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# INGONYAMA TRUST BOARD

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## **INGONYAMA TRUST BOARD**

### **Annual Performance Plan**

#### **(INCORPORATING INGONYAMA TRUST)**

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for

**2018/2019**

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**KWAZULU-NATAL**

**Date of tabling:\_\_\_\_\_**

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## OFFICIAL SIGN OFF

It is hereby certified that this Annual Performance Plan:-

- Was developed by the Secretariat and the Board of Ingonyama Trust under the guidance of the Department of Rural Development and Land Reform;
- Was prepared in line with the current Strategic Plan of the Ingonyama Trust Board 2015 – 20;
- Accurately reflects the performance targets which Ingonyama Trust Board will endeavour to achieve given the resources made available in the budget for 2018 - 2019.
- This Annual Performance Plan of Ingonyama Trust Board has been significantly revised to reflect the correct legal position. This is an entity in terms of schedule 3 of the Public Finance Management Act, 1999. It was created in 1997 by the amendment to the former KwaZulu Ingonyama Trust Act No 3 KZ of 1994. In terms of Section 4 of the KwaZulu-Natal Ingonyama Trust Amendment Act, 1997, the Department of Land Affairs (currently Department of Rural Development and Land Reform) shall bear the cost of the administration of the Board. As at date the Department is contributing 50% of these costs.

The previous strategic plan 2015 – 2020 had to be amended as it conflated the two entities and confused their roles, status and respective mandates. The Executive Authority, the Honourable Minister is respectfully requested to authorize the amendment of the Strategic Plan 2015 – 2020 and 2018/19 APP with effect from 2018/03/31 and approve this strategic plan with the commencement date being 1 April 2018.

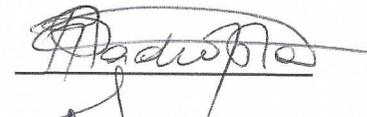
Mr. A Mia - Chief Financial Officer

Signature:



Dr. F B Madlopha - Head of the Secretariat

Signature:



Judge S J Ngwenya - *Chairperson*

Signature:



Ms L Archary - *Acting Director General : Department of Rural Development and Land Reform*

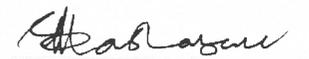
Signature:



*Approved by*

The Honourable Nkoana – Mashabane, M (MP) - *Minister for Rural Development and Land Reform*

Signature:



## **PART A: STRATEGIC OVERVIEW**

### **1. VISION**

To become a leader in sustainable communal land management, and rural development.

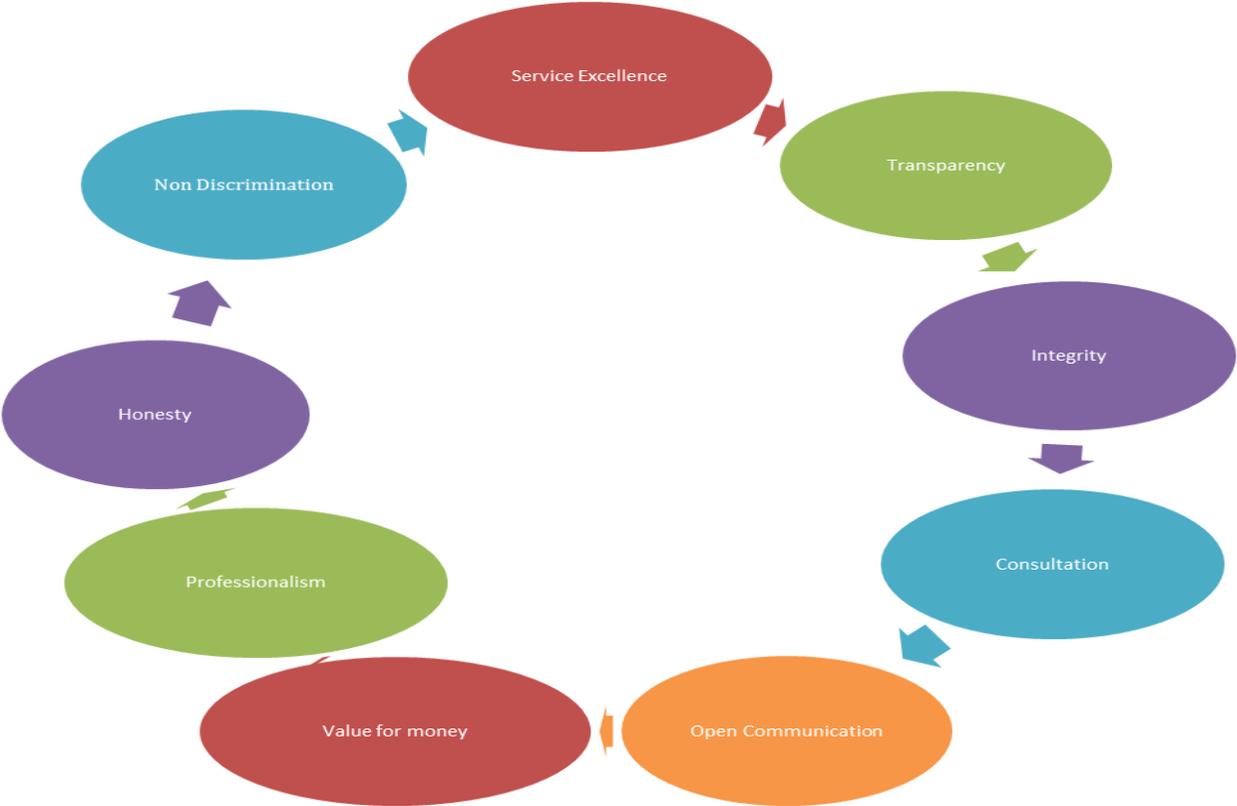
### **2. MISSION**

To contribute to the improvement of the quality of life of the members of the traditional communities living on Ingonyama Trust land by ensuring that land management is to their benefit and in accordance with the laws of the land.

To develop progressive and radical business and land tenure models for the social and economic upliftment and the empowerment of the members of traditional communities who are the beneficiaries of land owned by the Trust, and administered by the Ingonyama Trust Board (ITB).

### 3. VALUE STATEMENT

Ingonyama Trust and Ingonyama Trust Board subscribe to the values below as a guiding philosophy in the discharge of their respective mandates.



## 4. UPDATED SITUATIONAL ANALYSIS

### INTRODUCTION TO INGONYAMA TRUST

Ingonyama Trust was established in 1994 to create an entity to take over the ownership of land hitherto owned in trust by either the state or specially created trusts by the state for the Zulu people in the present day KwaZulu-Natal. Section 2(1) of the Ingonyama Trust Act defines it as, “A corporate body, to be called Ingonyama Trust, hereafter referred to as the Trust, is hereby established with perpetual succession and power to sue and be sued and, subject to the provisions of this Act, do all acts and things as bodies corporate may lawfully do”. In other provinces similar trusts were created for the respective African South Africans. The land which is the subject of ownership by the Trust is owned communally and in most instances administered by Amakhosi (in some areas the word chief or Traditional leader is used).

Ingonyama Trust has the King as the sole trustee. The beneficiary clans or communities are listed in the Act and each such community has Inkosi (singular for Amakhosi) as the head of that clan or community. There are instances where the land is administered directly by the King through the Board. From the inception of the trust on the 25<sup>th</sup> April 1994, the King as the sole trustee had no administrative capacity or infrastructure to administer the land. While this may appear strange and at the same time not so obvious, it was absolutely critical that this oversight should have been noticed earlier and addressed soon.

### TRANSITION

Communal land is ordinarily administered in terms of shared rules or custom. In respect of Ingonyama Trust land it is administered in terms of Zulu customary law and statutory law. Hence, despite the fact that in terms of title holding, ownership changed from the KwaZulu government to Ingonyama Trust, on day to day basis land allocation continued in the hands of Amakhosi. The big challenge arose in instances where there was a need of formal encumbrance and enforcement of certain obligations. These could not be effectively and efficiently done in the absence of the personnel. Hence the King ended up appointing agencies in his place and Powers of Attorney to a few institutions, officials and the Premier of the Province. This is especially so in the context of commercial projects.

Apart from ineffective administration and poor co-ordination of those holding agencies and Powers of Attorney there was also huge political pressure on the wisdom of the existence of Ingonyama Trust. A discussion in detail on this falls outside the scope of this report. Suffice it to state that for any trust to be without a Board and effective administrative capacity is undesirable. Needless to state that there is no rational basis for the state to hold land in trust for the people. This on its own places the state in a conflictuous position again any elaborate discussion on this falls outside the scope of this report.

We impress under this heading (Trust land ownership) that land management by the trust is not one of the deliverables in terms of the government goals. Under the stated goals by the government and therefore not a service delivery issue. As would become clear in this report the state does not incur any expenditure for activities of the Trust. All the activities of the Trust are funded by income self-generated by the Trust. The mandate of the Trust is broadly set out in the Act as follows: “Section 2 subsection 1 Subject to the provisions of this Act to do all things as body corporates may do such things.”

## INGONYAMA TRUST BOARD (ITB)

Ingonyama Trust Board is a very unique Board. It is a Board which is appointed by the Minister responsible for land after consulting the King, the Chairperson of the provincial House of Traditional Leaders in KwaZulu-Natal and the Premier of the province. The Board members are appointed for four year term and eligible for further terms. The King or his nominee is the chairperson of the Board. The Board members are not trustees but administer the Trust with the King. The Board discharges its functions through the staff which is employed as a secretariat. The mandate of the Board is broadly set out in the Act as follows: “The Board shall administer the affairs of the Trust and the Trust land and without detracting from the generality of the foregoing. The Board may decide on and implement any encumbrance, pledge, lease, alienation or other disposal of any Trust land, or of any interest or real right in such land.”

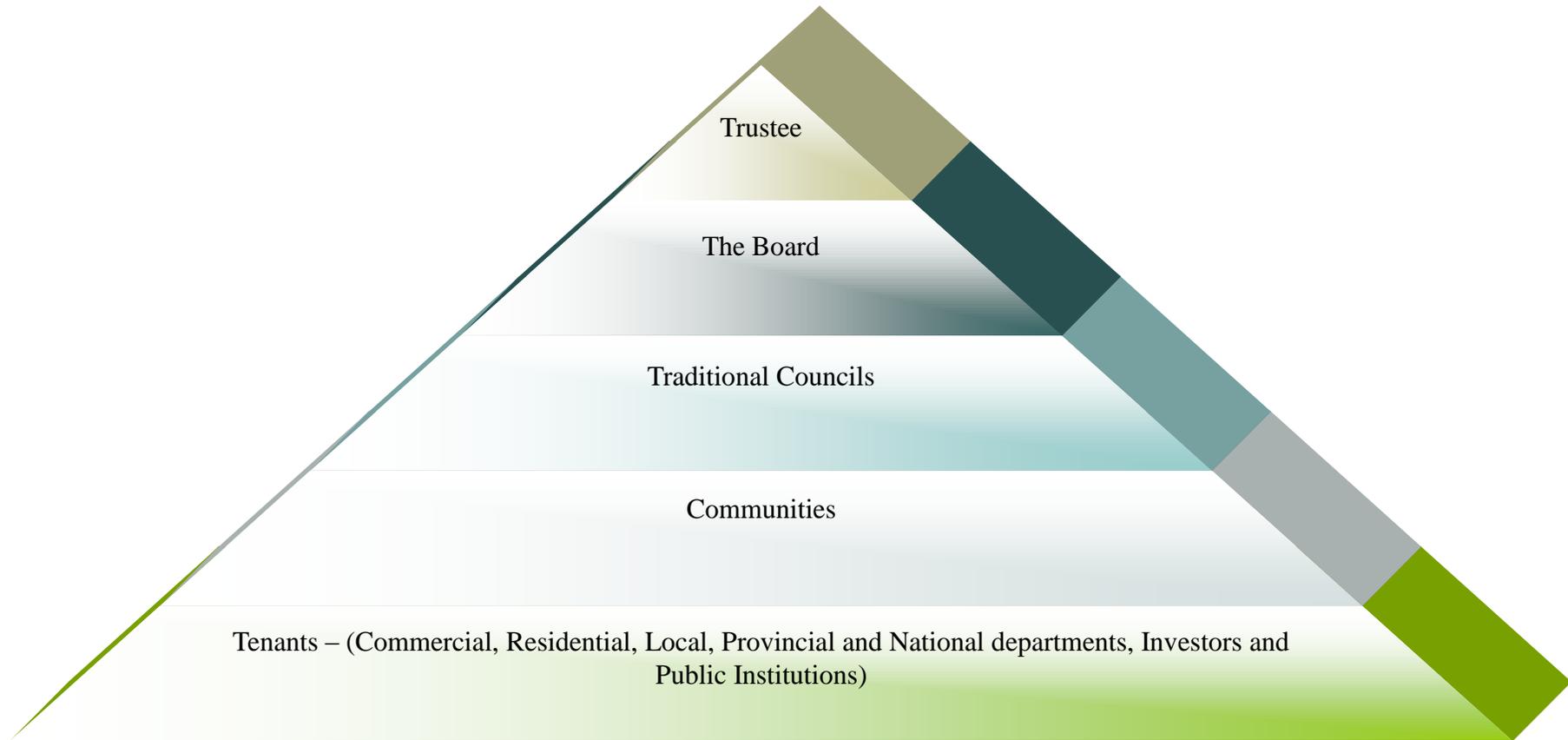
The Board may decide on and implement any encumbrance, pledge, lease, alienation or other disposal of any Trust land, or of any interest or real right in such land.” Previously we have been conflating the two entities which are the Ingonyama Trust and the Ingonyama Trust Board.

## PERFORMANCE DELIVERY ENVIRONMENT

For the first time in 2016/17 the Ingonyama Trust Board was audited with two sets of financial statements, i.e. one for Ingonyama trust and the one for Ingonyama Trust Board. Ingonyama Trust Board received an unqualified audit report whilst Ingonyama Trust had two qualifications. These were on land valuation and royalties. With regard to land valuation, progress is being made to deal with the qualification. With regard to royalties, engagements have started with the sole Trustee, the Department of Mineral Resources through its Director -General and the Ingonyama Trust Board.

One of the challenges has been the capacity in terms of levels and number of staff of the Ingonyama Trust Board Secretariat. This resulted in the Ingonyama Trust Board reviewing the organisational structure and its implementation will come into effect in the 2018/19 financial year.

## 4.1. STRUCTURE OF ITB'S PERFORMANCE ENVIRONMENT



## 4.2. ORGANISATIONAL ENVIRONMENT ARRANGEMENTS

As of the 31<sup>st</sup> of March 2017 the Secretariat had 25 posts filled out of 27 approved posts in the establishment. There are 38 staff members additional to the establishment.

## 4.3. THE BOARD

In line with its statutory mandate, the Board is responsible for:

<ul style="list-style-type: none"><li>• Providing strategic leadership for the management of the Trust land and the Affairs of the Trust.</li></ul>
<ul style="list-style-type: none"><li>• Oversee operational performance of the Ingonyama Trust Board Secretariat and that of the Trust.</li></ul>
<ul style="list-style-type: none"><li>• Provide strategic leadership and policy direction on matters pertaining to land with emphasis to communal land whose beneficiaries are communities under the leadership under Amakhosi in the province of KwaZulu-Natal.</li></ul>

For operational efficiencies the Board has created the following governance structure

### Committees of the Board

<ul style="list-style-type: none"><li>• Executive Committee of the Board (EXCO);</li></ul>
<ul style="list-style-type: none"><li>• Human Resource and Organisational development Committee;</li></ul>
<ul style="list-style-type: none"><li>• Finance and Remuneration Committee (FINCO);</li></ul>
<ul style="list-style-type: none"><li>• Tenure Committee</li></ul>
<ul style="list-style-type: none"><li>• Audit and Risk Committee.</li></ul>
<ul style="list-style-type: none"><li>• Mining Committee</li></ul>

### Management Committees

<ul style="list-style-type: none"><li>• MANCO;</li></ul>
<ul style="list-style-type: none"><li>• Bid Specification Committee;</li></ul>
<ul style="list-style-type: none"><li>• Bid Evaluation Committee;</li></ul>

- |                               |
|-------------------------------|
| • Bid Adjudication Committee; |
| • Bursary Committee.          |

The Strategic Plan of the Ingonyama Trust Board (ITB) is driven by the desire to achieve the best for the rural people of KwaZulu-Natal. In this context it seeks to enable the Ingonyama Trust land beneficiaries to:

- (i) enjoy maximum security of land tenure,
- (ii) have access to transformed rural economy, and,
- (iii) have access to quality information pertaining their rights including the relevant laws that govern them in respect of land and economy.

The Board has significantly revised its Strategic Plan after a process of recognizing the two separated legal entities viz the Board and the Trust in terms of financial reporting.

The main drive of Ingonyama Trust Board Strategic Plan is to manage trust land and the affairs of the Trust. This in turn gives birth to mechanisms that enable the Board to respond to the needs of communities residing on Ingonyama Trust land. The Board developed its revised Strategic Plan 2015-2020 in alignment with Outcomes 7 and other related Outcomes of the National Development Plan. The Board contributes to the following priorities of the Outcome 7 Medium Term Strategy Framework (MTSF) 2014-2019:

•	Improved land administration and spatial planning for integrated development in rural areas;
•	Sustainable land reform (agrarian transformation);
•	Improved food security;
•	Growth of sustainable rural enterprises and industries characterized by strong rural-urban linkages, increased investment in agro-processing, trade development and access to markets and financial services– resulting in rural job creation.

## 4.4. THE SECRETARIAT

The Secretariat is the administrative component through which the Board discharges its mandate. The Ingonyama Trust Board is a unique entity in South Africa. and many lessons have been learnt in the process. Based on these experiences, a reviewed organizational structure has been finalized. The new organogram will enable the Board to respond efficiently to the needs of the community.

The old structure was very limiting and hence a substantial review of the organogram has been undertaken. The current structure is outlined below.

### 4.4.1. Office of the CEO

The Office of the CEO will comprise of the following sub – programmes:

- Governance and Compliance;
- Organisational Performance and Development;
- Board Secretariat, and;
- Legal Support.

The purpose of the programme is to ensure that the strategic mandate of the ITB is administered in accordance with the objectives of the Trust.

The core functions of this component include:

To manage the provision of legal advice and support
To provide an independent appraisal of the adequacy, effectiveness and overall compliance of the organisation
To initiate, produce strategic plan and monitor and report on the performance of the organisation

To oversee the provision of corporate support services to ensure effective and efficient organizational processes
To oversee the provision of financial management services to ensure financial viability, compliance and reporting
To oversee the provision of land management, tenure administration, integration of sustainable land management, identify community and economic development opportunities as well as provide customer care and stakeholder support services
To manage and administer secretarial support services

#### **4.4.2. Corporate services**

The section previously known as General administration is now called Corporate Services which comprise the following sub-programmes:

- Information & Communication Technology
- Human Capital Management
- Administration and Facilities
- Communications

The purpose of the programme is to provide corporate support services to ensure effective and efficient organizational process

The core functions of this component include:

To provide effective and efficient human resource management support
To provide effective and efficient information & Communication Technology services
To provide administrative, facilities and security support services to facilitate effective administrative practices

To provide communication, education and awareness services

#### **4.4.2.1. Sub - programme: Information and Communication Technology**

The purpose of this sub - programme is to provide effective and efficient information technology services

The core functions of this sub – programme include:

To ensure compliance to ICT corporate governance practices and protocols

To conduct ICT risk analysis and manage the IT risks

To ensure cost effective, best practice and sustainable ICT capability

To develop and implement ICT strategy

#### **4.4.2.2. Sub - programme: Human Capital Management**

The purpose of this sub - programme is to provide effective and efficient Human Resource management support.

The core functions of this sub – programme include:

To coordinate training and development in line with organisation strategies

To provide effective and efficient personnel administration

To provide recruitment and selection services

To establish and maintain performance management services

To provide support in terms of employee assistance and wellness programmes
--

To ensure compliance with all labour laws
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#### **4.4.2.3. Sub - programme: Administration and Facilities**

The purpose of this sub - programme is to provide administrative, facilities and security support services to facilitate effective administrative practices.

The core functions of this sub – programme include:

To provide record management services
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To manage the planning, security and maintenance of facilities
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To provide reception, secretarial and general office support services
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To provide messaging and driver services
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#### **4.4.2.4. Sub - programme: Communications**

The purpose of this sub - programme is to provide communication, education and awareness services.

The core functions of this sub – programme include:

To develop and implement an effective communication strategy and programme
--

To ensure that all activities and programmes of the organisation is communicated to stakeholders through appropriate
--

communication channels
To create general awareness through relevant initiatives
To establish and manage relationships with stakeholders through sound public relation and media communication
To develop appropriate content and provide communication advice

### 4.4.3. Financial Management Services

Financial management services comprises of the following sub – programmes:

- Financial management and Accounting
- Supply Chain Management

The purpose of the programme is to manage the finances and supply chain processes to ensure financial viability, compliance and reporting.

The core functions of this component include:

To facilitate budget and financial management strategies and processes
Develop, implement, maintain and control financial reporting policies, systems and procedures
Implement and maintain internal controls to ensure continued reliability of the accounting system
To manage supply chain management services in accordance with policies and legislative requirements

#### **4.4.3.1. Sub - programme: Financial Management and Accounting**

The purpose of the sub – unit is to facilitate budget and financial management strategies and processes.

The functions of the programme are:

To administer budgeting processes, planning, compilation and financial control and reporting
--

To implement internal controls to ensure the continued reliability of the accounting system
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To manage and implement financial reporting policies, systems and procedures
--

#### **4.4.3.2. Sub - programme: Supply Chain Management**

The purpose of the supply chain management sub-programme is to manage supply chain management services in accordance with policies and legislative requirements.

The functions of the programme are:

To provide and administer demand and acquisition services to procure services, goods and supplies for the organisation
--

To provide and control asset management and disposal processes and procedures
---

To coordinate, apply and control logistics and contracts management practices and procedures
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#### **4.4.4. Land and Tenure Management Services**

Land and Tenure Management Services was previously referred to as “Real Estate”. The purpose of the programme is to provide land management, land tenure, sustainable land management services, identify community and economic development opportunities as well as provide customer care and stakeholder support services. The reason for the change is that Real Estate was a limiting term and was not aligned to the actual work undertaken within the programme.

The Land and Tenure Management Services comprise the following sub units:

- Land and Tenure
- Customer Care
- Projects Management
- Stakeholder Support
- Sustainable Land Management

The core functions of Land and Tenure Management Services include:

To manage the provisioning of land and tenure services
To render customer care services
To render stakeholder support services
To ensure integration related to mining for sustainable rural development
To manage the provision of community and economic development projects

#### **4.4.4.1. Sub - programme: Land and Tenure**

The purpose of the sub – programme is to manage Land and Tenure activities.

The functions of the sub - programme are:

To manage the provision of secure tenure rights
To maintain an integrated and comprehensive land tenure administration system
To manage the design and strategy that facilitates sustainable land planning in order to make Ingonyama Trust available for infrastructure development

To manage the effective assets management in rural areas by monitoring illegal occupation on Ingonyama Trust land

#### **4.4.4.2. Sub – programme: Customer Care**

The purpose of the sub – programme is to provide comprehensive customer care and support services.

The functions of the sub - programme are:

To render general customer care and support by attending queries and concerns

To address and manage land – related conflicts in order to prevent conflicts from escalating i.e. improve land governance, land dispute resolution and community empowerment

#### **4.4.4.3. Sub – programme: Projects Management**

The purpose of the sub – programme is to identify, facilitate and coordinate various community and economic development projects.

The functions of the sub – programme are:

To provide support to rural communities in all rural districts on Ingonyama Trust Land to enable them to improve their livelihood

To facilitate the development of rural enterprise in areas with economic development potential and opportunities

To identify strategically located land to be used for high impact commercial ventures

#### **4.4.4.4. Sub – programme: Stakeholder Support**

The purpose of the sub – programme is to provide comprehensive stakeholder development and support services.

The functions of the sub - programme are:

To provide support to Traditional council through skill development and capacity building programmes i.e. training on land allocation processes and guidance on dispute resolution

To facilitate the provision of skills development, socio – economic upliftment opportunities and improve social economic opportunities for communities living on Ingonyama Trust land
To provide general stakeholder support services

#### **4.4.4.5. Sustainable Land Management**

The purpose of the sub – programme is to manage the provision of sustainable land management (mining).

The functions of the sub - programme are:

To manage the integration related to mining for sustainable rural development
To manage effective asset management to prevent exploitation of mineral assets through policy development and implementation
To manage the auditing processes of all mining activities on Ingonyama Trust land

### **5. LEGISLATIVE AND OTHER MANDATES**

Various pieces of National, Provincial and Local Government legislation apply to Ingonyama Trust land. Therefore the Ingonyama Trust Board has to take cognizance of them as they impact on land.

The following pieces of legislation are among them.

Conservation of Agricultural Resources Act 43 of 1983	Restitution of Land Rights Act 22 of 1994
Mineral and Petroleum Royalty Act 28 of 2008	KwaZulu-Natal Heritage Act 4 of 2008
Deeds Registries Act 47 of 1937	Spatial Planning and Land Use Management Act 16 of 2013
National Environmental Management Act 107 of 1998	KwaZulu-Natal Nature Conservation Management Act 13 of 2005
Environmental Conservation Act 73 of 1989	Traditional Leadership and Governance Framework Act 41 of 2003
National Forests Act 84 of 1998	KwaZulu-Natal Planning and Development Act 6 of 2008
Expropriation Act 63 of 1975	Upgrading of Land Tenure Rights Act 112 of 1991

National Veld and Forest Fire Act 101 of 1998	KwaZulu-Natal Rationalization of Planning Laws Act 8 of 2008
Fencing Act 31 of 1963	World Heritage Convention Act 41 of 1999
National Water Act 36 of 1998	KwaZulu-Natal Roads Act 4 of 2001
Housing Development Agency Act 23 of 2008	Local Government: Municipal Property Rates Act 6 of 2004
Provision of Certain Land for Settlement Act 126 of 1993	Local Government: Municipal Systems Act 32 of 2000
Intergovernmental Relations Framework Act 13 of 2005	KwaZulu-Natal Traditional Leadership and Governance Act 5 of 2005
Public Finance Management Act 1 of 1999	Land Survey Act 8 of 1997
Interim Protection of Informal Rights Act 31 of 1996	Mineral and Petroleum Resources Development Act 28 of 2002

## 5.1. Policy mandates

Land is a national competence in terms of the Constitution therefore all policies of the national government pertaining to land apply to Ingonyama Trust land.

The proposed Government policy is a four tier land tenure system namely:

•	Private ownership (freehold), state (public ownership), foreign ownership, and communal land;
•	Communal Land Rights Bill is currently out for comment. The Board is opposed to certain provisions of the Bill in particular Section 4 which seeks to expropriate land without compensation

## 5.2. Planned policy initiatives

The Ingonyama Trust Board considers the review of the following policies to be critically important for this planning cycle.

- Debt Control policy;
- Leave policy, and;
- Employee Performance Management and Development System policy.

The following policies will be developed for the Ingonyama Trust Board during this planning cycle.

- Relocation policy;
- Disclosure of financial interests, and;
- Promotions and Acting policy.

## 6. OVERVIEW OF BUDGET AND MTEF ESTIMATES

### 6.1. Expenditure Estimates – Ingonyama Trust

#### INGONYAMA TRUST

#### PER PROGRAMME EXPENSES

	Actual 2016/2017	Budget 2017/2018	Budget 2018/2019	Budget 2019/2020	Budget 2020/2021	Budget 2021/2022
<b>Administration</b>	<b>17 727 699.00</b>	<b>30 591 488.00</b>	<b>45 414 420.45</b>	<b>46 292 713.57</b>	<b>32 618 687.81</b>	<b>34 453 459.40</b>
Corporate Services and Financial Administration	17 727 699.00	30 591 488.00	45 414 420.45	46 292 713.57	32 618 687.81	34 453 459.40
<b>Land and Tenure Management services</b>	<b>53 040 929.00</b>	<b>68 769 302.00</b>	<b>122 586 787.79</b>	<b>161 317 455.67</b>	<b>124 527 494.48</b>	<b>131 260 342.38</b>
Tenure upgrade and formalisation of settlements	-	1 200 000.00	-	-	-	-
Land identification and management plan	292 658.00	600 000.00	-	-	-	-
Spatial Planning Projects	-	2 435 000.00	-	-	-	-
Land Tenure management and planning projects	-	-	17 000 000.00	6 645 445.00	7 010 944.48	7 396 546.62
Land tenure information system - maintenance	31 767.00	100 000.00	-	-	-	-
Workshops	3 358 161.00	4 467 115.00	4 712 806.33	4 972 010.67	5 245 471.26	5 533 972.18
Rates provision(new rates on ITB land )	-	10 000 000.00	69 032 654.31	95 000 000.00	10 000 000.00	10 550 000.00
Bursaries - Funda Zulu	330 000.00	550 000.00	600 000.00	650 000.00	700 000.00	750 000.00
Disbursement of Funds to Community beneficiaries	44 736 697.00	38 417 187.00	29 241 327.15	47 720 000.00	94 892 928.74	99 984 375.33
Business and Agricultural projects	4 291 646.00	11 000 000.00	2 000 000.00	6 330 000.00	6 678 150.00	7 045 448.25
<b>TOTAL</b>	<b>70 768 628.00</b>	<b>99 360 790.00</b>	<b>168 001 208.23</b>	<b>207 610 169.24</b>	<b>157 146 182.29</b>	<b>165 713 801.78</b>
Transfer of funds to Ingonyama Trust Board for Board expenditure	2 921 077.00	18 905 057.00	19 987 170.50	21 065 659.88	22 224 166.17	23 446 495.31
<b>Total Expenditure</b>	<b>73 689 705.00</b>	<b>118 265 847.00</b>	<b>187 988 378.73</b>	<b>228 675 829.12</b>	<b>179 370 348.46</b>	<b>189 160 297.09</b>

**Note:** The expenditure for the Ingonyama Trust is paid from funds held in Trust in terms of Treasury Regulation 14.

## 6.2. Expenditure Estimates – Ingonyama Trust Board

### INGONYAMA TRUST BOARD PER PROGRAMME

	Actual	Budget	Proposed	Proposed	Proposed	Proposed
	2016/2017	2017/2018	Budget	Budget	Budget	Budget
			2018/2019	2019/2020	2020/2021	2021/2022
<b>Administration</b>	<b>21 800 182.00</b>	<b>38 763 127.00</b>	<b>40 431 829.70</b>	<b>42 655 580.33</b>	<b>45 001 637.25</b>	<b>47 476 727.30</b>
Board	2 639 182.00	2 704 173.00	3 200 000.00	3 376 000.00	3 561 680.00	3 757 572.40
Office of the CEO	1 628 469.00	1 718 034.80	1 766 086.73	1 863 221.50	1 965 698.68	2 073 812.11
Corporate Services and Financial administration	7 074 266.00	8 537 008.20	8 556 833.70	9 027 459.55	9 523 969.83	10 047 788.17
Compensation of employees	10 458 265.00	25 803 911.00	26 908 909.27	28 388 899.28	29 950 288.74	31 597 554.62

**Note:** This budget is likely to substantially change because of the staff costs. A new organogram has been developed and it is still to be costed.

### **6.3. Relating Expenditure trends to strategic outcome oriented goals**

For 2018/2019 separate budgets have been prepared for the Ingonyama Trust Board and the Ingonyama Trust as these are two separate entities.

#### ***The Ingonyama Trust Board***

The mandate of the Ingonyama Trust Board is to administer the affairs of the Trust and Trust Land for the benefit, material benefit of the communities living on Trust land. To achieve this, a provision of R 29.24 million has been made in the 2018/2019 financial year.

#### ***The Ingonyama Trust***

The Ingonyama Trust was established in 1994 in terms of the Ingonyama Trust Act, (Act 3KZ of 1994) with the mandate to hold the land for the benefit of the communities living on Trust land.

#### ***Shortfall in the Ingonyama Trust Board's budget***

For 2018/2019 the total budgeted expenditure of the Ingonyama Trust Board amounts to R 40.43 m, which is funded by the transfer payment of R 20.87 m, and R 19.56 m from the Ingonyama Trust to pay for the shortfall in income.

It is therefore safe to conclude that the current transfer payment only caters for 51.62 % of the Board's operational/administrative expenditure.

#### ***Comments on community beneficiary payments***

It is also important to note that the Board administers the affairs of the Trust for the benefit of communities living on Trust land and therefore a provision of R 29.24 m from the 2018/2019 Trust income has been budgeted for disbursement of funds to beneficiary communities as listed in the Act.

## **PART B: PROGRAMME AND SUB PROGRAMME PLANS**

## 7. PROGRAMMES

### 7.1. Programme 1: Administration

#### 7.1.1. Strategic Objectives and Annual MTEF targets for Programme 1

Strategic Objectives		Programme Performance Indicator	Audited / Actual Performance			Estimated Performance	Planned Performance	Medium term targets		
			2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
1.1.	Policy development and monitoring	Number of policies developed and reviewed	New indicator	New indicator	1	1	16	1	1	1
1.2.	Corporate governance	Performance of the organisation consistent with best practices and policies	New Indicator	New Indicator	New indicator	100%	100%	100%	100%	100%
1.3.	Adequate staffing in all departments	Percentage posts filled against the	New Indicator	New Indicator	1	Implementation, M & E Review	100% posts filled against the old	80% posts filled against the	100% posts filled against the	Not more than 10% vacancies

Strategic Objectives	Programme Performance Indicator	Audited / Actual Performance			Estimated Performance	Planned Performance	Medium term targets		
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
to ensure operational efficiency.	organogram					<i>organogram; 50% posts filled against the new organogram</i>	new organogram	new organogram	not filled as well as

## 7.1.2. Quarterly targets for 2018/19

Strategic Objectives		Programme Performance Indicator	Estimated Performance	Quarterly Target			
			2018/19	Quarter 1	Quarter 2	Quarter 3	Quarter 4
1.1.	Policy development and monitoring	Number of policies developed and reviewed	16	2	4	8	2
1.2.	Corporate governance	Performance of the organisation consistent with the best practices and policies of the organisation	100%	100%	100%	100%	100%
1.3.	Adequate staffing in all departments to ensure operational efficiency.	Percentage posts filled against the organogram	<i>100% posts filled against the old organogram; 50% posts filled against the new organogram</i>	- Approval and costing of the new organogram - 100% filling of the posts against the old organogram	Advertising	Filling of 50% of the 80% funded posts	Filling of posts

## 7.2. Sub Programme: Financial Management Services

### 7.2.1. Strategic Objectives and Annual MTEF targets for Sub Programme: Financial Management Services

Strategic Objectives		Programme Performance Indicator	Audited / Actual Performance			Estimated Performance	Planned Performance	Medium term targets		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
1.1.1.	Preparation of financial statements	% submission of budget within prescribed timelines	New Indicator	New Indicator	New Indicator	New Indicator	100%	100%	100%	100%
		% submission of financial statements within the prescribed timelines	New Indicator	New Indicator	New Indicator	New Indicator	100%	100%	100%	100%
1.1.2.	Ethical compliance	Audit outcome by AGSA	New Indicator	New Indicator	New Indicator	New Indicator	80% of audit matters resolved	Unqualified audit	Unqualified with no findings	Clean audit

Strategic Objectives	Programme Performance Indicator	Audited / Actual Performance			Estimated Performance	Planned Performance	Medium term targets		
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	Payment of undisputed invoices paid within 30 days of receipt by finance	New indicator	100%	100%	100%	100%	100%	100%	100%

## 7.2.2. Quarterly targets for 2018/19

Strategic Objectives		Programme Performance Indicator	Estimated Performance	Quarterly Target			
			2018/19	Quarter 1	Quarter 2	Quarter 3	Quarter 4
1.1.1.	Preparation of financial statements	% submission of budget within prescribed timelines	100% compliance	100%	100%	100%	100%
		% submission of financial statements within the prescribed timelines	100% compliance	100%	N/A	N/A	N/A
1.1.2.	Ethical compliance	Audit outcome by AGSA	80% of audit qualifications addressed  (i) Royalty income 40% fully addressed	-	20% matter related to DMR addressed	-	-
			(ii) 40% of properties valued	List of all properties with municipal values updated in the register	20% updated	20% updated	-

Strategic Objectives		Programme Performance Indicator	Estimated Performance	Quarterly Target			
			2018/19	Quarter 1	Quarter 2	Quarter 3	Quarter 4
		Payment of undisputed invoices paid within 30 days of receipt by finance	100%	100%	100%	100%	100%

## 7.3. Programme 2: Land and Tenure Management

### 7.3.1. Strategic Objectives and Annual MTEF targets for Programme 2

Strategic Objectives		Programme Performance Indicator	Audited / Actual Performance			Estimated performance	Planned Performance	Medium term targets		
			2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
2.1.	Provision of secure Tenure rights	Number of land tenure rights approved by the Board	1100	610	1068	1400	1450	1500	1550	1600
2.2.	Property Development	Number of updates to the land holding register	4	4	4	4	4	4	4	4

### 7.3.2. Quarterly targets for 2018/19

Strategic Objectives		Measurable Performance Indicator	Estimated Performance	Quarterly Targets			
			2018/19	Quarter 1	Quarter 2	Quarter 3	Quarter 4
2.1.	Provision of secure Tenure rights	Number of land tenure rights approved by the Board	1450	500	450	250	200
2.2.	Property Development	Number of updates to the land holding register	4	1	1	1	1

## 7.4. Sub Programme: Proactive Land Planning

### 7.4.1. Strategic Objectives and Annual MTEF targets for Programme 3

Strategic Objectives	Programme Performance Indicator	Audited / Actual Performance			Estimated Performance	Planned Performance	Medium term targets		
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
3.1. To ensure sustainable land planning which attracts investment on IT land	Number of Traditional Councils with development plans	New Indicator	New Indicator	New Indicator	2	5	6	6	11
	Number of Human settlement Plans on strategically located land	New Indicator	New Indicator	New Indicator	3	4	5	5	6

## 7.4.2. Quarterly Targets 2018/19

Strategic Objectives		Programme Performance Indicator	Planned Performance	Quarterly Targets			
			2018/19	Quarter 1	Quarter 2	Quarter 3	Quarter 4
3.1.	To ensure sustainable land planning which attracts investment on IT land	Number of Traditional Councils with development plans	5	TOR finalized and approved. Service provider appointed	Research and drafting of plans	3 reports on traditional council development plans available	2 reports on traditional council development plans available
		Number of Human settlement plans on strategically located land	4	-	2	1	1

## PART C: LINKS TO OTHER PLANS

### 8. LINKS TO OTHER PLANS

#### 8.4. Conditional Grants

Ingonyama Trust Board does not have any conditional grants; however transfer payments are received from the DRDLR based on a budget approval process.

Name of Department	Mandate	Outputs	Current Annual Budget	Date of next evaluation
Department of Rural Development and Land Reform	Support the ITB in terms of the Ingonyama Trust Act, Act 3 of 1994 as amended	Land management and administration support	R 19,272	Annually

#### 8.5. Public Private Partnerships

There are no Public private partnerships as defined in terms of the PFMA with ITB. However, the Board has entered into working arrangements with the organisations mentioned below.

Name of Organisation	Mandate	Outputs	Current Annual Budget	Date of next evaluation
Tongaat Hulett	Upliftment of the rural communities through the production of sugarcane in traditional areas	Improved production of sugar cane Capacity building for the traditional communities	No contribution by the Board at this stage	Annually

		Infrastructure development		
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Name of Organisation	Mandate	Outputs	Current Annual Budget	Date of next evaluation
Adamopix	Upliftment of the rural communities through agricultural production in traditional areas	Improved agricultural production for traditional communities	No contribution by the Board at this stage	Annually

Name of Organisation	Mandate	Outputs	Current Annual Budget	Date of next evaluation
Merensky	Upliftment of the rural communities through timber production in traditional areas	Improved forestry production for traditional communities	No contribution by the Board at this stage	Annually

## PART D: AMENDMENTS IN THE ANNUAL PERFORMANCE PLAN

### 9. AMENDMENTS IN THE ANNUAL PERFORMANCE PLAN

The following amendments have been made to the Annual Performance Plan of the Ingonyama Trust Board.

Strategic Objectives applicable to Programme 1

New strategic objectives and Performance Indicators

<b>Strategic Objective 1.1.</b>	<b>Policy development and monitoring</b>
Measurable Performance Indicator	Number of policies developed and reviewed
<b>Strategic Objective 1.2.</b>	<b>Corporate governance</b>
Measurable Performance Indicator	Performance of the organisation consistent with best practices and policies
<b>Strategic Objective 1.3.</b>	<b>Adequate staffing in all departments to ensure operational efficiency</b>
Measurable Performance Indicator	Percentage posts filled against the organogram

New Strategic Objectives applicable to Sub Programme: Financial Management Services

<b>Strategic Objective 1.1.1.</b>	<b>Preparation of financial statements</b>
Measurable Performance Indicator	Timeous submission of budget to the relevant committee of the Board
	Timeous submission of financial statements to the relevant committee of the Board

<b>Strategic Objective 1.1.2.</b>	<b>Ethical compliance</b>
Measurable Performance Indicator	Audit outcome by AGSA
	Payment of undisputed invoices within 30 days of receipt by finance (Existing Measurable Performance Indicator relocated to this new strategic objective)

<b>Strategic Objective 1.1.1.</b>	<b>Preparation of financial statements</b>
Measurable Performance Indicator	Timeous submission of budget to the relevant committee of the Board

<b>Strategic Objective 1.1.3.</b>	<b>Investment models</b>
Measurable Performance Indicator	Portfolio of investment

Strategic Objectives applicable to Programme 2

Revised Strategic objective and relocation of Performance Indicator

<b>Strategic Objective 2.2.</b>	<b>Property Development</b>
Measurable Performance Indicator	Number of updates to the land holding register

Strategic Objectives applicable to Programme 3

Revised Strategic objective and relocation of Performance Indicators

<b>Strategic Objective 2.2.</b>	<b>To ensure sustainable land planning which attracts investment on IT land</b>
Measurable Performance Indicator	Number of Traditional Councils with development plans
	Number of Human Settlement plans on strategically located land