

Vote 27

Land Affairs

Budget summary

R thousand	2008/09				2009/10	2010/11
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	434 582	406 206	115	28 261	454 961	455 100
Surveys and Mapping	88 189	82 231	1 498	4 460	95 053	100 756
Cadastral Surveys	105 334	96 344	25	8 965	110 868	117 520
Restitution	3 097 305	203 748	2 891 635	1 922	1 648 465	1 326 066
Land Reform	2 888 469	268 596	1 766 133	853 740	3 603 789	4 102 016
Spatial Planning and Information	32 286	30 019	2 080	187	34 194	36 246
Auxiliary and Associated Services	13 231	10 162	2	3 067	14 025	49 867
Total expenditure estimates	6 659 396	1 097 306	4 661 488	900 602	5 961 355	6 187 571
Executive authority	Minister of Agriculture and Land Affairs					
Accounting officer	Director-General of Land Affairs					
Website address	www.land.pwv.gov.za					

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.

Programme purposes, objectives and measures

Programme 1: Administration

Purpose: Provide strategic and logistical support through executive and corporate services.

Programme 2: Surveys and Mapping

Purpose: Provide national mapping, aerial photography and other imagery, integrated spatial reference framework and other geo-spatial information, and professional and technical services in support of the national infrastructure and sustainable development, in compliance with the Land Survey Act (1997).

Objectives and measures:

- Maintain national mapping capabilities in accordance with user needs by:
 - acquiring earth imagery of South Africa at 0.5m ground sample distance covering 220 000 km² each year
 - producing 1 614 maps of South Africa in the national map series.
- Improve geo-spatial information systems by completing the update of the integrated database of fundamental geo-spatial information by March 2012.

Programme 3: Cadastral Surveys

Purpose: Provide efficient cadastral survey management services, including the provision of cadastral information services in support of land delivery and orderly development.

Objectives and measures:

- Improve the efficiency of cadastral information services by:
 - reducing the turnaround time for approval of cadastral documents (diagrams, general plans and sectional plans) from 14 days in 2008/09 to 13 days by 2010/11
 - reducing the time taken for the maintenance and archiving of cadastral survey documents from 13 days in 2008/09 to 12 days by 2010/11
 - reducing the turnaround time for the supply of cadastral information from 5 days in 2008/09 to 4 days by 2010/11.

Programme 4: Restitution

Purpose: Take responsibility for settling land claims in accordance with the provisions of the Restitution of Land Rights Act (1994), and provide settlement support to beneficiaries.

Objectives and measures:

- Reduce the land claim settlement backlog by settling all 5 083 outstanding restitution claims by March 2011 through negotiated settlements that restore land rights or through awarding alternative forms of equitable redress to claimants.

Programme 5: Land Reform

Purpose: Take responsibility for providing sustainable land redistribution programmes, tenure security for all occupiers of land in South Africa, public land information and the management of state land.

Objectives and measures:

- Contribute to meeting the target of redistributing 30 per cent of white owned agricultural land by 2014 by delivering a total of 2.2 million hectares of such land to previously disadvantaged beneficiaries by 2010/11.

Programme 6: Spatial Planning and Information

Purpose: Provide for national land use management, spatial planning and spatial information systems.

Objectives and measures:

- Ensure more effective spatial planning by extending spatial planning and information services from 4 provinces in 2008/09 to all 9 provinces in 2010/11.
- Comply with the provisions of the Land Use Management Bill by implementing pilot projects in the bill in 2 provinces by 2008/09.

Programme 7: Auxiliary and Associated Services

Purpose: Take responsibility for augmenting the registration of deeds trading account, acquire vehicles for departmental use, oversee departmental capital works and provide for a nominal contribution to the Public Sector Education and Training Authority.

Objectives and measures:

- Provide a high quality deeds registration system whereby secure titles are registered within 6 days after lodgement and speedy and accurate information provided over the counter.

Strategic overview and key policy developments: 2004/05 – 2010/11

Since 1994, the overarching strategic objective of the Department of Land Affairs has been to redistribute and restore land to historically disadvantaged South Africans in a way that addresses the legacies of the past, and

also gives impetus to government's objectives in the Accelerated and Shared Growth Initiative for South Africa (ASGISA) and the White Paper on Land Reform.

The department has already delivered approximately 4 million hectares of white owned agricultural land to land reform beneficiaries through the redistribution and restitution programmes since 1994. However, it is crucial that the farms are sustainable and that a further 21 million hectares are redistributed to achieve the target of delivering 30 per cent of white owned agricultural land to previously disadvantaged beneficiaries by 2014. The Department of Land Affairs in partnership with the Department of Agriculture initiated the land and agrarian reform programme (LARP) in 2007, a flagship programme aimed at delivering sustainable land and agrarian reform projects and fast-tracking land delivery. The LARP aims to deliver 2.2 million hectares of white owned agricultural land to 65 000 new agricultural producers in line with presidential priorities over the medium term. Key principles underpinning the LARP are that it will identify focus areas to exploit synergies between land redistribution, agricultural production and agribusiness development, and align comprehensive support packages, giving pre- and post-settlement support to cater for the inherently multi-sectoral requirements of sustainable agricultural production and business development.

Post-settlement support is one of the biggest challenges for land reform. Defining the concept of this support, outlining the development context within which it should be understood, and identifying challenges facing land reform beneficiaries are important questions the department will address.

The department has settled 93 per cent of the 79 696 lodged land claims since 1994. Despite the efforts of the Land Claims Commission to settle the remaining 5 083 very complex rural land claims by March 2008, they will not be settled before 2010/2011. The disposal of state land to communities and municipalities for sustainable home settlement and agricultural purposes is another enabler to the redistribution process. The current state land audit is geared to enabling the department to develop a credible state asset register.

The land reform programme also contributes to national efforts to address other development needs such as housing. Identifying and rapidly releasing appropriate land for human settlements requires close co-operation between the departments of land affairs and housing. Other land reform initiatives include implementing sector planning, the proactive land acquisition strategy, and strengthening strategic public-private partnerships.

The e-cadastre, which forms part of the department's master information systems plan, is aimed at improving the submission and processing of diagrams in the offices of the surveyor-general and deeds documents in the deeds registries. This electronic system will, among others, reduce deeds registration turnaround times and enable easier access to survey and registration services from remote areas.

Key policy developments

The department has produced a document on key policy areas that need to be addressed in the process of amending the White Paper on Land Policy by March 2009. Two important elements of the White Paper – the “willing buyer - willing seller” principle and “the expropriation of land for land reform purposes” – have been reviewed, while the report on land ownership by non-South Africans has been presented for public comment, with a view to develop a policy and legislative framework to regulate ownership of land by foreigners.

The department has produced two reports to feed into the development of two key policies: land taxation and land ceilings, and developed draft communal land rights regulations.

Spatial planning and information ensures that the intended use of any land acquired is consistent with the relevant planning framework. The passage of the Land Use Management Bill through Cabinet is expected to ensure better spatial planning and information in future.

The department has also submitted recommendations for approving the new grants model and amending certain sections of the Provision of Land and Assistance Act (1993) to create an enabling environment for the LARP.

Recent achievements

In 2007/08, 111 875 km² of fundamental geo-spatial data was updated against the target of 231 250 km², and 1 620 maps were produced against a target of 1 562. By the end of the first half of 2007/08, 41 250 km² had been updated against the target of 43 750 km².

Access to the cadastral information system has been improved by a public electronic facility for digital images of cadastral documents. The spatial database, an electronic map showing all surveyed land parcels, is available to the public via the internet. The department has conducted a state land audit to assist with the management of state land and disposal.

In 2006/07, the Land Claims Commission settled 2 066 urban claims and 706 rural claims, a total of 2 772 against a target of 3 243. The settlements benefited 52 071 households and 269 110 beneficiaries. Exactly 579 004 hectares of land and R2.8 billion were committed for land restoration. From April 2007 to October 2007, the commission settled 196 rural claims against a target of 3 590. The settlements benefited 19 978 households and 86 568 beneficiaries. Exactly 276 129 hectares of land were approved for restoration and R1.5 billion committed.

For the first seven months of 2007/08, the redistribution programme delivered 196 000 hectares against the target of 2.5 million hectares. The slow delivery of land reform will be addressed through the LARP.

Selected performance indicators

Indicators	Annual performance						
	Past			Current	Projected		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Number of square kilometres of earth imagery of South Africa at 0.5m ground sample distance acquired	400 000	349 000	191 502	200 000	220 000	220 000	220 000
Number of square kilometres of updated topographical data captured for the integrated database of fundamental geo-spatial information	–	83 125	111 875	175 000	150 000	150 000	150 000
Number of maps for the national map series of South Africa produced	1 713	1 434	1 620	1 562	1 614	1 614	1 614
Percentage of approved cadastral documents able to be registered	–	–	–	–	98%	98%	98%
Number of days for processing all requests for information	–	–	–	5	5	5	4
Number of provinces in which an operational surveyor-general's office is introduced	–	–	1	1	1	1	–
Number of land claims settled	10 634	13 582	2 772	3 590	3 485	1 031	567
Number of hectares of land redistributed to land reform beneficiaries	144 183	152 445	258 890	2 500 000	647 125	791 205	786 094
Number of Land Use Management Bill pilot projects implemented	–	–	–	–	2	–	–

Expenditure estimates

Table 27.1 Land Affairs

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	
R thousand								
1. Administration	219 850	266 641	331 263	429 839	389 839	434 582	454 961	455 100
2. Surveys and Mapping	65 597	73 136	71 912	105 621	100 371	88 189	95 053	100 756
3. Cadastral Surveys	79 044	77 671	90 197	141 352	136 102	105 334	110 868	117 520
4. Restitution	1 182 780	1 789 381	2 338 366	3 577 095	3 577 095	3 097 305	1 648 465	1 326 066
5. Land Reform	453 656	644 864	854 071	1 635 682	1 485 682	2 888 469	3 603 789	4 102 016
6. Spatial Planning and Information	15 180	17 003	21 028	22 206	19 706	32 286	34 194	36 246
7. Auxiliary and Associated Services	2 624	6 032	13 652	12 593	10 093	13 231	14 025	49 867
Total	2 018 731	2 874 728	3 720 489	5 924 388	5 718 888	6 659 396	5 961 355	6 187 571
Change to 2007 Budget estimate				245 869	40 369	664 061	770 479	685 245

Table 27.1 Land Affairs (continued)

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08		2008/09	2009/10	2010/11
R thousand								
Economic classification								
Current payments	630 915	744 509	863 958	1 240 640	1 195 640	1 097 306	1 160 467	1 216 167
Compensation of employees	320 084	359 420	402 595	572 161	562 161	640 656	672 720	705 608
Goods and services	310 243	380 617	459 752	668 479	633 479	456 650	487 747	510 559
<i>of which:</i>								
Communication	21 943	26 887	25 202	44 559	44 559	29 545	34 975	37 167
Computer services	32 408	23 085	55 375	74 576	74 576	27 122	28 157	29 917
Consultants, contractors and special services	67 219	95 232	98 381	242 818	222 818	157 909	142 534	150 566
Inventory	13 141	11 685	13 349	18 069	18 069	20 231	20 651	21 947
Maintenance, repairs and running costs	12 203	13 765	15 329	18 245	18 245	24 543	27 234	29 134
Operating leases	4 306	31 905	34 923	43 420	43 420	41 602	44 295	46 936
Travel and subsistence	58 826	67 900	72 620	69 564	69 564	40 940	53 557	68 835
Agency fees	12 468	15 974	19 402	20 313	20 313	14 721	15 318	16 234
Venues and facilities	7 821	12 395	15 750	8 194	8 194	8 000	7 929	8 375
Advertising	11 736	13 418	17 787	15 130	15 130	11 231	11 873	12 583
Financial transactions in assets and liabilities	588	4 472	1 611	–	–	–	–	–
Transfers and subsidies	1 349 072	2 079 553	2 465 342	3 763 937	3 613 937	4 661 488	3 755 639	3 813 201
Provinces and municipalities	7 209	9 068	8 281	52	52	–	–	–
Departmental agencies and accounts	285	1 777	2 230	2 353	2 353	2 494	2 644	2 802
Universities and technikons	100	–	–	–	–	–	–	–
Public corporations and private enterprises	13	–	–	1	1	1	1	1
Foreign governments and international organisations	–	–	–	1 100	1 100	–	–	–
Non-profit institutions	–	–	–	–	–	2 080	2 288	2 425
Households	1 341 465	2 068 708	2 454 831	3 760 431	3 610 431	4 656 913	3 750 706	3 807 973
Payments for capital assets	38 744	50 666	391 189	919 811	909 311	900 602	1 045 249	1 158 203
Buildings and other fixed structures	–	–	–	–	–	–	–	35 000
Machinery and equipment	32 518	32 587	48 220	49 763	49 763	34 263	33 178	35 007
Cultivated assets	–	–	–	–	–	–	–	978
Software and other intangible assets	6 226	18 079	3 227	20 986	20 986	13 666	21 356	11 078
Land and subsoil assets	–	–	339 742	849 062	838 562	852 673	990 715	1 076 140
Total	2 018 731	2 874 728	3 720 489	5 924 388	5 718 888	6 659 396	5 961 355	6 187 571

Expenditure trends

Between 2004/05 and 2007/08, expenditure grew at an average annual rate of 43.2 per cent, from R2 billion to R5.9 billion, mainly due to the increase in land reform and restitution grants. Although over the medium term the budget only decreases at an average annual rate of 3.6 per cent, expenditure between 2007/08 and 2008/09 increases by 12.4 per cent to R6.6 billion, to make provision for a further increase in land reform grants. In 2009/10, expenditure decreases by 10.5 per cent as the restitution programme starts to phase out and the budget for grants is decreased. Spending in the *Land Reform* programme increases between 2007/08 and 2010/11, at an average annual rate of 35.9 per cent as the budget for land reform grants is increased. Under the economic classifications, most of these increases are evident in transfers to households and payments of capital assets: land and subsoil assets.

Expenditure on goods and services increased between 2004/05 and 2007/08, at an average annual rate of 29.2 per cent, from R310.2 million in 2004/05 to R668.5 million in 2007/08 due to an increase in operational expenditure to support the acceleration of the land restitution and land reform programmes. Compensation of

employees also increases between 2004/05 and 2007/08 at an average annual rate of 21.4 per cent due to the increase in the number of posts, mainly for the restitution and land reform programmes.

Over the MTEF period, the department receives additional allocations of R668.1 million for 2008/09, R774.7 million for 2009/10 and R708.9 million for 2010/11:

- R1 billion in total for 2008/09 and 2009/10 has been allocated to settle 5 083 restitution claims
- R900 million in total for 2009/10 and 2010/11 has been allocated for land reform
- R35 million in 2010/11 for the purchase of land for a PPP office project
- R15 million to improve ICT
- R4 million for accommodation charges
- R47.6 million for increases in compensation of employees due to the implementation of the 2007 resolution of the Public Service Co-ordinating Bargaining Council
- R22.8 million for inflation adjustment for compensation of personnel
- R127.1 million for non-personnel inflation adjustment.

Due to improved efficiency on the acquisition of goods and services, the department has identified efficiency savings of R20 million in 2010/11 from the budget provision for the acquisition of goods and services. The department is institutionalising the development of demand management plans and a financial management improvement plan is currently being developed to enforce strict expenditure analysis and reporting, to closely monitor key cost drivers like communication, travel and consultant costs.

Departmental receipts

The 74 per cent decrease from R158.8 million in 2006/07 to R41.6 million in 2007/08 in departmental receipts is a result of the deeds trading account dividends not having been paid to the department. But the growth rate in the dividends received from deeds is expected to increase by 6.5 per cent over the next three years.

Departmental receipts are expected to increase over the medium term from R190.6 million in 2008/09 to R216 million in 2010/11, mainly due to the sales of goods and services provided by the department as well as interest, dividends and rent on land.

In 2007/08 the department was reimbursed from a supplier that was overpaid by R3 million in 2006/07. Other receipts are expected to increase steadily at a rate of 5 per cent based on proper management of revenue from leased land.

Table 27.2 Departmental receipts

R thousand	Audited outcome			Estimate	Medium-term receipts estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Departmental receipts	46 528	273 434	158 836	41 572	190 590	202 820	215 989
Sales of goods and services produced by department	20 235	21 006	23 362	28 271	24 770	26 000	27 560
Sales of scrap, waste and other used current goods	–	–	–	–	20	20	21
Interest, dividends and rent on land	19 418	237 689	131 755	6 802	159 000	170 000	181 200
Sales of capital assets	2 417	1 974	1 124	–	–	–	–
Financial transactions in assets and liabilities	4 458	12 765	2 595	6 499	6 800	6 800	7 208
Total	46 528	273 434	158 836	41 572	190 590	202 820	215 989

Programme 1: Administration

Purpose: Provide strategic and logistical support through executive and corporate services.

Expenditure estimates

Table 27.3 Administration

Subprogramme	Audited outcome			Adjusted	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Management	20 387	39 168	55 941	106 338	90 886	87 504	78 168
Corporate Services	171 631	197 458	242 306	287 046	303 645	322 087	326 235
Property Management	27 832	30 015	33 016	36 455	40 051	45 370	50 697
Total	219 850	266 641	331 263	429 839	434 582	454 961	455 100
Change to 2007 Budget estimate				19 109	76 381	73 020	50 243

Economic classification

Current payments	198 272	237 478	300 995	390 050	406 206	420 727	429 346
Compensation of employees	73 609	78 310	97 851	132 431	224 614	237 112	256 724
Goods and services	124 075	154 696	201 533	257 619	181 592	183 615	172 622
<i>of which:</i>							
<i>Communication</i>	4 789	5 192	6 608	9 362	8 026	8 543	9 132
<i>Computer services</i>	25 229	16 303	47 595	55 765	14 476	14 982	15 880
<i>Consultants, contractors and special services</i>	15 924	29 991	36 308	79 985	41 662	23 837	22 573
<i>Inventory</i>	2 996	2 888	3 661	5 345	5 700	5 712	6 054
<i>Maintenance, repairs and running costs</i>	5 686	8 473	5 057	5 075	9 394	10 586	11 620
<i>Operating leases</i>	1 316	27 247	29 795	34 514	34 474	36 594	38 789
<i>Travel and subsistence</i>	12 743	13 611	16 913	14 582	13 066	14 996	15 895
<i>Agency fees</i>	3 762	4 682	7 413	5 576	5 195	5 528	5 860
<i>Venues and facilities</i>	2 333	5 148	5 592	2 377	2 561	2 535	2 662
<i>Advertising</i>	4 563	4 310	5 227	–	–	–	–
Financial transactions in assets and liabilities	588	4 472	1 611	–	–	–	–
Transfers and subsidies	1 247	639	4 009	6 946	115	181	191
Provinces and municipalities	220	233	65	32	–	–	–
Public corporations and private enterprises	6	–	–	–	–	–	–
Households	1 021	406	3 944	6 914	115	181	191
Payments for capital assets	20 331	28 524	26 259	32 843	28 261	34 053	25 563
Machinery and equipment	15 404	17 123	25 415	14 254	16 340	14 429	15 362
Software and other intangible assets	4 927	11 401	844	18 589	11 921	19 624	10 201
Total	219 850	266 641	331 263	429 839	434 582	454 961	455 100

Expenditure trends

Expenditure increased rapidly from R219.9 million in 2004/05 to R429.8 million in 2007/08, at an average annual rate of 25 per cent. This was mainly due to special interventions for improving governance and administration. The largest increase is in the *Management* subprogramme, where expenditure increased by 73.4 per cent. Over the same period, spending under compensation of employees increased at an average annual rate of 21.6 per cent and spending under goods and services increased at an average annual rate of 27.6 per cent. Over the medium term, spending in the *Property Management* subprogramme increases at an average annual rate of 12.5 per cent, due to the devolution of funds from the Department of Public Works. Between 2008/09 and 2010/11, spending under compensation of employees is expected to increase at an average annual rate of 6.9 per cent, from R224.6 million to R256.7 million, reflecting the additional funding for implementing the 2007 resolution of the Public Service Co-ordinating Bargaining Council.

Programme 2: Surveys and Mapping

Purpose: Provide national mapping, aerial photography and other imagery, integrated spatial reference framework and other geo-spatial information, and professional and technical services in support of the national infrastructure and sustainable development, in compliance with the Land Survey Act (1997).

- *Surveys and Mapping* is responsible for promoting and controlling all matters connected with geodetic and topographical surveying and geo-spatial information services.

Expenditure estimates

Table 27.4 Surveys and Mapping

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Surveys and Mapping	65 597	73 136	71 912	105 621	88 189	95 053	100 756
Total	65 597	73 136	71 912	105 621	88 189	95 053	100 756
Change to 2007 Budget estimate				5 310	(1 925)	–	–
Economic classification							
Current payments	58 095	58 939	63 804	85 338	82 231	88 645	93 963
Compensation of employees	29 235	30 020	32 574	40 505	41 617	43 698	46 319
Goods and services	28 860	28 919	31 230	44 833	40 614	44 947	47 644
<i>of which:</i>							
Communication	664	744	919	1 230	895	953	1 029
Computer services	1 735	1 940	1 931	2 627	3 367	3 568	3 853
Consultants, contractors and special services	15 390	14 291	14 914	20 783	20 975	24 177	25 111
Inventory	3 053	2 216	2 916	2 714	2 805	2 966	3 203
Maintenance, repairs and running costs	1 822	2 672	2 064	3 572	3 207	3 379	3 449
Operating leases	30	111	69	279	291	293	296
Travel and subsistence	5 023	5 364	6 030	5 576	6 821	7 223	7 500
Agency fees	17	44	21	46	21	22	23
Venues and facilities	121	258	342	210	229	241	256
Advertising	104	547	543	–	550	552	585
Transfers and subsidies	2 892	2 793	2 445	2 999	1 498	1 151	1 220
Provinces and municipalities	71	74	20	–	–	–	–
Foreign governments and international organisations	–	–	–	1 100	–	–	–
Households	2 821	2 719	2 425	1 899	1 498	1 151	1 220
Payments for capital assets	4 610	11 404	5 663	17 284	4 460	5 257	5 573
Machinery and equipment	4 335	5 533	4 712	16 282	3 675	4 429	4 696
Software and other intangible assets	275	5 871	951	1 002	785	828	877
Total	65 597	73 136	71 912	105 621	88 189	95 053	100 756

Expenditure trends

Average annual growth in expenditure was 17.2 per cent between 2004/05 and 2007/08, increasing from R65.6 million to R105.6 million. The increase was mainly due to the purchase of the digital aerial sensor system of R12.5 million in 2007/08. As this is once-off expenditure, the budget decreases in 2008/09 to R88.2 million, increasing only with inflation over the medium term.

Programme 3: Cadastral Surveys

Purpose: Provide efficient cadastral survey management services, including the provision of cadastral information services in support of land delivery and orderly development.

- *Cadastral Surveys* is responsible for examining and approving all surveys for the registration of land and real rights such as servitudes and leases; maintaining records; compiling, maintaining and revising maps of property boundaries; and providing cadastral advisory and spatial information services to other government institutions.

Expenditure estimates

Table 27.5 Cadastral Surveys

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Cadastral Surveys	79 044	77 671	90 197	141 352	105 334	110 868	117 520
Total	79 044	77 671	90 197	141 352	105 334	110 868	117 520
Change to 2007 Budget estimate				40 998	–	–	–
Economic classification							
Current payments	72 131	75 563	84 754	132 063	96 344	102 202	108 334
Compensation of employees	58 822	62 599	67 538	82 278	79 393	82 500	88 149
Goods and services	13 309	12 964	17 216	49 785	16 951	19 702	20 185
<i>of which:</i>							
Communication	1 402	1 507	574	1 463	1 799	1 960	2 077
Computer services	2 555	2 218	2 778	2 575	2 514	2 740	2 904
Consultants, contractors and special services	360	483	1 769	17 567	3 367	3 670	3 890
Inventory	1 331	1 246	1 579	2 061	3 102	3 079	3 263
Maintenance, repairs and running costs	1 270	681	728	1 420	–	–	–
Operating leases	652	1 008	943	1 479	1 753	1 754	1 859
Travel and subsistence	2 947	3 013	2 403	18 866	2 649	2 887	3 060
Agency fees	107	261	225	141	–	–	–
Venues and facilities	134	243	455	343	–	–	–
Advertising	335	472	574	269	–	–	–
Transfers and subsidies	189	229	129	81	25	93	99
Provinces and municipalities	166	175	44	1	–	–	–
Households	23	54	85	80	25	93	99
Payments for capital assets	6 724	1 879	5 314	9 208	8 965	8 573	9 087
Machinery and equipment	5 746	1 879	5 314	8 383	8 005	7 669	8 109
Cultivated assets	–	–	–	–	–	–	978
Software and other intangible assets	978	–	–	825	960	904	–
Total	79 044	77 671	90 197	141 352	105 334	110 868	117 520

Expenditure trends

Expenditure increased from R79 million in 2004/05 to R141.4 million in 2007/08, at an average annual rate of 21.4 per cent. This was mainly due to the increase of R51.2 million between 2006/07 and 2007/08 to cater for the state land audit, travelling, accommodation and payment to contract workers to do surveys. Spending for compensation of employees dominates total expenditure because the programme's work is labour intensive. Over the MTEF period, expenditure increases from R105.3 million in 2008/09 to R117.5 million in 2010/11, an average annual rate of 5.6 per cent.

Programme 4: Restitution

Purpose: Take responsibility for settling land claims in accordance with the provisions of the Restitution of Land Rights Act (1994), and provide settlement support to beneficiaries.

- *National Office* provides administrative and professional support and secretarial services to the Commission on the Restitution of Land Rights for processing and investigating restitution claims. It also develops and co-ordinates restitution policy and oversees court cases.
- *Regional Offices* is responsible for negotiating restitution agreements and providing administrative and support services to regional land claims commissioners.
- *Restitution Grants* distributes grants that are used to restore land and makes provision for alternative land to victims of forced removals. The subprogramme provides for payment of compensation and alternative relief, provides settlement planning and facilitation assistance, and contributes to costs incidental to resettling communities.

Expenditure estimates

Table 27.6 Restitution

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
National Office	14 562	23 003	18 825	25 658	20 204	22 171	24 985
Regional Offices	151 497	184 044	227 026	304 673	185 466	195 058	207 971
Restitution Grants	1 016 721	1 582 334	2 092 515	3 246 764	2 891 635	1 431 236	1 093 110
Total	1 182 780	1 789 381	2 338 366	3 577 095	3 097 305	1 648 465	1 326 066
Change to 2007 Budget estimate				250 000	597 305	397 459	–
Economic classification							
Current payments	162 379	203 516	211 224	324 125	203 748	215 158	230 764
Compensation of employees	79 579	94 593	97 384	197 071	106 846	111 815	118 527
Goods and services	82 800	108 923	113 840	127 054	96 902	103 343	112 237
<i>of which:</i>							
Communication	6 803	10 833	6 140	6 119	6 830	8 330	8 829
Computer services	544	1 094	137	671	998	1 000	1 060
Consultants, contractors and special services	25 842	31 454	18 218	35 551	34 675	34 535	39 299
Inventory	3 642	3 402	2 320	4 197	4 917	5 185	5 496
Maintenance, repairs and running costs	459	1 113	1 281	1 645	909	818	867
Operating leases	959	1 597	2 305	4 080	2 804	2 854	3 025
Travel and subsistence	18 554	23 704	21 740	17 627	16 663	16 663	17 662
Agency fees	5 137	8 319	10 307	11 753	8 779	9 029	9 571
Venues and facilities	3 050	2 948	4 887	1 592	1 334	1 259	1 330
Advertising	3 835	4 638	5 512	5 514	2 055	2 178	2 307
Transfers and subsidies	1 017 061	1 582 645	2 092 615	3 246 765	2 891 635	1 431 236	1 093 317
Provinces and municipalities	271	311	75	1	–	–	–
Households	1 016 790	1 582 334	2 092 540	3 246 764	2 891 635	1 431 236	1 093 317
Payments for capital assets	3 340	3 220	34 527	6 205	1 922	2 071	1 985
Machinery and equipment	3 340	3 220	3 249	3 970	1 922	2 071	1 985
Land and subsoil assets	–	–	31 278	2 235	–	–	–
Total	1 182 780	1 789 381	2 338 366	3 577 095	3 097 305	1 648 465	1 326 066
Details of major transfers and subsidies							
Households							
Other transfers to households							
Capital	1 016 721	1 582 334	2 092 515	3 246 764	2 891 635	1 431 236	1 093 317
Restitution grants	1 016 721	1 582 334	2 092 515	3 246 764	2 891 635	1 431 236	1 093 317

Expenditure trends

Expenditure increased at an average annual rate of 44.6 per cent, from R1.2 billion in 2004/05 to R3.6 billion in 2007/08, as a result of the president's directive that all land restitution claims should be finalised by March 2008. This also explains the increase in transfer payments to households.

Over the MTEF period, the budget declines sharply from R3.1 billion in 2008/09 to R1.3 billion in 2010/11, at an average annual decrease of 34.6 per cent. This is because the restitution process is phasing out and the focus is shifting to post-settlement support activities over the medium term.

Programme 5: Land Reform

Purpose: Take responsibility for providing sustainable land redistribution programmes, tenure security for all occupiers of land in South Africa, public land information and the management of state land.

- *National Office* is responsible for developing and co-ordinating land reform products and facilitating the implementation of land reform programmes and projects. It also provides support services to provincial offices.
- *Provincial Offices* provides support services for implementing land reform programmes and projects and for administering state land in each province.
- *Land Reform Grants* makes grants for project and programme planning, land acquisition and settlement.
- *KwaZulu-Natal Ingonyama Trust Board* makes grants for administering Ingonyama Trust land.
- *Land Reform Empowerment Facility* makes transfers to the facility, a revolving credit loan facility established by the department to finance land acquisition and /or equity in commercial farming ventures. It is located in Khula Enterprise Finance Limited (an entity overseen by the Department of Trade and Industry) and contracted to administer the funds on behalf of the department.
- *Communal Land Rights Programme* provides management and support to facilitate legal security of tenure by transferring communal land, including Ingonyama Trust land, to communities, or by awarding comparable redress.

Expenditure estimates

Table 27.7 Land Reform

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
National Office	31 052	39 281	47 238	85 633	82 289	94 116	99 945
Provincial Offices	95 264	111 934	440 443	1 015 235	1 010 698	1 159 636	1 255 014
Land Reform Grants	327 006	491 162	363 658	504 774	1 763 640	2 318 045	2 713 146
KwaZulu-Natal Ingonyama Trust Board	334	1 824	2 230	2 351	2 492	2 642	2 800
Land Reform Empowerment Facility	–	–	–	1	1	1	1
Communal Land Rights Programme	–	663	502	27 688	29 349	29 349	31 110
Total	453 656	644 864	854 071	1 635 682	2 888 469	3 603 789	4 102 016
Change to 2007 Budget estimate				(60 998)	(7 700)	300 000	600 000
Economic classification							
Current payments	122 743	147 377	175 626	277 584	268 596	291 255	308 730
Compensation of employees	70 586	83 784	96 273	108 914	161 917	170 013	166 651
Goods and services	52 157	63 593	79 353	168 670	106 679	121 242	142 079
of which:							
Communication	8 082	8 338	9 064	26 230	11 980	15 173	16 083
Computer services	2 157	1 429	2 843	12 623	5 167	5 167	5 477
Consultants, contractors and special services	8 085	12 798	23 142	78 913	54 617	54 357	57 618
Inventory	1 854	1 703	2 310	3 261	3 670	3 670	3 890
Maintenance, repairs and running costs	305	562	470	3 008	1 521	1 521	1 612
Operating leases	1 061	1 756	1 640	2 988	1 880	2 380	2 522
Travel and subsistence	18 390	20 119	23 205	12 439	1 359	11 387	24 293
Agency fees	3 153	2 356	1 351	2 686	556	556	589
Venues and facilities	1 861	2 912	3 603	3 427	3 714	3 714	3 937
Advertising	2 506	3 088	5 587	9 022	8 616	9 132	9 679

Table 27.7 Land Reform (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Transfers and subsidies	327 657	493 208	366 089	507 144	1 766 133	2 320 688	2 715 947
Provinces and municipalities	6 455	8 245	8 069	18	–	–	–
Departmental agencies and accounts	285	1 777	2 230	2 351	2 492	2 642	2 800
Universities and technikons	100	–	–	–	–	–	–
Public corporations and private enterprises	7	–	–	1	1	1	1
Households	320 810	483 186	355 790	504 774	1 763 640	2 318 045	2 713 146
Payments for capital assets	3 256	4 279	312 356	850 954	853 740	991 846	1 077 339
Machinery and equipment	3 210	3 914	3 637	3 557	1 067	1 131	1 199
Software and other intangible assets	46	365	255	570	–	–	–
Land and subsoil assets	–	–	308 464	846 827	852 673	990 715	1 076 140
Total	453 656	644 864	854 071	1 635 682	2 888 469	3 603 789	4 102 016

Details of major transfers and subsidies

Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	285	1 777	2 230	2 351	2 492	2 642	2 800
KwaZulu-Natal Ingonyama Trust Board	285	1 777	2 230	2 351	2 492	2 642	2 800
Households							
Other transfers to households							
Capital	320 810	483 162	355 659	504 774	1 763 640	2 318 045	2 713 146
Land Reform Grants	320 810	483 162	355 659	504 774	1 763 640	2 318 045	2 713 146

Expenditure trends

Between 2004/05 and 2007/08, expenditure increased significantly from R453.7 million to R1.6 billion, at an average annual rate of 53.3 per cent. The significant increase in 2006/07, evident in payment for capital assets: land and subsoil assets, is a result of implementing innovative ways of acquiring and redistributing land through the pro-active land acquisition strategy (PLAS), and the strong drive for land redistribution for agricultural purposes.

Over the MTEF period, the budget grows at an average annual rate of 19.2 per cent, increasing from R2.9 billion in 2008/09 to R4.1 billion in 2010/11. This is mainly for land acquisition and transfers to households for restitution grants.

Programme 6: Spatial Planning and information

Purpose: Provide for national land use management, spatial planning and spatial information systems.

- *Management and Support Services* co-ordinates overarching projects of national strategic significance and provides management and administrative support to all units of the programme.
- *Spatial Planning and Information* creates better land use systems that are supported by spatial planning and spatial information.
- *South African Council for Planners (SACPLAN)* makes transfers to the council in terms of the Planning Profession Act (2002).

Expenditure estimates

Table 27.8 Spatial Planning and Information

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Management and Support Services	6 093	7 030	9 738	11 086	11 256	12 012	12 239
Spatial Planning and Information	9 087	9 973	11 290	11 120	18 950	20 102	21 582
South African Council for Planners	–	–	–	–	2 080	2 080	2 425
Total	15 180	17 003	21 028	22 206	32 286	34 194	36 246
Change to 2007 Budget estimate				(8 550)	–	–	1

Economic classification

	14 671	15 604	18 852	21 956	30 019	31 708	33 611
Current payments							
Compensation of employees	8 253	10 114	10 975	10 962	26 269	27 582	29 238
Goods and services	6 418	5 490	7 877	10 994	3 750	4 126	4 373
<i>of which:</i>							
Communication	203	273	1 897	155	15	16	17
Computer services	188	101	91	315	600	700	743
Consultants, contractors and special services	1 618	183	1 090	3 919	1 813	1 958	2 075
Inventory	265	230	563	491	37	39	41
Maintenance, repairs and running costs	45	264	8	101	150	158	167
Operating leases	288	186	171	80	400	420	445
Travel and subsistence	1 169	2 089	2 287	474	382	401	425
Agency fees	292	312	85	111	170	183	191
Venues and facilities	322	886	871	245	162	180	190
Advertising	385	363	344	325	10	11	12
Transfers and subsidies	26	39	55	–	2 080	2 288	2 425
Provinces and municipalities	26	30	8	–	–	–	–
Non-profit institutions	–	–	–	–	2 080	2 288	2 425
Households	–	9	47	–	–	–	–
Payments for capital assets	483	1 360	2 121	250	187	198	210
Machinery and equipment	483	918	944	250	187	198	210
Software and other intangible assets	–	442	1 177	–	–	–	–
Total	15 180	17 003	21 028	22 206	32 286	34 194	36 246

Details of major transfers and subsidies

Non-profit institutions							
Current	–	–	–	–	2 080	2 288	2 425
South African Council for Planners	–	–	–	–	2 080	2 288	2 425

Expenditure trends

Expenditure increased substantially between 2004/05 to 2007/08, rising from R15.1 million to R22.2 million, at an average annual rate of 13.5 per cent, due mainly to the continued decentralisation of services to provinces.

Over the MTEF period, *Spatial Planning and Information's* budget grows at an average annual rate of 6 per cent, rising from R32.3 million in 200/09 to R36.2 million in 2010/11, mainly for personnel, for filling newly approved posts and to attract and retain the required scarce skills, such as town and environmental

planning. This is evident under compensation of employees, where the average annual growth is 5.5 per cent over the same period.

Programme 7: Auxiliary and Associated Services

Purpose: Take responsibility for augmenting the registration of deeds trading account, acquire vehicles for departmental use, oversee departmental capital works and provide for a nominal contribution to the Public Sector Education and Training Authority.

- *Government Motor Transport* is responsible for buying vehicles for departmental use.
- *Registration of Deeds Trading Account* provides for the growth of trading capital and the procurement of capital equipment for the deeds registration chief directorate.
- *Sector Education and Training Authority* funds a contribution to the Public Sector Education and Training Authority (PSETA).
- *Capital Works* funds capital work projects undertaken by the Department of Public Works.

Expenditure estimates

Table 27.9 Auxiliary and Associated Services

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Government Motor Transport	–	–	4 949	3 067	3 067	3 251	3 446
Registration of Deeds Trading Account	–	–	–	1	1	1	1
Sector Education and Training Authority	–	–	–	1	1	1	1
Capital Works	2 624	6 032	8 703	9 524	10 162	10 772	46 419
Total	2 624	6 032	13 652	12 593	13 231	14 025	49 867
Change to 2007 Budget estimate				–	–	–	35 001

Economic classification

Current payments	2 624	6 032	8 703	9 524	10 162	10 772	11 419
Goods and services	2 624	6 032	8 703	9 524	10 162	10 772	11 419
<i>Consultants, contractors and special services</i>	–	6 032	2 940	6 100	800	–	–
<i>Maintenance, repairs and running costs</i>	2 616	–	5 721	3 424	9 362	10 772	11 419
<i>Travel and subsistence</i>	–	–	42	–	–	–	–
<i>Advertising</i>	8	–	–	–	–	–	–
Transfers and subsidies	–	–	–	2	2	2	2
Departmental agencies and accounts	–	–	–	2	2	2	2
Payments for capital assets	–	–	4 949	3 067	3 067	3 251	38 446
Buildings and other fixed structures	–	–	–	–	–	–	35 000
Machinery and equipment	–	–	4 949	3 067	3 067	3 251	3 446
Total	2 624	6 032	13 652	12 593	13 231	14 025	49 867

Expenditure trends

Expenditure for this programme has increased rapidly, at an average annual rate of 68.7 per cent, from R2.6 million in 2004/05 to R12.6 million in 2007/08. This is due mainly to an increase in allocations for purchasing government vehicles and capital works.

Over the MTEF period, the budget grows at an average annual rate of 94.1 per cent for the same reason. The highest increase in capital works in 2010/11 includes R35 million for the purchase of land for a PPP office project.

Public entities and other agencies

KwaZulu-Natal Ingonyama Trust Board

The Ingonyama Trust was established in terms of the KwaZulu-Natal Ingonyama Trust Act (1994). The act provides for the establishment of the Ingonyama Trust Board, whose primary objective is to serve as a custodian of Ingonyama Trust land of about 2.7 million hectares spread throughout KwaZulu-Natal. The board formulates and implements policy, provides an effective land administration system, creates a climate which encourages development, and extends security of tenure in accordance with both customary and statutory law.

Selected performance indicators

Indicators	Annual performance						
	Past			Current	Projected		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Number of transactions to be recorded on the land tenure information system	-	-	3 000	2 500	1 000	500	500
Number of titles to be consolidated	-	-	-	750	500	478	-
Number of state domestic properties to be identified	-	-	-	750	500	500	500

Expenditure estimates

Table 27.10 KwaZulu-Natal Ingonyama Trust Board

R thousand	Audited outcome			Estimated outcome	Medium-term estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Revenue							
Non-tax revenue	12 558	13 986	18 258	16 856	24 449	27 996	31 122
Sale of goods and services other than capital assets	408	273	215	289	216	216	10
<i>of which:</i>							
<i>Sales by market establishments</i>	408	273	215	289	216	216	10
Other non-tax revenue	12 150	13 713	18 043	16 567	24 233	27 780	31 112
Transfers received	-	1 837	2 230	2 351	2 492	2 642	2 800
Total revenue	12 558	15 823	20 488	19 207	26 941	30 638	33 922
Expenses							
Current expense	12 542	14 810	18 536	18 207	26 941	30 638	33 922
Compensation of employees	-	830	1 186	1 371	4 004	4 205	4 415
Goods and services	12 487	13 807	17 286	16 794	22 916	26 429	29 504
Depreciation	55	173	64	42	21	4	3
Transfers and subsidies	13	-	-	-	-	-	-
Total expenses	12 555	14 810	18 536	18 207	26 941	30 638	33 922
Surplus / (Deficit)	3	1 013	1 952	1 000	-	-	-
Balance sheet data							
Carrying value of assets	220	144	285	339	1 743	3 235	5 334
<i>of which: Acquisition of assets</i>	-	22	205	96	1 425	1 496	2 102
Receivables and prepayments	1 273	2 283	3 668	3 668	3 851	4 044	4 246
Cash and cash equivalents	82 722	89 035	101 952	104 657	104 918	105 173	104 909
Total assets	84 215	91 462	105 905	108 664	110 512	112 452	114 489
Capital and reserves	76 477	77 414	70 714	71 713	71 714	71 714	71 714
Trade and other payables	546	1 311	1 388	1 457	1 530	1 607	1 687
Provisions	7 192	12 737	33 803	35 493	37 268	39 131	41 088
Total equity and liabilities	84 215	91 462	105 905	108 664	110 512	112 452	114 489
Contingent liabilities	25 000	25 000	25 000	25 000	25 000	25 000	25 000

Expenditure trends

In 2006/07, the trust generated a total income of R18.3 million (excluding grant-in-aid funding) and it is estimated to generate R16.9 million in 2007/08 and R24.4 million in 2008/2009, which excludes a R2.5 million allocation to the trust from the department. Over the MTEF period, revenue is estimated to increase by 25.9 per cent. R20.1 million has been budgeted for traditional authority projects for 2008/09. 90 per cent of income accruing from mining and commercial activities is earmarked for the benefit of communities. On 31 March 2007, the accumulated reserves in the trust were R70.7 million, down from R77.4 million in March 2006, and are projected to remain constant at approximately R71.7 million over the MTEF period.

Current expenses increase from R26.9 million in 2008/07 to R33.9 million in 2010/11, at an average growth rate of 12.2 per cent over the MTEF period. The increase is due to the revised staff structure, which resulted in the increase in compensation of employees.

Capital expenditure increases due to the cost of new buildings and renovations of office premises that the board has offered to purchase. This expenditure will continue for at least two more years.

Inala Farms

Inala Farms (Pty) Ltd was founded through a land reform project initiated by the department in 1996. Land measuring 1 483 hectares was bought by the department and held in the company, with the department being the sole shareholder. However, the department's shareholding was reduced to 75 per cent in 2004 because of a share option exercised by the former managing director.

The operations were conducted through a separate company called Inala Farming Company (Pty) Ltd. The workers, who are beneficiaries, formed a trust and acquired 25 per cent of the shares in Inala Farming Company (Pty) Ltd, financed through land acquisition grants.

In 2004/05, the company went into voluntary liquidation, due to the constraints caused by the inadequate operating capital. The liquidation has been finalised and the department is currently buying back the land and reviving the farming operations.

R16.1 million investment is still reflected in the department's financial statements for Inala Farms and discussions are under way with National Treasury on how best to deal with this matter.

Registration of deeds trading account

The deeds registries are established in terms of the Deeds Registries Act (1937). Their primary purpose is to register rights in land and thus provide security of title. They further maintain public registers of land. The deeds trading account is a trading entity, which is established in terms of the Public Finance Management Act (1999) (PFMA). It generates revenue by selling information and levying fees in accordance with the schedule of fees prescribed by Regulation 84 of the Act.

The estimated expenditure has taken into account the following key priorities and legislation that may be enacted during the upcoming MTEF period:

- Communal land rights, which will result in an increase in the number of lodgements.
- Policy on land ownership by foreigners - regulations are to be amended to make provision for compulsory personal details relating to race, gender and nationality, for statistical purposes.
- Back scanning of all the paper records, for digitising archives. This project will facilitate the rationalisation of the areas of jurisdiction for Pretoria, Limpopo, Cape Town, Mthatha, Bloemfontein and Kimberly.
- Progressive introduction of e-cadastral (an IT system to digitise cadastral documents).

In order to deliver on the above, the deeds registries will have to increase capacity as well as infrastructure.

By opening a deeds registries office in Nelspruit in September 2007, services were brought closer to the people. In addition, the project relating to day to day scanning of records in six deeds registries has been completed,

thus improving service delivery as well as turnaround times relating to delivery of deeds and documents. Another project regarding the investigation of the feasibility of going the e-cadastre route has been completed and the implementation plan delivered. The plan identified 39 projects, including back scanning, to be implemented.

In terms of the Deeds Registries Act (1937), a deed must be registered in not more than six days. Due to the large volumes involved, this target was not achieved by registries in Pretoria, Cape Town and Pietermaritzburg. The Pretoria office has a lodgement of 3 000 deeds per day, and due to this large number, it was impossible for them to meet the target.

Selected performance indicators

Indicators	Annual performance						
	Past			Current	Projected		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Number of back scans of paper records for e-cadastre introduced in deeds registries	–	–	–	1	3	4	6
Number of provinces in which back scanning of archives completed	–	–	–	–	2	2	3
Number of operational deeds registries established per province	–	–	–	1	1	–	–

Expenditure estimates

Table 27.11 Registration of Deeds Trading Account

R thousand	Audited outcome			Estimated outcome	Medium-term estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Revenue							
Non-tax revenue	347 555	401 284	440 986	412 164	555 598	609 454	668 866
Sale of goods and services other than capital assets	332 554	380 916	424 285	402 627	547 000	601 700	661 870
<i>of which:</i>							
<i>Registration of deeds and sale of information</i>	332 554	380 916	424 285	402 627	547 000	601 700	661 870
Other non-tax revenue	15 001	20 368	16 701	9 537	8 598	7 754	6 996
Transfers received	–	–	–	1	1	1	1
Total revenue	347 555	401 284	440 986	412 165	555 599	609 455	668 867
Expenses							
Current expense	203 243	241 562	321 607	354 176	458 436	474 906	507 675
Compensation of employees	135 548	154 049	207 370	208 399	279 109	294 460	309 183
Goods and services	62 090	74 450	93 352	123 230	139 217	153 139	168 453
Depreciation	5 605	11 435	19 003	22 547	40 110	27 307	30 039
Interest, dividends and rent on land	–	1 628	1 882	–	–	–	–
Transfers and subsidies	–	1 131	–	–	–	–	–
Total expenses	203 243	242 693	321 607	354 176	458 436	474 906	507 675
Surplus / (Deficit)	144 312	158 591	119 379	57 989	97 163	134 550	161 193
Balance sheet data							
Carrying value of assets	43 341	74 450	81 949	98 904	108 794	119 674	131 641
<i>of which: Acquisition of assets</i>	39 875	42 547	26 789	40 091	50 000	38 186	42 006
Inventory	794	1 013	1 139	1 448	1 593	1 752	1 927
Receivables and prepayments	62 266	62 807	72 499	40 361	44 397	48 837	53 720
Cash and cash equivalents	214 279	133 212	94 079	159 650	135 703	115 347	98 045
Total assets	320 680	271 482	249 666	300 363	290 487	285 610	285 333
Capital and reserves	32 659	32 970	32 970	31 606	34 767	38 243	42 067
Trade and other payables	267 865	216 346	191 863	244 240	228 752	217 701	210 634
Provisions	20 156	22 166	24 833	24 517	26 969	29 666	32 632
Total equity and liabilities	320 680	271 482	249 666	300 363	290 488	285 610	285 333

Expenditure trends

The trading account declared profits of R144.3 million in 2004/05, R158.6 million in 2005/06 and R119.3 million in 2006/07, an average annual decrease of 9 per cent. The income of the trading account is dependent on the state of the national economy and the property market. The number of properties registered and transferred in 2004/05 was 523 000 with a combined value of R224.6 billion, in 2005/06 549 000 with a combined value of R347.5 billion, and in 2006/07 552 000 with a combined value of R450 billion.

The trading account's revenue has increased at an average annual rate of 1.3 per cent over the past three years. Assuming that the property market remains stable, revenue is likely to increase at an annual average rate of 9.7 per cent over the MTEF period, to reach R668.9 million by 2010/2011.

Additional tables

Table 27.A Summary of expenditure trends and estimates per programme and economic classification

Programme	Appropriation		Audited outcome	Appropriation			Revised estimate
	Main	Adjusted		Main	Additional	Adjusted	
	2006/07		2006/07	2007/08			2007/08
R thousand							
1. Administration	358 970	368 787	331 263	406 849	22 990	429 839	389 839
2. Surveys and Mapping	81 255	79 155	71 912	100 311	5 310	105 621	100 371
3. Cadastral Surveys	95 283	92 283	90 197	100 354	40 998	141 352	136 102
4. Restitution	3 369 132	2 247 132	2 338 366	3 327 095	250 000	3 577 095	3 577 095
5. Land Reform	907 289	907 289	854 071	1 696 680	(60 998)	1 635 682	1 485 682
6. Spatial Planning and Information	28 215	22 586	21 028	30 756	(8 550)	22 206	19 706
7. Auxiliary and Associated Services	12 052	12 964	13 652	12 593	–	12 593	10 093
Total	4 852 196	3 730 196	3 720 489	5 674 638	249 750	5 924 388	5 718 888
Economic classification							
Current payments	990 648	984 731	863 958	1 261 723	(21 083)	1 240 640	1 195 640
Compensation of employees	524 543	460 136	402 595	669 398	(97 237)	572 161	562 161
Goods and services	466 105	524 595	459 752	592 325	76 154	668 479	633 479
Financial transactions in assets and liabilities	–	–	1 611	–	–	–	–
Transfers and subsidies	3 806 189	2 570 985	2 465 342	4 014 330	(250 393)	3 763 937	3 613 937
Provinces and municipalities	8 449	8 485	8 281	–	52	52	52
Departmental agencies and accounts	2 244	2 244	2 230	2 353	–	2 353	2 353
Public corporations and private enterprises	40	40	–	1	–	1	1
Foreign governments and international organisations	–	2 019	–	1 100	–	1 100	1 100
Non-profit institutions	1 000	1 000	–	2 000	(2 000)	–	–
Households	3 794 456	2 557 197	2 454 831	4 008 876	(248 445)	3 760 431	3 610 431
Payments for capital assets	55 359	174 480	391 189	398 585	521 226	919 811	909 311
Buildings and other fixed structures	75	75	–	172	(172)	–	–
Machinery and equipment	50 257	52 123	48 220	43 151	6 612	49 763	49 763
Software and intangible assets	5 027	5 282	3 227	18 209	2 777	20 986	20 986
Land and subsoil assets	–	117 000	339 742	337 053	512 009	849 062	838 562
Total	4 852 196	3 730 196	3 720 489	5 674 638	249 750	5 924 388	5 718 888

Table 27.B Summary of personnel numbers and compensation of employees

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
	A. Permanent and full-time contract employees						
Compensation (R thousand)	316 196	356 204	397 768	566 306	633 437	665 141	698 029
Unit cost (R thousand)	110	125	136	194	217	227	239
Personnel numbers (head count)	2 868	2 848	2 924	2 924	2 924	2 924	2 924
B. Part-time and temporary contract employees							
Compensation (R thousand)	–	294	315	335	355	372	372
Unit cost (R thousand)	–	98	105	112	118	124	124
Personnel numbers (head count)	–	3	3	3	3	3	3
C. Interns							
Compensation of interns	3 888	2 922	4 512	5 520	6 864	7 207	7 207
Unit cost (R thousand)	18	16	29	28	31	33	33
Number of interns	216	188	154	200	220	220	220
Total for department							
Compensation (R thousand)	320 084	359 420	402 595	572 161	640 656	672 720	705 608
Unit cost (R thousand)	104	118	131	183	204	214	224
Personnel numbers (head count)	3 084	3 039	3 081	3 127	3 147	3 147	3 147

Table 27.C Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Compensation of employees (R thousand)	320 084	359 420	402 595	572 161	640 656	672 720	705 608
Training expenditure (R thousand)	7 551	11 839	11 640	8 993	9 443	9 916	10 412
Training as percentage of compensation	2%	3%	3%	2%	1%	1%	1%
Total number trained in department (head count)	2 900	3 024	3 325	3 351			
<i>of which:</i>							
Employees receiving bursaries (head count)	178	182	215	201			
Internships trained (head count)	–	156	206	220			
Households receiving bursaries (R thousand)	3 174	2 838	6 242	2 027	11 499	11 527	12 103
Households receiving bursaries (head count)	–	11	49	82			

Table 27.D Summary of conditional grants to provinces and municipalities¹

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Conditional grants to provinces							
5. Land Reform							
Land distribution: Alexandra urban renewal project grant	6 250	8 000	8 000	–	–	–	–
Total	6 250	8 000	8 000	–	–	–	–

1. Detail provided in the Division of Revenue Act (2008).

Table 27.E Summary of expenditure on infrastructure

Description	Service delivery outputs	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
		2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand								
Maintenance on infrastructure								
Office accommodation		2 624	6 032	8 703	5 036	5 212	4 996	4 336
Total		2 624	6 032	8 703	5 036	5 212	4 996	4 336

Table 27.F Summary of departmental public-private partnership projects

Project description: DLA main campus	Project unitary fee at time of contract	Budgeted expenditure	Medium-term expenditure estimate		
		2007/08	2008/09	2009/10	2010/11
R thousand					
Projects signed in terms of Treasury Regulation 16					
PPP unitary charge	–	–	–	–	35 000
Total	–	–	–	–	35 000

Disclosure notes for projects signed in terms of Treasury Regulation 16

Project name	PPP accommodation of Pretoria based offices
Brief description	The project focus is on the construction, operation and maintenance of a facility to create the optimal working environment for the Department to meet its clients' needs. Currently the Department accommodates its staff in six buildings located around Pretoria. It is the intention that through a PPP these diverse offices will be consolidated on to a campus like facility
Date PPP agreement was signed	Not yet signed