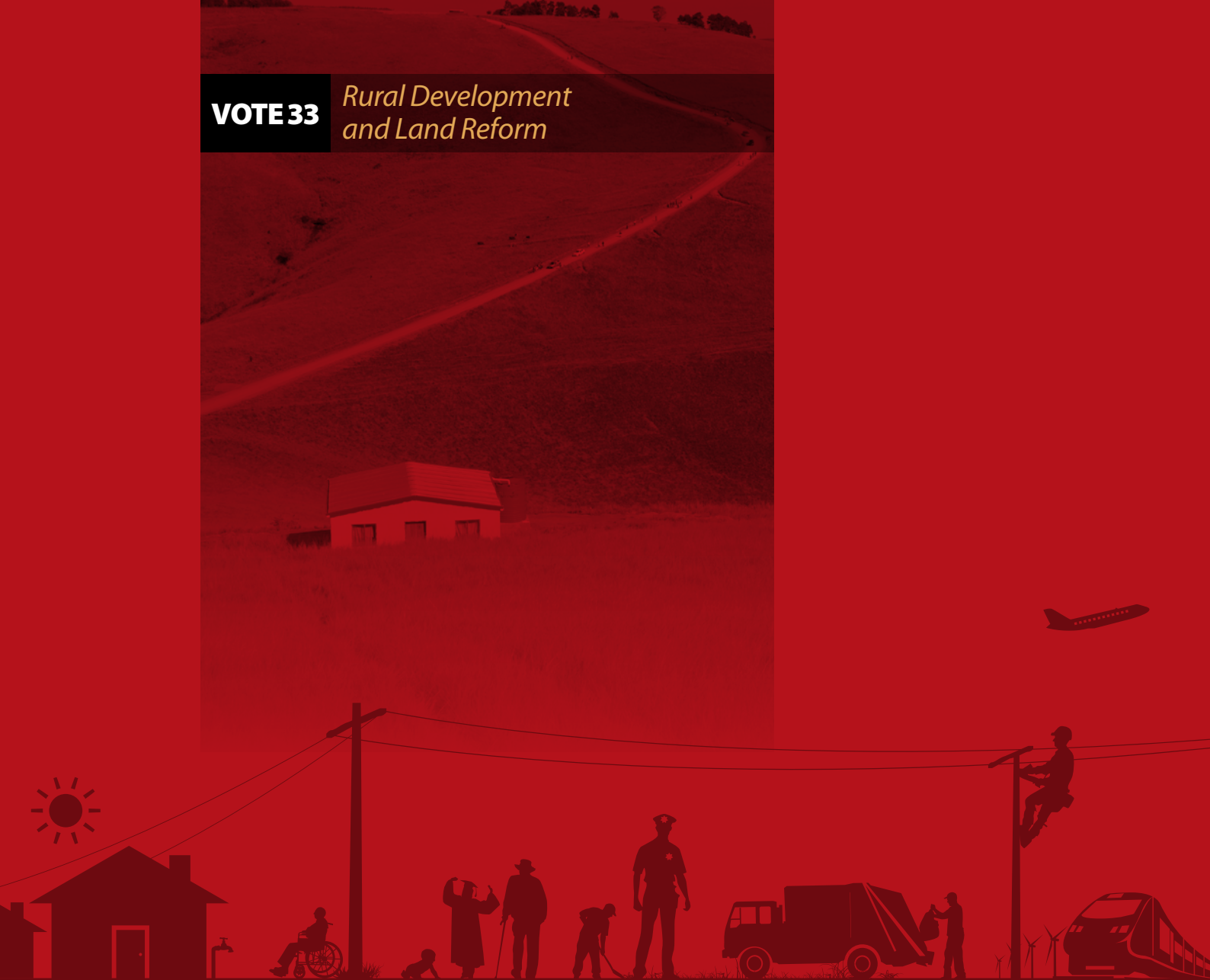


**VOTE 33** *Rural Development  
and Land Reform*



National Treasury

# **BUDGET** 2012

*ESTIMATES OF NATIONAL EXPENDITURE*



**national treasury**

Department:  
National Treasury  
**REPUBLIC OF SOUTH AFRICA**



# **Estimates of National Expenditure**

## **2012**

**National Treasury**

**Republic of South Africa**

22 February 2012



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The Estimates of National Expenditure 2012 e-publications are compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za).

Compared to the abridged version of the Estimates of National Expenditure, these publications contain more comprehensive coverage of goods and services, transfers and subsidies, and public entities. Additional tables are included containing information on the main and adjusted appropriation, with revised spending estimates for the current financial year, on skills training, conditional grants to provinces and municipalities, public private partnerships and information on donor funding. Expenditure information at the level of service delivery is also included, where appropriate.

# Foreword

The current global economic context is characterised by high levels of uncertainty. Against this backdrop, South Africa's development depends largely on government improving its level and quality of service delivery in support of the inclusive and equitable economic roadmap, as contained in the new growth path. The 2012 Budget is an important tool of government for giving effect to these objectives, and this Budget allocates resources to specific interventions that will be actioned over the period of the medium term expenditure framework (MTEF). Growth in spending focuses particularly on infrastructure development, job creation, enterprise support and the enhancement of local government delivery.

South Africa's fiscal stance and public spending programmes are focused on long term structural transformation. Over the next three years of the MTEF period, government priorities will continue to be realised within a sustainable fiscal trajectory, which balances current needs with intergenerational equity. In line with this, spending baselines have undergone rigorous review, areas of inefficiency and lower priority have been identified, and funds have been redirected towards government's key priorities, both new and existing. This has been done in recognition of the relationship between the composition of spending and fiscal sustainability over the long term. Here, the balance between consumption and investment is extremely important. Even the distribution of consumption spending between wages, goods and services and transfers is significant, as is the balance between the functional categories expenditure (such as education, health and economic services). Underspending on key priorities undermines the aims of the spending proposed within MTEF Budgets.

Since introducing the functional approach to budget decision-making in 2009, transparency and coordination in budgeting has been enhanced, largely due to the participation by the stakeholders responsible for delivery across all spheres of government. South African budget reforms, especially the intensified focus on budget trade-offs and the composition of expenditure, will lead to greater accountability and improved control.

It is not enough to demonstrate a change in the composition of budgeted expenditure; nor is it enough to pinpoint the specific actions required and proposed within the Budget. Success will only be achieved when we can demonstrate that a shift in the composition of actual expenditure has taken place, together with the achievement of improved delivery targets.

This year, the layout of this publication has been altered substantially. The focus is on linking more closely expenditure planned with targeted performance. Specific focus is on the outcomes to which institutions contribute and the output and other performance measures supporting them. The sections covering employee numbers, personnel budgets and the purpose and key activities of each subprogramme within a vote are now more prominent, giving expression to the budget and service delivery. This publication still indicates details per vote of the allocation of new monies, monies reprioritised between or within budget programmes, and Cabinet approved budget reductions over the period ahead. Compared to the abridged version of the Estimates of National Expenditure, the e-publications for each vote contain more comprehensive coverage of goods and services, transfers and subsidies, and public entities. Additional tables are included, containing information on: the main and adjusted appropriation, with revised spending estimates for the current financial year; skills training; conditional grants to provinces and municipalities; public private partnerships; and donor funding. Expenditure information at the level of service delivery is also included, where appropriate.

The expenditure estimates of departments are the outcome of a rigorous administrative and executive process. Treasury budget analysts, under the guidance of the Ministers' Committee on the Budget, follow a wide-ranging intergovernmental consultative process, working closely with the policy and budget teams of departments and entities to ensure that government priorities are appropriately funded within the available resource envelope. The Treasury is grateful for the contribution of these teams. Appreciation is also due to the people in the Treasury team, who worked with great diligence to produce a high quality document that provides a comprehensive account of government's spending and performance plans.



**Lungisa Fuzile**  
**Director General: National Treasury**



# Introduction

## The Estimates of National Expenditure publications

The Estimates of National Expenditure publications are important accountability documents, which set out the details in relation to planned expenditure and planned performance at the time of the tabling of the Budget. Estimates of National Expenditure publications continue to make a significant contribution to the changes relating to budgeting by programme. As part of these ongoing efforts, several changes have been made to the 2012 Estimates of National Expenditure publications. Departments still provide information on the key objectives of each subprogramme within a programme, and note the activities carried out, the number of personnel responsible for undertaking these activities and the funding allocations supporting this. This year in the 2012 publications, information on expenditure and performance is more closely linked under the 'expenditure trends' section, with a brief discussion on the impact of budget allocations on the achievement of outputs over the seven-year period. In addition, an explanation of the personnel trends, per programme by salary level, over the seven years in relation to compensation of employees has also been included. Finally, information on Cabinet approved cost reduction measures and other budget reprioritisation has been included per programme.

The 2012 abridged Estimates of National Expenditure publication, and the separate Estimates of National Expenditure e-publications for each vote are the product of an extensive consultative review process of budgets and policy, and policy implementation by programme, and include the latest improvements in non-financial performance information. These publications provide the details of the spending estimates for the next three financial years (2012/13 to 2014/15), expenditure outcomes for the past three years (2008/09 to 2010/11) and revised estimates for the current financial year (2011/12). Information is provided on performance targets over the seven year period as well as changes in these, as they relate to trends in planned expenditure.

The e-publications for individual votes contain more comprehensive coverage of goods and services, transfers and subsidies, and public entities. Additional tables are included containing information on: the main and adjusted appropriation, with revised spending estimates for the current financial year; skills training; conditional grants to provinces and municipalities; public private partnerships; and donor funding. Expenditure information at the level of service delivery is also included, where appropriate.

A consolidated account, summarising the Estimates of National Expenditure publication information across votes, is provided in the form of a narrative and summary tables in the Introduction chapter, which is included in the front pages of the abridged version of the Estimates of National Expenditure. A write-up containing the explanation of the information that is contained in each section of the publications has also been included in the abridged version of the Estimates of National Expenditure. Like the separate Estimates of National Expenditure e-publications for each vote, the abridged Estimates of National Expenditure publication is also available on [www.treasury.gov.za](http://www.treasury.gov.za).





# **Rural Development and Land Reform**

**National Treasury  
Republic of South Africa**



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# Vote 33

## Rural Development and Land Reform

### Budget summary

R thousand	2012/13				2013/14	2014/15
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	1 096 658	1 076 054	14 000	6 604	896 327	844 386
Geospatial and Cadastral Services	561 932	538 581	15 209	8 142	466 004	493 168
Rural Development	934 824	661 711	273 113	–	984 429	1 031 908
Restitution	3 000 000	421 951	2 578 049	–	3 459 048	3 806 259
Land Reform	3 284 152	514 674	2 769 478	–	3 512 113	3 683 942
<b>Total expenditure estimates</b>	<b>8 877 566</b>	<b>3 212 971</b>	<b>5 649 849</b>	<b>14 746</b>	<b>9 317 921</b>	<b>9 859 663</b>
Executive authority	Minister of Rural Development and Land Reform					
Accounting officer	Director General of Rural Development and Land Reform					
Website address	<a href="http://www.ruraldevelopment.gov.za">www.ruraldevelopment.gov.za</a>					

### Aim

*Create and maintain an equitable and sustainable land dispensation and act as a catalyst in rural development that ensures rural livelihoods, decent work and continued social and economic advancement for all South Africans.*

### Programme purposes

#### Programme 1: Administration

**Purpose:** Provide strategic and logistical support in the form of executive services, corporate services, acquisition of vehicles for departmental use, oversee departmental capital works, provide bursaries to non-employees and provide for a nominal contribution to the Public Sector Education and Training Authority.

#### Programme 2: Geospatial and Cadastral Services

**Purpose:** Provide geospatial information, cadastral surveys, and spatial planning as well as technical services in support of sustainable land development.

#### Programme 3: Rural Development

**Purpose:** Initiate, facilitate, coordinate and catalyse the implementation of a comprehensive rural development programme leading to sustainable and vibrant rural communities.

#### Programme 4: Restitution

**Purpose:** Settle land restitution claims under the Restitution of Land Rights Act (1994) and provide settlement support to beneficiaries.

#### Programme 5: Land Reform

**Purpose:** Initiate sustainable land reform programmes in South Africa.

## **Strategic overview: 2008/09 – 2014/15**

Land reform and rural development continue to be key priorities for government as a whole, and the Department of Rural Development and Land Reform in particular. The department's mandate includes developing and implementing the comprehensive rural development programme, which aims to alleviate poverty and food insecurity by maximising the use and management of natural resources, and by creating viable and sustainable rural communities. The land reform programme gives previously disadvantaged individuals access to land, addresses tenure security and provides restitution to those previously dispossessed of their land, without disrupting agricultural production and food security. The comprehensive rural development programme aims to alleviate poverty and food security threats by maximising the use and management of natural resources, as well as by creating viable and sustainable rural communities.

The department has engaged the World Bank on a two-year contract to advise it on building internal capacity and improving the delivery of its services.

### **Outcomes based approach**

The department has integrated the outcomes based approach into its internal programmes and processes. It works towards achieving vibrant, equitable and sustainable rural communities with food security for all (outcome 7). The outcome is linked to five outputs, which are all pertinent to the department's work and which have been integrated into its strategic goals. These are: sustainable agrarian reform with a thriving small and large farming sector (output 1); improved access to affordable and diverse food (output 2); improved rural services to support sustainable livelihoods (output 3); rural job creation, linked to skills training and promoting economic livelihoods (output 4); and an enabling institutional environment for sustainable and improved growth (output 5).

The department collaborates with other government departments and non-governmental organisations whose mandates are also linked to these outcomes.

### **Strategic priorities over the medium term**

#### *Rural development*

The department will continue to roll out the comprehensive rural development programme in the 22 priority districts identified by government for poverty alleviation in Eastern Cape, KwaZulu-Natal, Limpopo, North West, Northern Cape and Mpumalanga. In conjunction with other stakeholders, the department aims to develop a comprehensive rural development plan for each of the districts, guided by the needs of the community. The plans will address basic needs with the aim of improving rural livelihoods. Once rolled out, these plans will lead to the implementation of a range of projects relating to food security, water, energy and sanitation. To enhance food security, the animal and veld management programme has been created, which involves the conservation of animal grazing land, and is in its early stages of development.

A youth policy and strategy was formulated to address unemployment among rural youth. In August 2010, the department launched the national rural youth services corps. The department has recruited 7 500 young people from rural areas through the programme, and aims to recruit 5 000 more per year, to be trained in farming and building skills.

#### *Land reform*

The aim of the land reform programme is to acquire strategically located land and to ensure 100 per cent productivity of all redistributed farms by 2016, in line with the recapitalisation and development strategy, which aims to attract investment and private sector participation in the land reform programme.

#### *Restitution and state land administration*

The restoration of land rights and equitable redress continue to be key departmental objectives. The department will transfer all validated and approved land claims on state land by the end of 2012/13. The department will finalise all monetary compensation by 2012/13. The department will also ensure that reliable information on state and public land holdings and ownership patterns in the country is made available by updating the public land register by 2013.

*Providing assistance to distressed farmers*

Together with the Land Bank, the Department of Agriculture, Forestry and Fisheries, and National Treasury, the department is addressing the technical, financial and operational support problems of distressed farmers. Applying a curatorship approach, the farmers are provided with technical, financial and operational support to improve the productivity of their farms.

*The Green Paper on Agrarian Transformation, Rural Development and Land Reform*

In August 2011, Cabinet approved the green paper, which proposes to develop new policies on agrarian transformation, rural development and land reform.

**Selected performance indicators****Table 33.1 Rural Development and Land Reform**

Indicator	Programme	Past			Current	Projections		
		2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Number of land parcels updated in a comprehensive land register per year <sup>1</sup>	Geospatial and Cadastral Services	-	-	-	-	310 000	320 000	330 000
Number of rural households with access to clean water per year <sup>1</sup>	Rural Development	-	-	-	-	202	302	319
Number of new participants in the national rural youth services corps per year <sup>1</sup>	Rural Development	-	-	7 401	7 500	5 000	5 000	5 000
Number of land claims settled per year <sup>2</sup>	Restitution	1 305	131	120	360	380	400	420
Number of farms recapitalised per year <sup>1</sup>	Land Reform	-	-	411	387	416	500	525

1. No data available for these years as the indicators are new.

2. The numbers fluctuate because some claims take longer than others and the budget is not always adequate.

**Expenditure estimates****Table 33.2 Rural Development and Land Reform**

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12		2012/13	2013/14	2014/15
R thousand								
Administration	456 632	579 535	689 669	911 837	911 837	1 096 658	896 327	844 386
Geospatial and Cadastral Services	276 317	310 961	371 681	555 548	555 548	561 932	466 004	493 168
Rural Development	9 104	72 117	357 468	901 868	901 868	934 824	984 429	1 031 908
Restitution	3 122 148	2 331 633	3 766 833	2 497 293	2 497 293	3 000 000	3 459 048	3 806 259
Land Reform	2 805 648	2 569 601	1 937 205	3 270 151	3 270 151	3 284 152	3 512 113	3 683 942
<b>Total</b>	<b>6 669 849</b>	<b>5 863 847</b>	<b>7 122 856</b>	<b>8 136 697</b>	<b>8 136 697</b>	<b>8 877 566</b>	<b>9 317 921</b>	<b>9 859 663</b>
Change to 2011 Budget estimate				12 451	12 451	203 466	(63 212)	-

**Economic classification**

Current payments	1 251 544	1 533 019	2 135 691	3 137 551	3 137 551	3 212 971	2 912 794	2 958 189
Compensation of employees	614 191	760 896	946 678	1 307 226	1 307 226	1 555 959	1 652 690	1 728 584
Goods and services	637 347	772 123	1 121 818	1 830 325	1 830 325	1 657 012	1 260 104	1 229 605
<i>of which:</i>								
Administrative fees	38 020	16 823	13 295	39 756	39 756	193 895	72 855	72 614
Advertising	15 304	25 543	46 134	28 907	28 907	16 994	14 229	15 238
Assets less than the capitalisation threshold	8 323	7 034	17 467	19 353	19 353	34 042	33 754	38 145
Audit cost: External	7 736	12 319	12 427	13 728	13 728	15 078	17 166	19 474
Bursaries: Employees	1 466	1 774	2 424	2 537	2 537	2 589	2 710	2 656
Catering: Departmental activities	4 535	3 962	8 023	10 386	10 386	5 559	5 873	6 335
Communication	35 947	30 494	41 140	30 446	30 446	30 178	30 407	32 034
Computer services	65 966	88 977	95 965	134 675	134 675	58 570	58 805	57 863

Table 33.2 Rural Development and Land Reform (continued)

R thousand	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12		2012/13	2013/14	2014/15
<b>Economic classification</b>								
<b>Current payments</b>								
Consultants and professional services:	79 345	142 803	158 417	283 137	283 137	314 295	294 801	292 097
Business and advisory services								
Consultants and professional services:	15 927	11 065	37 084	355 287	355 287	25 930	25 177	24 592
Infrastructure and planning								
Consultants and professional services:	20 212	34 105	57 621	21 255	21 255	20 704	18 560	19 022
Legal costs								
Contractors	12 858	20 439	81 039	85 094	85 094	42 096	26 014	29 153
Agency and support / outsourced services	48 220	49 190	41 567	65 271	65 271	57 211	19 813	20 871
Entertainment	27	13	14	2 646	2 646	1 060	1 151	1 209
Fleet services (including government motor transport)	–	–	1	846	846	4 363	1 337	1 389
Inventory: Food and food supplies	499	663	578	2 718	2 718	1 459	1 647	1 750
Inventory: Fuel, oil and gas	31	15	80	1 048	1 048	65	68	73
Inventory: Learner and teacher support material	353	212	192	630	630	223	248	265
Inventory: Materials and supplies	415	464	1 538	2 914	2 914	1 492	1 388	1 504
Inventory: Medical supplies	272	16	18	22	22	145	154	165
Inventory: Other consumables	1 339	4 167	25 492	4 928	4 928	2 950	3 190	3 333
Inventory: Stationery and printing	18 990	17 231	17 514	28 645	28 645	21 303	23 149	24 162
Lease payments	46 985	122 723	108 685	144 693	144 693	99 012	150 794	71 872
Property payments	31 584	57 288	51 280	82 081	82 081	138 933	40 750	42 796
Transport provided: Departmental activity	2 034	651	962	5 302	5 302	4 539	4 018	4 424
Travel and subsistence	134 254	107 110	149 665	113 186	113 186	111 904	108 301	114 781
Training and development	10 189	3 716	14 484	20 951	20 951	10 730	11 567	12 228
Operating expenditure	8 389	5 868	112 755	308 547	308 547	429 471	279 746	306 043
Venues and facilities	28 127	7 458	25 957	21 330	21 330	12 222	12 432	13 517
Rental and hiring	–	–	–	6	6	–	–	–
Interest and rent on land	6	–	67 195	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>5 360 345</b>	<b>4 293 630</b>	<b>4 939 964</b>	<b>4 955 785</b>	<b>4 955 785</b>	<b>5 649 849</b>	<b>6 390 136</b>	<b>6 885 337</b>
Provinces and municipalities	25	87	112	122	122	45	49	60
Departmental agencies and accounts	1 518 209	1 101 764	1 065 498	2 158 771	2 158 771	2 189 233	2 479 290	2 599 775
Foreign governments and international organisations	1 124	1 226	1 148	1 280	1 280	1 340	1 400	1 470
Public corporations and private enterprises	–	–	–	1	1	130 930	118 540	125 653
Non-profit institutions	1 546	2 288	2 425	2 571	2 571	2 700	2 849	3 020
Households	3 839 441	3 188 265	3 870 781	2 793 040	2 793 040	3 325 601	3 788 008	4 155 359
<b>Payments for capital assets</b>	<b>55 598</b>	<b>35 577</b>	<b>44 399</b>	<b>43 361</b>	<b>43 361</b>	<b>14 746</b>	<b>14 991</b>	<b>16 137</b>
Machinery and equipment	41 624	35 283	44 399	42 342	42 342	13 083	13 453	14 360
Land and sub-soil assets	13 974	–	–	–	–	–	–	–
Software and other intangible assets	–	294	–	1 019	1 019	1 663	1 538	1 777
<b>Payments for financial assets</b>	<b>2 362</b>	<b>1 621</b>	<b>2 802</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>6 669 849</b>	<b>5 863 847</b>	<b>7 122 856</b>	<b>8 136 697</b>	<b>8 136 697</b>	<b>8 877 566</b>	<b>9 317 921</b>	<b>9 859 663</b>

## Expenditure trends

The implementation of the comprehensive rural development programme, land reform, and the settlement of restitution claims, still remain the department's core spending focus over the medium term. Expenditure increased from R6.7 billion in 2008/09 to R8.1 billion in 2011/12, at an average annual rate of 6.9 per cent, due to the need to settle 4 000 outstanding restitution claims. Over the medium term, expenditure is expected to increase to R9.9 billion, at an average annual rate of 6.6 per cent, due to the addition of 5 000 recruits under the



national rural youth services corps programme, and the need to recapitalise 525 farms. The *Restitution and Land Reform* programmes are major contributors to this trend, as they jointly account for expenditure of R20.7 billion between 2012/13 and 2014/15. These programmes are responsible for ensuring the finalisation of restitution claims, the acquisition of strategically located land, and the implementation of the recapitalisation and development programme.

In 2011/12, the *Rural Development* programme recorded growth of 152.3 per cent, mainly due to additional funds of R544 million received during the 2011 adjustments budget process for the development of rural livelihoods and the implementation of the animal and veld management programme. Transfers to households decreased from R3.8 billion in 2008/09 to R2.8 billion in 2011/12, at an average annual rate of 10.1 per cent, due to the focus on the recapitalisation and development programme. Over the medium term, transfers to households are expected to increase to R4.2 billion, at an average annual rate of 14.2 per cent, due to the need to finalise the restitution process. Compensation of employees increased from R614.2 million in 2008/09 to R1.3 billion in 2011/12, at an average annual increase of 28.6 per cent, due to an increase in staff from 3 056 to 3 929 in the same period. Over the medium term, expenditure on this item is expected to increase to R1.7 billion, at an average annual rate of 9.8 per cent, due to adjustments for improved conditions of service.

Expenditure on consultants increased from R115.5 million in 2008/09 to R659.7 million in 2011/12, at an average annual rate of 78.8 per cent, due to the need to expedite restitution claims. Over the medium term, expenditure on consultants is expected to decrease to R335.7 million, at an average annual rate of 20.2 per cent.

### Infrastructure spending

Expenditure on infrastructure increased from R6.3 million in 2008/09 to R23 million in 2011/12, on the following minor projects: upgrading and installing a back-up generator at the Van Der Sterr building in Cape Town; upgrading the kitchen and toilets in the Cape Town surveyor general's offices; upgrading, repairing and renovating the Pietermaritzburg deeds office and surveyor general's office; refurbishing boardrooms and upgrading power supply, reticulation, network centre, maintenance and repairs at the national office in Pretoria; and site clearance and construction efforts at the Cape Town deeds office.

Over the MTEF period, expenditure is expected to decrease as some of these projects are reaching completion.

## Personnel information

**Table 33.3 Details of approved establishment and personnel numbers according to salary level<sup>1</sup>**

	Personnel post status as at 30 September 2011			Number of personnel posts filled / planned for on funded establishment						
	Number of posts on approved establishment	Number of funded posts	Number of posts additional to the establishment	Actual			Mid-year <sup>2</sup>	Medium-term estimate		
				2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
<b>Department</b>	<b>6 300</b>	<b>3 674</b>	<b>256</b>	<b>3 057</b>	<b>3 266</b>	<b>3 409</b>	<b>3 929</b>	<b>5 048</b>	<b>5 051</b>	<b>5 054</b>
Salary level 1 – 6	1 541	997	157	1 168	1 238	1 154	1 154	1 368	1 369	1 370
Salary level 7 – 10	3 459	1 925	50	1 527	1 619	1 716	1 974	2 604	2 605	2 606
Salary level 11 – 12	1 019	553	48	279	328	423	601	794	794	795
Salary level 13 – 16	281	199	1	83	81	116	200	281	282	283
<b>Administration</b>	<b>2 069</b>	<b>1 305</b>	<b>12</b>	<b>628</b>	<b>747</b>	<b>880</b>	<b>1 316</b>	<b>1 645</b>	<b>1 646</b>	<b>1 647</b>
Salary level 1 – 6	662	451	3	275	303	310	454	543	543	543
Salary level 7 – 10	1 011	593	8	275	327	406	600	771	771	771
Salary level 11 – 12	287	182	1	53	82	114	183	222	222	222
Salary level 13 – 16	109	79	–	25	35	50	79	109	109	110
<b>Geospatial and Cadastral Services</b>	<b>1 645</b>	<b>942</b>	<b>142</b>	<b>782</b>	<b>808</b>	<b>949</b>	<b>1 084</b>	<b>1 322</b>	<b>1 323</b>	<b>1 323</b>
Salary level 1 – 6	423	264	66	351	371	370	330	361	361	361
Salary level 7 – 10	693	401	28	321	331	370	429	540	540	540
Salary level 11 – 12	448	207	47	94	90	157	254	340	340	340
Salary level 13 – 16	81	70	1	16	16	52	71	81	81	81

**Table 33.3 Details of approved establishment and personnel numbers according to salary level<sup>1</sup> (continued)**

	Personnel post status as at 30 September 2011			Number of personnel posts filled / planned for on funded establishment						
	Number of posts on approved establishment	Number of funded posts	Number of posts additional to the establishment	Actual			Mid-year <sup>2</sup>	Medium-term estimate		
				2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
<b>Rural Development</b>	<b>708</b>	<b>210</b>	<b>12</b>	–	–	103	222	459	460	460
Salary level 1 – 6	18	10	–	–	–	7	10	68	68	68
Salary level 7 – 10	556	153	12	–	–	80	165	300	300	300
Salary level 11 – 12	114	34	–	–	–	10	34	71	71	71
Salary level 13 – 16	20	13	–	–	–	6	13	20	20	20
<b>Restitution</b>	<b>827</b>	<b>622</b>	<b>3</b>	<b>881</b>	<b>886</b>	<b>695</b>	<b>625</b>	<b>720</b>	<b>721</b>	<b>721</b>
Salary level 1 – 6	213	176	2	244	256	224	178	191	191	192
Salary level 7 – 10	522	370	1	552	543	407	371	437	437	437
Salary level 11 – 12	66	58	–	63	78	64	58	66	66	66
Salary level 13 – 16	26	18	–	22	9	–	18	26	26	26
<b>Land Reform</b>	<b>1 051</b>	<b>595</b>	<b>87</b>	<b>766</b>	<b>825</b>	<b>782</b>	<b>682</b>	<b>901</b>	<b>902</b>	<b>902</b>
Salary level 1 – 6	225	96	86	298	308	243	182	205	205	206
Salary level 7 – 10	677	408	1	379	418	453	409	556	556	556
Salary level 11 – 12	104	72	–	69	78	78	72	95	95	95
Salary level 13 – 16	45	19	–	20	21	8	19	45	45	45

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. As at 30 September 2011.

The department had an approved establishment of 6 300 posts. The number of filled posts grew from 3 057 in 2008/09 to 3 929 in 2011/12. Over the MTEF period, filled posts are expected to increase to 5 054 as the department fills vacancies in core positions. The ratio of support staff to line staff was at 1:2. The ratio of consultants to total personnel was 1:10.

## Departmental receipts

**Table 33.4 Receipts**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimate		
	2008/09	2009/10	2010/11	2011/12		2012/13	2013/14	2014/15
<b>Departmental receipts</b>	<b>64 170</b>	<b>44 047</b>	<b>48 802</b>	<b>49 947</b>	<b>35 851</b>	<b>38 750</b>	<b>40 866</b>	<b>42 058</b>
<b>Sales of goods and services produced by department</b>	<b>20 941</b>	<b>16 884</b>	<b>18 420</b>	<b>22 883</b>	<b>17 691</b>	<b>18 646</b>	<b>19 691</b>	<b>20 754</b>
Sales by market establishments	1 211	1 160	1 027	1 556	889	937	989	1 043
<i>of which:</i>								
Market establishment: Non-residential building	1 211	1 160	977	1 461	840	885	935	985
Market establishment: Parking - Covered and Open	–	–	50	95	49	52	55	57
Administrative fees	17 115	13 281	14 603	18 963	14 560	15 346	16 206	17 081
<i>of which:</i>								
Servitude rights	17 115	13 281	989	850	363	383	404	426
Surveyor inspection fees	–	–	13 613	18 111	14 196	14 963	15 800	16 654
Request information: Promotion of Access to Information Act (2000)	–	–	1	2	1	1	1	1
Other sales	2 615	2 443	2 790	2 364	2 242	2 363	2 495	2 630
<i>of which:</i>								
Services Rendered: Commission on insurance and garnishee orders	2 615	2 443	412	455	420	443	467	493
Services Rendered: Management fees	–	–	2	30	31	33	35	36
Sales: Tender documents	–	–	4	47	43	45	48	50
Sales: Maps	–	–	2 118	1 731	1 606	1 693	1 788	1 884
Sales: Plans	–	–	254	101	142	150	158	167

Table 33.4 Receipts (continued)

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimate		
	2008/09	2009/10	2010/11	2011/12		2012/13	2013/14	2014/15
<b>Sales of scrap, waste, arms and other used current goods</b>	<b>29</b>	<b>90</b>	<b>4</b>	<b>-</b>	<b>12</b>	<b>13</b>	<b>13</b>	<b>14</b>
<i>of which:</i>								
<i>Sales: Scrap</i>	29	90	4	-	11	12	12	13
<i>Sales: Waste paper</i>	-	-	-	-	1	1	1	1
<b>Transfers received</b>	<b>49</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Interest, dividends and rent on land</b>	<b>33 438</b>	<b>21 830</b>	<b>25 088</b>	<b>21 840</b>	<b>13 030</b>	<b>13 734</b>	<b>14 503</b>	<b>15 286</b>
Interest	20 407	12 434	19 268	15 840	9 808	10 338	10 917	11 506
Rent on land	13 031	9 396	5 820	6 000	3 222	3 396	3 586	3 780
<b>Sales of capital assets</b>	<b>963</b>	<b>498</b>	<b>225</b>	<b>224</b>	<b>-</b>	<b>963</b>	<b>963</b>	<b>-</b>
<b>Transactions in financial assets and liabilities</b>	<b>8 750</b>	<b>4 745</b>	<b>5 065</b>	<b>5 000</b>	<b>5 118</b>	<b>5 394</b>	<b>5 696</b>	<b>6 004</b>
<b>Total</b>	<b>64 170</b>	<b>44 047</b>	<b>48 802</b>	<b>49 947</b>	<b>35 851</b>	<b>38 750</b>	<b>40 866</b>	<b>42 058</b>

Revenue is derived mainly from renting out farms and land. Departmental receipts decreased from R64.2 million in 2008/09 to R49.9 million in 2011/12, at an average annual rate of 8 per cent, due to a decrease in lease payments as a result of economic hardship. Over the medium term, revenue is expected to decrease to R42.1 million, at an average annual rate of 5.6 per cent.

## Programme 1: Administration

### Expenditure estimates

Table 33.5 Administration

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
R thousand							
Ministry	-	17 205	19 405	20 731	20 433	16 344	17 177
Management	34 066	40 447	52 985	125 330	173 576	85 052	90 138
Corporate Services	375 620	377 955	486 999	608 173	702 402	607 040	625 994
Office Accommodation	44 564	138 349	121 688	137 818	90 875	141 678	62 091
Government Motor Transport	-	-	-	3 653	3 836	4 047	4 290
Sector Education and Training Authority	-	-	-	1	1	1	1
Capital Works	2 382	5 579	8 592	16 131	105 535	42 165	44 695
<b>Total</b>	<b>456 632</b>	<b>579 535</b>	<b>689 669</b>	<b>911 837</b>	<b>1 096 658</b>	<b>896 327</b>	<b>844 386</b>
Change to 2011 Budget estimate				305 733	481 576	247 561	158 445

#### Economic classification

	423 987	551 783	660 121	885 150	1 076 054	873 942	820 086
<b>Current payments</b>							
Compensation of employees	134 281	178 873	251 925	417 304	498 596	523 857	539 553
Goods and services	289 706	372 910	408 196	467 846	577 458	350 085	280 533
<i>of which:</i>							
<i>Administrative fees</i>	30 742	11 911	3 083	5 004	118 970	5 129	5 022
<i>Advertising</i>	7 186	19 376	36 373	14 768	4 392	4 413	4 389
<i>Assets less than the capitalisation threshold</i>	1 939	2 025	6 298	5 146	9 332	7 602	9 069
<i>Audit cost: External</i>	7 736	12 319	12 427	13 500	14 678	14 316	16 367
<i>Bursaries: Employees</i>	1 466	1 769	2 424	2 537	2 589	2 710	2 656
<i>Catering: Departmental activities</i>	845	1 490	1 229	1 968	1 645	1 507	1 526
<i>Communication</i>	12 298	6 803	12 508	5 979	7 975	7 742	8 092
<i>Computer services</i>	55 156	72 413	81 660	111 776	41 638	39 796	39 178

Table 33.5 Administration (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
<b>Economic classification</b>							
<b>Current payments</b>							
Consultants and professional services:	13 711	14 504	13 958	31 856	51 304	38 659	41 563
Business and advisory services							
Consultants and professional services:	158	–	–	40	–	–	–
Infrastructure and planning							
Consultants and professional services:	3 700	5 147	7 048	1 244	1 481	1 653	1 534
Legal costs							
Contractors	3 870	1 183	6 803	2 134	1 489	1 735	1 917
Agency and support / outsourced services	29 751	32 253	30 952	28 461	40 856	4 903	4 603
Entertainment	4	–	1	189	125	152	135
Fleet services (including government motor transport)	–	–	1	–	–	–	–
Inventory: Food and food supplies	180	259	184	752	1 012	1 080	1 120
Inventory: Fuel, oil and gas	1	4	13	57	14	15	18
Inventory: Learner and teacher support material	9	25	43	65	3	6	6
Inventory: Materials and supplies	147	136	144	304	275	288	288
Inventory: Medical supplies	271	1	18	6	87	96	107
Inventory: Other consumables	455	398	692	1 305	547	656	663
Inventory: Stationery and printing	6 548	5 108	6 769	8 582	6 149	6 508	6 387
Lease payments	39 661	116 388	102 287	122 592	84 129	134 420	54 392
Property payments	13 030	35 887	32 440	61 208	128 076	26 837	28 884
Transport provided: Departmental activity	–	–	–	100	110	122	134
Travel and subsistence	34 705	26 896	34 378	31 557	40 652	29 905	32 416
Training and development	9 299	2 154	8 539	4 620	5 256	5 293	5 159
Operating expenditure	6 116	1 924	3 404	6 114	10 027	9 734	9 636
Venues and facilities	10 722	2 537	4 520	5 982	4 647	4 808	5 272
<b>Transfers and subsidies</b>	<b>13 919</b>	<b>13 362</b>	<b>14 560</b>	<b>13 284</b>	<b>14 000</b>	<b>15 109</b>	<b>16 500</b>
Provinces and municipalities	8	3	10	19	8	9	16
Departmental agencies and accounts	–	–	–	1	1	1	1
Non-profit institutions	2	–	–	–	–	–	–
Households	13 909	13 359	14 550	13 264	13 991	15 099	16 483
<b>Payments for capital assets</b>	<b>18 677</b>	<b>14 153</b>	<b>14 666</b>	<b>13 403</b>	<b>6 604</b>	<b>7 276</b>	<b>7 800</b>
Machinery and equipment	18 677	13 859	14 666	13 394	6 604	7 276	7 800
Software and other intangible assets	–	294	–	9	–	–	–
<b>Payments for financial assets</b>	<b>49</b>	<b>237</b>	<b>322</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>456 632</b>	<b>579 535</b>	<b>689 669</b>	<b>911 837</b>	<b>1 096 658</b>	<b>896 327</b>	<b>844 386</b>

**Details of transfers and subsidies**

<b>Departmental agencies and accounts</b>							
<b>Departmental agencies (non-business entities)</b>							
<b>Current</b>	–	–	–	1	1	1	1
Sector Education And Training Authority	–	–	–	1	1	1	1
<b>Non-profit institutions</b>							
<b>Current</b>	2	–	–	–	–	–	–
HIV	2	–	–	–	–	–	–

Table 33.5 Administration (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
<b>Details of transfers and subsidies</b>							
<b>Households</b>							
<b>Social benefits</b>							
<b>Current</b>	<b>1 257</b>	<b>–</b>	<b>104</b>	<b>–</b>	<b>55</b>	<b>117</b>	<b>123</b>
Employee social benefits	1 253	–	96	–	–	–	–
Bursaries: Non employees	4	–	8	–	55	117	123
<b>Households</b>							
<b>Other transfers to households</b>							
<b>Current</b>	<b>12 652</b>	<b>13 359</b>	<b>14 446</b>	<b>13 264</b>	<b>13 936</b>	<b>14 982</b>	<b>16 360</b>
Bursaries: Non employees	12 652	13 359	14 446	13 264	13 936	14 982	16 360
<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Municipal bank accounts</b>							
<b>Current</b>	<b>8</b>	<b>3</b>	<b>10</b>	<b>19</b>	<b>8</b>	<b>9</b>	<b>16</b>
Vehicle licences	8	3	10	19	8	9	16

## Expenditure trends

Between 2008/09 and 2011/12, expenditure grew from R456.6 million to R911.8 million, at an average annual rate of 25.9 per cent. This growth is mainly attributable to the implementation of the department's new structure; which saw the creation of provincial shared services centres in all provinces, the creation of the enterprise programme management office, and the centralisation of security services, together with the provision of office accommodation. Over the medium term, expenditure is expected to decrease to R844.4 million, at an average annual rate of 2.5 per cent, due to funds being reprioritised for restitution to settle claims.

Expenditure in the *Corporate Services* subprogramme increased from R375.6 million in 2008/09 to R608.2 million in 2011/12, at an average annual rate of 17.4 per cent, due to inflation adjusted salary increases. Over the medium term, expenditure on this subprogramme is expected to increase marginally to R626 million, at an average annual rate of 1 per cent. Spending on consultants increased from R17.6 million in 2008/09 to R33.1 million in 2011/12, at an average annual rate of 23.4 per cent, due to the need to expedite the land reform programme. Over the medium term, expenditure on consultants is expected to increase to R43.1 million, at an average annual rate of 9.2 per cent, for the same reason. These consultants are mainly used for the valuation of land.

## Programme 2: Geospatial and Cadastral Services

### Objectives and measures

- Provide fundamental geospatial information as a national asset in accordance with user needs by:
  - maintaining 985 reference beacons of the national control survey network in 2012/13
  - acquiring earth imagery of South Africa at 0.5 ground sample distance covering 410 000 km<sup>2</sup> by March 2013
  - producing 1 670 maps of South Africa in the national map series by March 2013.
- Implement a South African spatial data infrastructure by:
  - developing and maintaining the technical infrastructure, standards and institutional framework on an ongoing basis
  - developing and monitoring the policy framework by 2013.

- Improve the efficiency of cadastral surveys management by:
  - reducing the turnaround time for the approval of cadastral documents from 15 days in 2012/13 to 9 days by 2014/15
  - implementing the e-cadastre system by 2014 , thus ensuring that the land register or inventory is annually and instantly updated in 100 per cent of cases
  - reducing the time taken to process cadastral documents from 15 to 8 days by 2013
  - training 260 officials on geo-information systems by 2015.
- Promote equitable, sustainable land use and allocation through an integrated land planning and administration system, by:
  - stimulating development in areas of poverty, and reducing spatial inequalities by 2013
  - identifying strategically located land and facilitating access to land for sustainable use by rural communities by 2013
  - developing targeted policies and legislation to support efficient national spatial planning and land use management by 2014
  - ensuring the productive use of land by providing technical support for rural communities by 2014
  - continuously supporting municipalities with spatial planning and land use management
  - supporting comprehensive rural development programme wards with spatial planning on an ongoing basis.

## Subprogrammes

- *Cadastral Surveys* is responsible for examining and approving all surveys of land and real rights that are intended to be registered in the deeds office, maintaining records, compiling maintaining and revising maps of property boundaries, and providing cadastral advisory services to other government institutions. This subprogramme had a staff complement of 350 and a total budget of R249.4 million in 2011/12, of which 54 per cent was used for compensation of employees. No savings or reductions in 2012/13 have been identified in this subprogramme.
- *National Geospatial Information* promotes and controls all matters related to geodetic and topographical surveying, and provides geospatial information services, including South African spatial data infrastructure. This subprogramme had a staff complement of 440 and a total budget of R136.9 million in 2011/12, of which 51 per cent was used for compensation of employees. No savings or reductions in 2012/13 have been identified in this subprogramme.
- *Spatial Planning* provides for national land use management and spatial planning systems. This subprogramme had a staff complement of 260 and a total budget of R89.8 million in 2011/12, of which 63 per cent was used for goods and services. No savings or reductions in 2012/13 have been identified in this subprogramme.
- *Registration of Deeds Trading Account* provides a high quality deeds registration system, whereby secure titles are registered and speedy and accurate information is provided. This subprogramme had a staff complement of 1231 and a total budget of R77.2 million in 2011/12, of which 100 per cent was used for compensation of employees. No savings or reductions in 2012/13 have been identified in this subprogramme.
- *South African Council for Planners* transfers funds to the South African Council for Planners, a non-profit organisation dealing with the registration and activities of the planning profession. This subprogramme had a staff complement of 34 and a total budget of R2.6 million in 2011/12, of which 90 per cent was used for compensation of employees. No savings or reductions in 2012/13 have been identified in this subprogramme.

## Expenditure estimates

**Table 33.6 Geospatial and Cadastral Services**

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
R thousand							
Cadastral Surveys	116 303	127 662	174 350	249 356	280 434	233 003	247 014
National Geospatial Information	80 851	92 424	98 978	136 574	156 776	144 799	152 474
Spatial Planning	22 805	30 995	68 067	89 832	110 893	73 612	78 215
Registration of Deeds Trading Account	54 814	57 592	27 861	77 215	11 129	11 741	12 445
South African Council for Planners	1 544	2 288	2 425	2 571	2 700	2 849	3 020
<b>Total</b>	<b>276 317</b>	<b>310 961</b>	<b>371 681</b>	<b>555 548</b>	<b>561 932</b>	<b>466 004</b>	<b>493 168</b>
Change to 2011 Budget estimate				167 444	156 037	38 004	44 363

### Economic classification

Current payments	207 757	233 353	328 536	464 629	538 581	441 433	467 554
Compensation of employees	140 417	166 500	241 181	303 750	330 272	349 559	372 342
Goods and services	67 334	66 853	87 355	160 879	208 309	91 874	95 212
<i>of which:</i>							
Administrative fees	1 411	481	1 216	910	2 371	2 402	2 551
Advertising	773	375	1 358	1 971	1 722	1 583	1 663
Assets less than the capitalisation threshold	1 585	1 607	2 468	2 394	5 657	4 355	4 689
Bursaries: Employees	–	5	–	–	–	–	–
Catering: Departmental activities	144	220	290	308	256	278	308
Communication	3 188	3 553	4 267	3 356	3 561	3 699	3 606
Computer services	6 254	10 036	11 121	15 028	11 937	12 121	12 062
Consultants and professional services: Business and advisory services	693	3 045	16 601	66 271	99 635	2 232	1 903
Consultants and professional services: Infrastructure and planning	8 270	5 307	2 604	10 895	5 911	5 845	6 269
Consultants and professional services: Legal costs	–	4	45	–	160	168	177
Contractors	5 818	14 846	13 130	15 026	36 620	20 065	21 211
Agency and support / outsourced services	498	715	1 349	6 154	4 824	3 497	3 623
Entertainment	11	13	6	81	90	107	123
Inventory: Food and food supplies	152	150	136	126	45	49	57
Inventory: Fuel, oil and gas	26	9	10	38	51	53	55
Inventory: Learner and teacher support material	118	187	124	165	220	242	259
Inventory: Materials and supplies	205	253	629	462	519	685	771
Inventory: Medical supplies	–	9	–	10	9	9	9
Inventory: Other consumables	167	130	95	1 187	1 529	1 571	1 638
Inventory: Stationery and printing	5 945	4 127	5 140	5 434	5 304	5 619	5 968
Lease payments	1 110	1 307	1 391	2 269	1 823	1 840	2 028
Property payments	3 285	4 798	3 609	3 592	4 216	6 032	5 971
Transport provided: Departmental activity	–	1	–	–	–	–	–
Travel and subsistence	23 227	12 862	16 232	19 895	16 034	13 800	14 195
Training and development	680	448	955	1 181	1 380	1 497	1 667
Operating expenditure	568	900	891	1 427	1 565	1 161	1 273
Venues and facilities	3 206	1 465	3 688	2 699	2 870	2 964	3 136
Interest and rent on land	6	–	–	–	–	–	–

Table 33.6 Geospatial and Cadastral Services (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
<b>Economic classification</b>							
Provinces and municipalities	2	3	2	5	10	12	14
Departmental agencies and accounts	54 814	57 592	27 861	77 215	11 129	11 741	12 445
Foreign governments and international organisations	1 124	1 226	1 148	1 280	1 340	1 400	1 470
Non-profit institutions	1 544	2 288	2 425	2 571	2 700	2 849	3 020
Households	622	723	636	135	30	854	328
<b>Payments for capital assets</b>	<b>10 253</b>	<b>15 663</b>	<b>10 772</b>	<b>9 713</b>	<b>8 142</b>	<b>7 715</b>	<b>8 337</b>
Machinery and equipment	10 253	15 663	10 772	8 703	6 479	6 177	6 560
Software and other intangible assets	-	-	-	1 010	1 663	1 538	1 777
<b>Payments for financial assets</b>	<b>201</b>	<b>113</b>	<b>301</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>276 317</b>	<b>310 961</b>	<b>371 681</b>	<b>555 548</b>	<b>561 932</b>	<b>466 004</b>	<b>493 168</b>

**Details of selected transfers and subsidies**

<b>Departmental agencies and accounts</b>							
<b>Departmental agencies (non-business entities)</b>							
<b>Current</b>	<b>54 814</b>	<b>57 592</b>	<b>27 861</b>	<b>77 215</b>	<b>11 129</b>	<b>11 741</b>	<b>12 445</b>
Registration of Deeds Trading Account	54 814	57 592	27 861	77 215	11 129	11 741	12 445
<b>Foreign governments and international organisations</b>							
<b>Current</b>	<b>1 124</b>	<b>1 226</b>	<b>1 148</b>	<b>1 280</b>	<b>1 340</b>	<b>1 400</b>	<b>1 470</b>
Regional Centre for Mapping of Resources for Development	1 124	1 226	1 148	1 280	1 340	1 400	1 470
<b>Non-profit institutions</b>							
<b>Current</b>	<b>1 544</b>	<b>2 288</b>	<b>2 425</b>	<b>2 571</b>	<b>2 700</b>	<b>2 849</b>	<b>3 020</b>
South African Council for Planners	1 544	2 288	2 425	2 571	2 700	2 849	3 020
<b>Households</b>							
<b>Social benefits</b>							
<b>Current</b>	<b>522</b>	<b>414</b>	<b>14</b>	<b>30</b>	<b>30</b>	<b>854</b>	<b>328</b>
Employee social benefits	522	414	14	30	30	854	328
<b>Households</b>							
<b>Other transfers to households</b>							
<b>Current</b>	<b>100</b>	<b>309</b>	<b>622</b>	<b>105</b>	<b>-</b>	<b>-</b>	<b>-</b>
Employee social benefits	100	309	622	105	-	-	-
<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Municipal bank accounts</b>							
<b>Current</b>	<b>2</b>	<b>3</b>	<b>2</b>	<b>5</b>	<b>10</b>	<b>12</b>	<b>14</b>
Vehicle licences	2	3	2	5	10	12	14

**Expenditure trends**

Expenditure grew from R276.3 million in 2008/09 to R555.5 million in 2011/12, at an average annual rate of 26.2 per cent, mainly due to the implementation of the department's new structure and the remaining portion of the occupation specific dispensation, salary levels 1 to 12. In the same period, 1 300 maps of South Africa were produced. Furthermore, the programme received additional funding amounting to R167.8 million during the 2011 adjusted estimates of national expenditure process, to fund the finalisation of the state land audit and to assist municipalities with the development of spatial development frameworks.

Over the medium term, expenditure is expected to decrease to R493.2 million in 2014/15, at an average annual rate of 3.9 per cent, due to the reprioritisation of funds from the *Geospatial* programme to the *Restitution* programme to settle claims. Transfers to the Registration of Deeds Trading Account increased from R54.8 million in 2008/09 to R77.2 million in 2011/12, at an average annual rate of 12.1 per cent, due to the need to cover deficits incurred. Over the medium term, transfers are expected to decrease to R12.4 million, at an



average annual rate of 45.6 per cent, due to the fact that the entity is expected to make a profit and will therefore cover some of its costs.

Spending on the *National Geospatial Information* subprogramme increased from R80.9 million in 2008/09 to R136.6 million in 2011/12, at an average annual rate of 19.1 per cent, due to salary increases. Over the medium term, expenditure on this subprogramme is expected to increase to R153.7 million, at an average annual rate of 3.9 per cent. 1 670 maps of South Africa will be produced over the medium term.

Expenditure on consultants increased from R700 000 in 2008/09 to R66.3 million in 2011/12, at an average annual rate of 355.8 per cent, due to the need to expedite restitution claims. Over the medium term, expenditure on consultants is expected to decrease to R1.9 million, at an average annual rate of 69.4 per cent, due to the decreasing number of claims to be settled.

## **Programme 3: Rural Development**

### **Objectives and measures**

- Reduce spatial inequalities in rural areas in all provinces by providing access to clean water to 202 households and alternative energy to 403 households by 2012/13.
- Harness technological innovations and indigenous knowledge systems in rural communities by:
  - identifying 10 agricultural improvement technologies through research, and have these tested by March 2013
  - implementing indigenous knowledge systems in 15 communities by 2012/13
  - ensuring a 40 per cent increase in technological innovations and indigenous knowledge systems in rural communities to improve food production by 2013/14.
- Ensure economic and social development in rural communities by:
  - establishing 2 000 food gardens and 3 agri-parks in the comprehensive rural development programme wards by March 2013
  - increasing employment benefits for youth through the national rural youth service corps programme from 7 401 in 2010/11, adding 5 000 new youths for each year of the MTEF period
  - establishing 395 cooperatives and 25 enterprises, by 2012/13.

### **Subprogrammes**

- *Rural Development National Office* is responsible for formulating policies and introducing products and services for the effective implementation of the comprehensive rural development programme, by deploying people in rural areas. This subprogramme had a staff complement of 162 and a total budget of R232.9 million in 2011/12, of which 57 per cent was used for goods and services. No savings or reductions have been identified in this subprogramme.
- *Rural Development Provincial Offices* provides support services to effectively implement the comprehensive rural development programme, by deploying people in rural areas. This subprogramme had a staff complement of 47 and a total budget of R669 million in 2011/12, of which 89 per cent was used for goods and services. No savings or reductions have been identified in this subprogramme.
- *National Rural Youth Services Corps* is responsible for training rural youth in different skills such as building and farming, or skills to match the needs of the communities from which they are recruited. This subprogramme had a staff complement of 13, and a total budget of R400 million in 2012/13, of which 80 per cent was used for compensation of employees. No savings or reductions have been identified in this subprogramme.

## Expenditure estimates

Table 33.7 Rural Development

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
R thousand							
Rural Development National Office	9 104	72 117	201 680	232 872	177 024	201 152	218 550
Rural Development Provincial Offices	–	–	155 788	668 996	357 800	533 277	548 358
National Rural Youth Services Corps	–	–	–	–	400 000	250 000	265 000
<b>Total</b>	<b>9 104</b>	<b>72 117</b>	<b>357 468</b>	<b>901 868</b>	<b>934 824</b>	<b>984 429</b>	<b>1 031 908</b>
Change to 2011 Budget estimate				460 592	293 832	80 492	97 192

## Economic classification

	9 104	72 109	346 894	899 943	661 711	624 129	651 220
<b>Current payments</b>							
Compensation of employees	3 640	2 030	23 555	100 469	172 331	182 645	186 675
Goods and services	5 464	70 079	323 258	799 474	489 380	441 484	464 545
<i>of which:</i>							
<i>Administrative fees</i>	–	214	941	1 649	148	168	189
<i>Advertising</i>	–	13	1 861	3 147	2 174	2 624	3 289
<i>Assets less than the capitalisation threshold</i>	2	11	4 830	3 220	2 074	2 492	2 845
<i>Catering: Departmental activities</i>	16	110	3 052	2 749	268	184	200
<i>Communication</i>	70	–	219	2 796	489	511	534
<i>Computer services</i>	3	–	17	1 535	–	–	–
<i>Consultants and professional services: Business and advisory services</i>	4 581	61 236	68 470	76 729	65 053	156 405	161 473
<i>Consultants and professional services: Infrastructure and planning</i>	–	1 093	28 392	333 095	5 729	6 793	7 185
<i>Contractors</i>	–	3 545	58 870	63 112	–	–	–
<i>Agency and support / outsourced services</i>	62	–	316	373	500	1 112	1 122
<i>Entertainment</i>	–	–	–	1 005	–	–	10
<i>Inventory: Food and food supplies</i>	–	–	1	422	81	106	128
<i>Inventory: Fuel, oil and gas</i>	–	–	55	950	–	–	–
<i>Inventory: Learner and teacher support material</i>	–	–	25	400	–	–	–
<i>Inventory: Materials and supplies</i>	–	1	530	193	124	137	151
<i>Inventory: Medical supplies</i>	–	2	–	–	–	–	–
<i>Inventory: Other consumables</i>	–	3 221	24 322	257	34	44	54
<i>Inventory: Stationery and printing</i>	80	27	367	2 312	490	618	764
<i>Lease payments</i>	1	–	38	1 693	340	373	447
<i>Property payments</i>	–	–	–	30	–	–	–
<i>Transport provided: Departmental activity</i>	–	–	–	2 707	1 002	1 058	1 122
<i>Travel and subsistence</i>	569	51	16 103	8 048	10 208	12 299	13 517
<i>Training and development</i>	6	555	3 719	10 346	240	285	551
<i>Operating expenditure</i>	14	–	105 807	282 291	400 240	256 071	270 740
<i>Venues and facilities</i>	60	–	5 323	415	186	204	224
<i>Interest and rent on land</i>	–	–	81	–	–	–	–
<b>Transfers and subsidies</b>	<b>–</b>	<b>–</b>	<b>35</b>	<b>–</b>	<b>273 113</b>	<b>360 300</b>	<b>380 688</b>
Departmental agencies and accounts	–	–	–	–	142 184	241 761	255 036
Public corporations and private enterprises	–	–	–	–	130 929	118 539	125 652
Households	–	–	35	–	–	–	–
<b>Payments for capital assets</b>	<b>–</b>	<b>8</b>	<b>10 529</b>	<b>1 925</b>	<b>–</b>	<b>–</b>	<b>–</b>
Machinery and equipment	–	8	10 529	1 925	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>10</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>9 104</b>	<b>72 117</b>	<b>357 468</b>	<b>901 868</b>	<b>934 824</b>	<b>984 429</b>	<b>1 031 908</b>

Table 33.7 Rural Development (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
<b>Details of transfers and subsidies</b>							
<b>Departmental agencies and accounts</b>							
<b>Departmental agencies (non-business entities)</b>							
<b>Current</b>	-	-	-	-	<b>142 184</b>	<b>372 661</b>	<b>385 936</b>
Agricultural Research Council	-	-	-	-	11 284	241 761	255 036
Agricultural Development Agency	-	-	-	-	130 900	130 900	130 900
<b>Households</b>							
<b>Social benefits</b>							
<b>Current</b>	-	-	35	-	-	-	-
Employee social benefits	-	-	35	-	-	-	-
<b>Public corporations and private enterprises</b>							
<b>Public corporations</b>							
<b>Other transfers to public corporations</b>							
<b>Current</b>	-	-	-	-	<b>130 929</b>	<b>118 539</b>	<b>125 652</b>
Independent Development Trust	-	-	-	-	130 929	118 539	125 652

## Expenditure trends

Expenditure grew significantly from R9.1 million in 2008/09 to R901.9 million in 2011/12, at an average annual rate of 362.6 per cent, due to the rollout of the new national rural youth services corps programme; the employment of new people; the implementation of projects such as the electrification of rural households; the provision of clean water and sanitation; the establishment and registering of cooperatives and rural enterprises; and the provision of access to ICT technology in 2011/12.

Over the medium term, expenditure is expected to increase to R1 billion, at an average annual rate of 4.6 per cent, due to the implementation of the comprehensive rural development programme, which still remains the core focus of the programme. Attention will be given to the 22 prioritised districts for the rollout and implementation of projects.

Transfers to non-profit institutions are expected to increase from R273.1 million to R380.7 million between 2012/13 and 2014/15, due to the implementation of the comprehensive rural development programme. Expenditure on consultants increased from R4.6 million in 2008/09 to R409.8 million in 2011/12, at an average annual rate of 346.6 per cent, due to the implementation of the programme. Over the medium term, expenditure is expected to decrease to R168.7 million, at an average annual rate of 25.6 per cent, due to the implementation of cost cutting measures.

## Programme 4: Restitution

### Objectives and measures

- Settle outstanding restitution claims by:
  - finalising the research on the 4 000 outstanding claims
  - verifying claimants for outstanding claims
  - validating and gazetting the claims
  - negotiating and settling claims on state land where there are no financial implications, by 2013.

### Subprogrammes

- *Restitution National Office* provides administrative and professional support to the Commission on the Restitution of Land Rights for processing and investigating restitution claims, and develops and coordinates restitution policy and oversees court cases. This subprogramme had a staff complement of 180 and a total

budget of R51.1 million in 2011/12, of which 73 per cent was used for compensation of employees and related costs. No savings or reductions in 2012/13 have been identified in this subprogramme.

- *Restitution Regional Offices* is responsible for the research, validation, verification and negotiation of settlement; and provides administrative support services for the settlement of claims. This subprogramme had a staff complement of 386 and a total budget of R363.1 million in 2011/12, of which 61.4 per cent was used for compensation of employees and related costs. No savings or reductions have been identified in this subprogramme. No savings or reductions in 2012/13 have been identified in this subprogramme.
- *Restitution Grants* redresses restitution claims by restoring land or providing alternative land, financial compensation and alternative relief, settlement planning and facilitation assistance, and by contributing funds to resettle communities. This subprogramme had a total budget of R2.1 billion in 2011/12, of which 100 per cent was used for grants. In 2011/12, the Commission on Restitution of Land Rights finalised 154 backlog claims and settled 131 outstanding claims at a cost of R5.5 billion. 808 backlog claims will be finalised over the medium term. No savings or reductions in 2012/13 have been identified in this subprogramme.

## Expenditure estimates

**Table 33.8 Restitution**

Subprogramme	Audited outcome			Adjusted appropriation 2011/12	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
R thousand							
Restitution National Office	31 185	36 071	43 350	51 050	52 650	54 425	57 296
Restitution Regional Offices	307 298	327 966	375 495	363 120	369 540	378 217	397 935
Restitution Grants	2 783 665	1 967 596	3 347 988	2 083 123	2 577 810	3 026 406	3 351 028
<b>Total</b>	<b>3 122 148</b>	<b>2 331 633</b>	<b>3 766 833</b>	<b>2 497 293</b>	<b>3 000 000</b>	<b>3 459 048</b>	<b>3 806 259</b>
Change to 2011 Budget estimate				–	380 078	695 381	(300 000)

### Economic classification

	317 209	361 291	413 026	412 431	421 951	432 391	454 967
<b>Current payments</b>							
Compensation of employees	185 533	218 064	204 714	250 606	265 480	275 381	293 584
Goods and services	131 676	143 227	141 384	161 825	156 471	157 010	161 383
<i>of which:</i>							
<i>Administrative fees</i>	3 523	2 333	4 896	2 902	1 928	1 879	1 800
<i>Advertising</i>	4 771	2 252	5 506	3 148	6 667	3 155	3 285
<i>Assets less than the capitalisation threshold</i>	1 707	1 307	2 071	2 811	3 236	2 940	3 967
<i>Audit cost: External</i>	–	–	–	228	400	2 850	3 107
<i>Catering: Departmental activities</i>	953	618	818	1 885	1 967	2 299	2 526
<i>Communication</i>	10 442	10 631	12 094	9 679	11 983	13 022	14 038
<i>Computer services</i>	626	1 780	18	524	139	1 101	573
<i>Consultants and professional services: Business and advisory services</i>	24 990	29 560	6 751	38 352	38 170	41 196	40 346
<i>Consultants and professional services: Infrastructure and planning</i>	843	331	115	6 624	7 092	4 952	3 126
<i>Consultants and professional services: Legal costs</i>	15 832	27 215	44 635	17 550	16 805	14 385	14 767
<i>Contractors</i>	472	463	493	1 584	873	1 037	2 306
<i>Agency and support / outsourced services</i>	11 857	14 960	7 483	17 813	10 059	9 235	10 386
<i>Entertainment</i>	9	–	–	901	659	707	746
<i>Fleet services (including government motor transport)</i>	–	–	–	–	3 563	445	469
<i>Inventory: Food and food supplies</i>	84	141	125	1 111	208	229	239
<i>Inventory: Fuel, oil and gas</i>	1	1	–	3	–	–	–
<i>Inventory: Learner and teacher support material</i>	226	–	–	–	–	–	–
<i>Inventory: Materials and supplies</i>	35	24	76	1 044	366	66	68
<i>Inventory: Medical supplies</i>	–	4	–	–	–	–	–

Table 33.8 Restitution (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
<b>Economic classification</b>							
<i>Inventory: Other consumables</i>	85	54	280	825	127	154	165
<i>Inventory: Stationery and printing</i>	3 134	4 158	2 589	6 185	5 055	5 464	5 796
<i>Lease payments</i>	2 428	2 686	2 085	6 203	7 146	7 678	8 059
<i>Property payments</i>	5 399	6 688	6 000	6 913	5 091	6 056	5 978
<i>Transport provided: Departmental activity</i>	1 684	608	772	884	1 836	1 788	1 915
<i>Travel and subsistence</i>	38 472	33 833	37 430	23 448	23 671	27 543	28 715
<i>Training and development</i>	93	223	606	2 641	2 603	2 763	3 032
<i>Operating expenditure</i>	925	1 927	1 519	4 245	4 814	4 202	3 952
<i>Venues and facilities</i>	3 085	1 430	5 022	4 316	2 013	1 864	2 022
<i>Rental and hiring</i>	–	–	–	6	–	–	–
<i>Interest and rent on land</i>	–	–	66 928	–	–	–	–
<b>Transfers and subsidies</b>	<b>2 783 671</b>	<b>1 967 611</b>	<b>3 348 056</b>	<b>2 083 351</b>	<b>2 578 049</b>	<b>3 026 657</b>	<b>3 351 292</b>
Provinces and municipalities	6	9	7	10	11	11	11
Households	2 783 665	1 967 602	3 348 049	2 083 341	2 578 038	3 026 646	3 351 281
<b>Payments for capital assets</b>	<b>20 410</b>	<b>1 595</b>	<b>4 385</b>	<b>1 511</b>	–	–	–
Machinery and equipment	6 436	1 595	4 385	1 511	–	–	–
Land and sub-soil assets	13 974	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>858</b>	<b>1 136</b>	<b>1 366</b>	–	–	–	–
<b>Total</b>	<b>3 122 148</b>	<b>2 331 633</b>	<b>3 766 833</b>	<b>2 497 293</b>	<b>3 000 000</b>	<b>3 459 048</b>	<b>3 806 259</b>

**Details of transfers and subsidies**

<b>Households</b>							
<b>Social benefits</b>							
<b>Current</b>	–	6	61	218	228	240	253
Employee social benefits	–	6	61	218	228	240	253
<b>Households</b>							
<b>Other transfers to households</b>							
<b>Capital</b>	<b>2 783 665</b>	<b>1 967 596</b>	<b>3 347 988</b>	<b>2 083 123</b>	<b>2 577 810</b>	<b>3 026 406</b>	<b>3 351 028</b>
Restitution grants	2 783 665	1 967 596	3 347 988	2 083 123	2 577 810	3 026 406	3 351 028
<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Municipal bank accounts</b>							
<b>Current</b>	<b>6</b>	<b>9</b>	<b>7</b>	<b>10</b>	<b>11</b>	<b>11</b>	<b>11</b>
Vehicle licences	6	9	7	10	11	11	11

**Expenditure trends**

Between 2008/09 and 2011/12, expenditure decreased from R3.1 billion to R2.5 billion, at an average annual rate of 7.2 per cent. Over the medium term, expenditure is expected to increase to R3.8 billion, at an average annual rate of 15.1 per cent, due to the need to settle outstanding claims. In 2009/10, the programme's expenditure decreased by 25.3 per cent, as it was expected to wind down in that year. However, as there were over 4 000 outstanding claims, the department extended the programme. Expenditure in 2010/11 increased by 61.6 per cent to clear restitution commitments. Over 4 000 claims will be finalised over the medium term. To date, 76 229 out of a total of 79 696 claims have been settled.

Expenditure on transfers to households decreased from R2.8 billion in 2008/09 to R2.1 billion in 2011/12, at an average annual rate of 9.2 per cent, as the claims were expected to have been finalised by 2008/09. Over the medium term, expenditure on this item is expected to increase to R3.4 billion, at an average annual rate of 17.2 per cent, due to the need to settle outstanding claims. Spending on consultants increased from R41.7 million in 2008/09 to R62.5 million in 2011/12, at an average annual rate of 14.4 per cent, for the same

reason. Over the medium term, expenditure on consultants is expected to decrease to R58.2 million, due to the implementation of cost cutting measures.

## Programme 5: Land Reform

### Objectives and measures

- Improve access to affordable and diverse food by training 2 120 farmers in cost effective farming methods and advising them on the different types of crops that can be planted efficiently in different areas by 2013.
- Increase production, guarantee food security, create employment opportunities in the agricultural sector, graduate small farmers into commercial farmers, and establish rural development monitors by resuscitating 280 defunct farms, and training and funding 300 farmers through the recapitalisation and development programme by 2014.

### Subprogrammes

- *Land Reform National Office* is responsible for developing and coordinating land reform products, and facilitating the implementation of land reform programmes and projects. It also provides: support services to provincial offices; state land administration services; information, risk and compliance management in the land reform branch; financial support to the provinces; strategic land reform intervention support through recapitalisation and development services; alignment of land reform strategic institutional partnerships; and land acquisition and land warehouse services. This subprogramme had a staff complement of 279 and a total budget of R151.8 million in 2011/12, of which 41 per cent was used for compensation of employees, while 37 per cent was used on functions such as the land rights management facility. In 2010/11, the department recapitalised 411 farms. An additional 387 farms will have been recapitalised by the end of 2011/12. Revitalisation of 11 irrigation schemes is underway in Limpopo (Sekhukhune, Greater Tzaneen, Thulamela); Mpumalanga (Ehlanzeni); KwaZulu-Natal (Uthukulu, Umzinyathi); Free State (Motheo); North-West (Moretele, Bojanala); Northern Cape (Namakwa); and Eastern Cape (Chris Hani). No savings or reductions in 2012/13 have been identified in this subprogramme.
- *Land Reform Provincial Offices* implements land reform programmes and projects, and administers state land in each province. Land needs will be categorised to ensure the successful implementation of land reform. Success will be measured by job creation, increased incomes, and a critical mass of successful farmers contributing to GDP. The provincial offices will also be recapitalising and developing distressed land reform projects, and strengthening the security of tenure of farm dwellers and labour tenants by providing legal support. This subprogramme had a staff complement of 150 and a total budget of R340.5 million, of which 62 per cent was used for compensation of employees. No savings or reductions in 2012/13 have been identified in this subprogramme.
- *Land Reform Grants* provides funding for project and programme planning, land acquisition and settlement, and allows the department to maintain, plan, develop or improve property. This subprogramme had a staff complement of 180 and a total budget R698.3 million in 2011/12, of which 80 per cent was used for the recapitalisation and development of distressed farms. No savings or reductions in 2012/13 have been identified in this subprogramme.
- *KwaZulu-Natal Ingonyama Trust Board* provides transfers for salaries for administering the Ingonyama Trust Board. This subprogramme had a staff complement of 32, and a total budget of R6.8 million in 2011/12, which was transferred in full to the board. No savings or reductions in 2012/13 have been identified in this subprogramme.
- *Land Reform Empowerment Facility* provides transfers to Khula Enterprise Finance, the revolving credit loan facility used by the department to finance land acquisition and equity in commercial farming ventures. There were no staff payment allocations as this subprogramme has been discontinued.
- *Communal Land Rights Programme* provides land reform support to communities. Expenditure decreased from R19.4 million in 2008/09 to R300 000 in 2010/11, at an average annual rate 87.6 per cent, due to the winding down of the programme.

- *Agricultural Land Holding Account* is responsible for buying and holding land until suitable beneficiaries are identified in terms of the Provision of Land and Assistance Act (1993). This subprogramme had no staff and a total budget of R2.1 billion in 2011/12, of which 100 per cent was used for purchasing land.

## Expenditure estimates

**Table 33.9 Land Reform**

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
R thousand							
Land Reform National Office	51 330	72 976	96 689	151 763	138 191	132 925	138 819
Land Reform Provincial Offices	230 242	245 094	296 339	340 532	376 499	407 991	425 562
Land Reform Grants	1 041 245	1 206 570	506 202	696 300	733 542	745 409	787 267
KwaZulu-Natal Ingonyama Trust Board	2 492	3 056	9 157	6 834	7 200	7 500	7 950
Land Reform Empowerment Facility	–	–	–	1	1	1	1
Communal Land Rights Programme	19 436	789	336	–	–	–	–
Agricultural Land Holding Account	1 460 903	1 041 116	1 028 482	2 074 721	2 028 719	2 218 287	2 324 343
<b>Total</b>	<b>2 805 648</b>	<b>2 569 601</b>	<b>1 937 205</b>	<b>3 270 151</b>	<b>3 284 152</b>	<b>3 512 113</b>	<b>3 683 942</b>
Change to 2011 Budget estimate				(921 318)	(1 108 057)	(1 124 650)	–

### Economic classification

	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
<b>Current payments</b>	<b>293 487</b>	<b>314 483</b>	<b>387 114</b>	<b>475 398</b>	<b>514 674</b>	<b>540 899</b>	<b>564 362</b>
Compensation of employees	150 320	195 429	225 303	235 097	289 280	321 248	336 430
Goods and services	143 167	119 054	161 625	240 301	225 394	219 651	227 932
<i>of which:</i>							
Administrative fees	2 344	1 884	3 159	29 291	70 478	63 277	63 052
Advertising	2 574	3 527	1 036	5 873	2 039	2 454	2 612
Assets less than the capitalisation threshold	3 090	2 084	1 800	5 782	13 743	16 365	17 575
Catering: Departmental activities	2 577	1 524	2 634	3 476	1 423	1 605	1 775
Communication	9 949	9 507	12 052	8 636	6 170	5 433	5 764
Computer services	3 927	4 748	3 149	5 812	4 856	5 787	6 050
Consultants and professional services: Business and advisory services	35 370	34 458	52 637	69 929	60 133	56 309	46 812
Consultants and professional services: Infrastructure and planning	6 656	4 334	5 973	4 633	7 198	7 587	8 012
Consultants and professional services: Legal costs	680	1 739	5 893	2 461	2 258	2 354	2 544
Contractors	2 698	402	1 743	3 238	3 114	3 177	3 719
Agency and support / outsourced services	6 052	1 262	1 467	12 470	972	1 066	1 137
Entertainment	3	–	7	470	186	185	195
Fleet services (including government motor transport)	–	–	–	846	800	892	920
Inventory: Food and food supplies	83	113	132	307	113	183	206
Inventory: Fuel, oil and gas	3	1	2	–	–	–	–
Inventory: Materials and supplies	28	50	159	911	208	212	226
Inventory: Medical supplies	1	–	–	6	49	49	49
Inventory: Other consumables	632	364	103	1 354	713	765	813
Inventory: Stationery and printing	3 283	3 811	2 649	6 132	4 305	4 940	5 247
Lease payments	3 785	2 342	2 884	11 936	5 574	6 483	6 946
Property payments	9 870	9 915	9 231	10 338	1 550	1 825	1 963
Transport provided: Departmental activity	350	42	190	1 611	1 591	1 050	1 253
Travel and subsistence	37 281	33 468	45 522	30 238	21 339	24 754	25 938
Training and development	111	336	665	2 163	1 251	1 729	1 819
Operating expenditure	766	1 117	1 134	14 470	12 825	8 578	20 442
Venues and facilities	11 054	2 026	7 404	7 918	2 506	2 592	2 863
Interest and rent on land	–	–	186	–	–	–	–

Table 33.9 Land Reform (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
<b>Economic classification</b>							
<b>Transfers and subsidies</b>	<b>2 504 649</b>	<b>2 250 825</b>	<b>1 545 241</b>	<b>2 777 944</b>	<b>2 769 478</b>	<b>2 971 214</b>	<b>3 119 580</b>
Provinces and municipalities	9	72	93	88	16	17	19
Departmental agencies and accounts	1 463 395	1 044 172	1 037 637	2 081 555	2 035 919	2 225 787	2 332 293
Public corporations and private enterprises	-	-	-	1	1	1	1
Households	1 041 245	1 206 581	507 511	696 300	733 542	745 409	787 267
<b>Payments for capital assets</b>	<b>6 258</b>	<b>4 158</b>	<b>4 047</b>	<b>16 809</b>	-	-	-
Machinery and equipment	6 258	4 158	4 047	16 809	-	-	-
<b>Payments for financial assets</b>	<b>1 254</b>	<b>135</b>	<b>803</b>	-	-	-	-
<b>Total</b>	<b>2 805 648</b>	<b>2 569 601</b>	<b>1 937 205</b>	<b>3 270 151</b>	<b>3 284 152</b>	<b>3 512 113</b>	<b>3 683 942</b>

**Details of selected transfers and subsidies**

<b>Departmental agencies and accounts</b>							
<b>Departmental agencies (non-business entities)</b>							
<b>Current</b>	<b>1 463 395</b>	<b>1 044 172</b>	<b>1 037 637</b>	<b>2 081 555</b>	<b>2 035 919</b>	<b>2 225 787</b>	<b>2 332 293</b>
KwaZulu-Natal Ingonyama Trust Board	2 492	3 056	9 157	6 834	7 200	7 500	7 950
Agricultural Land Holding Account	1 460 903	1 041 116	1 028 480	2 074 721	2 028 719	2 218 287	2 324 343
<b>Households</b>							
<b>Social benefits</b>							
<b>Current</b>	-	<b>11</b>	<b>1 309</b>	-	-	-	-
Employee social benefits	-	11	1 309	-	-	-	-
<b>Households</b>							
<b>Other transfers to households</b>							
<b>Capital</b>	<b>1 041 245</b>	<b>1 206 570</b>	<b>506 202</b>	<b>696 300</b>	<b>733 542</b>	<b>745 409</b>	<b>787 267</b>
Land reform grants	1 041 245	1 206 570	506 202	696 300	733 542	745 409	787 267
<b>Provinces and municipalities</b>							
<b>Municipalities</b>							
<b>Municipal bank accounts</b>							
<b>Current</b>	<b>9</b>	<b>72</b>	<b>93</b>	<b>88</b>	<b>16</b>	<b>17</b>	<b>19</b>
Vehicle licences	9	72	93	88	16	17	19
<b>Public corporations and private enterprises</b>							
<b>Public corporations</b>							
<b>Public corporations - subsidies on products and production</b>							
<b>Current</b>	-	-	-	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
Land Reform Empowerment Facility	-	-	-	1	1	1	1

**Expenditure trends**

Between 2008/09 and 2011/12, expenditure increased from R2.8 billion to R3.3 billion, at an average annual rate of 5.2 per cent, and is expected to increase to R3.7 billion over the medium term, at an average annual rate of 4.1 per cent, due to the implementation of the recapitalisation and development programme. 1.4 million hectares were redistributed in the same period. R10.6 billion was spent between 2008/09 and 2011/12 in implementing the land reform programme. Transfers to the agricultural land holding account from 2009/10 to 2011/12 account for 63.4 per cent of the total expenditure in 2011/12, while land reform grants account for 21.3 per cent.

Expenditure on consultants increased from R42.7 million in 2008/09 to R77 million in 2011/12, at an average annual rate of 21.7 per cent, due to the need to expedite the land reform programme. Over the medium term, expenditure is expected to decrease to R57.4 million, at an average annual rate of 9.3 per cent, due to funds being reprioritised towards restitution to settle claims. Over the MTEF period, the focus will be on recapitalising 525 distressed farms. 1 million hectares will be redistributed over the medium term.



## Public entities and other agencies

### Registration of deeds trading entity

#### Overview: 2008/09 – 2014/15

Deeds registries were 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 also maintain public registers of land.

The registration of deeds trading account is a trading entity established in terms of the Public Finance Management Act (1999). It generates revenue by selling information and levying fees in accordance with the schedule of fees prescribed by regulation 84 of the act.

The entity is responsible for cadastral surveys, which create, mark, define, retrace, or re-establish land boundaries and subdivisions. In conjunction with the cadastral surveys management unit in the department, the deeds registration entity has been progressively introducing e-cadastre since November 2010. This is aimed at improving cadastral survey management and deeds registration, and at reducing the deeds registration turnaround time. It has been implemented through an enterprise architecture that will result in the consolidation of cadastre and deeds data stores, and the scanning of all paper and microfilm records for digitising the archives. Server storage capacity will have been increased by 2011/12 to accommodate the increase in records as a result of back-scanning. The target date for the full implementation of the e-cadastre project is July 2013. Some of the early benefits of this project will be the conversion of paper records into a digital format to facilitate the alignment of deeds registries with provincial boundaries, and the elimination of discriminatory practices of the past within the deeds environment. E-cadastre will also enhance the accuracy and integrity of deeds registration information, as well as the time it takes to deliver title deeds.

#### Performance

The entity was involved in registering 180 547 properties in 2011/12. The number of properties registered is expected to decrease to 90 792 in 2014/15 due to the economic downturn.

#### Selected performance indicators

**Table 33.10 Registration of deeds trading entity**

Indicator	Activity/Objective/ Programme/Project	Past			Current	Projections		
		2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Number of properties registered per year	Registration of title deeds	96 507	40 924	50 390	180 547	293 360	82 539	90 792

#### Programmes/activities/objectives

**Table 33.11 Registration of deeds trading entity**

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Registration of title deeds	366 213	353 946	419 823	509 122	646 198	564 996	593 896
<b>Total expense</b>	<b>366 213</b>	<b>353 946</b>	<b>419 823</b>	<b>509 122</b>	<b>646 198</b>	<b>564 996</b>	<b>593 896</b>

The registration of deeds trading entity had a total budget of R509.1 million in 2011/12, of which 55.4 per cent was used for compensation of employees.

## Savings and cost effectiveness measures

Since 2008/09, the deeds trading account's revenue has been decreasing due to the decline in the property market caused by the global economic crisis. To offset the decline in revenue, the department transferred R40 million in 2010/11 and R77 million in 2011/12. The entity could not, in these circumstances, identify any savings. However, to reduce costs, the entity has introduced tighter controls in travelling expenses and is investigating other methods that will help to reduce administrative expenditure.

## Expenditure estimates

**Table 33.12 Registration of Deeds Trading Entity**

Statement of financial performance				Revised estimate	Medium-term estimate		
	Audited outcome						
R thousand	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
<b>Revenue</b>							
<b>Non-tax revenue</b>	<b>314 805</b>	<b>304 706</b>	<b>354 614</b>	<b>431 907</b>	<b>635 069</b>	<b>553 255</b>	<b>581 452</b>
Sale of goods and services other than capital assets	309 779	301 558	350 533	426 201	629 508	547 388	575 305
<i>of which:</i>							
Administration fees	309 779	301 558	350 533	426 201	629 508	547 388	575 305
Other non-tax revenue	5 026	3 148	4 081	5 706	5 561	5 867	6 147
<b>Transfers received</b>	<b>51 408</b>	<b>49 240</b>	<b>40 819</b>	<b>77 215</b>	<b>11 129</b>	<b>11 741</b>	<b>12 445</b>
<b>Total revenue</b>	<b>366 213</b>	<b>353 946</b>	<b>395 433</b>	<b>509 122</b>	<b>646 198</b>	<b>564 996</b>	<b>593 897</b>
<b>Expenses</b>							
<b>Current expenses</b>	<b>366 213</b>	<b>353 946</b>	<b>419 823</b>	<b>509 122</b>	<b>646 198</b>	<b>564 996</b>	<b>593 896</b>
Compensation of employees	204 948	222 619	257 984	282 111	296 560	320 749	349 854
Goods and services	141 568	104 104	134 452	202 104	323 211	216 366	214 739
Depreciation	19 513	27 098	27 248	24 694	26 201	27 643	29 053
Interest, dividends and rent on land	184	125	139	213	226	238	250
<b>Total expenses</b>	<b>366 213</b>	<b>353 946</b>	<b>419 823</b>	<b>509 122</b>	<b>646 198</b>	<b>564 996</b>	<b>593 896</b>
<b>Surplus / (Deficit)</b>	<b>-</b>	<b>-</b>	<b>(24 390)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Statement of financial position</b>							
Carrying value of assets	137 802	130 846	98 427	96 824	89 068	84 885	80 489
<i>of which:</i>							
Acquisition of assets	49 044	20 773	5 474	24 952	18 445	23 460	24 656
Inventory	924	1 125	1 329	2 412	3 495	4 578	5 665
Receivables and prepayments	60 201	43 575	49 975	45 917	52 219	54 399	56 690
Cash and cash equivalents	32 644	64 910	56 526	86 693	95 362	104 898	115 387
<b>Total assets</b>	<b>231 571</b>	<b>240 456</b>	<b>206 257</b>	<b>231 846</b>	<b>240 144</b>	<b>248 760</b>	<b>258 231</b>
Accumulated surplus / (deficit)	126 911	185 165	160 777	160 777	160 777	160 777	160 777
Finance lease	1 138	1 141	1 854	724	768	810	851
Deferred income	4 605	12 957	-	-	-	-	-
Trade and other payables	18 334	15 670	21 660	45 039	45 700	47 114	48 600
Provisions	22 329	25 521	21 968	22 012	24 213	26 635	29 300
Managed funds (e.g. Poverty alleviation fund)	58 254	-	-	3 294	8 686	13 424	18 703
<b>Total equity and liabilities</b>	<b>231 571</b>	<b>240 454</b>	<b>206 259</b>	<b>231 846</b>	<b>240 144</b>	<b>248 760</b>	<b>258 231</b>

## Expenditure trends

Over the medium term, the spending focus will be on implementing the electronic cadastre system.

The entity receives revenue mainly from sales of information and the registration of title deeds. It also derives its revenue from transfers made by the department. Revenue increased from R366.2 million in 2008/09 to R509.1 million in 2011/12, at an average annual rate of 11.6 per cent, due to an increase in the number of properties registered. Over the medium term, revenue is expected to increase to R593.9 million, at an average annual rate of 5.3 per cent, due to expected economic growth. Transfers received increased from R51.4 million in 2008/09 to R77.2 million in 2011/12, at an average annual rate of 14.5 per cent, due to the need to cover for deficit incurred. Over the medium term, transfers received are expected to decrease to R12.4 million, at an

average annual rate of 45.6 per cent, as the entity is expected to make a profit and this will cover some of its costs.

Expenditure increased from R366.2 million in 2008/09 to R509.1 million in 2011/12, at an average annual rate of 11.6 per cent, due to the implementation of an electronic register system. 368 525 properties were registered in the same period. Over the medium term, expenditure is expected to increase to R593.9 million, at an average annual rate of 5.3 per cent, due to the implementation of an electronic cadastre project. 466 691 properties will be registered over the medium term.

The trading account incurred a deficit of R24.4 million in 2010/11 as a result of a decrease in revenue due to a decline in the property market.

## Personnel information

**Table 33.13 Registration of Deeds Trading Entity**

	Personnel post status as at 30 September 2011			Number of personnel posts filled / planned for on funded establishment						
	Number of posts on approved establishment	Number of funded posts	Number of vacant posts	Actual			Mid-year <sup>1</sup>	Medium-term estimate		
				2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Executive management	1	1	–	–	–	1	1	1	1	1
Senior management	45	45	15	11	21	15	31	42	42	42
Middle management	652	652	401	163	271	264	274	374	392	418
Professionals	1 456	1 456	531	881	996	953	925	945	947	947
<b>Total</b>	<b>2 154</b>	<b>2 154</b>	<b>947</b>	<b>1 055</b>	<b>1 288</b>	<b>1 233</b>	<b>1 231</b>	<b>1 362</b>	<b>1 382</b>	<b>1 408</b>
Compensation (R thousand)				204 948	222 619	257 984	282 111	296 560	320 749	349 854
Unit cost (R thousand)				194	173	209	229	218	232	248

1. As at 30 September 2011.

The entity had an establishment of 2 154 posts and all were funded. The number of posts filled increased from 1 055 in 2008/09 to 1 231 in 2011/12 and is expected to increase to 1 408 over the medium term to increase capacity for the registrations process and to accelerate it.

## KwaZulu-Natal Ingonyama Trust Board

### Overview: 2008/09 – 2014/15

The Ingonyama Trust Board is the owner of 2 790 000 hectares of land spread throughout KwaZulu-Natal. The board was created by legislation to hold and manage the land on behalf of communities. Its mission is to improve the quality of life of the people living on trust land by ensuring that they benefit from the use of the land. About 4.5 million people are resident on the land, under the jurisdiction of 241 traditional councils.

In 2011/12, the board entered into commercial agreements worth in excess of R420 million. These included the eThekweni lease and sale agreement, the Jozini sale agreement, and the Transnet pipeline, in terms of which two right-of-way agreements were signed, and for which Transnet will pay R100 million per year.

The board concluded memorandums of agreement in 2011/12 to develop rural housing projects and issue land consents for basic infrastructure provision in a number of projects. In order to encourage cooperative governance among municipalities and traditional councils, and to provide an overarching development framework, the board concluded the Jozini and uMhlabuyalingana agreements. These paved the way for a town planning scheme agreement for Manguzi, a land audit in Jozini, and a service level agreement for the Manguzi land audit.

Over the medium term, the trust board will undertake the following projects: Richards Bay minerals: this is a community mining facilitation and participation venture along the coastal area of KwaZulu-Natal, involving the board, Richards Bay Minerals and the traditional communities. These projects will generate a minimum of R100 million per year for the relevant communities. The Zululand anthracite mining is a coal mining operation located within Ulundi Municipality, which incorporates the Mandlakazi, Matheni, Ximba and Zungu traditional councils. The social labour plan has facilitated the establishment of basic services and small scale agricultural

projects, because Zululand Anthracite Mining purchases its produce from the local communities. The project will facilitate a 13 per cent company shareholding for the relevant communities. The Mulilo hydro electric power project is still in its infancy and is dependent on the National Energy Regulator of South Africa and environmental approvals. The project is expected to generate about R800 million per year when commissioned.

## Performance

The board approved 700 land tenure applications in 2011/12. Approvals are expected to increase from 1 031 to 2 003 over the MTEF period. Over the same period, the number of exclusive land parcels identified is expected to increase from 4 to 6. Between April and November 2010, 113 lease agreements were signed which have the potential of generating additional revenue of R204 000 per year.

## Selected performance indicators

**Table 13.14 Ingonyama Trust Board**

Indicator	Activity/Objective/ Programme/Project	Past			Current	Projections		
		2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Number of land tenure applications approved by the Ingonyama Trust Board per year <sup>1</sup>	Land tenure applications	-	-	-	700	1 031	1 601	2 003
Number of exclusive land parcels identified with tailor made land management plan developed and implemented per year <sup>1</sup>	Land development	-	-	-	2	4	5	6

1. No past data, as these indicators are new.

## Programmes/activities/objectives

**Table 33.15 Ingonyama Trust Board**

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Land management	37 756	39 360	43 833	40 170	59 907	62 193	65 511
<b>Total expense</b>	<b>37 756</b>	<b>39 360</b>	<b>43 833</b>	<b>40 170</b>	<b>59 907</b>	<b>62 193</b>	<b>65 511</b>

The Ingonyama Trust Board had a total budget of R40.2 million in 2011/12, of which 100 per cent was used for land management.

## Savings and cost effectiveness measures

Austerity measures are being implemented in supply chain management. Expenditure on travel and hotel accommodation is being reviewed with the aim of cutting costs. To save costs on goods and services, procurement will be done in bulk so that discounts can be negotiated.

## Expenditure estimates

**Table 33.16 Ingonyama Trust Board**

Statement of financial performance	Audited outcome			Revised estimate	Medium-term estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
<b>Revenue</b>							
<b>Non-tax revenue</b>	<b>38 141</b>	<b>46 789</b>	<b>41 488</b>	<b>27 136</b>	<b>43 670</b>	<b>45 235</b>	<b>47 368</b>
<i>Other non-tax revenue</i>	38 141	46 789	41 488	27 136	43 670	45 235	47 368
<b>Transfers received</b>	<b>2 492</b>	<b>3 056</b>	<b>9 157</b>	<b>13 034</b>	<b>16 237</b>	<b>16 958</b>	<b>18 143</b>
<b>Total revenue</b>	<b>40 633</b>	<b>49 845</b>	<b>50 645</b>	<b>40 170</b>	<b>59 907</b>	<b>62 193</b>	<b>65 511</b>

Table 33.16 Ingonyama Trust Board (continued)

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
<b>Expenses</b>							
<b>Current expenses</b>	<b>37 756</b>	<b>39 360</b>	<b>43 833</b>	<b>40 170</b>	<b>59 907</b>	<b>62 193</b>	<b>65 511</b>
Compensation of employees	2 115	2 991	5 832	8 857	10 432	11 267	12 168
Goods and services	35 620	36 262	37 588	30 831	48 993	50 518	53 025
Depreciation	21	103	406	482	482	408	318
Interest, dividends and rent on land	–	4	7	–	–	–	–
<b>Total expenses</b>	<b>37 756</b>	<b>39 360</b>	<b>43 833</b>	<b>40 170</b>	<b>59 907</b>	<b>62 193</b>	<b>65 511</b>
<b>Surplus / (Deficit)</b>	<b>2 877</b>	<b>10 485</b>	<b>6 812</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Statement of financial position</b>							
Carrying value of assets	3 739	4 204	17 627	41 145	48 663	48 755	48 962
<i>of which:</i>							
<i>Acquisition of assets</i>	3 378	498	13 928	24 000	8 000	500	525
Receivables and prepayments	16 070	37 220	43 243	4 000	4 000	4 000	4 000
Cash and cash equivalents	150 608	171 071	185 674	200 893	193 366	193 266	193 049
Non-current assets held for sale	–	28	21	35	9	17	27
<b>Total assets</b>	<b>170 417</b>	<b>212 523</b>	<b>246 565</b>	<b>246 073</b>	<b>246 038</b>	<b>246 038</b>	<b>246 038</b>
Accumulated surplus / (deficit)	79 592	90 077	97 039	97 038	97 038	97 038	97 038
Finance lease	–	81	54	35	–	–	–
Trade and other payables	3 645	5 825	4 697	4 000	4 000	4 000	4 000
Provisions	87 180	116 540	144 774	145 000	145 000	145 000	145 000
<b>Total equity and liabilities</b>	<b>170 417</b>	<b>212 523</b>	<b>246 564</b>	<b>246 073</b>	<b>246 038</b>	<b>246 038</b>	<b>246 038</b>

### Expenditure trends

Over the medium term, the focus of spending is on auditing land and implementing comprehensive rural development projects.

The entity receives revenue mainly from renting out land in its jurisdiction. The entity also derives revenue from transfers made by the department. Transfers received increased from R2.5 million in 2008/09 to R13 million in 2011/12, at an average annual rate of 73.6 per cent, due to the increase in staff from 10 to 23 employees. Over the medium term, transfers received are expected to increase to R18.1 million, at an average annual rate of 11.7 per cent, due to an increase in staff from 23 to 32.

Expenditure increased from R37.8 million in 2008/09 to R40.2 million in 2011/12 at an average annual rate of 2.1 per cent, and is expected to increase to R65.5 million over the medium term, at an average annual rate of 17.7 per cent. The increase in both periods is due to the construction of the board's new office.

700 land tenure applications were approved from 2008/09 to 2011/12. 4 635 land tenure applications are expected to be approved over the medium term.

## Personnel information

**Table 33.17 Ingonyama Trust Board**

	Personnel post status as at 30 September 2011			Number of personnel posts filled / planned for on funded establishment						
	Number of posts on approved establishment	Number of funded posts	Number of vacant posts	Actual			Mid-year <sup>1</sup>	Medium-term estimate		
				2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Executive management	1	1	–	1	1	1	1	1	1	1
Senior management	3	3	–	1	1	3	3	3	3	3
Middle management	1	2	–	–	–	–	1	2	2	2
Professionals	3	3	–	1	1	3	1	3	3	3
Semi-skilled	19	23	6	7	8	16	17	20	20	20
<b>Total</b>	<b>27</b>	<b>32</b>	<b>6</b>	<b>10</b>	<b>11</b>	<b>23</b>	<b>23</b>	<b>32</b>	<b>32</b>	<b>32</b>
Compensation (R thousand)				2 115	2 991	5 832	8 857	10 432	11 267	12 168
Unit cost (R thousand)				212	272	254	385	326	352	380

1. As at 30 September 2011.

In terms of the approved structure, the entity had 32 posts, all of which were funded. Filled posts increased from 10 in 2008/09 to 23 in 2011/12. The remaining 9 posts will be filled in 2012/13. The ratio of administration to line staff is 1:2.

## Agricultural land holding account

### Overview: 2008/09 – 2014/15

The account was established in 2009/10 in terms of the Provision of Land and Assistance Act (1993). The minister is authorised to purchase land to further the aims of land reform, enabling the department to accelerate the land redistribution process; acquire land in the nodal areas and in the identified agricultural sectors as well as other areas of high agricultural potential; improve the identification and selection of beneficiaries as well as the planning of land on which people could be settled; and ensure the maximum productive use of land acquired.

The entity will continue to acquire land and lease it out to historically disadvantaged individuals. It will also continue to strengthen and implement its recapitalisation programme to ensure all its farms are operating at their optimal level, thus ensuring food security. The entity has launched a farm ranger's project that is expected to create 17 000 employment opportunities over the medium term. This project entails the recruitment and training of unemployed people to work on the entity's farms.

### Performance

In 2011/12, the entity acquired over 694 700 hectares of land and entered into a total of 1 425 leases. Over 640 projects were identified and placed under the recapitalisation and development programme to maximise their production capacity, which will enhance food security. Over the medium term, the entity is expected to acquire approximately 1 045 252 hectares of land and place over 880 projects under recapitalisation and development programmes, at a cost of R800 million.

### Selected performance indicators

**Table 33.18 Agricultural land holding account**

Indicator	Activity/Objective/Programme/Project	Past			Current	Projections		
		2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Number of hectares acquired and redistributed per year	Increased access to productive land	647 125ha	239990ha	162892ha	303612ha	321122ha	353234ha	360 234ha

## Programmes/activities/objectives

**Table 33.19 Agricultural land holding account**

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Increased access to and productive land by 2014	–	75 259	71 942	177 958	458 099	467 138	495 318
<b>Total expense</b>	<b>–</b>	<b>75 259</b>	<b>71 942</b>	<b>177 958</b>	<b>458 099</b>	<b>467 138</b>	<b>495 318</b>

The agricultural land holding account had a total budget of R178 million in 2011/12, of which 100 per cent was used for goods and services.

### Savings and cost effectiveness measures

The entity is currently engaged in the process of recruiting valuers to reduce valuation costs. The entity is working to reduce costly delays in finalising land acquisitions by employing more valuers, so that land can be purchased as soon as it is valued. This will minimise the cost incurred through price increases on land.

### Expenditure trends

**Table 33.20 Agricultural land holding account**

Statement of financial performance				Revised estimate	Medium-term estimate		
R thousand	Audited outcome			2011/12	2012/13	2013/14	2014/15
	2008/09	2009/10	2010/11				
<b>Revenue</b>							
<b>Non-tax revenue</b>	–	76 139	58 075	60 176	70 969	73 844	80 817
<i>Other non-tax revenue</i>	–	76 139	58 075	60 176	70 969	73 844	80 817
<b>Transfers received</b>	–	1 041 116	1 028 480	2 074 721	2 755 741	2 983 873	3 162 905
<b>Total revenue</b>	<b>–</b>	<b>1 117 255</b>	<b>1 086 555</b>	<b>2 134 897</b>	<b>2 826 710</b>	<b>3 057 717</b>	<b>3 243 722</b>
<b>Expenses</b>							
<b>Current expenses</b>	–	75 259	71 942	177 958	458 099	467 138	495 318
Goods and services	–	74 488	71 897	177 958	458 099	467 138	495 318
Interest, dividends and rent on land	–	771	45	–	–	–	–
<b>Total expenses</b>	<b>–</b>	<b>75 259</b>	<b>71 942</b>	<b>177 958</b>	<b>458 099</b>	<b>467 138</b>	<b>495 318</b>
<b>Surplus / (Deficit)</b>	<b>–</b>	<b>1 041 996</b>	<b>1 014 613</b>	<b>1 956 939</b>	<b>2 368 611</b>	<b>2 590 579</b>	<b>2 748 404</b>
<b>Statement of financial position</b>							
Inventory	–	3 216 912	4 315 093	6 211 894	8 509 536	11 026 271	13 693 859
Receivables and prepayments	–	69 467	134 280	247 687	368 788	461 640	466 767
Cash and cash equivalents	–	511 370	259 377	201 108	205 335	150 611	201 916
<b>Total assets</b>	<b>–</b>	<b>3 797 749</b>	<b>4 708 750</b>	<b>6 660 689</b>	<b>9 083 659</b>	<b>11 638 522</b>	<b>14 362 542</b>
Accumulated surplus / (deficit)	–	1 041 997	4 694 433	6 651 372	9 019 983	11 610 562	14 358 966
Capital and reserves	–	2 637 823	–	–	–	–	–
Trade and other payables	–	117 929	14 317	9 317	63 676	27 960	3 576
<b>Total equity and liabilities</b>	<b>–</b>	<b>3 797 749</b>	<b>4 708 750</b>	<b>6 660 689</b>	<b>9 083 659</b>	<b>11 638 522</b>	<b>14 362 542</b>

### Expenditure trends

The spending focus over the medium term is on redistributing land.

The entity receives revenue mainly from renting out land and also from transfers made by the department. Transfers received increased from R1 billion in 2009/10 to R2.1 billion in 2011/12, at an average annual rate of 41.2 per cent, and are expected to increase to R3.1 billion over the medium term, at an average annual rate of 15.1 per cent. The increase in both periods is due to the implementation of the recapitalisation and development programme.

Expenditure increased from R75.3 million in 2009/10 to R178 million in 2011/12, at an average annual rate of 53.7 per cent, and is expected to increase to R495.3 million over the medium term, at an average annual rate of

40.7 per cent. The increase in both periods is due to the implementation of the recapitalisation and development programme.

1.4 million hectares were redistributed from 2009/10 to 2011/12. Over the medium term, 1 million hectares will be redistributed.



## Additional tables

**Table 33.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		2010/11	2010/11		2011/12		2011/12
Administration	6 769 555	7 293 382	7 122 856	606 104	305 733	911 837	911 837
Geospatial and Cadastral Services	–	–	–	388 104	167 444	555 548	555 548
Rural Development	–	–	–	441 276	460 592	901 868	901 868
Restitution	–	–	–	2 497 293	–	2 497 293	2 497 293
Land Reform	–	–	–	4 191 469	(921 318)	3 270 151	3 270 151
<b>Total</b>	<b>6 769 555</b>	<b>7 293 382</b>	<b>7 122 856</b>	<b>8 124 246</b>	<b>12 451</b>	<b>8 136 697</b>	<b>8 136 697</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>1 878 142</b>	<b>2 384 967</b>	<b>2 135 691</b>	<b>2 524 131</b>	<b>613 420</b>	<b>3 137 551</b>	<b>3 137 551</b>
Compensation of employees	1 072 249	1 196 815	946 678	1 395 670	(88 444)	1 307 226	1 307 226
Goods and services	805 893	1 188 152	1 121 818	1 128 461	701 864	1 830 325	1 830 325
Interest and rent on land	–	–	67 195	–	–	–	–
<b>Transfers and subsidies</b>	<b>4 871 604</b>	<b>4 880 556</b>	<b>4 939 964</b>	<b>5 564 744</b>	<b>(608 959)</b>	<b>4 955 785</b>	<b>4 955 785</b>
Provinces and municipalities	34	45	112	46	76	122	122
Departmental agencies and accounts	1 160 070	1 046 455	1 065 498	2 767 805	(609 034)	2 158 771	2 158 771
Foreign governments and international organisations	1 306	1 306	1 148	1 320	(40)	1 280	1 280
Public corporations and private enterprises	–	–	–	1	–	1	1
Non-profit institutions	2 425	2 425	2 425	2 571	–	2 571	2 571
Households	3 707 769	3 830 325	3 870 781	2 793 001	39	2 793 040	2 793 040
<b>Payments for capital assets</b>	<b>19 809</b>	<b>27 859</b>	<b>44 399</b>	<b>35 371</b>	<b>7 990</b>	<b>43 361</b>	<b>43 361</b>
Machinery and equipment	19 200	27 205	44 399	34 624	7 718	42 342	42 342
Software and other intangible assets	609	654	–	747	272	1 019	1 019
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>2 802</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>6 769 555</b>	<b>7 293 382</b>	<b>7 122 856</b>	<b>8 124 246</b>	<b>12 451</b>	<b>8 136 697</b>	<b>8 136 697</b>

**Table 33.B Summary of expenditure on training**

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Compensation of employees (R thousand)	614 191	760 896	1 196 815	1 249 726	1 267 595	1 349 707	1 428 584
Training expenditure (R thousand)	9 443	11 916	12 630	28 650	13 924	14 690	15 977
Training as percentage of compensation	1.5%	1.6%	1.1%	2.3%	1.1%	1.1%	1.1%
Total number trained in department (headcount)	4 208	2 125	–	4 796			
<i>of which:</i>							
Employees receiving bursaries (headcount)	374	412	–	260			
Internships (headcount)	252	145	–	326			
Households receiving bursaries (R thousand)	3 836	13 976	12 997	14 410	13 556	14 302	15 088
Households receiving bursaries (headcount)	155	200	–	280			

**Table 33.C Summary of departmental public private partnership projects**

Project description: Department of Rural Development and Land Reform main campus	Project annual unitary fee at time of contract	Budgeted expenditure	Medium-term expenditure estimate		
		2011/12	2012/13	2013/14	2014/15
R thousand					
<b>Projects signed in terms of Treasury Regulation 16</b>	–	<b>7 184</b>	<b>34 198</b>	<b>96 000</b>	<b>240 000</b>
Public private partnership unitary charge	–	7 184	34 198	96 000	240 000
<b>Total</b>	–	<b>7 184</b>	<b>34 198</b>	<b>96 000</b>	<b>240 000</b>

**Disclosure notes for projects signed in terms of Treasury Regulation 16**

Project name	Kgolanyo project
Brief description	The project focus is on the construction, operation and maintenance of a facility to create an optimal working environment for the department to meet its clients' needs. Currently the department accommodates its staff in six buildings located around Pretoria
Date public private partnership agreement was signed	The final agreement is not signed yet. The expected date for the agreement to be signed will be during the first quarter of 2012/13. The delay in finalising the agreement was due to a court case that is still current
Duration of public private partnership agreement	Once the agreement is signed the duration will be for a period of 25 years
Escalation index for unitary fee	Is based on the consumer price index excluding interest rates on mortgage bonds
Net present value of all payment obligations discounted at appropriate duration government bond yield	No agreement in place
Variations and amendments to public private partnership agreement	No agreement in place
Cost implications of variations and amendments	No agreement in place
Significant contingent fiscal obligations including termination payments, guarantees, warranties and indemnities and maximum estimated value of such liabilities	No agreement in place

Table 33.D Summary of donor funding

Donor	Project	Departmental programme name	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome		Estimate	Medium-term expenditure estimate			
							2008/09	2009/10		2010/11	2011/12	2012/13	2013/14
R thousand													
Foreign													
In cash													
Belgium	Post-settlement and development support to restitution beneficiaries	Restitution	2006/07-2008/09 (3 years)	56 855	Goods and services	Purchased 37 computers and related equipment	3 112	-	-	-	-	-	-
European Union	Establishment of three large blueberry out-growers at Keiskammahoek as the second phase of Eastern Cape Berry Corridor	Rural Development	2 years	21 182	Goods and services	Establishment of three large blueberry out-growers at Kleishammahoek	-	-	21 172	-	-	-	-
<b>Total</b>				<b>78 037</b>			<b>3 112</b>	<b>-</b>	<b>21 172</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Table 33.E Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate					
				2008/09	2009/10	2010/11		2012/13	2013/14	2014/15			
<b>Maintenance</b>													
Cape Town, Van Der Sterr building: Upgrading and installation of back-up generator	Upgrading	Various	16 954	-	-	1 769	12 626	-	-	2 559	-	-	-
Cape Town, surveyor general, Plein Street: Upgrading of kitchen and toilet	Upgrading	Construction	2 933	-	-	300	156	-	-	2 477	-	-	-
Pietermaritzburg, deeds office and surveyor general: Upgrading, repairs and renovations	Upgrading, repairs and renovations	Identification	70 057	-	-	-	3 838	-	-	63 974	2 245	-	-
Pretoria, Cooperation building: Refurbishment of national office boardrooms	Refurbishment	Identification	3 660	-	2 769	891	-	-	-	-	-	-	-

**Table 33.E Summary of expenditure on infrastructure (continued)**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
R thousand										
Pretoria, old Cooperation building: Upgrading of power supply and reticulation	Upgrading	Tender	9 527	-	-	3 542	5 985	-	-	-
Pretoria, old Cooperation building: Upgrading of network centre	Upgrading	Construction	277	-	-	277	-	-	-	-
Cape Town, deeds office: Clearance of construction site	Upgrading	Identification	448	-	-	100	348	-	-	-
Office accommodation: Maintenance and repairs	Maintenance and repairs	Various	3 870	3 870	-	-	-	-	-	-
Office accommodation: Maintenance and repairs	Maintenance and repairs	Various	2 382	2 382	-	-	-	-	-	-
<b>Total</b>			<b>110 108</b>	<b>6 252</b>	<b>2 769</b>	<b>6 879</b>	<b>22 953</b>	<b>69 010</b>	<b>2 245</b>	<b>-</b>



National Treasury  
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