



ANNUAL PERFORMANCE PLAN 2017/2018

PRESENTATION TO THE PORTFOLIO COMMITTEE ON RURAL DEVELOPMENT AND LAND REFORM

02 MAY 2017

BACKGROUND

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- The Commission on Restitution of Land Rights (“the Commission”) submitted a stand-alone Strategic Plan for 2015-2020 in 2015.
- This was in line with the move towards Autonomy as directed by the Minister and recommended by the DPME in the Restitution Evaluation conducted in 2014.
- The strategic goals and objectives echo the goals and objectives of the Department of Rural Development and Land Reform as Programme 4 of the Department and is therefore also part of the DRDLR Strategic Plan as well as Annual Performance Plan (APP).
- The overall goals and objectives of the 2015-2020 Strategic Plan is still valid.
- The annual targets have been revised and captured in the APP as submitted.



OVERVIEW OF THE ANNUAL PERFORMANCE PLAN

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- The structure of the document is in line with the prescripts of the National Treasury, as follows:
 - Updated situational analysis
 - Performance delivery environment
 - Organisational environment
 - Legislative and other mandates
 - Overview of 2017 budget and MTEF estimates
 - Annual Targets for Performance Indicators per objective
 - Quarterly Targets for 2017/18



UPDATED SITUATIONAL ANALYSIS

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- The **Mandate** of the Commission on Restitution of Land Rights (CRLR) is to provide for the restitution in land in respect of which persons or communities were dispossessed under or for furthering the purpose of furthering the objects of racially based discriminatory law.
- Over the past reporting year, a crucial change in the environment was that on 28 July 2016 the Constitutional Court found the Restitution of Land Rights **Amendment Act** 15 of 2014 (the amendment act) to be **invalid**. This meant that no new claims could be lodged and an Interdict placed against the processing of claims lodged from 1 July 2014. In addition, the Constitutional Court essentially gave Parliament 24 months to process a new amendment act. This meant that the CRLR refocused all attention on processing the pre-1998 claims, with a specific focus on ensuring that all outstanding claims were researched.
- A second key development in the past year was the Agriculture, Land Reform and Rural Development **Phakisa** which will seek to stimulate socio-economic growth, foster job creation, and instil transformation along the agriculture and rural development value chain. The key initiatives of Operation Phakisa for the CRLR is to “Fast track the settlement of the outstanding restitution claims in a sustainable manner” which means that all outstanding research should be concluded by the first quarter of 2017/18, that all outstanding verification of restitution beneficiaries must be concluded in order to settle all outstanding claims within in the next 24 months. To facilitate this approach, various administrative and business processes would be revised to ensure that the pre-1998 claims are dealt with as fast as possible.
- In light of these developments, the 2017/18 Annual Performance Plan was developed in order to reflect these commitments and realities.



PERFORMANCE DELIVERY ENVIRONMENT

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- In 2012/2013 all the APP targets were achieved for number of land rights restored or award of alternative equitable redressed finalised (376 against a target of 380) and number of land claims settled (602 against a target of 133). In addition 100% of allocated budget was spent. Budget allocation: R2 873 438 00, Expenditure: R2 853 429 382.
- In 2013/14 all the APP targets were achieved for number of land claims settled (270 against a target of 230), the number of claims finalised (292 against a target of 208). Also finalised the research in terms of re-opening and the report was submitted to Cabinet and Parliament. In addition 100% of allocated budget was spent. Budget: R2 819 453, Expenditure: R2 819 191.
- In 2014/15 all the APP targets were achieved for number of land claims settled (428 against a target of 379), number of land claims finalised (372 against a target of 239), number of phased project approved (119 against a target of 53), number of claims lodged by 1998 to be researched (1525 but revised to 1516 after the AGs verification against a target of 1 445). The Commission also opened 14 lodgement offices. In addition 100% of allocated budget was spent. Budget: R2 958 991 000, Expenditure: R2 958 676 188.



PERFORMANCE DELIVERY ENVIRONMENT

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- In 2015/16 all the APP targets were achieved for number of land claims settled (617 against a target of 463), number of land claims finalised (560 against a target of 373), number of phased project approved (82 against a target of 62), number of claims lodged by 1998 to be researched (2 541 against a target of 2 660). Budget: R2 656 949 290, Expenditure: R2 611 324 247.
- Approximately 80 000 claims have been lodged of which 79 212 has been settled as at 31 December 2016. This has resulted in 3.3 million hectares of land, and 11.63 billion rand financial compensation, being awarded to 2.03 million beneficiaries from 408 231 (of which 328 852 are female headed households). Had the claimants who opted for financial compensation chosen land restoration an additional 2.7 million hectares would have been restored. The total cost of the settlement of these claims is R36.5 billion.
- There are 6 989 claims that were lodged before the 1998 cut-off date which are outstanding.



ORGANISATIONAL ENVIRONMENT

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- The programme had a funded establishment of 738, 733 posts are filled and 6 posts are filled in addition to this establishment. The vacancy rate is 0.68%.
- It should be noted that the Compensation of Employees budget will reduce in 2017/18 from the 2016/17 budget preventing the Commission to fill critical posts that become vacant. This will have a direct bearing on the speed of delivery.
- The Deputy Land Claims Commissioner recently being appointed to another position in the Department and his post will be filled as a matter of urgency. It is anticipated that the current CLCC will be filled by the previous incumbent which supports continuity in delivery. Is also applies to the RLCC.



LEGISLATIVE AND OTHER MANDATES

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Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996)

- The mandate of the Commission is derived from sections 25(7) of the Constitution. Emerging from section 25(7) of the Constitution, the Restitution of Land Rights Act, (Act No. 22) was promulgated.

Restitution of Land Rights Act, 1994 (Act No. 22 of 1994):

Through this Act, the Commission ensures the provision for the restitution of rights in land to persons or communities dispossessed of such rights after 19 June 1913 as a result of past racially discriminatory laws or practices. To administer this task, the Act provides for the establishment of a Commission on Restitution of Land Rights and a Land Claims Court; and to provide for matters connected therewith.

The Restitution of Land Rights Amendment Bill, will be re-introduced in Parliament during 2017. The Bill will seek to provide for

- the amendment of the cut-off date for lodging a claim for restitution;
- the prioritization of processing of land claims;
- to further regulate the appointment, tenure of office, remuneration and the terms and conditions of service of judges of the Land Claims Court;
- to create certain offences



OVERVIEW OF THE 2017 BUDGET AND MTEF ESTIMATES

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- The total budget allocated for programme 4: Restitution amount to just under R3,25 billion for the 2017/18 financial year.
- A total of R10.3 billion is allocated for settling land restitution claims over the MTEF period, which constitutes 31.9 per cent of the DRDLR budget.
- Consultants are extensively utilised as part of the pre-settlement of claims, especially the appointment of valuers, conveyancers and specialist researchers and is a major cost driver in the Restitution programme. Over the MTEF period, R503.7 million will be spent on such consultants.
- It is of concern that the Compensation of Employees budget reduces by over 3% which does not allow for the filling of critical posts. Over the MTEF, the COE only increases to allow for inflationary adjustments.



OVERVIEW OF THE 2017 BUDGET AND MTEF ESTIMATES

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Programme 4: Restitution

Sub-programme	Audited outcome			Voted (Main Appropriation)	Adjusted Appropriation	Medium-term expenditure estimate		
	2013/14	2014/15	2015/16	2016/17		2017/18	2018/19	2019/20
R thousand								
Restitution National Office	160 048	126 909	88 037	217 546	217 546	210 745	222 355	237 418
Restitution Regional Offices	388 073	610 128	522 978	437 740	442 033	427 865	456 081	494 024
Restitution Grants	2 288 581	2 260 900	2 019 224	2 512 922	2 508 629	2 608 774	2 762 864	2 919 712
Total	2 836 702	2 997 937	2 630 239	3 168 208	3 168 208	3 247 384	3 441 300	3 651 154

Programme 4: Restitution - Economic classification

Economic classification	Audited outcome			Voted (Main Appropriation)	Adjusted Appropriation	Medium-term expenditure estimate		
	2013/14	2014/15	2015/16	2016/17		2017/18	2018/19	2019/20
R thousand								
Current payments	493 060	453 347	491 912	647 564	639 592	630 608	669 976	722 512
Compensation of employees	216 914	255 323	304 738	336 637	336 637	339 818	360 103	387 553
Goods and services	270 768	192 660	185 959	310 927	302 955	290 790	309 873	334 959
Interest and rent on land	5 378	5 364	1 215	-	-	-	-	-
Transfers and subsidies	2 278 600	2 278 729	2 039 371	2 518 185	2 516 080	2 614 699	2 769 116	2 926 313
Provinces and municipalities	474	17 404	19 071	4 954	7 170	5 621	5 929	6 260
Households	2 278 126	2 261 325	2 020 300	2 513 231	2 508 910	2 609 078	2 763 187	2 920 053
Payments for capital assets	62 967	264 843	97 869	2 459	12 536	2 077	2 208	2 329
Machinery and equipment	4 759	38 161	7 314	2 459	8 130	2 077	2 208	2 329
Land and sub-soil assets	58 208	226 682	90 555	-	4 406	-	-	-
Payments for financial assets	2 075	1 018	1 087	-	-	-	-	-
Total	2 836 702	2 997 937	2 630 239	3 168 208	3 168 208	3 247 384	3 441 300	3 651 154

ANNUAL TARGETS FOR PERFORMANCE INDICATORS PER OBJECTIVE

Purpose:

Settle and finalise land restitution claims under the Restitution of Land Rights Act (Act 22 of 1994).

Strategic Objectives, Performance Indicators and Annual Targets for 2017/18

Strategic Objective Statement		Performance indicator	Audited/Actual Performance			Estimated performance	Medium-term targets		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
4.1	Number of land claims finalised	2047	292	372	560	454	724	832	865

ANNUAL TARGETS FOR PERFORMANCE INDICATORS PER OBJECTIVE

Annual MTEF targets for strategic objectives for Programme 4 are shown in the table below:

Strategic Objective Statement		Performance indicator	Audited/Actual Performance			Estimated performance	Medium-term targets		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
4.1	Facilitate the restoration of land rights or alternative forms of equitable redress by 2020	Number of land claims settled	270	428	617	615	1001	1151	1179
		Number of phased projects approved	New indicator	119	82	76	105	112	118
		Number of claims lodged by 1998 to be researched	New indicator	1516	2541	1530	916	-	-

QUARTERLY TARGETS IN LINE WITH ANNUAL TARGET (2017/18 FINANCIAL YEAR)

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Quarterly Targets for 2017/18

Performance Indicator		Reporting Period	Annual target	Quarterly Targets			
				1st	2nd	3rd	4th
1	Number of land claims settled	Quarterly	1001	200	290	280	231
2	Number of land claims to be finalised	Quarterly	724	153	189	192	190
3	Number of phased projects approved	Quarterly	105	18	29	31	27
4	Number of claims lodged by 1998 to be researched	Quarterly	916	916	-	-	-



THANK YOU

