

DRAFT ANNUAL REPORT OF THE JOINT BUDGET COMMITTEE

PERIOD: JANUARY TO DECEMBER 2006

Name of the Committee: Joint Budget Committee (JBC)

Co-Chairpersons: Ms L L Mabe, MP (NA) and Mr B J Mkhalihi, MP (NCOP)

Committee Secretary: John Russouw

Mandate of the Committee:

The JBC's mandate is found in its Terms of Reference as resolved by both Houses of Parliament on 25 June 2004. The resolution established the Committee to:

- (1) consider proposed allocations in the Medium-Term Expenditure Framework and the Appropriation Bill and whether these allocations are broadly in keeping with the policy directions of the Government;
- (2) make proposals regarding the processes Parliament should follow with regard to its role in the developing of budgets in accordance with constitutional requirements;
- (3) on a regular basis monitor monthly published actual revenue and expenditure per department, and to ascertain whether they are in line with budget projections;
- (4) consider, when tabled, the Medium-Term Budget Policy Statement,

with the exception of those sections dealing with the macro-economic situation and revenue;

(5) conduct hearings on the Medium-Term Expenditure Framework and Budget Policy Review Document, with the exception of those sections dealing with the macro-economic situation and revenue;

(6) exercise those powers in Joint Rule 32 that may assist in carrying out its functions;

(7) report—

(a) on the Medium-Term Budget Policy Statement regarding the matters referred to in paragraph 5; and

(b) quarterly regarding the matters referred to in paragraph 4; and

(8) consider and make proposals regarding the nature of its functions relative to those of other committees in respect of the budget process and conducting oversight, the Committee to report thereon from time to time as may be necessary and to submit a final report by not later than the end of the next budget cycle in Parliament.

The Committee's vision and mission are incorporated in its strategic plan adopted by the Committee on 22 June 2005 and ultimately by Parliament on 16 November 2005.

Chairperson's overview:

Department's reporting to the Committee

The Committee monitors monthly expenditure by all Government Departments and reports to Parliament quarterly.

Entities reporting to the Committee

None

Number of Committee meetings held

Please indicate the date, agenda, whether minutes were adopted and if yes when. For cancelled meetings please indicate reasons.

DATE OF MEETING	AGENDA	AVAILABILITY OF MINUTES, (YES/NO) IF NO, WHY	DATE OF ADOPTION BY COMMITTEE
01/02/06	Deliberations on the Committee Strategic Plan adopted in 2005. Cancelled: Poor attendance predicted because the Select Committee on Finance was holding hearings.	N/A	
02/02/06	Budget Council meeting (Cape Town) Cancelled: National Treasury postponed it until further notice	N/A	
08/02/06	Deliberations on Committee Report on Expenditure Report for the Second Quarter of 2005/6 financial year (July, August and	N/A	

	September) Cancelled: All Committee meetings were postponed until 06 March 2006 because of oncoming local Government elections on 01 March 2006		
10/02/06	Consideration of Committee Report on Expenditure Report for the Second Quarter of 2005/6 financial year (July, August and September) Consideration of 2005 Annual Report Cancelled: All Committee meetings were postpone until 06 March 2006 because of oncoming local Government elections on 01 March 2006	N/A	
15/02/06	Budget Day (Lock-up session) <i>(JBC, Portfolio and Select Committees on Finance)</i>	Yes	
16/02/06	Briefing by Finance Minister on Budget <i>(JBC, Portfolio and Select Committees on Finance)</i>	Yes	

17/02/06	Briefing by FFC (<i>JBC, Portfolio and Select Committee on Finance</i>) Cancelled: Finance Committee programme changed	N/A	
07/03/06	Budget Hearings (<i>JBC, Portfolio and Select Committee on Finance</i>)	Yes	
08/03/06	Budget Hearings (<i>JBC, Portfolio and Select Committee on Finance</i>)	Yes	
10/03/06	Budget Hearings (<i>JBC, Portfolio and Select Committee on Finance</i>)	Yes	
15/03/06	Deliberations on Committee Reports on Expenditure Statements for the second and third quarters of 2005/6 financial year (July, August, September, Oct, Nov and Dec) Cancelled: Agenda postponed to 22 March 2006 because NA Co-Chairperson was attending another meeting in Johannesburg	N/A	
17/03/06	Consideration of Committee Reports on Expenditure Report for the second and third quarters of 2005/6 financial year (July, August, September, Oct, Nov and Dec) Consideration of 2005 Annual Report Cancelled: Agenda postponed to 24 March 2006 because NA Co-Chairperson was	N/A	

	attending another meeting in Johannesburg		
22/03/05	<p>Deliberations on January Expenditure Statement</p> <p>Deliberations on Committee Reports on Expenditure Statements for the second and third quarters of 2005/6 financial year (July, August, September, Oct, Nov and Dec): Item postponed from 15 March 2006</p> <p>Cancelled: Meeting could not proceed because of poor attendance</p>	Yes	
24/03/06	<p>Further Deliberations on January Expenditure Statement</p> <p>Deliberations on the way forward regarding the Committee Strategic Plan</p> <p>[Consideration of Committee Reports on Expenditure Report for the second and third quarters of 2005/6 financial year (July, August, September, Oct, Nov and Dec)</p> <p>Consideration of 2005 Annual Report</p>	Yes	

31/05/06	Deliberations on Committee Report on Expenditure Statements for the fourth quarter of 2005/6 financial year (Jan, Feb, Mar) Preparation for the Workshop Terms of Reference and Review of Strategic Plan	Yes	
02/06/06	Workshop: Review of Strategic Plan (Stellenbosch)	Yes	
03/06/06	Workshop: Review of Strategic Plan (Stellenbosch)	Yes	
07/06/06	Consideration of Committee Report on Expenditure Statements for the fourth quarter of 2005/6 financial year (Jan, Feb, Mar) Consideration of Committee Budget	Yes	
19/06/06	Briefing by the Financial Services Board (FSB) on <i>Joint meeting with the Portfolio Committees on Finance</i>	Yes	
20/06/06	Training by National Treasury on Section 32, PFMA Reports Cancelled: Neil Cole (National Treasury) was ill and no one was available to train the Committee	N/A	

22/06/06	Hearing on the practice of "bulking" in the insurance/pension industry <i>Joint meeting with the Portfolio Committees on Finance</i>	Yes	
23/06/06	Briefing by Messrs Bapela and Nene Deliberations on Expenditure Statement for April and on Committee on the Stellenbosch Workshop Cancelled: It was the last day of the session and poor attendance was anticipated	N/A	
08/08/06	Training by National Treasury on Expenditure Statements (PFMA, Section 32 Reports)	N/A	
23/08/06	Briefing by the Accountant General on the State of Internal Audit Committees in all 9 Provinces	N/A	
20/09/06			
17/10/06	Initial Briefing in the Revenue Laws A/B		
18/10/06	Hearings on the Revenue Laws A/B		
23/10/06	Members Training – SARB Cancelled: SARB could not make it	N/A	
24/10/06	Members Training – SARB Cancelled: SARB could not make it	N/A	
25/10/06	Budget Lock-up on MTBPS	N/A	
26/10/06	Briefing by National Treasury on the MTBPS (PC, SC on Finance and Joint Budget Committee) Cancelled: Minister not available	N/A	
27/10/06	Hearings on MTBPS (PC, SC on Finance and Joint Budget Committee) Cancelled: No Economists were available	N/A	

30/10/06	Hearings on MTBPS		
31/10/06	Hearings on MTBPS		
01/11/06	Hearings on MTBPS		
02/11/06	Hearings on MTBPS		
03/11/06	Consideration of the Draft MTBPS Report		
06/11/06	Consideration and Adoption the MTBPS Report		
07/11/06	Hearings on Security Cluster Cancelled: Meeting moved to 14 November	N/A	
08/11/06	Hearings on Security Cluster Cancelled: Meeting moved to 15 November	N/A	
10/11/06	Briefing by the Auditor-General on the Security Cluster Cancelled: Auditor-General not available.	N/A	
14/11/06	Hearings on the Security Cluster		
15/11/06	Hearings on the Security Cluster		
17/11/06	Consideration and Adoption of Annual Report		

Legislation referred to a committee (Finalised and not finalised) indicate the following: Please separate the finalised and not finalised.

None

Legislation referred to a committee in terms of Joint Rule 159

None

Papers (International Agreements, Protocols, Conventions, Reports etc) referred to a Committee: include:

Paper/ Report	Referral Date	Adoption Date of Committee Report	ATC publication Date	Debate Date in NA	Debate Date in NCOP
Statements of the National	Every month, as	24 March 2006	18 April 2006	20 June 2006	21 June 2006

Revenue, Expenditure and Borrowing for January, February and March 2006	per mandate				
Committee Annual Report for 2005	Committee required to compile	24 March 2006	18 April 2006	20 June 2006	21 June 2006
Statements of the National Revenue, Expenditure and Borrowing for January, February and March 2006	Every month, as per mandate	7 June 2006	Pending	Pending	Pending
Budget and its accompanying documents	15 February 2006 [RP 09 – 2005]	Not Required to report	Not Required to report	Not Required to report	Not Required to report
Submission of the Financial and Fiscal Commission on the Division of Revenue Bill for 2007-2008, tabled in terms of section 9(1) of the Intergovernmental Fiscal Relations Act, 1997 (Act No 97 of 1997).	23 May 2006	Pending	Pending	Pending	Pending
Medium Term Budget Policy Statement (MTBPS)		07 Tuesday 2006	07 Tuesday 2006	08 Wednesday 2006	
Security Cluster Report					
Quarterly Report					

Oversight visits

None

Invitations of Chairperson or delegation of a Committee

The Development Policy Research Unit (DPRU) and the Trade and Industrial Policy Strategies (TIPS) invited Ms Mabe the Chairperson of the Joint Budget Committee to attend the Annual Conference on Accelerated and Shared Growth in South Africa: Determinants, Constraints and Opportunities to be held 18 to 20 October 2006 at the Birch wood Hotel and Conference Centre in Johannesburg.

International Visits:

Objectives of each trip (not more than a paragraph):

The Embassy of the Federal Republic of Germany extended an invitation to Parliament to nominate four of its members [two from the Joint Budget Committee (JBC) and two from the Standing Committee on Public Accounts (SCOPA)] to attend a Seminar on Oversight Responsibilities of Legislators: Reforming Public Financial Management in Berlin (Germany) on 9 – 12 May 2006.

Dates: 07 – 12 May 2006

Delegation + staff: Ms L L Mabe, MP – Co-Chairperson (JBC)
Mr B J Mkhalihi, MP – Co-Chairperson (JBC)
Mr N T Godi, MP – Chairperson (SCOPA)
Ms L Mashiane, MP – Member (SCOPA)
Mr K Dlamini – Committee Secretary

Country, places visited: Germany

Report (when was it adopted): Pending

d why?: Pending

referred back to a committee: N

and entities referred to commi

strategic Plan

ctor (National Treasury)

Director (National Treasury)

rn Cape Provincial Auditor (Auene

rn Cape Provincial Auditor (Auene

rn Cape Provincial Auditor (Audner

erson (FFC)

/ Chairperson (FFC)

Manager (FFC)

anager (FFC)

Report adoption and (ATC date): Pending

Estimated costs: R63 956

Budget of the committee

How much was allocated to the committee: R400 000

Expenditure must indicate the following:

- Catering – R 6 773.00
- Provincial\oversight Trips – R0
- International Trips – R176 725
- Conferences – R0
- Seminars – R0
- Workshops – R19 410
- Public hearing: venue, advert, witnesses, catering – R35 814,24
- Visits by Foreign Guests\Parliaments - R0
- Gifts - R0
- Research work - R0
- Consultants\Experts – R 65 664.00

Approved Sponsorships to the committee or individual Member

Nature of the sponsor – Economy Class Return Airtickets to Germany and
Accommodation

Value of the sponsor – R175 015

Source of the sponsor (who sponsored) – InWent (Capacity Buliding
International Germany)

Outstanding\Pending issues:

N/A

Attach the following documents

- Master attendance list – updated one.
- Copies of minutes of all committee meetings held, even if not yet adopted by the committee.
- Reports of all oversight\international visits
- Copy of the latest Budget statement – check whether it is correct.
- Programme of the next term

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CONTROL COMMITTEE SECRETARY

DATE

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COMMITTEE CO-CHAIRPERSONS

DATE

SUPPORT STAFF

Committee Secretary: John Russouw(Stand in)

Control Committee Secretary: Lungisile Pakati

Committee Assistant: Amanda Kleyn

Secretaries to Co-Chairpersons: Ms Z Vice (NA)
Ms Z Mkutukana (NCOP)

Researcher (*Research Unit*): Mr A Ganief (*from May 2006*)

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COMMITTEE SECRETARY

DATE