

Vote 28

Land Affairs

R thousand	2007/08 To be appropriated	2008/09	2009/10
MTEF allocations			
Administration	410 730	358 201	381 941
Surveys and Mapping	100 311	90 114	95 053
Cadastral Surveys	100 354	105 334	110 868
Restitution	3 327 095	2 500 000	1 251 006
Land Reform	1 696 680	2 896 169	3 303 789
Spatial Planning and Information	30 756	32 286	34 194
Auxiliary and Associated Services	12 593	13 231	14 025
Total	5 678 519	5 995 335	5 190 876
Direct charges against the National Revenue Fund	–	–	–
Total expenditure estimates	5 678 519	5 995 335	5 190 876
Economic classification			
Current payments	1 265 561	1 038 646	1 100 425
Transfers and subsidies	4 014 373	4 914 208	4 046 004
Payments for capital assets	398 585	42 481	44 447
Total expenditure estimates	5 678 519	5 995 335	5 190 876
Executive authority	Minister of Agriculture and Land Affairs		
Accounting officer	Director-General of Land Affairs		

Aim

To create and maintain an equitable and sustainable land dispensation that results in social and economic development for all South Africans.

Programme purposes

Programme 1: Administration

Provide strategic and logistical support through executive and corporate services.

Programme 2: Surveys and Mapping

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).

Programme 3: Cadastral Surveys

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

Programme 4: Restitution

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.

Programme 5: Land Reform

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.

Programme 6: Spatial Planning and Information

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

Programme 7: Auxiliary and Associated Services

Take responsibility for augmenting the registration of the 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.

Strategic overview: 2003/04 – 2009/10

Land ownership patterns remain inequitable in both racial and economic terms. While almost 1,1 million black people have received compensation or land since 1994 through the land restitution programme, the limited impact of land redistribution initiatives means that land reform remains a government priority. The transfer of land ownership to emerging farmers and poor households and communities is central to socio-economic development in South Africa. Land reform - through its three programmes: restitution, redistribution and tenure reform - has been identified as an intervention that will contribute to reducing poverty, creating employment, and broader participation by black people in the economy. It is also in the interests of shared economic growth and development that the land administration and land use management systems work effectively. To this end, the department is taking steps to ensure that the deeds registration administration is efficient and that the planning profession is developed further.

Redistribution and integrated development

In order to provide the much needed impetus to the redistribution programme as well as promote integrated development, the department has developed a proactive land acquisition strategy (PLAS). Land will be acquired proactively, informed by provincial growth and development strategies (PGDSs) and municipalities' integrated development plans (IDPs). PLAS focuses primarily on the poor and is based on the state purchasing land with high agricultural potential. PLAS will not only ensure that the land is acquired in the nodal areas to meet the objectives of the Accelerated and Shared Growth Initiative for South Africa (ASGISA), but will also improve the identification and selection of beneficiaries and ensure maximum productive use of the acquired land.

Post-settlement support, implementation of the 2005 land summit recommendations and institutional alignment for seamless delivery by relevant state organs will feature prominently in land reform plans in the next three years. The Department of Land Affairs and the Department of Agriculture have already begun aligning their planning and budgeting processes, and products and services. This process will be cascaded to other state organs working in the land and agrarian reform areas in due course.

Significant strides have been made in the review of the willing-buyer willing-seller policy, the regulation of conditions under which foreigners can buy land, and alternative models for land acquisition.

Providing an economic good

The redistribution programme provides beneficiaries with an economic good for food security and commercial farming. To date the department has managed to redistribute 3,4 million hectares of land. The target is 24,6 million hectares, or 30 per cent of white owned agricultural land, redistributed to black people by 2014. In 2007/08, the programme aims to transfer 3,1 million hectares, mainly through public-private partnerships, in order to accelerate and ensure sustainable land reform.

Security of tenure

To deal with the plight of labour tenants, the department will settle outstanding labour tenants' claims, review legislation to provide farm workers and labour tenants with stronger rights to curb evictions, and address eviction hot spots through PLAS. Furthermore, strategic interventions relating to the rapid acquisition and release of land and other legal and constitutional tools identified in the 2005 land summit will be developed and implemented to speed up land and agrarian reform delivery.

The contribution of security of tenure to the socio-economic development of vulnerable groups living and working on commercial farms is a significant outcome for the department. The department provided a credible cadastral system as a basis for secure and legal title to land.

Land rights restored

Strategies to fast-track the finalisation of outstanding restitution claims and deal with some of the challenges facing the Land Claims Commission include: batching claims with similar circumstances of dispossession; expropriating land in line with the provisions of the Constitution and section 42(e) of the Restitution Act (1994); putting mediation and dispute resolution mechanisms in place; collaborating with traditional leadership structures (including the Nhlapo Commission on Traditional Leadership Disputes and Claims); and co-operating with strategic partners to mentor successful claimants. To implement this, the department and the Land Claims Commission have developed a staff retention strategy to deal with their high staff turnover.

The restitution programme focuses on restoring land rights or compensating those who were dispossessed as a result of past racial discriminatory laws or practices. Land restored is used for human settlement, agricultural development, forestry and tourism. The Commission on the Restitution of Land Rights has settled more than 90 per cent of the 79 696 land claims lodged. So far 1 171 745 beneficiaries have benefited from the process. About 80 per cent of the claims lodged were urban claims, most of which have been settled. The outstanding 5 400 rural claims involve agricultural, mining, forestry and conservation land. There are more than 90 restitution cases that are still in the Land Claims Court, which must also be resolved.

Information for planning and decision making

Effective and efficient policy making and development planning will not be possible without the fundamental geo-spatial information, such as topography, rivers, road and rail networks and settlement, provided by the department's national mapping programme. Improvements will be made to the accuracy and reliability of the information to make it more accessible and usable. An integrated database of fundamental geo-spatial information should be completed by 2010.

New technology and more efficient ways to acquire aerial photography have led to the planned purchase in 2007/08 of a digital aerial sensor (camera) system and the associated storage for this high volume digital data. With this system, the department will be acquiring digital aerial imagery, which will significantly reduce the time lapse between imaging and having usable geo-spatial information and topographical maps. This will be of particular interest for applications such as disaster management. It will improve national land use and land cover mapping by recording actual land use and land cover and by monitoring changes due to development, with land cover mapping fully operational by 2008/09, and land use mapping fully operational by 2010/11.

State land levers equity in the second economy

Through the state land management programme, the department aims to ensure that all state land is properly managed, proactively vested and optimally used to the benefit of previously disadvantaged individuals and communities. The disposal of state land to communities and municipalities for sustainable human settlements and the implementation of local economic development strategies will also receive more attention to revitalise these public capital assets to be key levers for equity in the second economy.

Expenditure estimates

Table 28.1 Land Affairs

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07		2007/08	2008/09	2009/10
R thousand								
1. Administration	191 212	223 109	268 809	368 787	333 309	410 730	358 201	381 941
2. Surveys and Mapping	61 401	65 597	73 136	79 155	69 445	100 311	90 114	95 053
3. Cadastral Surveys	68 161	79 044	77 671	92 283	86 357	100 354	105 334	110 868
4. Restitution	839 116	1 182 780	1 789 381	2 247 132	2 011 231	3 327 095	2 500 000	1 251 006
5. Land Reform	453 734	453 656	644 864	907 289	800 669	1 696 680	2 896 169	3 303 789
6. Spatial Planning and Information	11 866	15 180	17 003	22 586	18 780	30 756	32 286	34 194
7. Auxiliary and Associated Services	10 390	2 624	6 032	12 964	10 405	12 593	13 231	14 025
Total	1 635 880	2 021 990	2 876 896	3 730 196	3 330 196	5 678 519	5 995 335	5 190 876
Change to 2006 Budget estimate				(1 122 000)	(1 522 000)	1 000	1 000	
Economic classification								
Current payments	524 782	634 137	746 621	984 731	820 731	1 265 561	1 038 646	1 100 425
Compensation of employees	284 692	322 056	361 005	460 136	340 136	671 863	579 913	611 717
Goods and services	239 324	311 493	381 144	524 595	480 595	593 698	458 733	488 708
<i>of which:</i>								
Communication	16 752	21 943	26 889	26 133	26 133	76 032	29 545	35 048
Computer services	14 411	32 408	23 085	38 992	34 992	26 052	27 122	28 157
Consultants, contractors and special services	93 726	67 219	95 232	165 306	125 306	207 922	129 411	132 830
Inventory	13 109	13 141	11 687	17 750	17 750	20 997	20 231	20 651
Maintenance, repairs and running costs	11 519	12 211	13 767	19 127	19 127	21 869	23 663	25 914
Operating leases	21 882	27 501	31 905	40 142	40 142	39 498	41 602	44 295
Travel and subsistence	43 217	58 826	68 421	58 394	58 394	66 429	60 968	63 557
Financial transactions in assets and liabilities	766	588	4 472	–	–	–	–	–
Transfers and subsidies	1 076 832	1 349 109	2 079 563	2 570 985	2 334 985	4 014 373	4 914 208	4 046 004
Provinces and municipalities	830	7 215	9 068	8 485	8 485	–	–	–
Departmental agencies and accounts	219	285	1 777	2 244	2 244	2 353	2 494	2 644
Universities and technikons	–	100	–	–	–	–	–	–
Public corporations and private enterprises	17	44	10	40	40	44	48	51
Foreign governments and international organisations	–	–	–	2 019	2 019	1 100	–	–
Non-profit institutions	–	–	–	1 000	1 000	2 000	2 080	2 288
Households	1 075 766	1 341 465	2 068 708	2 557 197	2 321 197	4 008 876	4 909 586	4 041 021
Payments for capital assets	34 266	38 744	50 712	174 480	174 480	398 585	42 481	44 447
Buildings and other fixed structures	–	–	–	75	75	172	185	180
Machinery and equipment	29 257	32 518	32 633	52 123	52 123	43 151	33 630	32 911
Cultivated assets	–	–	–	–	–	–	–	9 624
Software and other intangible assets	5 009	6 226	18 079	5 282	5 282	18 209	8 666	1 732
Land and subsoil assets	–	–	–	117 000	117 000	337 053	–	–
Total	1 635 880	2 021 990	2 876 896	3 730 196	3 330 196	5 678 519	5 995 335	5 190 876

Expenditure trends

Between 2003/04 and 2005/06, overall expenditure grew at an average annual rate of 32,6 per cent, from R1,6 billion to R2,9 billion. This substantial growth is expected to continue at an average annual rate of 26,8 per cent from 2006/07 to 2008/09, mainly as a result of accelerated delivery in both the restitution and land reform programmes. Expenditure is, however, expected to drop by 13,4 per cent in 2009/10, due to the phasing out of the restitution programme, with significant portions of the budget being diverted to fund the land reform programme, particularly land redistribution. Expenditure in the *Land Reform* programme is expected to increase from R1,7 billion in 2007/08 to R3,3 billion in 2009/10.

A significant portion of this expenditure is for compensation of employees for additional staff to settle the remaining restitution claims and increase the pace of land redistribution.

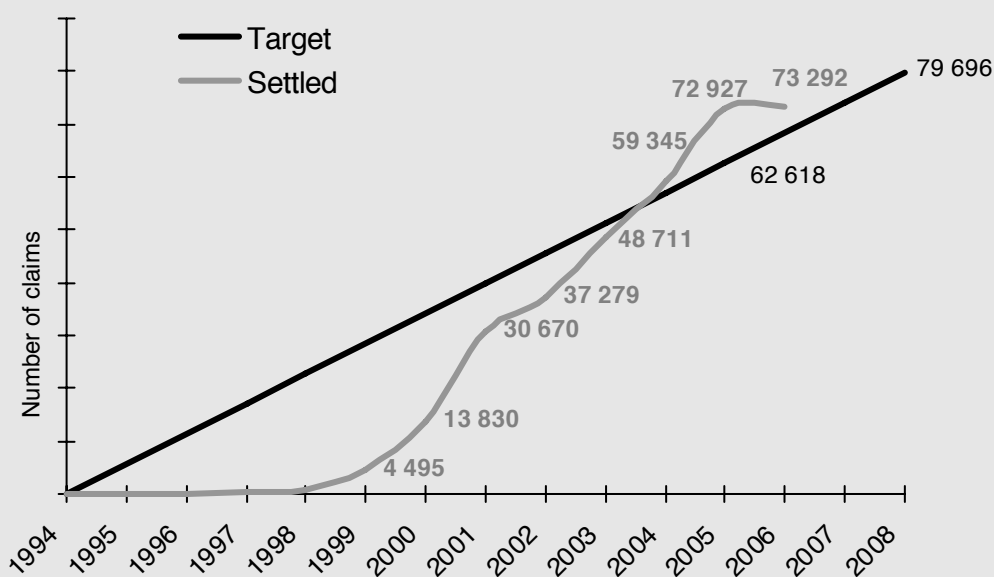
Expenditure on goods and services is anticipated to increase steadily, from R311,5 million in 2004/05 to an anticipated R593,7 million in 2007/08, at an average annual rate of 24 per cent. This increase will improve the department's capacity to support the acceleration of the land restitution and land reform programmes.

Infrastructure spending

Between 2003/04 and 2006/07, the main infrastructure cost drivers were related to upgrading and maintaining office accommodation in Tshwane, Stellenbosch, Beaufort West and George. Expenditure drops significantly, by 68,7 per cent, from R8,3 million in 2003/04 to R2,6 million in 2004/05. This is mainly due to the completion of the renovation of the national office in 2004/05. Between 2004/05 and 2007/08, expenditure increases from R2,6 million to R9,5 million at an average annual rate of 53,7 per cent, due to the upgrading and renovation of some regional land reform offices. Over the MTEF period, expenditure is expected to grow by 5,8 per cent.

As part of the Re-Kgabisa Tshwane programme, the department has registered a public-private partnership for office accommodation for all departmental offices in Tshwane. Although the project was delayed by protracted site identification processes, a feasibility study has been initiated. It is anticipated that National Treasury approval will be granted for the project in 2007/08.

Cumulative performance for the restitution programme



By the end of October 2006, the restitution programme had made significant progress, settling 73 292 of the 79 696 lodged claims. Of those settled, 88 per cent of claims were urban and 12 per cent were rural. The majority of urban claimants have opted for financial compensation, amounting to R3,5 billion as at 31 October 2006. Rural claimants usually opt for land restoration, amounting to 1,4 million hectares as at 31 October 2006. The significant increase in the number of claims settled is because the previous legal process was changed to an administrative one.

The total cost for all the settled claims is R7,1 billion. Spending on restitution is expected to decrease from R3,4 billion in 2006/07 to R1,3 billion in 2009/10. As the land restitution programme is phased out, spending on land reform is expected to increase over the MTEF period from R1,7 billion to R3,3 billion.

Departmental receipts

The sharp average annual increase of 220 per cent in departmental receipts, from R26,7 million in 2003/2004 to R273,4 million in 2005/06, is due to: a dividend of R15,3 million received from the deregistration in 2004/05 of Bala Farms (Pty) Ltd, a departmental public entity; a surplus of R234,6 million in 2005/06 from the deeds

trading account; and proceeds of R8,2 million in 2005/06 from an investment with the Small Business Development Corporation. From 2007/08, deeds trading account surpluses will be paid directly to the South African Revenue Service.

Total receipts are expected to increase by 29 per cent, from R32,2 million in 2006/07 to R41,6 million in 2007/08, due to the increasing demand for aerial photography, satellite imagery and cadastral information. This growth is expected to continue steadily in 2009/10, reaching R45,9 million, at an average annual rate of 5 per cent.

Receipts from interest and rent on land are expected to decline from R8,3 million in 2006/07 to R6,8 million in 2007/08, mainly as a result of a decrease in the balance of restitution awards administered by the commercial bank ABSA for restitution beneficiaries. Thereafter, receipts will increase steadily due to the initiatives for proper management of revenue from leased land.

Table 28.2 Departmental receipts

R thousand	Audited outcome			Adjusted appropriation	Medium-term receipts estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Departmental receipts	26 651	46 528	273 434	32 231	41 572	43 770	45 959
Sales of goods and services produced by department	18 186	20 235	21 006	22 278	28 271	30 105	31 611
Interest, dividends and rent on land	4 963	19 418	237 689	8 305	6 802	7 244	7 606
Sales of capital assets	–	2 417	1 974	–	–	–	–
Financial transactions in assets and liabilities	3 502	4 458	12 765	1 648	6 499	6 421	6 742
Total	26 651	46 528	273 434	32 231	41 572	43 770	45 959

Programme 1: Administration

The *Administration* programme conducts strategic and logistical support through executive and corporate services.

Table 28.3 Administration

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
R thousand							
Minister ¹	3 221	3 259	2 168	3 926	3 881	3 990	4 198
Management	16 088	20 387	39 168	71 361	106 338	70 096	73 741
Corporate Services	147 682	171 631	197 458	260 272	264 056	244 945	261 907
Property Management	24 221	27 832	30 015	33 228	36 455	39 170	42 095
Total	191 212	223 109	268 809	368 787	410 730	358 201	381 941
Change to 2006 Budget estimate				9 817	73 938	1 000	

1. The subprogramme includes the salary and car allowance of the Deputy Minister as from 1 April 2006. Salary: R575 410. Car allowance: R143 852.

Economic classification

	169 349	201 494	239 590	328 208	380 197	335 188	357 847
Current payments							
Compensation of employees	69 015	75 581	79 895	102 549	152 058	164 633	176 109
Goods and services	99 568	125 325	155 223	225 659	228 139	170 555	181 738
of which:							
Communication	4 230	4 789	5 194	6 297	7 741	8 026	8 616
Computer services	12 415	25 229	16 303	30 090	13 250	14 476	14 982
Consultants, contractors and special services	42 217	15 924	29 991	65 430	79 442	20 872	21 296
Inventory	5 932	2 996	2 890	5 718	7 018	5 700	5 712
Maintenance, repairs and running costs	388	5 686	8 475	10 602	8 180	8 514	9 266
Operating leases	20 431	24 511	27 247	31 063	32 278	34 474	36 594
Travel and subsistence	8 510	12 743	14 132	11 998	14 173	13 066	14 996
Financial transactions in assets and liabilities	766	588	4 472	–	–	–	–

Table 28.3 Administration (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Transfers and subsidies	445	1 284	649	3 983	628	162	231
Provinces and municipalities	208	226	233	139	–	–	–
Public corporations and private enterprises	–	37	10	39	43	47	50
Households	237	1 021	406	3 805	585	115	181
Payments for capital assets	21 418	20 331	28 570	36 596	29 905	22 851	23 863
Machinery and equipment	16 409	15 404	17 169	33 061	13 538	15 930	14 239
Cultivated assets	–	–	–	–	–	–	9 624
Software and other intangible assets	5 009	4 927	11 401	3 535	16 367	6 921	–
Total	191 212	223 109	268 809	368 787	410 730	358 201	381 941

Expenditure trends

Expenditure increased rapidly, from R191,2 million in 2003/04 to R368,8 million in 2006/07, at an average annual rate of 24,5 per cent, mainly due to interventions to improve governance and administration. In 2006/07 and 2007/08, spending increased from R368,8 million to R410,7 million at a rate of 11,4 per cent, due to a once-off provision for IT. Thereafter, spending decreases to R358,2 million in 2008/09 and gradually increases to R381,9 million in 2009/10.

Programme 2: Surveys and Mapping

In terms of the Land Survey Act (1997), the *Surveys and Mapping* programme provides national mapping, aerial photography, an integrated spatial reference framework and other geo-spatial information in support of national infrastructure and sustainable development initiatives. It also provides professional and technical services in support of land reform and other public services. It consists of a single subprogramme of the same name that is responsible for: promoting and controlling all matters connected with geodetic and topographical surveying and geo-spatial information services; conducting geodetic, topographical and other relevant survey operations; acquiring aerial photography or other remotely sensed imagery; establishing and maintaining a national control survey system; preparing, compiling and amending maps and other cartographic representations of geo-spatial information; taking charge of and preserving the records of all geodetic and topographical surveys, maps and aerial photography or other remotely sensed imagery; and providing professional and technical support and client services.

Table 28.4 Surveys and Mapping

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
R thousand							
Surveys and Mapping	61 401	65 597	73 136	79 155	100 311	90 114	95 053
Total	61 401	65 597	73 136	79 155	100 311	90 114	95 053
Change to 2006 Budget estimate				(2 100)	14 457	–	
Economic classification							
Current payments	58 213	58 095	58 939	72 576	80 379	84 156	88 942
Compensation of employees	28 238	29 235	30 020	35 347	40 505	41 617	43 698
Goods and services	29 975	28 860	28 919	37 229	39 874	42 539	45 244
<i>of which:</i>							
Communication	1 190	664	744	954	836	895	953
Computer services	1 197	1 735	1 940	2 532	3 172	3 367	3 568
Consultants, contractors and special services	15 815	15 390	14 291	20 022	21 261	22 900	24 474
Inventory	3 426	3 053	2 216	2 602	2 653	2 805	2 966
Maintenance, repairs and running costs	2 321	1 822	2 672	2 847	3 044	3 207	3 379
Operating leases	71	30	111	263	279	291	293
Travel and subsistence	4 285	5 023	5 364	5 810	6 444	6 821	7 223

Table 28.4 Surveys and Mapping (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Transfers and subsidies	342	2 892	2 793	2 079	2 999	1 498	751
Provinces and municipalities	68	71	74	40	–	–	–
Foreign governments and international organisations	–	–	–	2 019	1 100	–	–
Households	274	2 821	2 719	20	1 899	1 498	751
Payments for capital assets	2 846	4 610	11 404	4 500	16 933	4 460	5 360
Machinery and equipment	2 846	4 335	5 533	3 882	15 916	3 675	4 532
Software and other intangible assets	–	275	5 871	618	1 017	785	828
Total	61 401	65 597	73 136	79 155	100 311	90 114	95 053

Expenditure trends

Between 2003/04 to 2005/06, total expenditure increased at an average annual rate of 9,1 per cent. The significant increase between 2006/07 and 2007/08 is due to an additional allocation of R35,1 million for science and technology activities. An increase of R12,4 million, or 276,3 per cent, in payments for capital assets, from R4,5 million in 2006/07 to R16,9 million in 2007/08, is for the purchase of a digital aerial sensor (camera) system, which is a once-off capital expense. As a result, 2008/09 programme expenditure declines by 10,2 per cent to R90,1 million. Every effort is being made to meet the increasing demand for earth imagery (aerial photography and satellite imagery) by budgeting for it.

Service delivery objectives and indicators

Recent outputs

The national control survey system was available to clients at least 95 per cent of the time in 2005/06, achieving the set target. In the first quarter of 2006/07, the target of 95 per cent availability was exceeded due to a revised beacon maintenance schedule. The network of continuously operating global positioning system (GPS) base stations, TrigNet, has been improved by installing more base stations and replacing ageing equipment and software. The network was available 98 per cent of the time in 2005/06, and exceeded the target by 1 per cent in the first quarter of 2006/07.

In 2005/06, 349 000km² of aerial photography was acquired against the target of 190 000km², as well as 240 million km² of satellite imagery. These acquisitions were funded by departmental savings.

In 2005/06, 83 125km² of fundamental geo-spatial data was updated against the target of 231 250km², and 1 434 maps were produced against a target of 1 562. These variances were caused by delays in contractors completing work and shortages in materials for the production of the maps.

In 2005/06, 24 districts and metro areas had a geo-spatial information outlet, against a target of 30. Internet access was made available as planned. In the first quarter of 2006/07, the target of 100 per cent compliance with service delivery standards for turnaround times for the supply of geo-spatial information was not achieved, mainly due to delays in receiving materials.

In assisting other organs of state with professional and technical advisory and support services, the target of responding within five days was exceeded, with an average response time of four days during 2005/06.

Selected medium-term output targets

Surveys and Mapping

Measurable objective: Provision of accurate, up-to-date and accessible maps and other geo-spatial information, imagery and an integrated spatial reference framework to improve planning and monitoring of land reform, national infrastructure and sustainable development, nationally and regionally.

Subprogramme	Output	Measure/Indicator	Target	
Surveys and Mapping	Integrated spatial reference framework	Percentage of time that permanent spatial reference points (trigonometrical beacons, town survey marks and elevation bench marks) are available	95% available	
		Percentage of time that positioning service from TrigNet stations is available	95% available	
	Earth imagery (aerial photography / satellite imagery) covering the whole country (1,22 million km ²).	Number of km ² of aerial photography acquired during the year	200,000km ²	
		Number of km ² captured on the integrated database of fundamental geo-spatial information during the year	238 000km ²	
	Maps and other geo-spatial information covering the whole country (1,22 million km ²),	Number of up-to-date maps produced or revised during the year	1 562 maps	
		Professional and technical support and client services (other than land reform) to all spheres of government and other organs of state	Client satisfaction rating in client surveys	Average rating of 3 out of 5
		Average number of days taken to respond to a client's request	5 days	

Programme 3: Cadastral Surveys

The *Cadastral Surveys* programme aims to provide efficient cadastral survey management services, including the cadastral information services in support of land delivery and orderly development. Through its single subprogramme of the same name, *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.

Table 28.5 Cadastral Surveys

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
R thousand							
Cadastral Surveys	68 161	79 044	77 671	92 283	100 354	105 334	110 868
Total	68 161	79 044	77 671	92 283	100 354	105 334	110 868
Change to 2006 Budget estimate				(3 000)	-	-	
Economic classification							
Current payments	65 236	72 131	75 563	87 035	91 694	96 382	102 202
Compensation of employees	56 873	58 822	62 599	72 133	75 526	78 631	82 500
Goods and services	8 363	13 309	12 964	14 902	16 168	17 751	19 702
<i>of which:</i>							
Communication	1 234	1 402	1 507	1 515	1 633	1 799	1 960
Computer services	370	2 555	2 218	2 166	2 395	2 514	2 740
Consultants, contractors and special services	2 701	360	483	716	3 130	3 367	3 670
Inventory	1 174	1 331	1 246	1 657	2 592	3 102	3 079
Maintenances repairs and running costs	337	1 270	681	2 032	-	-	-
Operating leases	342	652	1 008	1 245	1 642	1 753	1 754
Travel and subsistence	1 848	2 947	3 013	2 403	576	2 649	2 887
Transfers and subsidies	884	189	229	67	80	25	93
Provinces and municipalities	162	166	175	67	-	-	-
Households	722	23	54	-	80	25	93
Payments for capital assets	2 041	6 724	1 879	5 181	8 580	8 927	8 573
Buildings and other fixed structures	-	-	-	75	172	185	180
Machinery and equipment	2 041	5 746	1 879	4 232	7 583	7 782	7 489
Software and other intangible assets	-	978	-	874	825	960	904
Total	68 161	79 044	77 671	92 283	100 354	105 334	110 868

Expenditure trends

Expenditure is expected to increase steadily over the seven-year period, from R68,1 million in 2003/04 to R110,9 million in 2009/10, an average annual increase of 8,4 per cent. The bulk of the expenditure is on compensation of employees, which accounts for an average of 76,9 per cent of total expenditure and reflects the labour intensive nature of the programme's work. However, expenditure between 2004/05 and 2005/06 shows a slight decline, from R79 million to R77,7 million, because of under-spending under payments for capital assets due to delays with the processing of IT related procurement.

Service delivery objectives and indicators

Recent outputs

In 2005/06, the average turnaround time for processing cadastral documents of less than 15 working days was made possible by the continued improvement of procedures, restructuring, and the improved cadastral information system in all the offices of the surveyor-general.

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 the surveyed land parcels, is available to the public via the internet. The data is 93 per cent complete and the time within which approved land parcels are added to the database is five working days.

The department intended to open a new provincial surveyor-general's office in 2005/06, but was unable to, largely due to a scarcity of accommodation in Polokwane. Limpopo's cadastral documents have been separated, and the structure for the office has been approved.

Selected medium-term output targets

Cadastral Surveys

Measurable objective: Approval, maintenance and archiving of cadastral documents submitted by land surveyors, supplying cadastral information, and facilitating the regulation of cadastral surveys, to support and facilitate land development, with a special emphasis on land reform.

Subprogramme	Output	Measure/indicator	Target
Cadastral Surveys	Approved cadastral survey diagrams based on secure and efficient information system	Time taken to approve surveys	14 days
	Cadastral spatial information	Completeness of data	95% complete
		Time taken to add approved land parcels to database during the year	5 days
	A decentralised delivery system	Number of new surveyor-general offices established	1 (in Polokwane) by June 2007

Programme 4: Restitution

The *Restitution* programme aims to take responsibility for settling land claims in accordance with the provisions of the Restitution of Land Rights Act (1994) and to provide settlement support to beneficiaries.

There are three subprogrammes:

- *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. The subprogramme also develops and co-ordinates restitution policy and oversees court cases.
- *Regional Offices* are 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.

Table 28.6 Restitution

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
R thousand							
National Office	12 937	14 562	23 003	18 985	25 658	20 974	23 571
Regional Offices	98 769	151 497	184 044	215 200	304 673	187 391	196 199
Restitution Grants	727 410	1 016 721	1 582 334	2 012 947	2 996 764	2 291 635	1 031 236
Total	839 116	1 182 780	1 789 381	2 247 132	3 327 095	2 500 000	1 251 006
Change to 2006 Budget estimate				(1 122 000)	(510 512)		–

Economic classification

Current payments	108 453	162 379	203 516	232 669	328 471	206 443	217 699
Compensation of employees	58 770	79 579	94 593	100 779	226 644	106 846	111 815
Goods and services	49 683	82 800	108 923	131 890	101 827	99 597	105 884
<i>of which:</i>							
Communication	4 380	6 803	10 833	6 799	6 472	6 830	8 330
Computer services	241	544	1 094	309	1 010	998	1 000
Consultants, contractors and special services	26 687	25 842	31 454	33 358	31 856	37 370	37 075
Inventory	1 272	3 642	3 402	4 133	5 780	4 917	5 185
Maintenance, repairs and running costs	51	459	1 113	1 329	1 250	909	818
Operating leases	363	959	1 597	4 944	3 360	2 804	2 854
Travel and subsistence	14 598	18 554	23 704	21 740	24 953	16 663	16 663
Transfers and subsidies	727 630	1 017 061	1 582 645	2 013 074	2 996 764	2 291 635	1 031 236
Provinces and municipalities	195	271	311	127	–	–	–
Public corporations and private enterprises	12	–	–	–	–	–	–
Households	727 423	1 016 790	1 582 334	2 012 947	2 996 764	2 291 635	1 031 236
Payments for capital assets	3 033	3 340	3 220	1 389	1 860	1 922	2 071
Machinery and equipment	3 033	3 340	3 220	1 389	1 860	1 922	2 071
Total	839 116	1 182 780	1 789 381	2 247 132	3 327 095	2 500 000	1 251 006

Details of major transfers and subsidies:

Households							
Capital	727 410	1 016 721	1 582 334	2 012 947	2 996 764	2 291 635	1 031 236
Restitution grants	727 410	1 016 721	1 582 334	2 012 947	2 996 764	2 291 635	1 031 236

Expenditure trends

Expenditure increases at an average annual rate of 41,1 per cent, from R839,1 million in 2003/04 to R3,3 billion in 2007/08. This significant increase is a result of the president's directive that all land restitution claims should be finalised by March 2008. The settlement date for all land restitution claims was initially set to be in 2005, but this could not be achieved due to capacity constraints and the protracted negotiations process.

Over the MTEF period, expenditure is expected to decline sharply, from R3,3 billion to R1,3 billion in 2009/10, due to the completion of the restitution process and the focus on post-settlement support activities.

Service delivery objectives and indicators**Recent outputs**

The Land Claims Commission has settled 738 urban claims and 585 rural claims against a target of 1 800 urban claims and 1 443 rural claims. The commission is confident of achieving its target before the end of 2006/07. The settlements benefited 19 953 households and 111 636 beneficiaries. The total amount of land committed for restoration was 206 447 hectares, with a total committed amount of R732 million. Most of the plans for approved claims are in place and within six months of approval. In addition, the commission has signed an

agreement with the Department of Agriculture for the support of restitution beneficiaries through the comprehensive agricultural support programme (CASP) and the Micro-Agricultural Finance Institution of South Africa (MAFISA).

Selected medium-term output targets

Restitution

Measurable objective: Resolve restitution claims within the target period through negotiated settlements that restore land rights or award alternative forms of equitable redress to claimants.

Subprogramme	Output	Measure/Indicator	Target
Restitution Grants	All lodged claims settled according to the Restitution of Land Rights Act (1994) as amended Sustainable development facilitated (post-settlement support)	Number of rural claims settled	3 590 claims
		Number of post-settlement plans completed within 6 months of approval of claims with development aspect	All plans completed
		Agreement with Department of Agriculture for the support of restitution beneficiaries through CASP and MAFISA	Resources identified to assist projects within 6 months of approval.

Programme 5: Land Reform

The *Land Reform* programme provides sustainable land reform programmes.

There are six subprogrammes:

- *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 and, to communities, or by awarding comparable redress.

Table 28.7 Land Reform

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
R thousand							
National Office	26 338	31 052	39 281	73 791	85 633	89 989	94 116
Provincial Offices	80 008	95 264	111 934	257 129	571 459	158 025	168 921
Land Reform Grants	347 059	327 006	491 162	548 357	1 009 548	2 616 313	3 008 760
KwaZulu-Natal Ingonyama Trust Board	329	334	1 824	2 242	2 351	2 492	2 642
Land Reform Empowerment Facility	–	–	–	1	1	1	1
Communal Land Rights Programme	–	–	663	25 769	27 688	29 349	29 349
Total	453 734	453 656	644 864	907 289	1 696 680	2 896 169	3 303 789
Change to 2006 Budget estimate				–	423 117	(0)	

Table 28.7 Land Reform (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Economic classification							
Current payments	103 930	122 743	147 377	235 674	346 720	276 296	291 255
Compensation of employees	63 652	70 586	83 784	137 191	151 952	161 917	170 013
Goods and services	40 278	52 157	63 593	98 483	194 768	114 379	121 242
<i>of which:</i>							
Communication	5 637	8 082	8 338	10 328	59 336	11 980	15 173
Computer services	188	2 157	1 429	3 679	5 725	5 167	5 167
Consultants, contractors and special services	4 307	8 085	12 798	39 197	68 883	42 289	44 357
Inventory	1 102	1 854	1 703	3 367	2 922	3 670	3 670
Maintenance, repairs and running costs	27	305	562	197	1 521	1 521	1 521
Operating leases	650	1 061	1 756	2 392	1 589	1 880	2 380
Travel and subsistence	13 358	18 390	20 119	15 644	19 838	21 387	21 387
Transfers and subsidies	347 506	327 657	493 208	550 706	1 011 900	2 618 806	3 011 403
Provinces and municipalities	172	6 455	8 245	8 102	–	–	–
Departmental agencies and accounts	219	285	1 777	2 242	2 351	2 492	2 642
Universities and technikons	–	100	–	–	–	–	–
Public corporations and private enterprises	5	7	–	1	1	1	1
Households	347 110	320 810	483 186	540 361	1 009 548	2 616 313	3 008 760
Payments for capital assets	2 298	3 256	4 279	120 909	338 060	1 067	1 131
Machinery and equipment	2 298	3 210	3 914	3 654	1 007	1 067	1 131
Software and other intangible assets	–	46	365	255	–	–	–
Land and subsoil assets	–	–	–	117 000	337 053	–	–
Total	453 734	453 656	644 864	907 289	1 696 680	2 896 169	3 303 789

Details of major transfers and subsidies:

Provinces							
Capital	–	6 250	8 000	8 000	–	–	–
Land distribution: Alexandra urban renewal project grant	–	6 250	8 000	8 000	–	–	–
Departmental agencies and accounts							
Current	219	285	1 777	2 242	2 351	2 492	2 642
KwaZulu-Natal Ingonyama Trust Board	219	285	1 777	2 242	2 351	2 492	2 642
Households							
Capital	347 059	320 810	483 162	540 357	1 009 548	2 616 313	3 008 760
Land reform grants	347 059	320 810	483 162	540 357	1 009 548	2 616 313	3 008 760

Expenditure trends

Between 2003/04 and 2005/06, overall programme expenditure increased steadily from R453,7 million to R644,9 million, an average annual increase of 19,2 per cent. The significant increase in 2005/06 is a result of the additional funding received for implementing the Communal Land Rights Act (2004), resolving labour tenants' claims and state land management.

Over the medium term, expenditure is anticipated to rise rapidly, reaching R3,3 billion in 2009/10. The bulk of the increases are in the *Land Reform Grants* subprogramme, primarily for fast-tracking the land redistribution for agricultural development (LRAD) programme's contribution to the proactive purchase of land for human settlements, and other land reform initiatives such as purchasing land for industrial and commercial purposes.

Expenditure on goods and services is also expected to increase rapidly, from R40,3 million in 2003/04 to R121,2 million in 2009/2010, at an average rate of 20,2 per cent, mainly because of contracting in professional services for land reform work.

Service delivery objectives and indicators

Recent outputs

In 2005/06, the medium-term target was to transfer 265 920 hectares of land to land reform beneficiaries. The highest number of hectares delivered was 152 445 hectares in terms of the LRAD programme. In the first half of 2006/07, only 104 676 hectares have been delivered against a target of 1,5 million. This is expected to improve during the second half of 2006/07 because of the proactive land acquisition strategy.

Selected medium-term output targets

Land Reform

Measurable objective: Ensure that sustainable benefits of economic growth accrue to previously disadvantaged communities, groups and individuals.

Subprogramme	Output	Measure/Indicator	Target
Land Reform Grants	Productive white owned agricultural land transferred to individual black South Africans for sustainable agricultural development Labour tenant claims settled in a way that promotes socio-economic development and social justice Land acquired for sustainable human settlement , and for industrial and economic development State land proactively vested	Number of hectares of land transferred	2,5 million hectares
		Number of claims settled	14 489 claims
		Number of hectares of land acquired	19 295 hectares
		Number of land parcels submitted for confirmation of vesting in terms of item 28(1) certificates within 30 days	3 970 parcels
Communal Land Rights Programme	Implementation of Communal Land Rights Act (2004)	Number of properties transferred to people or communities who bought land during the apartheid era	45 properties

Programme 6: Spatial Planning and Information

The programme aims to establish a spatial planning, land use management and spatial information system to support development and land reform.

There are three current subprogrammes:

- *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).

Table 28.8 Spatial Planning and Information

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
R thousand							
Management and Support Services	2 164	6 093	7 030	9 389	13 467	14 305	23 634
National Spatial Information Framework	3 750	–	–	–	–	–	–
Land Development	5 952	–	–	–	–	–	–
Spatial Planning and Information	–	9 087	9 973	12 197	15 289	15 901	8 480
South African Council for Planners	–	–	–	1 000	2 000	2 080	2 080
Total	11 866	15 180	17 003	22 586	30 756	32 286	34 194
Change to 2006 Budget estimate				(5 629)	–	–	

Table 28.8 Spatial Planning and Information (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Economic classification							
Current payments	11 210	14 671	15 604	20 440	28 576	30 019	31 708
Compensation of employees	8 144	8 253	10 114	12 137	25 178	26 269	27 582
Goods and services	3 066	6 418	5 490	8 303	3 398	3 750	4 126
<i>of which:</i>							
Communication	81	203	273	240	14	15	16
Computer services	–	188	101	216	500	600	700
Consultants, contractors and special services	1 999	1 618	183	583	1 550	1 813	1 958
Inventory	203	265	230	273	32	37	39
Maintenance, repairs and running costs	4	45	264	33	150	150	158
Operating leases	25	288	186	235	350	400	420
Travel and subsistence	618	1 169	2 089	757	445	382	401
Transfers and subsidies	25	26	39	1 074	2 000	2 080	2 288
Provinces and municipalities	25	26	30	10	–	–	–
Non-profit institutions	–	–	–	1 000	2 000	2 080	2 288
Households	–	–	9	64	–	–	–
Payments for capital assets	631	483	1 360	1 072	180	187	198
Machinery and equipment	631	483	918	1 072	180	187	198
Software and other intangible assets	–	–	442	–	–	–	–
Total	11 866	15 180	17 003	22 586	30 756	32 286	34 194

Details of major transfers and subsidies:

Non-profit institutions							
Current	–	–	–	1 000	2 000	2 080	2 288
South African Council for Planners	–	–	–	1 000	2 000	2 080	2 288

Expenditure trends

Expenditure increased substantially from 2003/04 to 2006/07, rising from R11,9 million to R22,6 million at an average annual rate of 23,9 per cent. The programme's structure was approved in 2002 subject to incremental funding increases.

Over the MTEF period, growth in expenditure is anticipated to stabilise at an average annual rate of 14,8 per cent to reach R34,2 million in 2009/10. The bulk of the funds will be for compensation of employees to fill the newly approved posts for decentralising spatial planning and information services to all provinces: R25,2 million in 2007/08, R26,3 million in 2008/09 and R27,6 million in 2009/10.

Service delivery objectives and indicators**Recent outputs**

An office was established for Northern Cape in 2005/06, bringing the total number of provinces providing spatial planning and information services to four.

Since the minister approved the policy guidelines for integrated environmental planning in July 2005, three phases of capacity building for land reform and restitution practitioners have been completed, with the aim of familiarising practitioners with environmental guidelines in order to promote sustainable project design and implementation.

Restitution and redistribution projects have been incorporated into the database already completed in KwaZulu-Natal, Eastern Cape and Limpopo provinces. The process to map the land reform projects in the other provinces was completed at the end of 2005/06.

Criteria for the registration of new planners are close to being finalised. Implementation of the Spatial Data Infrastructure Act (2003) is continuing. The president signed a proclamation in October 2005 to start the process of nominating a new committee for spatial information and approve spatial information policies.

In terms of the requirements of the Planning Profession Act (2002), the South African Council for Planners and its appeals board has been established. The department's role has been to provide operational support for the council. After hosting a national road-show to inform the planning profession about the transformed council, the department is now in the final stages of acquiring equipment for it.

Selected medium-term output targets

Spatial Planning and Information

Measurable objective: Provision of legislative, institutional and technical skills support to regulate and guide settlement development, land use management and spatial information management within the public and private sectors.

Subprogramme	Output	Measure/indicator	Target
Management and Support Services	Provincial offices for the provision of spatial planning and information	Number of offices established in 2007/08	4 new offices
Spatial Information and Planning	Standards and guidelines for spatial development frameworks	Standards and guidelines approved by Minister	October 2007
	Integration of land reform and restitution projects and state land data into IDPs via mapping and analysis	Number of provincial scale maps created	9 maps
	Identification of land for development	Number of land use suitability maps created	900 maps
	Statutory bodies established to regulate planning land use and spatial information and to ensure equitable, efficient and sustainable human settlements	Spatial Data Infrastructure Act (2003) policies and regulations approved National committee for spatial information established Development tribunals established	March 2008 March 2008 March 2008

Programme 7: Auxiliary and Associated Services

The *Auxiliary and Associated Services* programme provides auxiliary and associated services associated with the department's aims.

There are four subprogrammes:

- *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.

Table 28.9 Auxiliary and Associated Services

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
R thousand							
Government Motor Transport	1 999	–	–	4 833	3 067	3 067	3 251
Registration of Deeds Trading Account	–	–	–	1	1	1	1
Sector Education and Training Authority	–	–	–	1	1	1	1
Capital Works	8 391	2 624	6 032	8 129	9 524	10 162	10 772
Total	10 390	2 624	6 032	12 964	12 593	13 231	14 025
Change to 2006 Budget estimate				912	–	–	

Table 28.9 Auxiliary and Associated Services (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Economic classification							
Current payments	8 391	2 624	6 032	8 129	9 524	10 162	10 772
Goods and services	8 391	2 624	6 032	8 129	9 524	10 162	10 772
<i>Consultants, contractors and special services</i>	–	–	6 032	6 000	1 800	800	–
<i>Maintenance, repairs and running costs</i>	8 391	2 624	–	2 087	7 724	9 362	10 772
<i>Travel and subsistence</i>	–	–	–	42	–	–	–
Transfers and subsidies	–	–	–	2	2	2	2
Departmental agencies and accounts	–	–	–	2	2	2	2
Payments for capital assets	1 999	–	–	4 833	3 067	3 067	3 251
Machinery and equipment	1 999	–	–	4 833	3 067	3 067	3 251
Total	10 390	2 624	6 032	12 964	12 593	13 231	14 025

Expenditure trends

Expenditure decreased from R10,4 million in 2003/04 to R2,6 million in 2004/05, a drop of 74,7 per cent, attributable to the agreement reached with National Treasury to shift deeds capital project expenditure to the deeds trading account. In 2005/06, expenditure increased significantly, by 129,9 per cent, to R6 million, mainly for new departmental capital works projects, such as renovations, repairs and security improvements, and ongoing public-private partnership initiatives. During 2007/08, a decrease of 2,9 per cent is expected, mainly due to a decrease in funding for purchasing government vehicles. Expenditure is expected to rise steadily, by 5,1 per cent in 2008/09 and 6 per cent in 2009/10, for constructing new accommodation and upgrading regional offices.

Public entities and other agencies

KwaZulu-Natal Ingonyama Trust Board

The Ingonyama Trust, established in terms of the KwaZulu-Natal Ingonyama Trust Act (1994) as amended, provides for the establishment of the Ingonyama Trust Board, whose primary objective is to function as landowner-in-law of Ingonyama Trust land of 2,7 million hectares spread throughout KwaZulu-Natal.

The trust's core business is to manage, through its board, the land for the "material benefit and social well being of the individual members of the KwaZulu Natal tribes".

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.

The trust's policy is not to sell land but to grant leases of up to 40 years with an option for renewal. The board sees real estate management as an important function and continues to encourage development which will benefit the various communities by leasing land for shopping centres, game parks, residential developments, lodges, petrol filling stations, telecommunication base stations, sugar cane farming, grazing and aquaculture projects.

In 2005/06, the trust generated a total income of R15,8 million and it is estimated to generate R19,9 million in 2006/07 and R20,9 million in 2007/2008, which includes a R2,3 million allocation to the trust from the department. An amount of R14,2 million has been budgeted for traditional authority projects for 2007/2008. 90 per cent of income accruing from mining and commercial activities is earmarked for the benefit of communities. On 31 March 2006, the accumulated reserves in the trust were R74,4 million, up from R70,9 million in March 2005.

Table 28.10 Financial summary for the Ingonyama Trust Board

R thousand	Outcome			Estimated outcome	Medium-term estimate		
	Audited 2003/04	Audited 2004/05	Audited 2005/06		2006/07	2007/08	2008/09
Revenue							
Non-tax revenue	15 039	12 334	13 986	15 868	16 661	17 494	18 369
<i>Other non-tax revenue</i>	15 039	12 334	13 986	15 868	16 661	17 494	18 369
Transfers received	219	225	1 837	4 061	4 199	4 217	4 505
Total revenue	15 258	12 559	15 823	19 929	20 860	21 711	22 874
Expenses							
Current expense	954	12 555	14 885	19 475	20 700	21 611	22 834
Compensation of employees	541	658	831	3 231	3 392	3 563	3 740
Goods and services	410	11 842	13 882	16 148	17 100	17 764	18 730
Depreciation	3	55	172	96	208	284	364
Transfers and subsidies	9	-	-	-	-	-	-
Total expenses	963	12 555	14 885	19 475	20 700	21 611	22 834
Surplus / (Deficit)	14 295	4	938	454	160	100	40
Balance sheet data							
Carrying value of assets	275	219	144	4 123	680	706	704
Receivables and prepayments	3 581	1 733	3 103	3 258	3 421	3 592	3 772
Cash and cash equivalents	73 266	82 262	88 218	85 290	89 471	90 151	90 829
Total assets	77 122	84 214	91 465	92 671	93 572	94 449	95 305
Capital and reserves	76 473	76 476	77 414	77 868	78 028	78 128	78 168
Trade and other payables	639	545	1 314	1 380	1 449	1 521	1 597
Provisions	10	7 193	12 737	13 424	14 095	14 800	15 540
Total equity and liabilities	77 122	84 214	91 465	92 672	93 572	94 449	95 305

Source: Ingonyama Trust Board

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 then managing director.

The operations are 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 Department of Land Affairs and the Land Bank are still trying to salvage the project. R16,1 million is still reflected in the department's financial statements for Inala Farms, pending the outcome of the negotiations. Various options for assisting the beneficiaries are being considered. These include bringing in strategic partners or buying the land back from the Land Bank, which has called up their security and written off debt related to the company.

Registration of deeds trading account

The deeds registries are established in terms of the Deeds Registries Act (1937). Their primary purpose is to provide land security rights. The deeds registries register title deeds and other documents, preserve records, provide information, and maintain a public register of land, among other legislated functions, thus providing security of tenure.

The deeds registries account is a self-funding category 1 trading entity and consequently receives no funding from government. Its non-tax revenue includes income from the registration of deeds and the supply of deeds registration information. Fees are levied in accordance with the schedule of fees prescribed by regulation 84 of the act.

The trading account declared profits of R101,5 million in 2003/04, R145,6 million in 2004/05 and R156,2 million in 2005/06, an average annual increase of 24,3 per cent. The increase in surpluses is due to the current economic boom and the strong property market, resulting in both an increase in the number of properties traded and an increase in the value of properties. The trading account's revenue has increased at an average of 15 per cent per year over the past three years. Assuming that the property market remains stable, revenue is likely to increase by at least 5 per cent over the 2006 MTEF to reach R430 million by 2009/2010.

Compensation of employees increased from R131,2 million in 2003/04 to R147,7 million in 2004/05, and to R156,2 million in 2005/06, an average annual rate of 9,1 per cent. It is anticipated that this expenditure will further escalate over the medium term due to the expansion of deeds registries staff to manage the increased demand for registration services.

Following the failure of the two tenders which were to have provided a scanning solution, the micro film replacement project was launched to meet the most pressing need of addressing the deeds registration backlog. This new scanning infrastructure and associated expertise established in the deeds registries has enabled the offices to deal with scanning paper and microfilmed records in-house. The Pretoria and Cape Town registries have already started projects for digitising other records and the aim is to progressively digitise all paper and microfilmed archives. The backlog of approximately eight months in the delivery of deeds from the Pretoria office was addressed as part of the pilot project. Response times were particularly poor at the Johannesburg and Pretoria offices; the network lines to these offices were upgraded and new routers installed. Correct network response is satisfactory and service delivery has improved. The department is in the process of improving network response times for all the deeds registries. The entire archives of the deeds registries at Kimberley, Vryburg and Umtata will be digitised in the medium term, and a deeds registry will be established in Mbombela (Nelspruit) for the province of Mpumalanga by April 2007.

Table 28.11 Financial summary for the registration of deeds trading account

	Outcome			Estimated outcome	Medium-term estimate		
	Audited	Audited	Audited		2007/08	2008/09	2009/10
R thousand	2003/04	2004/05	2005/06	2006/07			
Revenue							
Non-tax revenue	283 535	347 555	400 613	409 892	421 656	442 739	464 876
Sale of goods and services other than capital assets	272 494	332 553	385 928	399 046	418 998	439 948	461 945
<i>Of which:</i>							
Registration of deeds and sale of information	272 494	332 553	385 928	399 046	418 998	439 948	461 945
Other non-tax revenue	11 041	15 002	14 685	10 846	2 658	2 791	2 931
Total revenue	283 535	347 555	400 613	409 892	421 656	442 739	464 876
Expenses							
Current expense	181 043	202 268	243 242	352 210	368 850	396 893	427 226
Compensation of employees	131 233	147 742	156 290	238 291	259 737	283 114	308 594
Goods and services	45 645	48 921	73 442	99 744	94 230	98 896	103 749
Depreciation	4 165	5 605	13 510	14 175	14 883	14 883	14 883
Transfers and subsidies	885	975	1 131	173	-	-	-
Total expenses	181 928	203 243	244 373	352 383	368 850	396 893	427 226
Surplus / (Deficit)	101 607	144 312	156 240	57 509	52 806	45 846	37 650
Balance sheet data							
Carrying value of assets	9 100	43 334	72 369	87 556	91 934	96 530	101 357
Inventory	809	794	1 013	1 695	1 780	1 869	1 962
Receivables and prepayments	49 552	62 268	63 513	41 033	43 085	45 239	47 501
Cash and cash equivalents	186 255	214 279	133 212	238 587	66 458	69 781	73 270
Total assets	245 716	320 675	270 107	368 871	203 256	213 419	224 090
Capital and reserves	25 176	32 969	32 969	64 395	60 036	53 076	44 880
Trade and other payables	201 856	267 548	214 972	280 686	118 241	134 114	151 670
Provisions	18 684	20 158	22 166	23 790	24 980	26 228	27 540
Total equity and liabilities	245 716	320 675	270 107	368 871	203 256	213 419	224 090

Source: Registration of Deeds Trading Account

Additional tables

Table 28.A Summary of expenditure trends and estimates per programme and economic classification

Programme	Appropriation		Audited outcome	Appropriation			Revised estimate
	Main	Adjusted		Main	Additional	Adjusted	
R thousand	2005/06		2005/06	2006/07			2006/07
1. Administration	244 538	318 270	268 809	358 970	9 817	368 787	333 309
2. Surveys and Mapping	75 256	84 501	73 136	81 255	(2 100)	79 155	69 445
3. Cadastral Surveys	86 043	84 543	77 671	95 283	(3 000)	92 283	86 357
4. Restitution	2 705 678	2 705 678	1 789 381	3 369 132	(1 122 000)	2 247 132	2 011 231
5. Land Reform	770 098	704 699	644 864	907 289	–	907 289	800 669
6. Spatial Planning and Information	19 222	19 222	17 003	28 215	(5 629)	22 586	18 780
7. Auxiliary and Associated Services	10 693	10 219	6 032	12 052	912	12 964	10 405
Total	3 911 528	3 927 132	2 876 896	4 852 196	(1 122 000)	3 730 196	3 330 196

Economic classification							
Current payments	817 395	849 589	746 621	990 648	(5 917)	984 731	820 731
Compensation of employees	464 488	391 687	361 005	524 543	(64 407)	460 136	340 136
Goods and services	352 907	453 430	381 144	466 105	58 490	524 595	480 595
Financial transactions in assets and liabilities	–	4 472	4 472	–	–	–	–
Transfers and subsidies	3 058 267	2 993 591	2 079 563	3 806 189	(1 235 204)	2 570 985	2 334 985
Provinces and municipalities	9 163	9 210	9 068	8 449	36	8 485	8 485
Departmental agencies and accounts	956	1 779	1 777	2 244	–	2 244	2 244
Public corporations and private enterprises	36	46	10	40	–	40	40
Foreign governments and international organisations	–	–	–	–	2 019	2 019	2 019
Non-profit institutions	1 000	1 000	–	1 000	–	1 000	1 000
Households	3 047 112	2 981 556	2 068 708	3 794 456	(1 237 259)	2 557 197	2 321 197
Payments for capital assets	35 866	83 952	50 712	55 359	119 121	174 480	174 480
Buildings and other fixed structures	–	–	–	75	–	75	75
Machinery and equipment	29 539	63 739	32 633	50 257	1 866	52 123	52 123
Software and intangible assets	6 327	20 213	18 079	5 027	255	5 282	5 282
Land and subsoil assets	–	–	–	–	117 000	117 000	117 000
Total	3 911 528	3 927 132	2 876 896	4 852 196	(1 122 000)	3 730 196	3 330 196

Table 28.B Summary of personnel numbers and compensation of employees

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
A. Permanent and full-time contract employees							
Compensation (R thousand)	283 252	318 168	357 789	455 309	666 008	572 634	604 267
Unit cost (R thousand)	113	111	126	156	228	196	207
Personnel numbers (head count)	2 517	2 868	2 848	2 924	2 924	2 924	2 924
B. Part-time and temporary contract employees							
Compensation (R thousand)	–	–	294	315	335	355	372
Unit cost (R thousand)	–	–	98	105	112	118	124
Personnel numbers (head count)	–	–	3	3	3	3	3

Table 28.B Summary of personnel numbers and compensation of employees (continued)

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
C. Interns							
Compensation of interns	1 440	3 888	2 922	4 512	5 520	6 864	7 207
Unit cost (R thousand)	18	18	16	29	28	31	33
Number of interns	80	216	188	154	200	220	220
Total for department							
Compensation (R thousand)	284 692	322 056	361 005	460 136	671 863	579 853	611 846
Unit cost (R thousand)	110	104	119	149	215	184	194
Personnel numbers (head count)	2 597	3 084	3 039	3 081	3 127	3 147	3 147

Table 28.C Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Training and staff development							
Expenditure (R thousand)	7 346	7 625	8 342	8 211	7 721	8 018	6 708
Number of employees trained (head count)	2 341	2 324	2 461	2 262	2 004	2 010	2 010
Bursaries (employees)							
Expenditure per programme (R thousand)	1 110	1 280	2 330	1 500	1 600	1 700	1 700
Number of employees (head count)	460	480	490	485	520	530	540
Bursaries (non employees)							
Expenditure (R thousand)	–	426	1 481	3 795	3 503	3 842	4 042
Number of individuals (head count)	–	11	37	97	157	197	200
Total	8 456	9 331	12 153	13 506	12 824	13 560	12 450
Number of employees	2 801	2 815	2 988	2 844	2 681	2 737	2 750

Table 28.D Summary of conditional grants to provinces and municipalities¹

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
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 (2007).

Table 28.E Summary of expenditure on infrastructure

Description	Service delivery outputs	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
		2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
R thousand								
Maintenance on infrastructure (capital)								
National office accommodation:		8 391	2 624	6 032	8 129	9 524	6 912	10 670
Upgrading and renovations								
Total		8 391	2 624	6 032	8 129	9 524	6 912	10 670

