



Strategic Plan
2015-2020
and
Annual Performance Plan
2015/2016





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► ACRONYMS AND ABBREVIATIONS

APP	Annual Performance Plan
CLCC	Chief Land Claims Commissioner
CRLR	Commission on Restitution of Land Rights
DG	Director General of the Department of Rural Development and Land Reform
DPME	Department of Performance Monitoring and Evaluation
DRDLR	Department of Rural Development and Land Reform
EPR	Expenditure and Performance Review
GTAC	Government Technical Assistance Component
Ha	Hectares
HHs	Households
LCC	Land Claims Court
M&E	Monitoring and Evaluation
MIS	Management Information System
MP	Member of Parliament
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NDP	National Development Plan
NLARCC	National Land Allocation and Recapitalisation Control Committee
PFMA	Public Finance Management Act, 1999 (Act No. 1 of 1999)
PMS	Project Management System
Restitution Act	Restitution of Land Rights Act, 1994 (Act No. 22 of 1994)
RIA	Regulatory Impact Assessment
RLCC	Regional Land Claims Commissioner
SAHRC	South African Human Rights Commission
SOPs	Standard Operating Procedures
The Constitution	Constitution of the Republic of South Africa, 1996



► OFFICIAL SIGN-OFF

It is hereby certified that this Strategic Plan:

- Was developed by the management of the Commission on Restitution of Land Rights (CRLR) under the guidance of the Minister of Rural Development and Land Reform.
- Takes into account all the relevant policies, legislation and other mandates for which the CRLR is responsible.
- Accurately reflects the strategic outcome oriented goals and objectives which the CRLR will endeavour to achieve over the period 2015 to 2020.

Ms Nomfundo Gobodo
Chief Land Claims Commissioner

Ms Rendani Sadiki
Chief Financial Officer

Mr Mduduzi Shabane
Accounting Officer

Approved by:

Nkwinti, GE (MP)
Minister: Rural Development and Land Reform



► MINISTER'S STATEMENT OF POLICY AND COMMITMENT

On 26 June 1995 the People's Congress adopted the Freedom Charter, which set out the collective aspirations of South Africans from all walks of life. Delegates that converged in Kliptown, and indeed the drafters of the Freedom Charter, took into account the legacy of colonialism and apartheid in setting out a vision for an inclusive, redistributive model of development.

The Constitution of the Republic of South Africa, 1996 was premised on the spirit and letter of the Freedom Charter.

The recognition in the Freedom Charter that *"our people have been robbed of their birthright to land, liberty and peace by a form of government founded on injustice and inequality"*; and the declarations that *"the people shall share in the country's wealth"*; and that *"the land shall be shared among those who work it"* informs, amongst others, the government's Land Reform Programme – made up of land redistribution, land tenure reform, land restitution, and land development.

In giving effect to the Freedom Charter demand that "the people shall govern" government responded positively to a request, by persons and

communities that could not participate in the land restitution programme, that it re-open the lodgement of land restitution claims to enable those that did not claim by the deadline of 1998 to do so. On 30 June 2014 the President assented to the Restitution of Land Rights Amendment Act, 2014 paving the way for deserving persons and communities to lodge their land restitution claim for a period of five years.

In excess of 46 000 new land claims had been lodged with the Commission on Restitution of Land Rights by 30 January 2015, and the Commission registers new land claims on a daily basis and will do so until the new deadline of 30 June 2019.

Indeed, it is appropriate that the Ruling Party has declared 2015, sixty years from the adoption of the Freedom Charter, as the year of the Freedom Charter and unity in action to advance economic freedom.

It is in this context that this Strategic Plan for the Commission on Restitution of Land Rights, whose functions include soliciting land claims, investigating them, and attempting to resolve them through negotiations and mediation, is tabled.

The Commission has been instructed to fast-track the settlement of land claims, and to prioritise, for settlement, the claims that were lodged before the 1998 cut-off date. In order for it to do so the Commission will implement a programme to improve its efficiencies.

The programme will focus on the Commission's strategy, its structure, systems, style, staff, and skills.

The settlement of claims will be supported by a development programme, implemented by the Department of Rural Development and Land Reform, aligned to the Comprehensive Rural Development Programme; and through the three-pronged strategy for rural development set out in the National Development Plan: that agricultural development will be based on successful land reform, employment creation, and strong safeguards for the environment, the driving force for this being the expansion of irrigated agriculture together with the expansion of dryland production in some areas; for areas with limited economic potential, the focus will be on providing quality basic services, particularly education, health care and public transport; and for areas with greater economic

potential, in particular denser rural areas, the focus will be on the development and promotion of non-agricultural strategies such as the promotion of agro-processing, tourism where appropriate, fisheries for coastal areas and small enterprise development.

I hereby use this opportunity to endorse the Strategic Plan of the Commission on the Restitution of Land Rights and indicate my commitment in ensuring its implementation. I also take this opportunity to wish the Chief Land Claims Commissioner and her team the best in their endeavours in their programme of operational effectiveness aimed at improving the pace of the settlement of land claims.



Nkwinti, GE (MP)
Minister: Rural Development and Land Reform



► OVERVIEW BY THE CHIEF LAND CLAIMS COMMISSIONER

The Commission on Restitution of Land Rights is well acquainted with the significant role it plays in the government's efforts of resolving historical injustices relating to land dispossessions as a result of colonialism and apartheid, as required by the Constitution.

The Commission also recognises the concerns of all stakeholders at the slow pace of the settlement of claims, particularly in relation to the claims lodged before the 1998 cut-off date; and apprehensions that the Commission will not finalise the claims lodged before the 1998 cut-off date prior to processing those lodged in the new lodgement period: 1 July 2014 to 30 June 2019.

During the 2015–2020 strategic planning cycle the Commission intends implementing a programme to improve the efficacy of its operations, the pace of the settlement of the claims, and the quality of those settlements.

As part of the business unusual process, the Commission will particularly ensure a

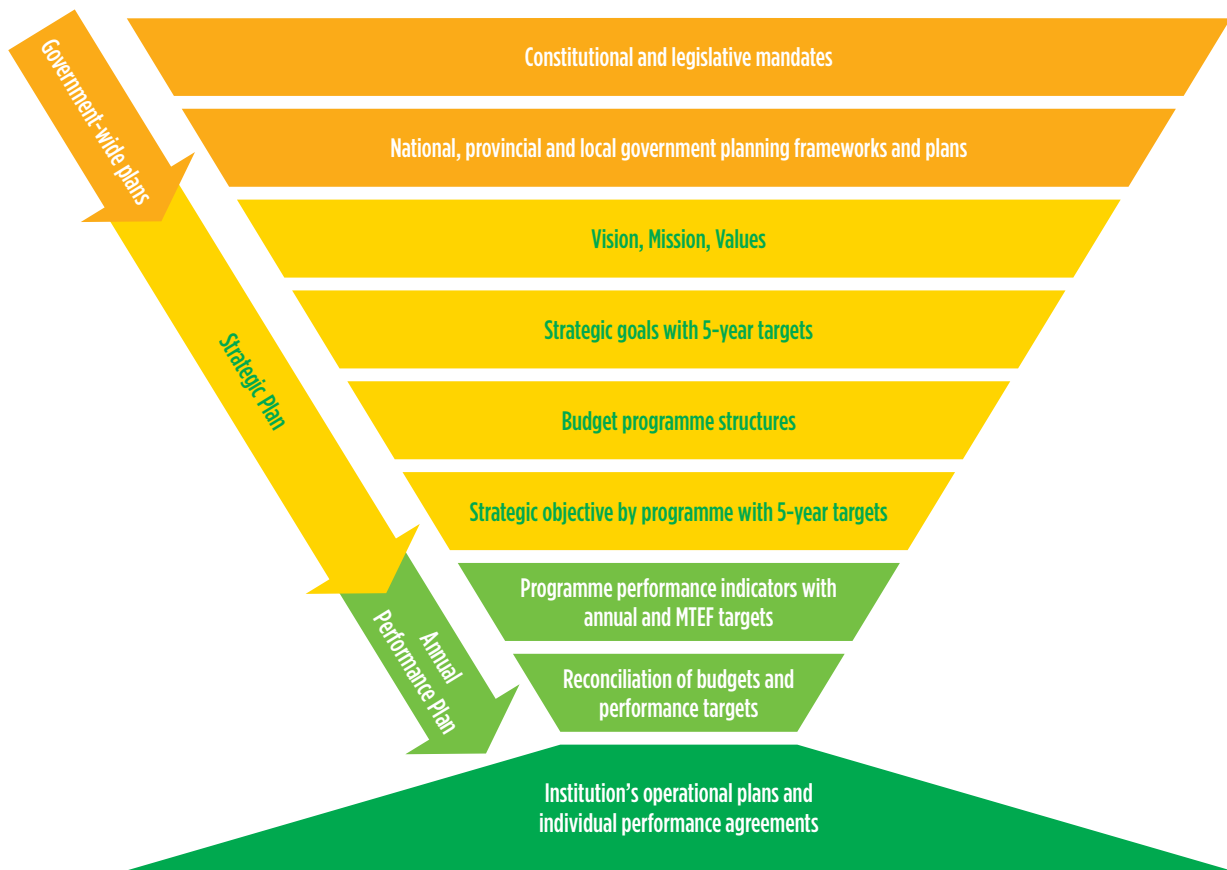
continued focus on the speedy investigation and finalisation of the claims lodged before the 1998 cut-off date; the improvement of the quality of the settlements; the improvement of its communication with all stakeholders, particularly those who claimed land before the 1998 cut-off date, using new technologies; and the definition of the role of sector departments and other spheres of government in the development projects resulting from the settlement of claims.

As an autonomous institution created to implement the land restitution programme, the Commission will be guided by applicable legislative and other prescripts in implementing its mandate – whilst remaining fully accountable to the Minister, as the executive authority, and Parliament.

Ms Nomfundo Gobodo
Chief Land Claims Commissioner



► PART A: STRATEGIC OVERVIEW



The Public Finance Management Act, 1999 (Act No. 1 of 1999), read with Treasury Regulations, requires entities such as the Commission on Restitution of Land Rights to develop strategic plans. The plans must

be aligned with Constitutional and legislative mandates, the National Development Plan and the Medium Term Strategic Framework for the planning period.

Treasury Regulations require that strategic plans must provide a situational analysis, strategic orientated goals, and strategic objectives and that annual performance plans must be developed.

1. VISION

A Commission of excellence that ensures that effective, efficient and speedy redress is provided to victims of racially based land disposessions.

2. MISSION

We exist to provide equitable redress to victims of racially motivated land dispossession, in line with the provisions of the Restitution of Land Rights Act, 1994 (Act No. 22 of 1994), as amended.

3. VALUES

We uphold the following values:

- We value and encourage diversity and will not discriminate against anyone. We uphold the rights of individuals as enshrined in the Constitution of the Republic of South Africa.
- We strive to be transparent, accountable and responsive in all the services we offer to claimants and other stakeholders, in order to ensure equitable redress.
- We strive towards maintaining high service standards through improved business processes and a focus on ethical and professional operational principles.
- We ensure that we have a dedicated, loyal, results-oriented, professional and people-focused workforce that is passionate and committed to serve the people of South Africa.
- In collaboration with all stakeholders, the Commission will comply with all laws of this country and will not pass any legislation that is in conflict with the Constitution.

4. LEGISLATIVE AND OTHER MANDATES

4.1 Mandate

The CRLR is an autonomous institution established by the Restitution of Land Rights Act, 1994 (Act No. 22 of 1994) to solicit land claims, investigate them and attempt to resolve them through negotiation and mediation.

4.2 Constitutional mandate

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

The mandate for restitution of land rights is derived from section 25 (7) of the Constitution of the Republic of South Africa, 1996 (“the Constitution”) which states that a *“person or community dispossessed of property after 19 June 1913 as a result of past racially discriminatory laws or practices is entitled, to the extent provided by an Act of Parliament, either to restitution of that property or to equitable redress”*.

4.3 Legislative mandate

Emerging from section 25(7) of the Constitution, the Restitution of Land Rights Act, 1994 (Act No. 22 of 1994), as amended (“the Restitution Act”) was promulgated. The long title of the Restitution Act is “To provide 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 establish a Commission on Restitution of Land Rights and a Land Claims Court; and to provide for matters connected therewith”.

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

The Restitution Act requires the Commission to:

- i. receive and acknowledge receipt of all claims for the restitution of rights in land;

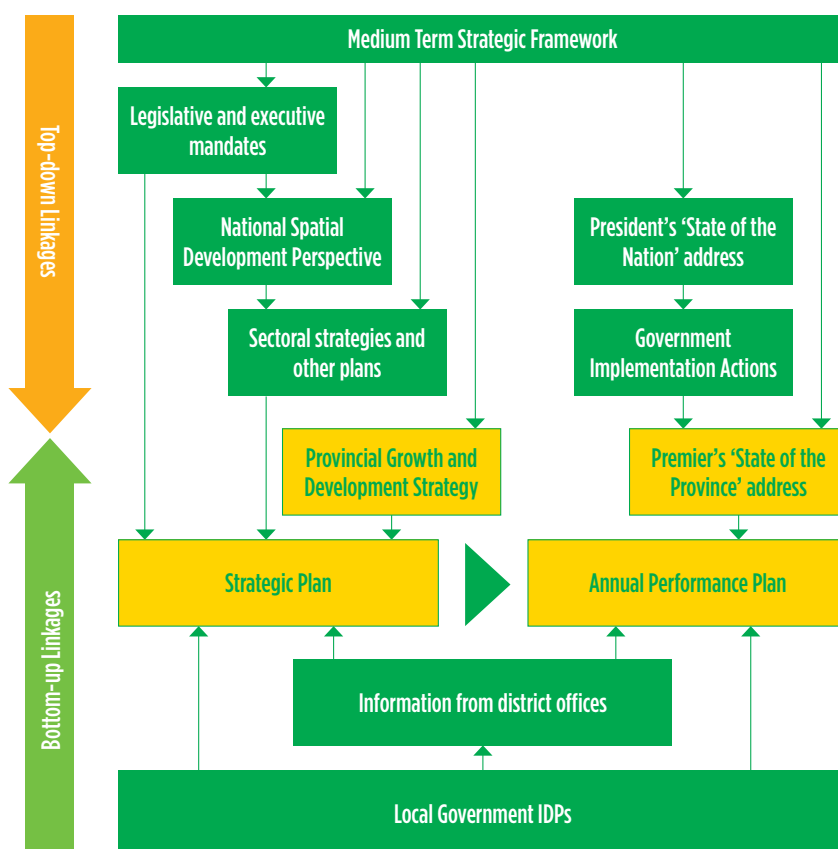
- ii. take reasonable steps to ensure that claimants are assisted in the preparation and submission of claims;
- iii. advise claimants of the progress of their claims at regular intervals and upon reasonable request;
- iv. investigate the merits of claims;
- v. mediate and settle disputes arising from such claims;
- vi. report to the Land Claims Court on the terms of settlement in respect of successfully mediated claims;
- vii. define any issues which may still be in dispute between the claimants and other interested parties with a view to expediting the hearing of claims by the Land Claims Court;
- viii. draw up reports on unsettled claims for submission as evidence to the Land Claims Court and present any other relevant evidence to the Court;
- ix. at regular intervals, take appropriate steps to make public information regarding the persons entitled to claim restitution of rights in land, the limitations imposed by the Act, and the manner in which claims may be lodged with the Commission; and ensure that priority is given to claims lodged not later than 31 December 1998 and which were not finalised at the date of the commencement of the Restitution of Land Rights Amendment Act, 2014.

The Restitution Act also empowers the Minister of Rural Development and Land Reform and the Land Claims Court to make awards to restitution claimants where he or she is satisfied that there is a valid restitution claim, by awarding to the claimant land, a portion of land or any other right in land, the payment of financial compensation, or an award of both land and financial compensation.

On 30 June 2014 the President assented to the Restitution of Land Rights Amendment Act, 2014 (Act No. 15 of 2014), which came into operation on 1 July 2014. The Restitution of Land Rights Amendment Act, 2014 provides, among others, for the re-opening of lodgement of land claims for a period of five years, calculated from 1 July 2014 to 30 June 2019. The Amendment Act also provides for:

- The prioritisation of claims lodged not later than 31 December 1998 and which were not finalised on 1 July 2014;
- The amendment of notification requirements once a land claim has been accepted, where the CRLR is required to make the acceptance known in the media circulating nationally and in the province;
- The CRLR to establish and maintain a National Land Restitution Register which will contain the details of all land restitution claims lodged from 30 June 2014;
- The alignment of the appointment and conditions of service of judges of the LCC with those of the High Court [this part shall be implemented by the Department of Justice and Constitutional Development]; and
- The creation of two new offences. The first offence will be committed by a person who prevents another person from lodging a claim. Punishment for this offence will be a fine or imprisonment up to a period of six (6) months. The second offence will be committed by a person who lodges a claim with the intention of defrauding the state. Punishment applicable to persons convicted of fraud will be applicable to this offence.

5. POLICY MANDATES



5.1 National Development Plan: Vision for 2030

The National Development Plan (NDP) sets out the path for our country up to 2030.

The broad goals of the NDP are to build a united country, resolve historical injustices, uplift the quality of life of all South Africans, accelerate social and economic change, eradicate poverty and unemployment and reduce inequality and expand the economy and distribute its benefits equitably.

The NDP vision for rural areas is to ensure that rural areas are spatially, socially and economically well integrated – across Municipal, District, Provincial and Regional boundaries – where residents have economic growth, food security and jobs as a result of agrarian transformation and infrastructure development programmes, and have improved access to basic services, health

care and quality education. By 2030 agriculture will create close to 1 million new jobs, contributing significantly to reducing overall unemployment.

Achieving this vision will require leadership on land reform; communal tenure security; financial and technical support to farmers and; the provision of social and physical infrastructure for successful implementation. It will also require capacity building to enable state institutions and private industries to implement these interventions. Improved co-ordination and integration in the planning and implementation of area-based and differentiated rural development plans will be needed over the medium term to achieve the vision of an inclusive rural economy.

The contribution of the CRLR to the NDP and the Medium Term Strategic Framework (MTSF) will relate particularly to sustainable

land reform and agrarian transformation, which is set out in more detail in the Strategic Plan of the Department of Rural Development and Land Reform (DRDLR).

The CRLR plays a key role towards radical rural economy transformation.

The primary focus of the CRLR is Land Restitution (which is one of the four elements of the land reform programme) which will contribute to ensuring sustainable and rapid transfer of land to beneficiaries, without distorting land markets or business confidence.

5.2 Medium Term Strategic Framework 2014–2019

The *Commission on Restitution of Land Rights 2015–2020 Strategic Plan* is guided by the 2014–2019 MTSF which reflects the country's priorities for the first five (5)-year cycle of the implementation of the NDP; more especially those relating to rural development and land reform as contained in the *Strategic Plan of the Department of Rural Development and Land Reform*. It also takes into consideration policy priorities which are in line with the rural development and land reform's trajectory as articulated in the MTSF, specifically outcome 7 of the MTSF.

5.2.1 Outcome 7

Outcome 7 aims to achieve "vibrant, equitable and sustainable rural communities". Sub-outcome 2 aims to ensure that Sustainable Land Reform contributes to agrarian transformation.

5.3 Medium Term Budget Policy Statement 2014

The Medium Term Budget Policy Statement 2014, highlighted the prioritisation of "the re-opening of the land reform (sic) process [that] has resulted in the lodging of new land claims".

The Department of Rural Development and Land Reform is therefore expected to allocate R1.1 billion to the CRLR over the next Medium Term Expenditure Framework period to investigate and settle these claims whilst prioritising claims submitted prior to 31 December 1998 as per the requirement of the Restitution Act.

5.4 The Mandate for Rural Development and Land Reform

The DRDLR implements the Comprehensive Rural Development Programme (the CRDP), which was adopted by Cabinet in 2009. The CRDP serves as the overarching policy trajectory and strategy for the DRDLR. The CRDP provides a comprehensive and inclusive approach to development.

The aim of the DRDLR is to create and maintain equitable and sustainable land dispensation and to act as a catalyst in rural development, to ensure sustainable rural livelihoods; decent work; and continued social economic advancement for all South Africans.

Restitution (of land rights) is one of the four strategic elements of the land reform programme, the others being Redistribution; Tenure reform (and administration); and Development. These strategic elements deal with both quantitative and qualitative factors in land reform.

The strategy of the CRDP is 'agrarian transformation' defined to mean 'a rapid and fundamental change in relations (systems of ownership and control) of land, cropping, livestock and community'.

The agrarian transformation system of the DRDLR sets out three rural development measurables, to further underscore the strategic importance of a comprehensive and inclusive approach to rural development and land reform. The three measurables for rural development are meeting basic human needs, rural enterprise development, and rural agro-industries sustained by rural markets and rural financing facilities.

The Rural Economy Transformation Model has been developed to address the triple legacy of colonialism, apartheid ethnic enclaves, and patrimonial authority. Two inter-connected models have been designed to reverse this triple legacy: the Wagon Wheel and Institutional Roles and Role-relationships:

- The Wagon Wheel is a high-level static representation of the social, economic, cultural and political situation in the parts of South Africa that are dominated by communal landholdings and patrimonial authority.
- The Institutional Roles and Role-relationships model is a high-level dynamic representation of an institutional framework that defines and streamlines roles and responsibilities of the key players in the rural economy transformation space - organs of the State, community-based governance structures, investors and communities represented by households. It also provides an accountability system by the governance structures to households and relevant organs of the State.

The CRLR is dedicated to support the vision of a South Africa with an inclusive rural economy, where rural communities are vibrant, equitable and sustainable and continue to contribute by providing for Restitution in land, in respect of which persons or communities who were dispossessed under or for furthering the purpose of the objects of racially based discriminatory laws.

The CRLR also seeks strategic partnerships and relationships to be effectively established with new institutions such as the District Land Committees, Valuer-General, and those to be established by legislation being processed such as the Land Commission and the Land Rights Management Board.

The Recapitalisation and Development Programme (in programme 5 of the DRDLR) is aimed at ensuring that all land reform (including restitution) farms are 100% productive and it establishes a recapitalisation and development fund. For beneficiaries of restitution, funding will be allocated from the current household budget of Programme 4 (CRLR). 25% of the CRLR households budget, annually, is set aside for this purpose.

6. SITUATIONAL ANALYSIS

Four studies have been conducted on the Restitution Programme over the past two (2) years. These include the *Regulatory Impact Assessment (RIA)* which led to the promulgation of the Restitution of Land Rights Amendment Act and independent studies done by the Department of Performance Monitoring and Evaluation (DPME) in the Presidency; by the Government Technical Assistance Component (GTAC) in National Treasury; and the South African Human Rights Commission (SAHRC) report titled "Monitoring and Investigating the Systemic Challenges Affecting the Land Restitution Process in South Africa". These provide very good insight into the situational context of the CRLR and have largely informed the development of a programme to improve the efficacy of the Commission's operations, the pace of the settlement of the claims, and the quality of those settlements.

6.1 Regulatory Impact Assessment

The Regulatory Impact Assessment (RIA) commissioned by the DRLR assessed the feasibility of the re-opening of lodgement of land claims. It estimated that 397 000 new claims are likely to be lodged with the CRLR. The RIA also estimates that based on current trends, the estimated cost to settle the claims to be lodged will be between R129 billion and R179 billion. (The lower figure assumes a scenario where the trend in settlement between land and financial compensation remains the same. The higher scenario estimates an increase to 75% land compensation with only 25% financial compensation paid.)

The RIA also points to a major weakness of the current restitution programme being "its failure to adequately monitor and evaluate restitution projects". It not only points to the lack of data for reporting and planning but also to the lack of proper project management systems (PMS) to manage claims from lodgement to settlement causing delays (but more importantly no monitoring of the effectiveness of the reforms in achieving intended policy objectives).

6.2 DPME implementation evaluation

Cabinet approved the *National Evaluation Plan 2013/14* which included the Evaluation of the Restitution Programme. The DPME Evaluation report made seven (7) medium- to long-term recommendations as well as three (3) recommendations for short term implementation, as set out in table 1 adjacent:

6.3 Expenditure and performance review

An Expenditure and Performance Review (EPR) was commissioned by the GTAC in National Treasury. In summary the comments were that:

- There were 8733 outstanding claims as at the end of March 2013 (which has since been reduced to 8471 as at end March 2014). The EPR study (scenario 1) estimates a cost of R16.9 billion for these claims.
- The CRLR's Commitment Register stood at R4.8 billion (as at 31 March 2014). The commitment register is a list of all the claims for which the research has been completed and the claim has been awarded (settled), but the legal transfer has not occurred (not finalised).
- Of these commitments, 72% are commitments which relate to grant payments for development support.
- While the CRLR is no longer mandated to implement post-settlement support, in practice, it still performs this function. The CRLR should be absolved from both funding and operational responsibility for post-settlement support, so that it can focus on its core mandate *vis* finalising outstanding claims and reviewing and settling the claims to be lodged in the re-opening of the claims window.
- The process which underpins the Restitution Programme is an inherently complicated, highly structured one.

Table 1: DPME evaluation recommendations

Recommendations from the evaluation	
1.	The clear definition of the function of the CRLR as an autonomous entity dedicated exclusively to the administration of the restitution process.
2.	The definition of a detailed business process and its elaboration into Standard Operating Procedures (SoPs) which describe every step in the restitution process, and the roles and responsibilities of staff.
3.	The rationalisation of all different existing Management Information Systems (MISs) into a single, web-based system. The MIS should provide for the electronic management of every step in the business process and lay the basis for performance management and monitoring and evaluation (M&E).
4.	Provincial Restitution managers should be given responsibility (and budgets) for all non-capital aspects of their programmes.
5.	A competent and dedicated human resource capacity should be established within the CRLR, independent of the DRDLR. Performance management systems should be put in place which manage and reward staff according to: the quality of research; adherence to agreed procedures and systems; the integrity of the claims process; the quality and the rate of settled claims.
6.	The current M&E system should be broadened to measure intermediate outputs of the settlement process as well as qualitative aspects. It should be used to capture and communicate best practice.
7.	The budget for the Restitution Programme needs to be re-considered. In recent years, the budget for the Restitution Programme has been reducing, impacting on the CRLR's ability to settle the outstanding claims. In line with this, should the second phase of restitution take place, the CRLR will require a greater operational budget than that which is currently available.
8.a.	The current filing system must be cleaned up and systematised. All future cases should be managed through the MIS, strictly in relation to the prescribed operating procedures and delegations.
8.b.	All outstanding claims should be settled before any work begins on the processing of new claims.
8.c.	The operating procedures and MIS must be updated to reflect the criteria for new claims before any new claims are processed, and all necessary training of staff provided.

A number of factors compromise the efficiency of the programme, including the lack of a standardised business process; the absence of an electronic, systematised MIS; unclear delineation of roles and responsibilities between the DRDLR and the CRLR; and weak human resources within the CRLR.

The outcome of this review echoes the findings and recommendations of the DPME Evaluation.

6.4 South African Human Rights Commission

The SAHRC investigated the systemic challenges affecting the land restitution process in South Africa and the Commission convened a hearing in terms of section 9(1)(c) of the Human Rights Commission Act, 1994 (Act No. 54 of 1994). In its report "*Monitoring and Investigating the Systemic Challenges Affecting the Land Restitution Process in South Africa*" an analysis of evidence provided to the SAHRC is done and the following conclusions and recommendations were made.

The investigation revealed that:

- The mandate(s) and role of the CRLR *vis-à-vis* the DRDLR is unclear. This raises challenges due to CRLR's relation to the DRDLR. The close proximity of the two entities means that the CRLR will not be able to construct its work in a manner that is impartial to and independent of the DRDLR.
- Various difficulties regarding how existing claims are recorded and captured were raised, including an inadequate and unreliable filing system.
- There is inadequate advertising of claims and poor communication with regard to complaints received.
- The restitution process is plagued by issues such as an ineffective (if not absent) monitoring system. An automated system should be put in place before any new claims can be lodged. There should be an electronic system for processing claims which should be a single system that is able to interface with other systems.
- The re-opening of claims is likely to further complicate and delay the processing of existing claims. Although not implicitly stated, the prioritisation of old claims needs to be done although there are serious concerns regarding re-opening in its entirety.

- Poor research was raised as a concern and linked to capacity, skills and experience regarding research in the CRLR.
- Delays in settlement are due in part to the lack of SoPs. Certain policy matters are not clear e.g. defining "community". The determination of the compensation amount, calculation of the land value, duration of claim settlement and related matters are not properly set out in SoPs.
- The ability to plan, predict and give certainty regarding post-settlement arrangements is absent.
- The re-opening of the claims will require additional financial and technical resources. The question of high staff turnover and inadequate research capacity was raised.

7. PERFORMANCE ENVIRONMENT

As indicated above, the Commission on Restitution of Land Rights was established to solicit, investigate, and to resolve through negotiations and mediation claims for restitution from persons and communities dispossessed of rights in land, after 19 June 1913, as a result of past racially discriminatory laws and practices, and where a claim was lodged no later than 31 December 1998. Where a claim cannot be resolved by

negotiations or mediation it is referred to the Land Claims Court for adjudication.

Reflecting on the years since the promulgation of the Restitution Act, it became evident that there was a need for an overhaul of the manner and pace at which the restitution programme is delivered. This is clearly supported by the studies and evaluations done and highlighted above.

7.1 Service delivery performance

As at 31 March 2013, 77 334 claims have been settled of which 59 758 were finalised. The settlement of claims has resulted in the award of 3 million hectares (ha) of land at a cost of R10.8 billion, to qualifying claimants, of which 1.443 million ha has been transferred. The Restitution programme has benefited 1.8 million individuals who are members of 369 451 households. 136 968 households are female headed households and 672 are headed by persons with disability.

71 292 out of the 77 334 claims that have been settled were financial compensation claims. A total of R6 billion has been paid to beneficiaries. Had these beneficiaries chosen land restoration, government would have acquired a further 1.9 million ha. The breakdown is as follows:

Table 2: Service Delivery Performance

Province	Total claims lodged	Total claims settled	Ha awarded	Ha transferred	Total amount spent in acquiring land ('000)	Financial compensation paid ('000)	Beneficiaries (Total HHs)	Individual beneficiaries
Eastern Cape	16 716	16 444	136 753	5 475	8 536	1 253 739	65 139	244 514
Free State	2 682	2 682	55 747	5 178	97 038	213 648	7 614	49 100
Northern Cape	3 852	3 713	569 341	271 308	388 152	828 166	21 900	116 549
Gauteng	13 162	13 324	16 964	4 965	164 949	573 334	14 320	67 208
North West	3 902	3 737	399 407	241 348	861 064	168 575	44 268	216 668
KwaZulu-Natal	16 394	15 161	764 358	339 925	6 335 627	1 616 561	85 421	500 524
Limpopo	3 489	3 641	603 641	351 646	1 233 166	317 374	48 492	245 091
Mpumalanga	3 400	2 848	460 964	220 111	1 686 915	318 570	53 525	238 600
Western Cape	16 099	15 784	4 140	3 122	29 844	795 121	27 411	125 730
TOTAL	79 696	77 334	3 011 315	1 443 078	10 805 290	6 085 090	368 090	1 803 984

During the period 1 March 2009 to 31 March 2014 (the last MTFS period) Programme 4 settled 1 858 land claims benefiting 313 012 beneficiaries from 68 183 households, of which 29 301 are female headed. A total of 648 023 ha of land, which was acquired at a cost of R5.8 billion, was awarded, together with financial compensation amounting to R2.7 billion. R413 million was paid to beneficiaries of land awards as development assistance. The total awards made during this period were R8.9 billion.

During the 2013/14 financial year 270 new claims were settled against a target of 230 and 292 claims were

finalised against a target of 208. 68 837 ha of land acquired at a cost of R1.578 billion was awarded together with financial compensation in the amount of R478 million. The total cost of awards that were made is R2.056 billion. 36 905 beneficiaries from 8 132 households benefited from these settlements.

99% of the Restitution budget of R2.3 billion appropriated by Parliament for the 2013/14 financial year was spent.

In terms of the Annual Performance Plan (APP) targets set for the past three (3) financial years, the actual performance is illustrated in table 3.

Table 3: Performance against targets

Strategic Objective	Performance Indicator	Target	Actual	Target	Actual	Target	Actual (up to Q 3)
		2012/13		2013/14		2014/15	
Restoration of land rights or alternative forms of equitable redress by 2020	Number of land claims settled	133	602	230	270	379	188
	Number of land claims finalised	380	376	208	292	239	267
	Number of phased projects approved	New indicator	-	New indicator	-	53	74
	Number of claims lodged by 1998 to be researched	New indicator	-	New indicator	-	1445	806
	Extension of lodgement date for restitution process	New indicator	-	New indicator	-	14 lodgement offices opened and functional	14 lodgement offices opened and functional

7.2 Financial performance

The CRLR has spent in excess of R7.3 billion out of the Households budget of the CRLR for land purchase and financial compensation over the past four (4) financial years. The split between the amounts paid towards land purchases *vis-à-vis* payment of financial compensation is illustrated in table 4. The amount paid towards land purchases (67.35%) is more than double the amount paid in financial compensation (32.55%).

The total annual expenditure in 2012/13 was 99.3% of a total budget of R2 885 753 000 and during 2013/14, 99.99% of R2 836 851 000.

In the current financial year (2014/15), the expenditure for the total budget of the CRLR as at the end of the third quarter (31 December 2014) is illustrated in table 5.

The expenditure up to the end of the third quarter as indicated in table 5, is slightly below the linear target of 75%, however the spending plan for the remainder of the year indicates a projected expenditure of 100%.

Table 4: Expenditure on land purchase and financial compensation

Financial year	Financial compensation	Land purchase	Total
2011/12	736 970 663.73	1 084 927 119.84	1 821 897 783.57
2012/13	948 350 769.11	1 413 268 259.77	2 361 619 028.88
2013/14	431 981 475.17	1 666 935 024.19	2 098 916 499.36
2014/15	266 548 945.53	774 637 678.67	1 041 186 624.20
TOTAL	2 383 851 853.54	4 939 768 082.47	7 323 619 936.01

Table 5: Expenditure vs budget as at 31 December 2014

Province	Budget	Expenditure	Variance	%
Eastern Cape	311 557 000	134 689 047	176 867 953	43%
Free State	97 569 000	40 446 329	57 122 671	41%
Northern Cape	133 397 000	66 170 388	67 226 612	50%
Gauteng	86 549 000	64 465 070	22 083 930	74%
North West	241 745 000	182 578 376	59 166 624	76%
KwaZulu-Natal	677 323 000	564 836 986	112 486 014	83%
Limpopo	406 854 000	377 730 378	29 123 622	93%
Mpumalanga	336 048 000	225 062 665	110 985 335	67%
Western Cape	193 908 000	128 669 956	65 238 044	66%
National Office	195 792 000	84 726 589	111 065 411	43%
TOTAL	2 680 742 000	1 869 375 784	811 366 216	70%

8. SERVICE DELIVERY CHALLENGES

In the 18 years that have passed since promulgation of the Restitution of Land Rights Act, progress has been achieved in realising the main goals of the programme, expressly the aim to *“restore land and other restitutionary measures to people dispossessed by racially discriminatory legislation and price, in such a way as to provide support to the vital process of reconciliation, reconstruction and development”*.

However, various challenges beset the CRLR and the limited inroads restitution has made in providing such redress is largely due to limitations that have characterised the programme including:

- The slow pace of processing and settling claims;
- The majority of settlements have consisted of financial compensation rather than restoration of land;
- Inadequate provision of post settlement support and failure to link with broader development initiatives;
- Challenges of reconstituting communities and problems

experienced by Community Property Associations;

- Lack of institutional capacity, proper planning, control and business information and operational systems, under-funding and under-staffing of the programme; and
- Exclusion of significant numbers of people and communities which is directly related to the restitution programme's initial restrictive time-frames. This resulted in not affording redress to *“substantial numbers of claimants who were dispossessed of land after 1913 under racially discriminatory laws and processes”*. Furthermore, the restitution programme was constrained to permit only claims for dispossession which occurred after promulgation of the 1913 Natives Land Act.
- The second major factor that contributed to the exclusion of potential claimants was the inadequate awareness-raising of the restitution process amongst the general public with one study reporting that as late as 2006 a significant number of people remained unaware of the programme.

9. ORGANISATIONAL ENVIRONMENT

The rationalisation of the CRLR was pronounced by the Minister on 7 June 2011 during the Minister's Budget and Policy Speech where the Minister clarified to Parliament actions he had taken to create better synergy with clear lines of accountability between the Department and the CRLR. The Minister made it clear that the Chief Land Claims Commissioner (CLCC) has the responsibility and authority over the CRLR whilst the Director General of the Department of Rural Development and Land Reform (DG) is accountable for the finances of the Department, including all other Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA) and related legislation.

The changes which were introduced by the Minister over three (3) years ago where informed by the lessons learnt over 17 years of implementing the Restitution Programme with the intention of addressing

challenges and improving Restitution performance in servicing the people of South Africa.

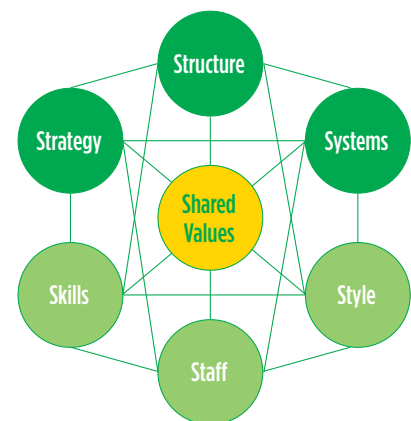
The Minister, in his budget speech, captured the essence of an autonomous CRLR which receives its financial allocations through the Department, whilst maintaining its identity in executing its mandate.

In the previous financial year Cabinet approved the National Evaluation Plan which included the Evaluation of the Restitution Programme which was facilitated by the DPME. The outcomes of this report and its recommendations were more detailed in re-affirming the autonomy of the CRLR in executing its mandate.

In various fora the Minister and the DG have advocated the autonomy of the CRLR and, to a greater extent, it is understood that this should take effect no later than the end of the current financial year of 2014/15.

10. CONSOLIDATION OF RECOMMENDATIONS AND FINDINGS

The CRLR adopted the *McKinsey 7S Framework* as a management tool to perform the organisational analysis and to consolidate all the recommendations and findings of the different studies performed. The consolidation is set out in the paragraphs below.



McKinsey 7S Framework

10.1 Strategy

The mandate of the CRLR has very often been clouded by matters that are beyond the legal mandate being to solicit, investigate and prepare claims for settlement and have therefore created additional strain on the CRLR and its work.

In addition, the process that underpins the Restitution Programme is an inherently complicated, highly structured process. A number of factors compromise the efficiency of the programme including the lack of a standardised business process and unclear delineation of roles and responsibilities between the DRDLR and the CRLR.

10.2 Structure

The current structure of the organisation does not align with the mandate and structure of the CRLR as defined by the Restitution Act. CLCC reports directly to the Minister pertaining to the issues of restitution and land claims as required by the Restitution Act, it is recommended that the DG should delegate to the CLCC financial and administrative functions whilst the CRLR will develop its own operational and corporate policies that are informed by national government frameworks and policies of DPSA and PFMA.

In addition, the budget structure and programming of budgetary processes needs to be clarified and appropriate delegation authorities be put in place.

10.3 Systems

The rationalisation of all the different, existing MISs into a single, web-based system is recommended. The MIS should provide for the electronic management of every step in the business process and lay the basis for performance management and M&E. The current absence of an electronic, systematised MIS means that information management is lacking and there is no single system that is able to interface with other systems. The process is plagued by issues such as an ineffective monitoring system, although a project management system is in place.

10.4 Style

The Restitution Programme has inadequate communication and awareness-raising regarding the restitution process amongst the general public, with one study reporting that as late as 2006 a significant number of people remained unaware of the programme.

Because of the integration and close relationship with the DRDLR the CRLR is not seen to be autonomous and separate from the DRDLR. The CRLR needs to be more visible.

10.5 Staff

Achieving the vision of the NDP will require leadership on land reform, communal tenure security, financial and technical support to farmers, and the provision of social and physical infrastructure for successful implementation. It will also require capacity building to enable state institutions and private industries to implement these interventions. Improved co-ordination and integration in the planning and implementation of area-based and differentiated rural development plans will be needed over the medium term to achieve the vision of an inclusive rural economy.

Competent and dedicated human resource capacity should be established within the CRLR, independent of the DRDLR. Performance management systems should be put in place which manage and reward staff according to: the quality of research; adherence to agreed procedures and systems; the integrity of the claims process; and the quality and the rate of settled claims.

Questions relating to high staff turnover and inadequate research capacity were raised. The re-opening of the claims will require additional financial and technical resources. Additional staff capacity will therefore be required for new claims.

10.6 Skills

Poor research was raised as a concern and linked to capacity, skills and experience in research at the CRLR. Training, in particular regarding the manner in which new claims are to be processed was raised.

Additional research capacity will be required for new claims and the re-opening of claims will require additional financial and technical resources.

11. DESCRIPTION OF THE STRATEGIC PLANNING PROCESS

The PFMA and Treasury Regulations make provision for the development of the Strategic Plan, and APP. The strategic planning process is guided by Chapter 5 of the Treasury Regulations and Part 3 of the Public Service Regulations. The structure and contents of the plans are informed by the Framework for Strategic Plans and Performance Plans released by National Treasury in August 2010. As the accounting officer, the DG is required to provide strategic guidance to the CRLR.

Planning sessions were conducted to establish a common and shared understanding of the programme towards operational effectiveness. This engagement highlighted that the strategic planning process has largely been inward looking, focusing attention on the recommendations and conclusions of the external evaluations and assessments. These were discussed at numerous points in the planning process within the CRLR.

This plan is aligned with the Strategic Plan of the DRDLR, in which the CRLR is an entity, and arises out of that plan. However, this document provides more detail and focuses more on corporate governance and change processes over the following five (5) years.

12. STRATEGIC OUTCOME ORIENTED GOALS OF THE INSTITUTION

In line with the outcomes of government, the CRLR has identified three (3) strategic goals which it seeks to achieve in the period of this plan and beyond.

Strategic Goal 1	Land rights restored in order to support land reform and agrarian transformation by 2020
Goal Statement	Restoration of land rights or equitable redress to those dispossessed of rights in land as a result of past racially discriminatory laws or practices, prioritising claims lodged prior to 31 December 1998
Strategic Goal 2	Lodgement of restitution land claims re-opened for people who did not meet the 1998 deadline
Goal Statement	Solicit and receive claims for restitution of land rights, by 30 June 2019
Strategic Goal 3	Organisational change management
Goal Statement	Improved corporate governance and service excellence through <i>inter alia</i> the operationalisation of an autonomous CRLR, a strengthened legal framework, improved business information and improved communication



▶ PART B: STRATEGIC OBJECTIVES

13. PROGRAMME PURPOSE

The Restitution Programme exists to facilitate the settlement of claims, and provide restitution or equitable redress to victims of racially motivated land dispossession, in line with the provisions of the Restitution of Land Rights Act, 1994 (Act No. 22 of 1994), as amended. We contribute to the DRDLR strategic goal: *“Equitable access to and sustainable use of land for development promoted”*.

Restitution takes the form of restoration, provision of alternative

state-owned land, prioritisation in government programmes, or financial compensation.

14. PROGRAMME STRUCTURE

The programme consists of the following sub-programmes:

- Restitution National Office
- Restitution Provincial Offices
- Restitution Grants

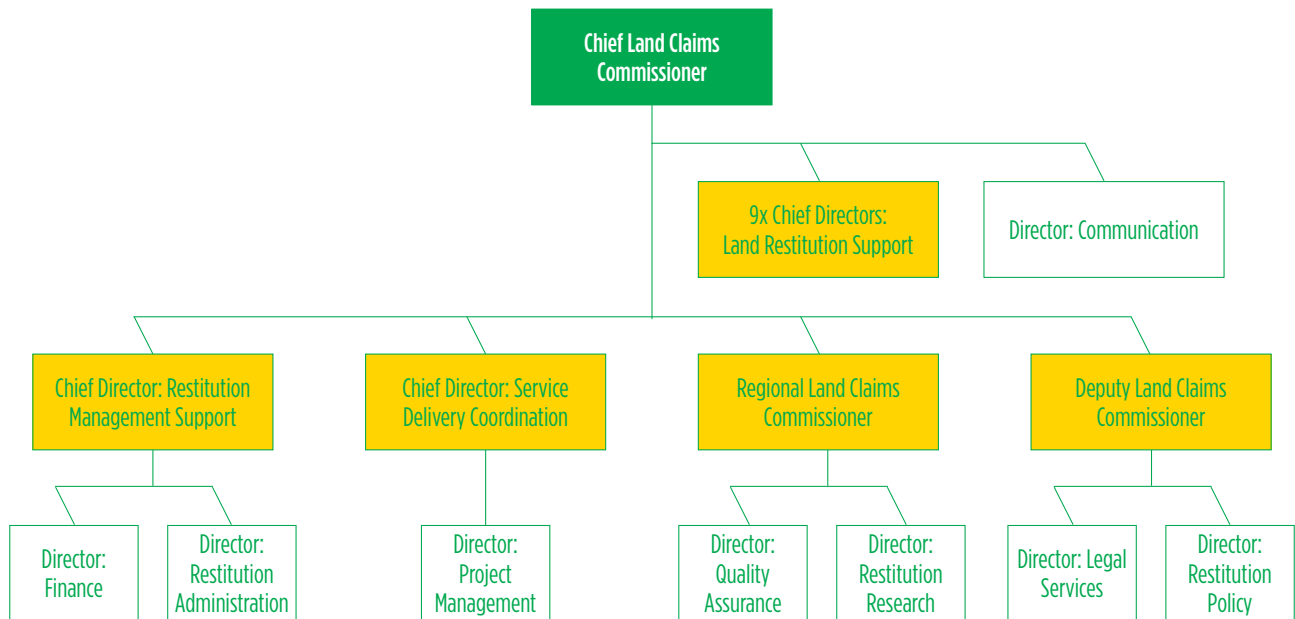
15. INSTITUTIONS

The Restitution Act establishes a CRLR to administer the process of investigation into land claims,

settlement by the Minister of Rural Development and Land Reform, or adjudication by the LCC.

16. INSTITUTIONAL AND ORGANISATIONAL STRUCTURE OF THE COMMISSION

The structure as illustrated below is the current *de facto* organogram and reporting structure. However, the CRLR is in the process of formalising this organisational structure as part of the Autonomy Programme of the CRLR.



The 14 CRLR offices in the Provinces are headed by a Chief Director (per province). As from 1 April 2015, these offices will be supplemented by six (6) mobile lodgement offices, two (2) that have been designed for access to rugged rural areas.

Although the CLCC reports directly to the Minister of Rural Development and Land Reform, the DG remains the accounting officer in terms of the PFMA as indicated in paragraph 9 above.

17. STRATEGIC OBJECTIVES

The tables adjacent provide the programme's strategic objectives which will realise the strategic goal "Equitable access to and sustainable use of land for development promoted".

Due to the numerous changes envisaged in the CRLR, the various objectives are categorised as either "Business as usual", "Business unusual" as well as the 7s framework as elaborated upon above.

17.1 Business as usual

Strategic Objective 1	Land rights restored
Objective statement	Facilitate the restoration of land rights and alternative forms of equitable redress by 2020
Baseline	270 claims settled and 292 claims finalised in the financial year 2013/14
Justification	Equitable land dispensation and agrarian reform
Links	Linked to DRDLR Strategic Goal 5

Strategic Objective 2	Redress land rights lost after 1913
Objective statement	Solicit and receive new land claims up to 30 June 2019
Baseline	79 696 land claims were lodged by the cut-off date of 31 December 1998
Justification	Equitable land dispensation and agrarian reform
Links	Linked to DRDLR Strategic Goal 3

17.2 Business unusual

Hard Elements (Strategy, Structure, Systems)

Internal

Strategic Objective 5	Clear organisational mandate and business processes supported by resources
Objective statement	Operational processes defined and implemented effectively
Baseline	Number of SoPs approved
Justification	This objective will increase productivity and accountability
Links	Linked to DRDLR Strategic Goal 1

External

Strategic Objective 6	Improved information and project management
Objective statement	Claims management electronically and information produced on
Baseline	Time taken to resolve claims
Justification	This objective will improve accountability, reporting and responsiveness and promote service delivery and improved redress to claimants by speeding up the settlement and finalisation of claims lodged
Links	Linked to DRDLR Strategic Goal 5

Soft Elements (Shared values, Skills, Staff, Style)

Internal

Strategic Objective 3	Improved governance and service delivery
Objective statement	Organisational change management
Baseline	The number of audit findings in performance audits
Justification	This objective will contribute to a dedicated, loyal, results-oriented, professional and people-focused workforce
Links	Linked to DRDLR Strategic Goal 1

External

Strategic Objective 4	Improved customer satisfaction and communication
Objective statement	Communication on performance and plans are properly communicated
Baseline	Number of communication initiatives
Justification	This objective will promote openness and transparency
Links	Linked to DRDLR Strategic Goal 1

18. RESOURCE CONSIDERATIONS

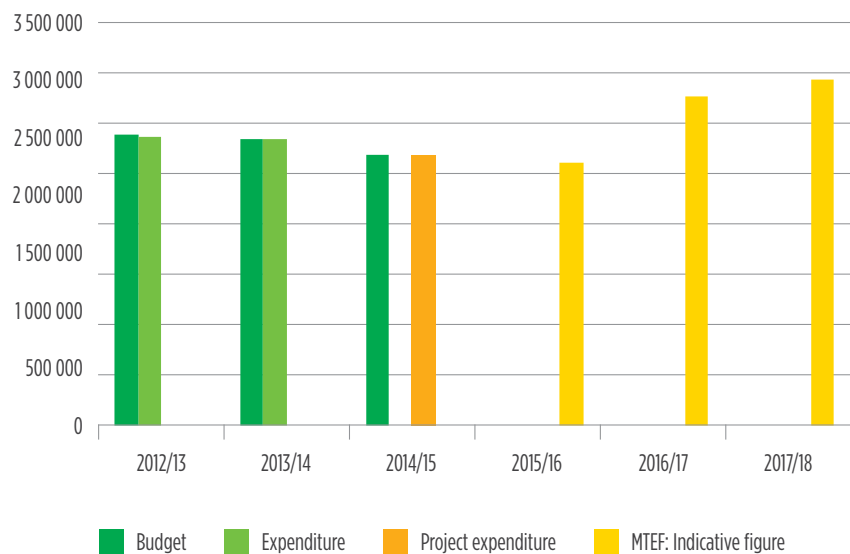
As stated above, the GTAC of National Treasury conducted the ERP, which considered, *inter alia*, future resources that would be required for the Restitution programme. The following section draws from that report (and where indicated from the RIA).

18.1 Expenditure trends and projections

The chart adjacent indicates how the budget of the CRLR has progressively decreased over the past three (3) years since 2012/13. The indicative budget for 2015/16 also shows a decline. However, over the MTEF the indicative budget increases to provide operational budget, dealing with service delivery and performance as set out in paragraph 10 as well as capital budget in support of the settlement and finalisation of claims.

18.2 Human resources

The future structure and concomitant human resources will only be developed after the business process mapping has been finalised and the structure determined following an investigation into the most appropriate organisational structure and form. It is envisaged that the CRLR staff will only carry out functions related to the CRLR's mandate.



19. COST DRIVERS

From the discussion above, six (6) key cost drivers can be identified.

19.1 Settlement claims lodged before 1998 cut-off date

A claim is settled once the Minister (or the duly delegated official(s)) has approved an award for restoration of a right, alternative land or financial compensation. Once a settlement has been made, it is entered into the commitment register until such time as the award has been effected i.e. the land transferred or financial compensation paid in full.

The process towards settlement utilises the operational budget of the CRLR i.e. compensation of employees, goods and services to execute research as well as to fund the payment of services providers such as valuers.

19.1.1 Total cost for settlement for all 8 471 claims

There are 8 471 outstanding claims lodged before the 1998 cut off date. The majority of these claims still need to be researched and the full business process has to be followed in order to settle the claims. In addition, some claims have only been partly settled i.e. some phases of the total claim have been settled on some of a number of properties claimed, but all of the properties or portions have not yet been settled or restored. The current annual target identifies 379 claims to be settled with 53 phased projects to be approved. As indicated above, these processes utilise the operational budget of the CRLR.

The total operational budget i.e. Compensation of Employees as well as Goods and Services and Machinery and Equipment is R629.521 million for 2014/15. A linear projection, without taking into account that the R629.521 million includes

management costs, legal costs or any other costs not directly attributed to the settlement of claims, reflects that an amount of R7.18 billion will be required to settle all claims.

19.1.2 In-year costs for settlement of claims

The APP sets a target of 1 445 of the claims lodged before 1998 cut off date to be researched within 2014/15 and 379 to be settled.

The operational budget allocated for 2014/15 was R366 million but after the reprioritisation, through the adjustment budget, it increased to R629.521 million as indicated above.

Research of claims will be insourced and (in the case of complex claims) outsourced.

19.2 Finalisation of claims lodged before the 1998 cut-off date

A claim is finalised when the settlement as contained in Section 42(D) or a court order has been effected i.e. the property transferred to the beneficiary or the financial compensation paid.

These payments are made from the Restitution Grants though the Transfers and Subsidies to Household budget allocation.

19.2.1 Total cost for finalisation for all 8 471 claims

The EPR study (scenario 1) estimates a cost of R16.9 billion for these claims.

A linear calculation points to just over seven (7) years to finalise all these claims i.e. R16.9 billion/ annual household allocation. However, this would mean that the annual target of 239 claims finalised needs to be increased considerably to keep up with the projected seven (7) year time-frame. A linear calculation of the APP targets (8 471/239) shows a considerably higher number of years required to finalise such claims i.e. 35 years.

The increase in annual targets to finalise claims can only be done if substantial additional operational funding is allocated to settle these claims (as a precursor to finalisation) as many of the remaining claims are quite complex and demand considerable effort in terms of research and negotiations with communities and land owners.

19.2.2 In-year cost for finalisation of claims

The APP targets 239 claims to be finalised with an available budget of R2 314 426 000 for 2014/15. This budget includes a ring-fenced percentage of 25% for the development and recapitalisation of restitution farms and is contained in the spending plans.

19.3 Clearing the Commitment Register

As indicated above, once a settlement (award) is approved by the Minister or the LCC, a commitment is raised. The Commitment Register increases and decreases as new claims are settled (increases) and settled claims are finalised (decreases). By clearing the Commitment Register, targets are achieved insofar as the finalisation of claims is concerned.

The commitments presently amount to R4.2 billion. 63% of the commitments, amounting to R2.685 billion, are in respect of development grants and 37% are for payment of land purchase and financial compensation. Presently all these commitments are funded from the Households budget of Programme 4.

A key challenge with clearing the Commitment Register (34% compensation share) is that existing human and financial resources are redeployed to deal with the settlement of claims and re-opening and as such the risk exists that the Commitment Register could continue to grow.

The Commitment Register is progressively being reduced through the finalisation of claims that were settled in the previous financial years. A balance needs to be struck between clearing the Commitment Register of claims originating from previous years (which are often more difficult to finalise due to ageing) and the current year settlements.

To date, 63% of the commitments amounting to R2.685 billion are in respect of development grants and 37% are for payment of land purchase and financial compensation i.e. directly related to the legal mandate of the CRLR as contained in the Act. Although the CRLR has a direct interest in assuring that all land transferred to restitution beneficiaries is utilised optimally in the interest of food security and job creation, this mandate lies outside the CRLR.

As such, it may be appropriate to move the commitment in respect of development grants to Programme 5 within the department. At this stage commitments made in terms of Section 42(C) i.e. Development grants are still being paid out of the Restitution budget.

19.4 Re-opening of new claims

As indicated above, the Restitution of Land Rights Amendment Act, 2014 (Act No. 15 of 2014) came into operation on 1 July 2014 and provides for the re-opening of lodgement of land claims for a period of five years up to 30 June 2019.

Due to the history of inaccurate information and data within the CRLR, the CRLR decided that all claims must be lodged electronically. An electronic lodgement system has been developed. This system is being further developed to interface with an electronic project management system that will enable electronic processing of claims. The electronic lodgement system will also be the Land Restitution Register that the Restitution Act requires to be established and maintained.

New land claims are lodged in 14 offices nationally. The CRLR will also provide mobile lodgement offices to penetrate deep rural areas, initially in areas with a high demand but ultimately throughout the country, to ensure that adequate awareness-raising of the restitution process amongst the general public is achieved.

19.5 Settlement of claims lodged after 1 July 2014

Whilst the actual number of new claims remains an unknown, the RIA indicated that the number will be in the order of 397 000. The RIA estimated that the resolution of these claims will

cost between R129 billion and R179 billion.

The Restitution Act requires the CRLR to prioritise the settlement of claims lodged before the 1998 cut-off date and which had not yet finalised when the lodgement of claims was re-opened.

As at 31 January 2015 more than 46 000 claims had been lodged.

19.6 Implementation of the Improvement Plan

An Improvement Plan was developed following recommendations of DPME and SAHRC. The plan ensures that the challenges experienced over the last 20 years are effectively addressed.

The implementation of the autonomy of the CRLR will inevitably lead to costs associated with the establishment of an institutional entity with its own corporate support services, which are currently being provided by the DRDLR. This includes financial management, communication services, information and communication services, procurement and logistical support, to name but a few.

Other costs could include office accommodation and additional IT infrastructure e.g. own servers and networks.

Key to the Improvement plan is the clarification of business processes and standardisation thereof throughout the country. The consequence thereof will be that claims can be settled faster and more cost effectively but only if supported by the requisite standardised project management tool. The CRLR has been beset by a lack of proper planning; control and business information; and operational systems, and the PMS will also have to feed into an MIS for M&E purposes.

20. CRITICAL FUNDING

20.1 Human resources

A process of re-designing the functions of the department during 2012/13 gave birth to a new organogram and establishment structure, including a new structure for the CRLR. The requirements in terms of human resources for the lodgement centres were also taken into account at that stage. A re-prioritisation of posts to be funded is currently taking place.

20.2 Goods and services

The opening of lodgement centres to receive land claims (as per the amendment act) e.g. securing office space, furniture and other equipment, was prioritised ahead of other critical activities funded from the Goods and Services budget of the Programme.

In order to expedite the settlement of claims, the offices need to appoint specialists such as researchers and valuers. This relates to both the clearing of the Commitment Register as well as settling the outstanding claims through detailed research. These expenses cannot be covered by the Transfer to Households/Capital budget as they are unrequited and in some cases the research leads to the dismissal of claims with no

ultimate benefit to households. In order to fast track the settling of claims, the focus is on finalising the research on the outstanding claims. This will lead to the appointment of service providers and academic institutions to facilitate the process. A re-prioritisation of funds in this regard is currently taking place.

20.3 Machinery and equipment

Capital assets have a set depreciation period and some of the departmental resources, like computers, have already reached the end of their life cycle; hence the request for additional funding so as to replace such assets. The re-opening of lodgement of land claims has placed a further strain on this allocation to ensure well equipped and functional lodgement offices. A re-prioritisation of funds in this regard is currently taking place.

20.4 Transfers and subsidies

Restitution has been unable to meet its commitments due to lack of funding. This has led to matters being referred to court in order to force the department to honour agreements. The additional funds will eliminate unnecessary litigation which results in the payment of interest and legal costs when court orders

are issued against the State. Furthermore, there is a need to factor in grants to communities who have since received land and are not able to utilise the land sustainably due to lack of grant funding. This has resulted in bad publicity for the Department as farms are not sufficiently supported by means of Recapitalisation and Development funding.

21. SUMMARY OF CRITICAL BUDGET REQUIREMENTS

For the 2015–2018 Medium Term Expenditure Framework, Restitution will require a total amount of R4.2 billion for Restitution grants in order to purchase land, pay out development grants and pay financial compensation. The committed funds of projects already approved by the Minister are R4.2 billion, which has an impact on the required budget.

The possible change in policy is as a result of the re-opening process currently unfolding. New claims will be lodged. Before this happens the Commission needs to clear the Commitment Register and current unsettled claims as quickly as possible to be able to accommodate new claims that will be lodged in future.

Table 7: Adjustment estimate of National Expenditure (AENE) 2014/15

Economic classification	Budget R'000	Spending as at 30 June 2014 R'000	Balance R'000	% spent R'000	Additional budget R'000	Adjustment budget R'000
Compensation of employees	235 977	61 142	174 835	26%	61 504	297 481
Goods and services	128 259	68 642	59 617	54%	149 707	277 966
Interest and rent on land	-	2 201	(2 201)	-	-	-
Provincial and local government	11	-	11	-	-	42 027
Households	2 314 426	609 725	1 704 701	26%	278 233	2 592 659
Machinery and equipment	2 069	1 039	1 030	50%	42 016	44 085
Land and sub soil	-	4 642	(4 642)	-	-	-
TOTAL	2 680 742	747 391	1 933 351	28%	531 460	3 212 202

Table 8: Critical MTEF budget requirements

Table 8.1: Indicative MTEF budget allocation per item

Item	2015/16			2016/17			2017/18		
	Original allocation	Re-prioritisation	Total allocation	Original allocation	Re-prioritisation	Total allocation	Original allocation	Re-prioritisation	Total allocation
Compensation of employees	247 560	64 761	312 321	263 899	130 957	394 856	419 732	-	419 732
Goods and services	133 694	34 725	168 419	140 893	52 845	193 738	203 425	-	203 425
Capital assets	2 154	-87	2 067	2 154	464	2 618	2 749	-	2 749
Current transfers	11	3 556	3 567	12	4 007	4 019	4 353	-	4 353
Capital transfers	2 277 981	-161 686	2 116 295	2 851 504	-188 273	2 663 231	2 796 393	-	2 796 393
TOTAL	2 661 400	-58 731	2 602 669	3 258 462	-	3 258 462	3 426 651	-	3 426 651

Table 8.2: Indicative MTEF budget allocation per sub-programme

Sub programme	2015/16			2016/17			2017/18		
	Original allocation	Re-prioritisation	Total allocation	Original allocation	Re-prioritisation	Total allocation	Original allocation	Re-prioritisation	Total allocation
National office	48 944	10 359	59 303	52 005	42 081	94 086	99 657	-	99 657
Regional office	334 740	92 331	427 071	355 232	146 222	501 454	530 926	-	530 926
Restitution grants	2 277 716	-161 421	2 116 295	2 851 225	-188 303	2 662 922	2 796 068	-	2 796 068
TOTAL	2 661 400	-58 731	2 602 669	3 258 462	-	3 258 462	3 426 651	-	3 426 651

21.1 Long-term requirement of funds

The long-term budget requirements are alluded to above. These will include funding for the Improvement Plan (operational costs), the settlement of claims (operational costs) as well as the finalisation of claims (transfers).

21.1.1 Improvement Plan

The Improvement Plan is the once-off costs to execute sections of the plan are in the order of R82 million. The operational, recurrent and long-term costs will largely be determined by the institutional structure of the Commission to-be as well as the human resource capacity increases required. These are two-fold: i) resources to implement the recommendations of the improvement plan and ii) resources to settle and finalise land rights claims, both old and new.

Although this amount seems negligible compared to the overall requirements of the programme over the long term, this budget is absolutely critical for the long-term effectiveness and efficiency of the CRLR to overcome service delivery challenges as raised above.

21.1.2 Settlement of claims

As indicated above, the settlement of claims requires operational funding to process claims up to Section 42(D) stage. Depending on the methodology used (concurrent assessment of old and new claims or separate, one after the other), the budget required varies between R77 billion and R116 billion over a period of a minimum of 25 years.

21.1.3 Finalisation of claims

The finalisation of claims will depend on three key factors, i) the number of claims lodged, ii) the ratio between financial

and redress in the form of land and iii) cost of land (urban/rural/dry land/conservation etc.).

Depending on the scenario model applied in the RIA and EPR, the cost varies between R129 billion (only new claims) and R290 billion (settlement and finalisation including old claims).

21.2 Risk management

Risk type	Risk	Risk response/mitigation plan
Financial Risks		
Budgetary risks	Limited budget	Draft Business Plan for Treasury and indicate funds required in Adjustment & MTEF cycle
Expenditure risks	Under-spending	Improved planning through EPMO and expenditure projections alignment
Operational Risks		
IT systems	Lack of information management system No effective PMS or MIS system	Develop a PMS & MIS Apply change management principles during implementation
Legal and regulatory risk	No clear finite mandate of the CRLR (e.g. scope creeps into post settlement issues) Litigation risks	Clarify mandate in context of future autonomy and develop plan to ensure integration with DRDLR processes Improvement of tracking and management of matters in court Improvement of research Standardisation of processes and workflow Decision-making centralised and/or standardised work processes Finalising of land base - Umhlaba Wethu migration IT systems to support information and project management to be implemented Improved process mapping and shortening of procedures Compliance checklist and quality control by Quality Assurance Increased Quality Assurance capacity
Human resource risks	Ineffectual human resources	Development of institutional form and organogram (structure)
Process risks	Overlap of land claims No single defined business process with time-frames	Develop detailed business process and elaborate into SOPs for ultimate inclusion into toolkit
Political and Reputational Risks		
Reputational risks	Reputational risk linked to delays in settlement of claims	Statutory Commission meetings to be held with formal and widespread communication aim, including media as well as quarterly statistics release Process mapping to be done Communication strategy to be developed
Communication risk	Communication to solicit land claims up to 30 June 2019	Core team of executive managers leading the process Communication improved before, during and after lodgement Human and financial resources to be increased as per plan



▶ PART C: LINKS TO OTHER PLANS

22. ALIGNMENT WITH THE MTSF

The Strategic Plan is guided by and aligned with the 2014–2019 MTSF, more especially Outcome 7 which aims to achieve “vibrant, equitable and sustainable rural communities”. Sub-outcome 2 aims to ensure that Sustainable Land Reform contributes to agrarian transformation.

23. ALIGNMENT WITH THE DRDLR STRATEGIC PLAN

The Strategic Plan of the CRLR presents its over-arching strategic goals, objectives and thematic areas of focus over the next five (5) years with a specific focus on the mandate of the CRLR and the manner in which it relates to MTSF Outcome 7, namely sustainable land reform and agrarian transformation.

This Strategic Plan is directly aligned with the DRDLR Strategic goal 7 dealing with “Restoration of Land Rights” with the goal statement being “Restoration of land rights or equitable redress to those dispossessed of rights in land as a result of past racially discriminatory laws or practices, and solicitation and receipt of new claims for restitution of land rights, by 31 June 2019”.

In the processing of the land claims, the CRLR will be assisted by the Land Rights Management Board and Land Rights Management Committees (to be established) in managing and resolving disputes; by the office of the Valuer-General (to be established) in determining values for land (historical and current); and by the Land Management Commission (to be established) in determining ownership of land at various points through history.

23.1 Links to the long-term infrastructure and other capital plans

N/A

23.2 Public entities

N/A

23.3 Public-private partnerships

N/A



Annual
Performance
Plan 2015/2016

► PROGRAMME 4: RESTITUTION

Purpose:

Settle and finalise land restitution claims under the Restitution of Land Rights Act 1994 (Act No. 22 of 1994).

STRATEGIC OBJECTIVES, PERFORMANCE INDICATORS AND ANNUAL MTEF TARGETS FOR 2015/16

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 2014/15	Medium-term targets		
		2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
4.1 Facilitate the restoration of land rights or alternative forms of equitable redress by 2020	Number of land claims settled	416	602	270	379	463	615	670
	Number of land claims finalised	209	376	292	239	373	371	389
	Number of phases projects finalised	New indicator	New indicator	New indicator	53	62	76	91
	Number of claims lodged by 1998 to be researched	New indicator	New indicator	New indicator	1 445	2 660	1 530	3 098
	Number of lodgement offices operational	New indicator	New indicator	New indicator	14 Lodgement offices opened and functional	Two all-terrain (4x4) mobile offices operational	-	Conversion of 9 communication vehicles into mini-lodgement units

Quarterly Targets for 2015/16

Performance indicator		Reporting period	Annual target	Quarterly targets			
				1st	2nd	3rd	4th
4.1.1	Number of land claims settled	Quarterly	463	92	139	185	47
4.1.2	Number of land claims finalised	Quarterly	373	74	111	149	39
4.1.3	Number of phases of projects approved	Quarterly	62	12	18	24	8
4.1.4	Number of claims lodged by 1998 to be researched	Quarterly	2 660	532	798	1 064	266
4.1.5	Number of Lodgement Offices operational	Quarterly	2 all-terrain (4x4) mobile offices fully operational	2 all-terrain (4x4) mobile offices fully operational	-	-	-

Reconciling Performance Targets with the Budget and MTEF

Programme 4: Restitution

MTEF allocation	2015/16				2016/17	2017/18
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
R thousand						
Restitution National Office	59 303	58 992	2	309	62 741	69 215
Restitution Regional Offices	400 366	394 748	3 860	1 758	427 344	469 412
Restitution grants	2 143 000	-	2 143 000	-	2 691 272	2 802 330
Total expenditure estimates	2 602 669	453 740	2 146 862	2 067	3 181 357	3 340 957

Sub-programme	Audited outcome				Voted main ap-propriation	Medium-term expenditure estimate		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
R thousand								
Restitution National Office	43 350	35 455	38 786	160 048	46 643	59 303	62 741	69 215
Restitution Regional Offices	375 495	451 952	356 416	388 073	319 673	400 366	427 344	469 412
Restitution Grants	3 347 988	1 888 882	2 470 532	2 288 581	2 314 426	2 143 000	2 691 272	2 802 330
TOTAL	3 766 833	2 376 289	2 865 734	2 836 702	2 680 742	2 602 669	3 181 357	3 340 957
Economic classification								
Current payments	413 026	349 507	361 046	493 060	363 983	453 740	483 298	531 375
Compensation of employees	204 714	179 382	177 806	216 914	235 977	285 321	316 459	334 469
Goods and services	141 384	163 668	147 570	270 768	128 006	168 419	166 839	196 906
Interest and rent on land	66 928	6 457	35 670	5 378	-	-	-	-
Transfers and subsidies	2 576 321	1 889 217	2 470 568	2 278 600	2 314 690	2 146 862	2 695 600	2 807 006
Provinces and municipalities	7	170	5	474	11	3 567	4 019	4 352
Households	2 576 314	1 889 047	2 470 563	2 278 126	2 314 679	2 143 295	2 691 581	2 802 654
Payments for capital assets	776 120	136 201	27 183	62 967	2 069	2 067	2 459	2 576
Machinery and equipment	4 385	4 169	5 585	4 759	2 069	2 067	2 459	2 576
TOTAL	3 766 833	2 376 289	2 865 734	2 836 702	2 680 742	2 602 669	3 181 357	3 340 957



► TECHNICAL INDICATOR DESCRIPTIONS

APP INDICATOR NUMBER: 4.1.1

Indicator title	Number of land claims settled.
Short definition	The indicator refers to a total number of claims lodged that have been settled either by the Minister or as per delegations at that time or through court directives.
Purpose/importance	This indicator enables the department to track how it fares towards restoring land rights.
Source/collection of data	Signed section 42D or an order of court.
Method of calculation	Simple count: Claims are counted as settled when signed by the DRDLR Minister/a court directive is received.
Data limitations	Claims are likely to be at different stages of processing. There is therefore a risk that even claims that are not yet settled can be reported as such.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
Means of verification	Review of the signed section 42D or an order of court.
Portfolio of evidence	Dated and signed section 42D memo on the departmental or Commission letterhead signed by the Minister of Rural Development and Land Reform or by a delegated official or court directive received.
New indicator	No
Desired performance	463
Indicator responsibility	Chief Land Claims Commissioner

APP INDICATOR NUMBER: 4.1.2

Indicator title	Number of land claims finalised
Short definition	The indicator refers to the land claims that have already been settled which have now been finalised. Finalised means full financial compensation being disbursed or land has been transferred or a combination thereof. The indicator also includes the number of claims that have been dismissed.
Purpose/importance	This indicator enables the department to track how it fares towards restoring land rights.
Source/collection of data	Commitment Register Signed off provincial reports BAS reports Project summaries
Method of calculation	Simple count of the number of claims that were finalised within the period under review.
Data limitations	Improper verification of beneficiaries
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
Means of Verification	Review of both the national and provincial project expenditure reports and the Commitment Register against payments that are made.
Portfolio of evidence	Detailed dated and signed list of land claims finalised and proof of payments/financials provided on the departmental letterhead dated within the period under review.
New indicator	No
Desired performance	373
Indicator responsibility	Chief Land Claims Commissioner

APP INDICATOR NUMBER: 4.1.3

Indicator title	Number of phases of projects approved
Short definition	The indicator provides a brief explanation on the projects that are settled in phases, that is: all the claimed properties are not settled at once.
Purpose/importance	This indicator enables the department to track how it fares towards restoring land rights.
Source/collection of data	Signed phased section 42D
Method of calculation	The claim would form part of the claims settled when the final phase is settled/approved. In the meantime it would constitute a partial settlement. Since there are numerous phases to the claim settlement, it is referred to as a project to avoid duplicate counting.
Data limitations	Not all land portions and households are settled at once. No clear indication on whether it is a phase project and how many phases are still remaining for the project. There is therefore a risk in terms of final reporting.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
Portfolio of evidence	Dated and signed section 42D memo on the departmental or Commission letterhead signed by the Minister of Rural Development and Land Reform or by a delegated official or court directive received.
New indicator	No
Desired performance	62
Indicator responsibility	Chief Land Claims Commissioner

APP INDICATOR NUMBER: 4.1.4

Indicator title	Number of claims lodged by 1998 to be researched
Short definition	The indicator provides a target for claims to be researched in a given financial year.
Purpose/importance	This indicator tracks how far the process is towards the settlement of the claim.
Source/collection of data	Rule 3 or Rule 5 report signed and approved by the Regional Land Claims Commissioner (RLCC).
Method of calculation	Simple count: Claim is counted as researched when the research report is approved by the RLCC.
Data limitations	Not all annexures to the Rule 3 or Rule 5 reports might be available at time of verification.
Type of indicator	Activities towards settlement.
Calculation type	Cumulative
Reporting cycle	Quarterly
Portfolio of evidence	Dated and signed Rule 3 or Rule 5 reports by the RLCC.
New indicator	No
Desired performance	2 660
Indicator responsibility	Chief Land Claims Commissioner

APP INDICATOR NUMBER: 4.1.5

Indicator title	Number of lodgement offices functional
Short definition	The indicator refers to the number of offices that are operational and are utilised as centres where land claims can be lodged in the prescribed manner, being either physical structures or mobile units.
Purpose/importance	This indicator enables claimants to lodge claims in terms of the Restitution Act.
Source/collection of data	Physical inspection of offices centres and/or mobile units.
Method of calculation	Simple count of number of lodgement centres operational within the period of review.
Data limitations	Inability to physically inspect lodgement centres and/or mobile units.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually
Portfolio of evidence	Physical inspection
New indicator	No
Desired performance	2 all-terrain (4x4) mobile offices operational
Indicator responsibility	Chief Land Claims Commissioner



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