035 634
3 National Public Works Programme	321 874	-	-	-	44	44	321 918
4 Auxiliary and Associated Services	17 119	-	-	-	-	-	17 119
<b>Total</b>	<b>4 466 700</b>	<b>2 860</b>	<b>180 031</b>	<b>-</b>	<b>2 394</b>	<b>185 285</b>	<b>4 651 985</b>
<b>Economic Classification</b>							
<b>Current</b>	<b>2 242 036</b>	<b>2 860</b>	<b>180 031</b>	<b>1 066 912</b>	<b>2 394</b>	<b>1 252 197</b>	<b>3 494 233</b>
Personnel	611 518	-	-	-	1 933	1 933	613 451
Transfer payments	37 361	-	-	-	-	-	37 361
Other current	1 593 157	2 860	180 031	1 066 912	461	1 250 264	2 843 421
<b>Capital</b>	<b>2 224 664</b>	<b>-</b>	<b>-</b>	<b>(1 066 912)</b>	<b>-</b>	<b>(1 066 912)</b>	<b>1 157 752</b>
Transfer payments	259 820	-	-	-	-	-	259 820
Acquisition of capital assets	1 964 844	-	-	(1 066 912)	-	(1 066 912)	897 932
<b>Total</b>	<b>4 466 700</b>	<b>2 860</b>	<b>180 031</b>	<b>-</b>	<b>2 394</b>	<b>185 285</b>	<b>4 651 985</b>

R thousand	Main appropriation	Additional appropriation				Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other Adjustments	
<u>Standard item classification</u>						
Personnel	611 518	-	-	-	1 933	613 451
Administrative	81 990	-	-	-	-	81 990
Inventories	42 003	-	-	-	-	42 003
Equipment	65 966	-	-	-	-	65 966
Land and buildings	861 187	2 574	-	-	461	864 222
Professional and special services	2 505 439	286	180 031	-	-	2 685 756
Transfer payments	297 181	-	-	-	-	297 181
Miscellaneous	1 416	-	-	-	-	1 416
Total	4 466 700	2 860	180 031	-	2 394	4 651 985

## Details of adjustments to 2003 Estimates of National Expenditure

### Roll-overs – R2,860 million

Programme 2: Provision of Land and Accommodation

The Department of Education's total savings of R2,6 million were transferred to the Department of Public Works budget to cater for the Department of Education's accommodation needs. The funds were split as follows: R1,0 million to for additional accommodation and R1,6 million for PPP projects, and the Department of Public Works is responsible for both activities.

Funds of R260 000 were also rolled over from the Department of Provincial and Local Government to refurbish the Minister's suite at their head office building.

### Unforeseeable and unavoidable expenditure – R180,031 million

Programme 2: Provision of Land and Accommodation

The expenditure was unforeseeable because municipalities sent their invoices to the department after the 2003 MTEC submission preparation. A delay in payment will affect the economic viability of some municipalities and undermine relations between the three spheres of government, and will result in the department having to pay more in the form of fines, interests and penalties.

### Virement

#### *Shifting of funds within programmes*

Programme 2: Provision of Land and Accommodation

In the 2003 Estimates of National Expenditure process, the allocations for leasing budget were incorrectly classified under Capital expenditure. R1, 067 billion was shifted to Current expenditure to correct this.

## **Other adjustments – R2,394 million**

### ***Salary adjustments***

R1,933 million has been allocated to the department to cover the costs of higher than expected salary increases.

- *Programme 1: Administration*: R682 000
- *Programme 2: Provision of Land and Accommodation*: R1,208 million
- *Programme 3: National Public Works Programme*: R43 000

### ***Shifting of funds between votes***

Funds have been shifted to the Department of Public Works from various departments to address their needs.

- National Treasury R896 000
- Department of Public Enterprises: R383 000
- Statistics South Africa: R310 000
- Department of Arts and Culture: R195 000
- Department of Land Affairs: R270 000
- Department of Water Affairs and Forestry: R660 000.

R2,253 million was shifted from the Department of Public Works to the Department of Environmental Affairs and Tourism for the South African Weather Services.



# **Financial and Administrative Services**



# Vote 7

## Government Communication and Information System

	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	R176 457 000	R178 508 000		R2 051 000
Responsible Minister	Minister in the Presidency			
Administering department	Government Communication and Information System			
Accounting officer	Chief Executive Officer of the Government Communication and Information System			

### Aim

*The aim of the Government Communication and Information System is to provide a comprehensive communication service on behalf of government to facilitate the involvement of the majority of South Africans in the process of governance, reconstruction and development, nation-building, and reconciliation.*

### Changes to programme purposes and measurable objectives

No changes were made.

### Adjusted 2003 Estimates of National Expenditure

Table 7.1: Government Communication and Information System

Programme		Additional appropriation					Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
R thousand							
1 Administration	35 614	-	-	1 424	-	1 424	37 038
2 Policy and Research	15 704	-	-	193	-	193	15 897
3 Government and Media Liaison	14 315	-	-	(1 226)	-	(1 226)	13 089
4 Provincial and Local Liaison	26 545	-	-	(768)	-	(768)	25 777
5 Communication Service Agency	21 593	1 677	-	377	374	2 428	24 021
6 International Marketing and Mobilisation	62 686	-	-	-	-	-	62 686
<b>Total</b>	<b>176 457</b>	<b>1 677</b>	<b>-</b>	<b>-</b>	<b>374</b>	<b>2 051</b>	<b>178 508</b>
<b>Economic Classification</b>							
<b>Current</b>	<b>167 881</b>	<b>1 677</b>	<b>-</b>	<b>(242)</b>	<b>374</b>	<b>1 809</b>	<b>169 690</b>
Personnel	54 972	-	-	-	374	374	55 346
Transfer payments	69 686	-	-	-	-	-	69 686
Other current	43 223	1 677	-	(242)	-	1 435	44 658
<b>Capital</b>	<b>8 576</b>	<b>-</b>	<b>-</b>	<b>242</b>	<b>-</b>	<b>242</b>	<b>8 818</b>
Transfer payments	-	-	-	-	-	-	-
Acquisition of capital assets	8 576	-	-	242	-	242	8 818
<b>Total</b>	<b>176 457</b>	<b>1 677</b>	<b>-</b>	<b>-</b>	<b>374</b>	<b>2 051</b>	<b>178 508</b>

R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
<b><u>Standard item classification</u></b>							
Personnel	54 972	-	-	-	374	374	55 346
Administrative	15 166	-	-	238	-	238	15 404
Inventories	2 739	-	-	(103)	-	(103)	2 636
Equipment	10 634	-	-	(153)	-	(153)	10 481
Land and buildings	529	-	-	(51)	-	(51)	478
Professional and special services	22 731	1 677	-	69	-	1 746	24 477
Transfer payments	69 686	-	-	-	-	-	69 686
Miscellaneous	-	-	-	-	-	-	-
<b>Total</b>	<b>176 457</b>	<b>1 677</b>	<b>-</b>	<b>-</b>	<b>374</b>	<b>2 051</b>	<b>178 508</b>

## Details of adjustments to 2003 Estimates of National Expenditure

### Roll-overs – R1,677 million

The following amounts were approved for roll-over to defray Parliamentary expenses related to the opening of Parliament.

#### Programme 2: Policy and Research

A tender for R287 000 awarded for the analysis of media content and agenda setting had not been finalised by 31 March 2003.

#### Programme 3: Government and Media Liaison

Anticipated expenditure of R231 000 for various services, including a security system (card readers), protection services and continuing education, was not realised as invoices had not been received in time for payment before 31 March 2003.

#### Programme 5: Communication Service Agency

R1,159 million was rolled over because invoices were not received in time for payment by 31 March 2003:

- R350 000 for the advertising for the Imbizo Focus Week
- R520 000 for the HIV/AIDS communication campaign
- R142 000 for the Classification Review Committee
- R147 000 for various services to GCIS, including the Design Indaba in Cape Town, printing work by CPD Print, and supplies by Cullinan.



## Virement

**Table 7.2: Government Communication and Information System**

From programme R thousand	Amount	To programme	Amount
3 Government and Media Liaison	1 226	1 Administration	1 424
4 Provincial and Local Liaison	768	2 Policy and Research	193
		5 Communication Service Agency	377

### ***Details of savings realised on the above programmes***

#### Programme 3: Government and Media Liaison

The revision of the staff establishment of GCIS, together with monthly projections from September 2003, resulted in a saving of R428 000 in personnel expenditure.

From 1999 the training in GCIS was located in two different sections: Client Training Services in *Programme 3*, which was responsible for training external Government Communication Officers, and Human Resource Development in *Programme 1: Administration*, which was responsible for training internal staff. After the ENE 2003 was finalised, the Secretariat decided to shift the function and budget of Client Training Services from *Programme 3* to the subprogramme Corporate Services under *Programme 1*. This resulted in savings of R738 000.

R60 000 was shifted to *Programme 2: Policy and Research* for the BuaNews Impact Assessment. The Research division is responsible for all issues relating to research.

#### Programme 4: Provincial and Local Liaison

The revision of the staff establishment of GCIS, together with monthly projections from September 2003, resulted in a saving of R768 000, mainly in Personnel expenditure.

### ***Utilisation of savings to augment the above programmes***

#### Programme 1: Administration

The function and budget of the subprogramme Client Training Services was shifted from *Programme 3* to the subprogramme Corporate Services in *Programme 1*. Funds were also shifted to defray personnel expenditure. The total amount shifted was R1,424 million.

#### Programme 2: Policy and Research

R193 000 was shifted to defray personnel expenditure, and also to partially accommodate the BuaNews impact assessment research.

#### Programme 5: Communication Service Agency

R377 000 was shifted to fund the IMBIZO Tabloid published under this programme and to defray personnel expenditure.

## **Other adjustments – R374 000**

### ***Salary adjustments***

R374 000 has been allocated to the department to cover the costs of the higher than expected salary increases in *Programme 5: Communication Service Agency*.

