

DOD ACTION PLAN - 2005

IRPS ISSUES

ISSUE	TIMEFRAME/ TARGET	STATUS/REMARKS
Support AU Peace & Security Council	Ongoing	DOD Provides support to AU Security architecture: Peace and Security Council; Military Staff Committee, Continental Early Warning System, African Standby Force
Operationalise Early Warning	2008	Working together with NICOC in establishing the regional and continental early warning system.
Finalise Common African Defence and Security Policy (CADSP)	Ongoing	Ongoing work with AU Commission to establish legal mechanisms and other initiatives to operationalise CADSP.
Review White Paper on Peace Missions	Nov 05	Process owner is Dept of Foreign Affairs, DOD in support. DOD made detailed submissions in 2003 and 2004. JSCD briefed in 2004.

DOD ACTION PLAN - 2005

IRPS ISSUES ...

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Representation in all African countries (Cabinet Lekgotla decision 2002)	2007	Linked to DOD initiative to expand military attache profile in Africa as approved by IRPS in 2004. Budget still a constraint.
SA as Chair of SADC Organ	Ongoing	DOD plays critical role in the SADC ISDSC and its sub-structures.
Support to peace and reconstruction efforts	Ongoing	DRC (MONUC1, II & III, SADIAT); Burundi (ONUB) and other initiatives; Zimbabwe (MOU on defence co-operation operationalised, good progress on establishing a Joint Permanent Commission); Sudan (military observers as part of AMIS)
Terrorism	Ongoing	DOD participates in Inter-Dept Workgroup on Terrorism and formulation of new Act.

DOD ACTION PLAN - 2005

IRPS ISSUES ...

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Amendment of Foreign Military Assistance Act	Oct 05	DOD still busy with the drafting process. Explanatory Memorandum and a draft Amendment Act were presented at the last cluster meeting.
Weapons of Mass Destruction	Ongoing	To support ongoing intelligence gathering activities

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JCPS ISSUES...

ISSUE	TIMEFRAME/ TARGET	STATUS/REMARKS
National Security Strategy	July 2005	DOD supporting NIA in both the National Security Framework and the National Security Strategy.
Strategy to improving capacity of the intelligence community	July 2005	Defence Intelligence is part of NICOC which is driving the process
Border Control and Security	2009	First phase started in Sep 04. Rest of phases to be rolled out to other borders. Immigration Amendment Act and the related regulations are proceeding. Minister of Defence discussed the matter with Portfolio Committee on Defence in Feb 05

DOD ACTION PLAN - 2005

JCPS ISSUES...

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Sea Ports of Entry	Ongoing	DOD participating as the Cluster is evaluating the current capacity
Local Govt Elections	March 2005 / ongoing	DOD Supports SAPS. Ongoing interface with Provinces through JOINTS
Protection and Security Services Division	2009	Good progress in redeployment of DOD personnel to SAPS Issue of Commandos was discussed with Portfolio Committee on Defence in Feb 05
Security for 2010 Soccer World Cup	2010 / ongoing	The framework for security evaluation for stadiums has been completed.

DOD ACTION PLAN - 2005

G&A ISSUES

ISSUE	TIMEFRAME/ TARGET	STATUS/REMARKS
Review of representivity (gender, race and disability)	Ongoing	DOD continually improving its representivity profile. Chief Directorate Equal Opportunity and Affirmative Action monitors performance in respect of representivity. Unique requirements for serving in the military are always considered.
HR Management and Development	Ongoing	DOD has a Military Skills Development System (MSDS) for rejuvenating the SANDF. Youth Foundation Training Programme to address the representivity within highly specialised occupations within the DOD
Deployment of senior management within public service	Ongoing	Senior managers are deployed to other state departments, eg African peacekeeping duties.

REPORT BY THE AUDITOR-GENERAL: 2005/06



- Since the last briefing of 14 March 2006, the Auditor-General has issued a report to Parliament on the financial statements of the Municipal Demarcation Board, for the year ended 31 March 2006.
- In that report the Auditor General has given an unqualified audit opinion.
- He has however raised issues under Emphasis of Matter, with respect to:
 - Irregular Expenditure as a result of MDB procurement policies not being in accordance with the requirements of Treasury Regulation 16A and supply chain management practice notes issued by the National Treasury;
 - Irregular Expenditure also as a result of the MDB entering into a finance lease transaction, in contravention of Treasury Regulation 13.2;
 - Non compliance of our Internal Audit Function with all the standards set by the Institute of Internal Auditors as per Treasury Regulation 3.2.6;
 - Password Control in our Information Systems not up to required standard.
- As a result, the Board has given the Manager: Municipal Demarcation Board a formal warning, to the effect that if similar issues are raised by the Auditor-General in a future audit, then further disciplinary steps will be taken against the him.

13

RECEIPTS FOR THE YEAR 2005/06



MTEF Allocation	24,959,000
Donor Funding	650,000
Map & Explorer Sales	67,000
Disposal of Assets	130,000
Other Income	67,000
TOTAL INCOME AT OUR DISPOSAL 2005/06	25,873,000

14

EXPENDITURE FOR THE YEAR 2005/06



Expenditure Item	Amount	Percentage of Total Income
Administrative Expenses	5,786,000	22.36
Staff Costs	7,840,000	30.30
Audit Fees	578,000	2.23
Project Expenses	6,143,000	23.74
Payments from Donor Funding	647,000	2.50
Other operating expenses	702,000	2.71
Finance Costs	30,000	0.12
Depreciation and Amortisation	682,000	2.64
TOTAL EXPENDITURE	22,408,000	86.60
Balance at 31 March 2006	3,465,000	13.40

15

BREAKDOWN OF EXPENDITURE



ADMINISTRATIVE EXPENSES	5,786,000
-Travel and Subsistence	1,423,000
-Rentals in respect of operating leases	1,122,000
>Buildings	
>Plant, Machinery and Equipment	
-General and Administrative Expenses	3,241,000
>Publications of Notices & Gazettes	
>Conferences and Seminars	
>Courier Services	
>Water & Electricity	
>Security Services	
>Meeting Expenses etc.	

16

BREAKDOWN OF EXPENDITURE



STAFF COSTS	7,840,000
-Staff Salaries and Wages	4,949,000
-Board Members' emoluments	2,745,000
-Employer's contributions to UIF and other salary related costs.	146,000
PROJECT EXPENSES	6,143,000
-Municipal Capacity Assessments	3,244,000
-Ward Delimitation	1,431,000
-Other Professional Services	1,468,000

17

BREAKDOWN OF EXPENDITURE



OTHER OPERATING EXPENSES	702,000
-Staff training and development	191,000
-Legal Fees	72,000
-Maintenance, repairs and running costs	18,000
•Property & Buildings	
-Fruitless and Wasteful expenditure	5,000
-Other	416,000

18



BREAKDOWN OF EXPENDITURE

- As we indicated to this Committee on 14 March 2006:
 - Expenditure on Municipal Capacity Assessments for 2005/06 was significantly cut. This was done by de-commissioning important work with respect to the 9 provincial reports and the national report.
 - We have put in place measures, to effect severe cuts with respect to the 2006/07 budget, including:
 - Imposing a moratorium on the commissioning of all research at the Board. Only reports on municipal capacity assessments will be done, subject to availability of funds;
 - Minimising the costs of printing the Annual Reports by doing the printing internally with a Colour printer, instead of them being done by professional printers;
 - Using Tele-Conferencing and Video Conferencing for Board Meetings.
- During the year 2005/06 we have been successful in spending our budget without a deficit;
- The "surplus" of R3,465,000 was not because of under-spending, but as a result of:
 - A few days before the end of the financial year, we received an amount of R1,3 million from the dpig, being their repayment of expenses we incurred while doing work related to the phasing out of cross boundary municipalities;
 - We also took a conscious decision to set aside an amount of R1,8 million to pay the government printers for our gazettes. As at the end of the financial year, we had not yet received an invoice from them for these services.

19



OUTPUTS AND DEVELOPMENTS 2005/06

- Outputs during the year in the following areas of work:
 - Determination and re-determination of municipal boundaries.
 - Delimitation of each municipality that qualified to have wards, into wards.
 - Assessments of Municipal Capacity and recommendation to MEC's for local government on the allocation and re-allocation of powers and functions between local and district municipalities.
 - Report to assess the adjustment of district municipality functions to local municipalities.
 - Updating of the Document on Local Government Powers and Functions- Definitions, Norms and Standards.
 - Report to assess pollution legislation.
 - Strengthening of interaction with Key Stakeholders.
 - Strengthening the Board's Administrative and Financial functions.
 - Improved management of Financial Assets and liabilities, through a Management Strategy for Financial Assets and Liabilities.

20

DETERMINATION AND RE-DETERMINATION OF MUNICIPAL BOUNDARIES. OUTPUTS AND DEVELOPMENTS 2005/06



- All changes to outer boundaries were discontinued on 20 February 2004 for the ward delimitation process.
- However as a result of Government's announcement in August 2005 to phase out Cross-Boundary Municipalities the re-determination process had to be reopened.
- The following changes were completed during the financial year:
 - Bohlabela District Municipality disestablished. Maruleng Local Municipality together with the northern portion of the Kruger National Park District Management Area added to Mopani District Municipality and Bushbuckridge Municipalities together with the Southern Part of Kruger National Park added to Ehlanzeni District Municipality.
 - The whole of the Sekhukhune District Municipality added to Limpopo Province. A portion of Thembisile Local Municipality and Nkangala District Municipality added to Kungwini Local Municipality and Metsweding District Municipality. Metsweding District Municipality moved into Gauteng Province. Merafong Local Municipality excluded from the municipal area of West Rand District Municipality and included into Southern District Municipality in North West.

21

DETERMINATION AND RE-DETERMINATION OF MUNICIPAL BOUNDARIES. OUTPUTS AND DEVELOPMENTS 2005/06



- Umzimkhulu Local Municipality included into Sisonke District Municipality in Kwa-Zulu Natal and Matatiele Local Municipality included into Alfred Nzo District Municipality in the Eastern Cape. The boundaries between Umzimvubu Local Municipality and Matatiele Local Municipality reconfigured within Alfred Nzo District Municipality. Kgalagadi District Municipality and Francis Baard District Municipality included into the Northern Cape.

22