



Private Security Industry Regulatory Authority

Strategic Turnaround Plan

For the Fiscal Years 2011/12-2013/14

December 2010

Contents

For the Fiscal Years 2011/12-2013/14.....	1
December 2010.....	1
1.1 Foreword by Chairperson.....	3 -
1.2 Director's Overview	4 -
1.3 Official sign-off.....	5 -
2.1 legislative Mandate.....	6 -
2.2 policy Mandate	9 -
2.3 Situational Analysis.....	10 -
2.4 Strategic Focus	11 -
3. Strategic Framework.....	12 -
3.1 Long Term - Vision, Mission And Values	12 -
3.2 Short-Medium Term – Statement Of Intent And Strategic Architecture.....	14 -
4. Governance	15 -
4.1 Stakeholder and Core Business Subcommittee.....	15 -
4.2 Audit an Risk Committee	16 -
4.3 Remuneration and Human Capital Committee	16 -
5. Strategic Priorities and Key Initiatives.....	17 -
5.1 Strategic Priority 1 – Industry Stewardship (Knowledge and Advocacy)	17 -
5.2 Strategic Priority 2 – Stakeholder and Customer Relationship Management.....	18 -
5.3 Strategic Priority 3 – Financial Management and Funding	18 -
5.4 Strategic Priority 4 – Excellent Service Delivery (Effective Regulation)	19 -
5.5 Strategic Priority 5 – Efficient and Effective Processes and Systems	19 -
5.6 Strategic Priority 6 – Effective Organisational Structures with Skilled, Competent and Motivated Workforce	20 -
5.7 Strategic Priority 7 – Enabling Environment (Organisational Culture).....	21 -
5.8 Overall Transformation Map	21 -
5.9 Resource Requirements	23 -
5.10 Risk Management	23 -
6. Performance Management	25 -
6.1. Quarterly Performance Reporting.....	28 -
7. Organisational structure	29 -
8. Medium term budget	29 -
8.1 Revenue budget.....	29 -
8.2 Operational Expenditure by program / priority	30 -
8.3 Operational Expenditure Budget by classification.....	31 -
8.4 Long term Infrastructure and Capital asset Plan	32 -
9. Information Technology Strategy.....	32 -
10. Conclusion.....	33 -

1.1 Foreword by Chairperson

The Private Security Industry Regulatory Authority was established in terms of Section 2 of the Private Security Industry Regulation Act (56 of 2001) in 2002. The strategic mandate of PSIRA originates from the Act and the regulations issued in terms of the Act. In a nutshell, the primary objectives of PSIRA are to regulate the private security industry and to exercise effective control over the practice of the occupation of security service provider in the public and national interest and in the interest of the private security industry itself.

PSIRA is currently under financial and operational stress that is prohibiting the organisation from delivering effectively against its mandate. As a result of these challenges, PSIRA now needs to implement a robust 3-year turnaround strategy to re-establish itself as a stable and credible institution governing the large and fragmented private security industry in South Africa. The first step in this direction has been the appointment of a new Council in early 2010 and the subsequent appointments of members of the Executive team later in the year.

In late November 2010, the new leadership team of PSIRA (Chairperson of the Council, Executives and Senior Managers) convened for a 3-day strategic planning workshop with the primary objectives of developing a clear long-term road map and identifying short-term priorities and initiatives to kick-start the turnaround effort. The workshop process aimed at embedding a turnaround mindset to move away from business as usual.

The outcomes of the workshop form the key components of this strategic plan. PSIRA has identified seven strategic priorities going forward to ensure fulfilment of the mandate and achievement of its vision. For each of the strategic priorities, the leadership team defined a clear 3-year objective and identified a number of key initiatives that need to be implemented. The initiatives have been plotted in an overall transformation map that outlines implementation requirements over a 3-year timeframe as well as accountabilities for delivery. In addition, the priorities and initiatives have been translated into Key Performance Areas (KPA's) and Key Performance Indicators (KPI's) with associated 1-year targets to enable tracking and monitoring of performance against the objectives and to form the basis for the Annual Performance Plan of the Authority.

Thula Bopela

Chairperson of the Council

1.2 Director's Overview

The Private Security Industry Regulatory Authority (PSIRA) has embarked on an organisational turnaround to drastically improve service delivery and establish a strong reputation as an effective regulator of private security in South Africa. The appointment of a new Council and a new leadership team in 2010 has set the foundations for the much required transformation of the Authority. This strategic planning document seeks to break from the past and chart a completely new road map to achieve an efficient, effective and professional Authority within the next 3 years.

The starting point in developing the strategic plan for PSIRA is the mandate of the organisation as set out in the Private Security Industry Regulation Act 56 of 2001. As the Act is currently undergoing a legislative review, which will lead to an Amendment, the plan has taken into account the proposed changes to existing legislation and regulations. With this in mind, the turnaround plan is focused on ensuring that PSIRA fulfils all the objects and functions of the mandate in an efficient manner.

The plan has also been guided by national policy priorities as set out by the Justice, Crime Prevention and Security Cluster (JCPS Cluster), which specifically aim at improving effectiveness and integration of the JCPS Cluster to reduce the overall levels of crime in the country. In this strategic plan, PSIRA is committing to substantially improve its relationships with all stakeholders and align with policy priorities.

The key components of this strategic plan have been developed by PSIRA's leadership team during a 3-day strategic planning workshop held at the end of November 2010. Under the guidance of the Chairperson of the Council, and with the support and contribution of senior managers from the key areas of the organisation, the Executive team has charted an ambitious but realistic programme of action and is fully committed to its implementation.

Manabela Chauke

Director (CEO) of the Private Security Industry Regulatory Authority

1.3 Official sign-off

It is hereby certified that this Strategic Plan:

- " Was developed by the management of the Private Security Industry Regulatory Authority under the guidance of the Council.
- " Takes into account all the relevant policies, legislation and other mandates for which the Private Security Industry Regulatory Authority is responsible.
- " Accurately reflects the strategic outcome oriented goals and objectives which the Private Security Industry Regulatory Authority will endeavour to achieve over the period 2011/12-2013/14.

DKN Ligege
Deputy Director: Finance (CFO)

Signature: _____

Approved by:

Thula Bopela
Chairperson of the Council

Signature: _____

2. Strategic Context and Alignment

PSIRA's strategic context encompasses its mandate, as defined by the Act 56 of 2001, the key external and internal challenges that the Authority is facing in delivering against the mandate and need to be addressed going forward, as well as the national policy priorities of the government of South Africa and in particular of the Justice, Crime Prevention and Security Cluster (JCPS Cluster).

The government of South Africa has committed to ensuring that all people in the country are and feel safe. The private security industry plays an important role in supplementing the work of the South African Police Service in fighting crime in South Africa. The industry has been steadily growing over the years and the number of active security companies has increased to more than 7,400 with more than 387,000 active private security officers. As a comparison, the total number of police officers excluding civilians employed by the SAPS was 150,373 in November 2010, which is less than 40% of private security officers. Therefore, PSIRA's contribution is critical to the success of South Africa's crime fighting initiatives and its effectiveness as a regulator is of paramount importance to ensure delivery.

2.1 Legislative Mandate

The primary objects of the Authority are to regulate the private security industry and to exercise effective control over the practice of the occupation of security service provider in the public and national interest and the interest of the private security industry itself. The mandate of PSIRA is to:

- a) promote a legitimate private security industry which acts in terms of the principles contained in the Constitution and other applicable law;
- b) ensure that all security service providers act in the public and national interest in the rendering of security services;
- c) promote a private security industry which is characterized by professionalism, transparency, accountability, equity and accessibility;
- d) promote stability of the private security industry;
- e) promote and encourage trustworthiness of security service providers;
- f) determine and enforce minimum standards of occupational conduct in respect of security service providers;
- g) encourage and promote efficiency in and responsibility with regard to the rendering of security services;
- h) promote, maintain and protect the status and interests of the occupation of security service provider;
- i) ensure that the process of registration of security service providers is transparent, fair, objective and concluded timeously;
- j) promote high standards in the training of security service providers and prospective security service providers;

- k) encourage ownership and control of security businesses by persons historically disadvantaged through unfair discrimination;
- l) encourage equal opportunity employment practices in the private security industry;
- m) promote the protection and enforcement of the rights of security officers and other employees in the private security industry;
- n) ensure that compliance with existing legislation by security service providers is being promoted and controlled through a process of active monitoring and investigation of the affairs of security service providers;
- o) protect the interests of the users of security services;
- p) promote the development of security services which are responsive to the needs of users of such services and of the community;
- q) promote the empowerment and advancement of persons who were historically disadvantaged through unfair discrimination in the private security industry.

The mandate has been reviewed to provide an assessment of PSIRA's past performance against all components of the mandate. In addition, although fulfilling all aspects of the mandate is non-negotiable and must be achieved by the Authority, some of its components might be more critical than others in the current strategic context, and hence require increased focus going forward. In order to simplify the assessment, the various components of the mandate have been clustered into five key focus areas. The table below presents the overall assessment for each focus area: the "Criticality Rank" column indicates the relative criticality of the focus areas (from 1 – Most critical to 5 – Least critical); the "Performance Evaluation" column provides a qualitative assessment along with supporting comments.

Private Security Industry Regulatory Authority

Table 1 – Mandate Assessment

Focus Area	Mandate Components	Criticality Rank	Performance Evaluation
Industry compliance with Constitution, laws and national interest (legitimate industry) and overall industry effectiveness (model and reputation)	a. promote a legitimate private security industry which acts in terms of the principles contained in the Constitution and other applicable law b. ensure that all security service providers act in the public and national interest in the rendering of security services c. promote a private security industry which is characterized by professionalism, transparency, accountability, equity and accessibility d. promote stability of the private security industry e. promote and encourage trustworthiness of security service providers g. encourage and promote efficiency in and responsibility with regard to the rendering of security services j. promote high standards in the training of security service providers and prospective security service providers n. ensure that compliance with existing legislation by security service providers is being promoted and controlled through a process of active monitoring and investigation of the affairs of security service providers	2	<ul style="list-style-type: none"> ▪ Performing relatively well on controls and prosecution but performing badly in preventing and reporting illegalities ▪ Prosecutions should focus more on security companies' owners rather than security officers ▪ Limited understanding about what it means "legitimate" and what is happening in the field (lack of research)
Industry compliance with fair labour practices	f. determine and enforce minimum standards of occupational conduct in respect of security service providers h. promote, maintain and protect the status and interests of the occupation of security service provider m. promote the protection and enforcement of the rights of security officers and other employees in the private security industry	4	<ul style="list-style-type: none"> ▪ Did not manage to change behaviour in the industry (exploitation of workers) ▪ Too much focus on quantitative measures (e.g. number of cases/inspections) instead of quality ▪ Relying too much on inspections vs real data (e.g. checking payroll data vs other databases like UIF) ▪ Need better coordination with Department of Labour ▪ Could use the Council more effectively to raise issues ▪ Could improve relationships with unions to report cases
Effective service provision	i. ensure that the process of registration of security service providers is transparent, fair, objective and concluded timeously	3	<ul style="list-style-type: none"> ▪ Poor service with no guaranteed turnaround time ▪ Poor understanding of why the Authority does registrations ▪ Corruption and criminality within PSIRA (lack of integrity) ▪ Lack of administrative controls ▪ Processes inefficient and not standardised ▪ Lack of business rules and data analysis to detect problems
Promotion of BEE and EE in the industry	k. encourage ownership and control of security businesses by persons historically disadvantaged through unfair discrimination l. encourage equal opportunity employment practices in the private security industry q. promote the empowerment and advancement of persons who were historically disadvantaged through unfair discrimination in the private security industry	5	<ul style="list-style-type: none"> ▪ PSIRA has done very little in demonstrating progress in this area
Protection of users' interests	o. protect the interests of the users of security services p. promote the development of security services which are responsive to the needs of users of such services and of the community	1	<ul style="list-style-type: none"> ▪ Need a better understanding of the industry (lack of research) ▪ No clarity about who the customers are (citizens) ▪ Lack of PSIRA's visibility ▪ Lack of communication with users

The key considerations of the mandate assessment and their implications for PSIRA’s strategy going forward can be summarised as follows:

Table 2 – Key Considerations and Implications of Mandate Assessment

Key Considerations	Implications
PSIRA has performed poorly/very poorly in the past	The performance assessment clearly reiterates the need for a strategic turnaround and a dramatic shift from previous practices
PSIRA’s strategy should focus primarily on protecting the interest of the users of security services, that is the citizens of South Africa	Stronger relationships with and improved services to end-users need to feature prominently in PSIRA’s turnaround strategy
Some components of the mandate (industry compliance to labour practices and promotion of BEE and EE) are not entirely under PSIRA’s control and hence PSIRA can only have limited impact	PSIRA’s strategy must acknowledge these constraints and focus on strengthening partnerships with other stakeholders (e.g. DoL, unions) to jointly address the issues and increase the impact
PSIRA is not keeping up with industry trends and developments	PSIRA needs to build a research capability to be able to respond more effectively to changing market demands and industry trends
Previous law enforcement activities have focused primarily on quantitative targets (e.g. numbers of cases and inspections) and has been ineffective in changing industry behaviour	PSIRA needs to develop a comprehensive law enforcement/compliance strategy based on market segmentation (different types of transgressors require different approaches) to take the most appropriate steps to deal with each case and improve voluntary industry compliance
PSIRA’s past performance has been heavily penalised by internal corruption and overall lack of ownership and commitment from staff	PSIRA’s strategic execution relies on having the right people (ethical) for the right jobs, which requires a restructuring exercise, and an enabling organisational culture, which requires a mindset change through culture interventions

2.2 Policy Mandate

PSIRA’s strategy needs to align with national priorities and more specifically contribute to the programme of action of the Justice, Crime Prevention and Security Cluster (JCPS Cluster) as defined in the cluster’s objectives:

- Addressing the overall levels of crime
- Improving effectiveness and ensuring integration of the JCPS Cluster
- Combat corruption within the JCPS Cluster to enhance its effectiveness and its ability to serve as deterrent against crime
- Manage perception of crime among the population
- Combating of cyber crime
- Effectiveness and integration of border management
- Secure the identity and status of citizens

In order to achieve these objectives, the JCPS Cluster has identified some focus areas which require specific attention by all members of the cluster:

- Strategic operational alignment of all stakeholders
- Improved JCPS Cluster co-ordination and management, including capacity and performance management, at all levels
- Improved effectiveness and operational efficiencies in all component parts of the JCPS Cluster
- More effective trials through protocols dealing with trial readiness of cases and the limiting of disputes as well as case flow management initiatives
- Legislative interventions such as the Forensics Bill dealing with fingerprint and DNA aspects
- The use of information technology (IT) systems to provide integrated management information to the cluster departments and the JCPS Cluster overall
- Technology driven modernisation initiatives including roll out of video remands to various courts and correctional facilities

2.3 Situational Analysis

The key external challenges that PSIRA is facing in delivering against its mandate are as follows:

- Ever-increasing risk to the safety and security of South Africa and its citizens through the infiltration of the security industry by sophisticated criminal syndicates
- Rapid growth and expansion of the security industry, requiring both a broader regulatory geographic footprint as well as more resources to ensure effective coverage and enforcement
- Increased number of illegal operators
- Need to provide improved access to PSIRA whilst improving service delivery to stakeholders, in accordance with the principles of Batho Pele
- Increased technological complexity of the security industry and the need for PSIRA to develop competent internal resources to provide oversight to these industry segments as contemplated in the objects of the Act
- Need to support greater control over firearms within the industry
- Foreign involvement in the private security industry creating potential threats to national security
- South African security companies operating outside of South Africa's borders
- Unfair labour practices in the industry
- Damaged reputation of PSIRA

Table 3 – Key Internal Challenges

Areas	Key Internal Challenges
Scope and footprint	<ul style="list-style-type: none"> “ Regulatory scope too broad and overlapping with the mandate of other government agencies and departments “ Need to expand geographical access to PSIRA “ Inadequate facilities to provide high quality services
Governance, leadership and management	<ul style="list-style-type: none"> “ Limited ability to implement effective structure due to constraints of the Act “ Legacy of corruption, incompetence, mismanagement and overall lack of focus on the business side “ Need for leadership and managerial continuity and consistency “ Need to implement effective operational management processes and improve internal coordination “ Need to improve internal communication “ Need to change the mindset of employees and embed a positive organisational culture and morale
Stakeholder relationships	<ul style="list-style-type: none"> “ Ineffective collaboration and poor relationships with other state agencies including SAPS, State Security, NIA, Home Affairs and the Department of Labour “ Lack of awareness and understanding of the mandate and role of PSIRA
Financial management	<ul style="list-style-type: none"> “ Reserves being depleted to cover deficits “ Need to reconcile all money owed to PSIRA to understand its true financial status and collect all recoverable outstanding debt “ Qualified audit opinion and non-compliance with PFMA regulations
Funding model	<ul style="list-style-type: none"> “ Funding model inadequate to meet the current and future funding requirements of PSIRA and inequitable (burden is placed on monthly subscription deductions from security officers’ salaries and wages) “ Threat of ‘regulatory capture’ or at very least a limitation of regulatory independence as a result of the reliance of PSIRA on funding provided by the industry it is meant to regulate
Processes, systems, skills and capabilities	<ul style="list-style-type: none"> “ Inefficient business processes negatively impacting on service delivery “ Outdated legacy IT systems, lack of data integrity and inability of current IT systems to provide real time linkages to other government departments and agencies “ Poor specifications and improper use of new IT systems due to low level of skills “ Need to build a Human Resource management capability to improve overall skills levels and implement critical HR processes and systems (e.g. performance management)

2.4 Strategic Focus

PSIRA’s turnaround strategy is fully aligned to these priorities with a specific focus on:

- Strengthening relationships with all stakeholders, especially the other entities of the JCPS Cluster
 - This will take place both at a strategic level, through improved coordination of activities, and at an operational level, through improved integration of databases and exchange of information;
- Weeding out corruption and criminality from the Authority

- PSIRA will apply a zero tolerance policy against infractions and commits to employ an ethical workforce;
- Focusing on performance
 - PSIRA has defined Key Performance Indicators to monitor performance on a regular basis and will implement an effective individual performance management system at all levels of the organisation;
- Implementing a new law enforcement/compliance strategy
 - PSIRA's strategy aims at changing behaviour in the industry and improving voluntary compliance through the adoption of a more proactive and preventive approach with the overall objective of reducing cases of illegalities;
- Building capacity
 - PSIRA will establish internal units focusing on industry research and business intelligence and will implement a learning and development programme for all its staff
- Leveraging IT
 - PSIRA will put in place a functional and effective IT infrastructure and will adopt information management as a key means to improve process efficiency.

3. Strategic Framework

At a high level and in the long term, PSIRA's strategic framework is composed of its vision, mission and values. However, PSIRA also developed a short-to-medium term statement of intent with a 3-year time horizon to guide its turnaround effort and ensure fast delivery of improvement initiatives. A statement of intent has been used as the basis to identify the strategic priorities that constitute PSIRA's strategic architecture for the next 3 years.

3.1 Long Term - Vision, Mission And Values

3.1.1 Vision

PSIRA's current vision is "To be a world-class regulator of the private security industry in South Africa". The vision has been reviewed to ensure its relevance in the current strategic context and to assess its effectiveness in communicating to all employees and stakeholders what PSIRA wants to be. The review highlighted some issues with this vision:

- Not clear what "world class" means and what is the benchmark for PSIRA given the different strategic and operating contexts of other authorities in the world;
- Does not reflect the need to meet end users requirements as a key object of the mandate;
- Could be more aspirational in defining the end state;
- Could be simplified and made more powerful for communication purposes.

Based on these considerations, the proposed new vision for PSIRA is:

Figure 1 – Proposed New Vision for PSIRA

VISION
**To be recognised as an excellent
regulator of private security in
South Africa by all our stakeholders**

The new vision acknowledges the fact that PSIRA’s success must be judged by its impact on society at large and specifically on ensuring that all the people of South Africa are and feel safe. It also removes the ambiguity of being “world class” replacing it with the ambitious goal of achieving excellence.

3.1.2 **Mission**

The mission of PSIRA is “To protect the constitutional rights of all people to life, safety and dignity through the effective promotion and regulation of the private security industry”. The mission properly captures the core purpose of PSIRA.

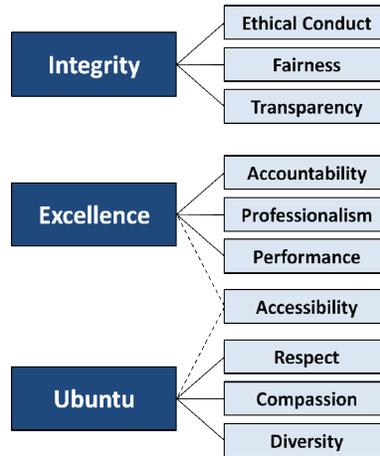
3.1.3 **Values**

PSIRA’s currently has five values that it aspires to live out at all times:

- Professionalism
- Ethical conduct
- Fairness
- Transparency
- Accountability

Up to now, however, these values have been poorly embraced by the organisation and therefore have been revamped. The proposed value framework going forward incorporates the current values and enhances them by introducing the drive towards a spirit of collegiality and adherence to the Batho Pele principles.

Figure 2 – Proposed New Values Framework for PSIRA



The proposed value framework will be refined going forward during the design of the culture architecture for the Authority by taking into account inputs and contributions from all the workforce and ensuring buy-in and commitment.

3.2 Short-Medium Term – Statement Of Intent And Strategic Architecture

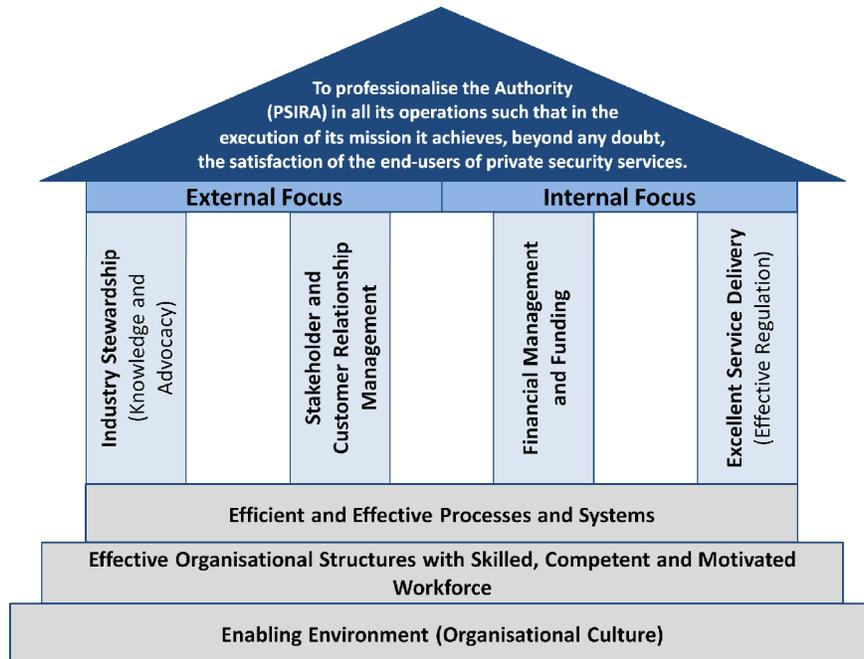
As defined by the Harvard Business Review, a strategy statement of intent is a simple, clear, succinct strategy statement that everyone can internalise and use as the guiding light for making difficult choices. To drive the turnaround, PSIRA has defined a compelling statement of intent that can engender alignment and mobilisation across the organisation. PSIRA’s 3-year Statement of Intent is presented below along with an explanation of the key elements of the statement to ensure a common understanding and consistent communication.

Figure 3 – 3-Year Statement of Intent and Explanation

Based on the strategic context (mandate, key external and internal challenges, and alignment with national priorities) and on the 3-year statement of intent, PSIRA has identified seven key strategic priorities going forward. Four priorities can be seen as the pillars of the strategy, focusing externally (Industry stewardship; Stakeholder and customer relationship management) and internally (Financial management and funding; Excellent service delivery), while the other three priorities are the key enablers for effective strategic execution (Efficient and effective processes and systems; Effective organisational structures with skilled, competent and motivated workforce; Enabling environment). The overall strategic turnaround architecture is presented below.



Figure 4 – Strategic Turnaround Architecture



4. Governance

4.1 Stakeholder and Core Business Subcommittee

Objective

- Manage and measure the gap between stakeholder perceptions and performance of PSIRA to enhance or protect its reputation
- Deliberate on reputation of PSIRA and its linkage with stakeholder relationships

- Provide guidance and oversight on strategy and policies for management of relationships with each stakeholder grouping
- Provide guidance on stakeholder engagement processes whether formal or informal
- Strive to achieve appropriate balance between its various stakeholder groupings, in the interest of PSIRA
- Promote transparent and effective communication with stakeholders in order to build and maintain trust and confidence
- Promote Industry research

Membership

- Chairperson
- Deputy Chairperson
- Member
- Ex-officio
- Ex-officio

4.2 Audit an Risk Committee

Objective

- Review the effectiveness of the internal controls systems
- Review the effectiveness of the internal audit function
- Review the risk areas of PSIRA's operations to be covered in the scope of internal and external audits
- Review adequacy, reliability and accuracy of the financial information
- Report and make recommendations to the accounting officer
- Have oversight to IT risk and governance
- Investigate matters within its powers

Membership

- Chairperson
- Deputy Chairperson
- Member
- Internal Audit
- External Auditors
- Ex-officio
- Ex-officio
- Ex-officio

4.3 Remuneration and Human Capital Committee

Objective

- Consider and approve policies relating to Human Resources

- Oversee the effective and continued implementation of Performance management practices and policies
- Oversee and ensure that performance management is linked to job descriptions
- Acts as a performance assessment and moderating body
- Oversee implementation of the recognition and reward practices and policies
- Periodically review the appropriateness of the organizational structure
- Monitor the workplace environment to ensure that it is conducive for the PSIRA to deliver desired outcomes
- Act as a Selection panel for the appointment of EXCO

Membership

- Chairperson
- Deputy Chairperson
- Member
- Ex-officio
- Ex-officio member
- Ex-officio member
- Ex-officio member

5. Strategic Priorities and Key Initiatives

All the priorities constituting the strategic turnaround architecture of PSIRA require the implementation of several key initiatives over the 3-year planning timeframe. The phasing of the initiatives has been defined by balancing the need for immediate action to address the burning issues while taking into account feasibility and execution constraints (e.g. resources and funding requirements, predecessors/dependencies of initiatives, need for cooperation from other stakeholders, etc.). It is important to note that some initiatives are already under way or are planned for completion before the beginning of the new fiscal year. Firm deadlines for completion have been indicated whenever possible. Accountabilities for implementation have been assigned to selected PSIRA’s executives and senior managers and all the designated individuals have pledged their commitment to successful implementation. The action plans for the seven strategic priorities are presented in the following paragraphs.

5.1 Strategic Priority 1 – Industry Stewardship (Knowledge and Advocacy)

3-Year Objective (Mar 2014)	To ensure full understanding of the industry and to begin to respond to industry needs and challenges, so as to be recognised as “the industry experts”	
Accountability	DD: Training and Communication	
6 Months (Sep 2011)	12 Months (Mar 2012)	24 Months (Mar 2013)
Research capability <ul style="list-style-type: none"> ▪ Identify knowledge areas where research is required 	Research capability <ul style="list-style-type: none"> ▪ Research capability in place ▪ Initial research and knowledge 	<ul style="list-style-type: none"> ▪ Review and refinement of strategies (capacity building, industry participation, communication)

<ul style="list-style-type: none"> ▪ Develop capacity building strategy and plan to fulfill research needs ▪ Start research for top priority topics <p>Industry participation</p> <ul style="list-style-type: none"> ▪ Define objectives for industry participation ▪ Define key communication messages ▪ Identify industry forums for participation ▪ Active participation in key industry forums <p>External communication</p> <ul style="list-style-type: none"> ▪ Develop marketing and communication strategy and plan (incl. publication/website) ▪ Initial implementation of communication strategy and plan 	<p>available</p> <p>Industry participation</p> <ul style="list-style-type: none"> ▪ Actively driving the agenda of key industry forums ▪ Develop industry awards programme <p>External communication</p> <ul style="list-style-type: none"> ▪ Communication feedback and response process in place ▪ Initial communication e.g. <ul style="list-style-type: none"> - Quarterly publication - Website enhancement - Roadshows - Radio talk shows and other media platforms - Brochures, flyers, billboards 	<ul style="list-style-type: none"> ▪ Use of research and knowledge to improve internal processes based on customer needs ▪ Use of research and knowledge to influence industry policy and regulatory framework
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5.2 Strategic Priority 2 – Stakeholder and Customer Relationship Management

3-Year Objective (Mar 2014)	To ensure meaningful and fruitful engagement with all stakeholders	
Accountability	Director (CEO)	
6 Months (Sep 2011)	12 Months (Mar 2012)	24 Months (Mar 2013)
<ul style="list-style-type: none"> ▪ Develop stakeholder map ▪ Develop and approve stakeholder engagement plan (Dec 2010) ▪ Initiate implementation (identify initiatives under PSIRA’s control for quick wins) ▪ Engage all stakeholders for joint approval of plans (Feb 2011) ▪ Integrate research outputs into stakeholder engagement plan ▪ DHA access in place (Mar 2011) ▪ Develop SAPS integration specs (CRC and CFR) ▪ Develop DoL integration specs ▪ Interim CRM function/capability in place incl. registrations ▪ Engage with Consumer Protection Commission 	<ul style="list-style-type: none"> ▪ SAPS integration (CFR) in place ▪ DoL integration in place ▪ CRM function/capability in place ▪ End-users feedback mechanism in place (e.g. ombudsman, call centre, toll free #) ▪ Alignment with Consumer Protection Commission (processes in place) 	<ul style="list-style-type: none"> ▪ PSIRA database/IT systems integrated with other stakeholders ▪ End-users forum in place ▪ Ongoing review and refinement of CRM function/capability ▪ SAPS integration (CRC) in place (2014)

5.3 Strategic Priority 3 – Financial Management and Funding

3-Year Objective (Mar 2014)	To be a financially stable and sustainable organisation (increase revenue, decrease costs, and achieve at least breakeven)	
Accountability	DD: Finance and Administration (CFO)	
6 Months (Sep 2011)	12 Months (Mar 2012)	24 Months (Mar 2013)
<ul style="list-style-type: none"> ▪ Identify additional sources of revenue - not subject to legislation (2010) 	<ul style="list-style-type: none"> ▪ Achieve breakeven for the year ▪ Collect at least 90% of fees billed ▪ Debtors book collected 	<ul style="list-style-type: none"> ▪ Collect at least 95% of fees billed ▪ Collect at least 100% of fees billed (2014)

<ul style="list-style-type: none"> ▪ Develop funding model proposal and present to Council (2010) ▪ Introduce new tariffs for services ▪ Develop a credit policy (2010) and implement in new year ▪ Clean up debtors book (Mar 2011) ▪ Implement regional debt collection process ▪ Liquidity planning (effective cash flow management) ▪ Analyse operating costs ▪ Start cost cutting campaign ▪ Develop pricing strategy ▪ Develop Capex strategy based on funding model ▪ Achieve unqualified audit (debtors, VAT, fixed assets) 	<ul style="list-style-type: none"> ▪ Reduce operating expenditures (e.g. medical aid 60/40) ▪ Implement pricing strategy ▪ Follow up and drive legislative process for amendment 	
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5.4 Strategic Priority 4 – Excellent Service Delivery (Effective Regulation)

3-Year Objective (Mar 2014)	To enable effective compliance and enforcement of PSIRA legislation in order to achieve behavioural changes in the industry	
Accountability	Director (CEO)	
6 Months (Sep 2011)	12 Months (Mar 2012)	24 Months (Mar 2013)
<ul style="list-style-type: none"> ▪ Coordinate and review research outcomes ▪ Develop and implement compliance model (Mar 2011) and tie up with CRM strategy ▪ Train personnel on compliance model (Jun 2011) ▪ Engage NPA regarding amnesty (2010) ▪ Declare and implement amnesty (Mar 2011) ▪ Clean-up registrations database ▪ Reengineering of enforcement process ▪ Establish a Business Intelligence Unit to support enforcement ▪ Expand the Legal Services Divisions ▪ Identify potential partners for enforcement (e.g. insurance) ▪ Engage with Treasury for Letter of Good Standing ▪ Treasury directive issued 	<ul style="list-style-type: none"> ▪ Engage partners for enforcement strategy ▪ Publish information on withdrawals 	<ul style="list-style-type: none"> ▪ Conduct industry survey ▪ Renewal of registrations

5.5 Strategic Priority 5 – Efficient and Effective Processes and Systems

3-Year Objective (Mar 2014)	To ensure that adequate processes and systems are in place to effectively carry out the mandate of PSIRA
Accountability	DD: Law Enforcement

6 Months (Sep 2011)	12 Months (Mar 2012)	24 Months (Mar 2013)
<p>Systems</p> <ul style="list-style-type: none"> ▪ Develop IT strategy (Jan 2011) incl. <ul style="list-style-type: none"> - IT governance framework - IT systems architecture - Vendor management - Risk management - Information security - Business continuity - Value delivery ▪ Develop IT policies (2010) ▪ Develop exit plan from current vendors ▪ Implementation of IT governance, vendor management, information security, policies ▪ Implementation of business continuity plan (Jun 2011) <ul style="list-style-type: none"> - Site, hardware, licenses, processes, infrastructure performance monitoring ▪ Value realisation projects <ul style="list-style-type: none"> - Project Adempiere (Jun 2011) - HR systems enablement <p>Processes</p> <ul style="list-style-type: none"> ▪ Prioritise processes based on value realisation (Project Adempiere) ▪ Process reengineering (mapping As-Is, To-Be, RACIs, KPIs, templates and tools, integration points) for 1st priority processes 	<p>Systems</p> <ul style="list-style-type: none"> ▪ IT infrastructure in place ▪ Monitoring and refining of IT strategy implementation <p>Processes</p> <ul style="list-style-type: none"> ▪ Process reengineering (mapping As-Is, To-Be, RACIs, KPIs, templates and tools, integration points) for 2nd priority processes ▪ All new processes implemented 	<ul style="list-style-type: none"> ▪ Ongoing monitoring and refinement (continuous improvement)

5.6 Strategic Priority 6 – Effective Organisational Structures with Skilled, Competent and Motivated Workforce

3-Year Objective (Mar 2014)	To ensure that PSIRA has competent and skilled employees that are able to execute their tasks effectively	
Accountability	DD: Finance and Administration (CFO)	
6 Months (Sep 2011)	12 Months (Mar 2012)	24 Months (Mar 2013)
<ul style="list-style-type: none"> ▪ Develop, approve and implement HR strategy ▪ Organisational structure designed and approved (Jan 2011) ▪ Jobs profiles reviewed, evaluated and graded for positions affected by restructuring ▪ Organisational restructuring completed (Jun 2011) ▪ Complete skills audit to identify skills gap and required training programmes ▪ Develop and implement performance management framework (Mar 2011) 	<ul style="list-style-type: none"> ▪ Develop succession plans ▪ Completion of first cycle of performance management framework ▪ Phased implementation of learning and development strategy ▪ Identify critical skills and develop retention strategy 	<ul style="list-style-type: none"> ▪ Phased implementation of learning and development strategy ▪ Implement retention strategy for critical skills

<ul style="list-style-type: none"> ▪ Interim performance reviews (Sep 2011) ▪ Develop learning and development strategy ▪ Develop and implement EAP 		
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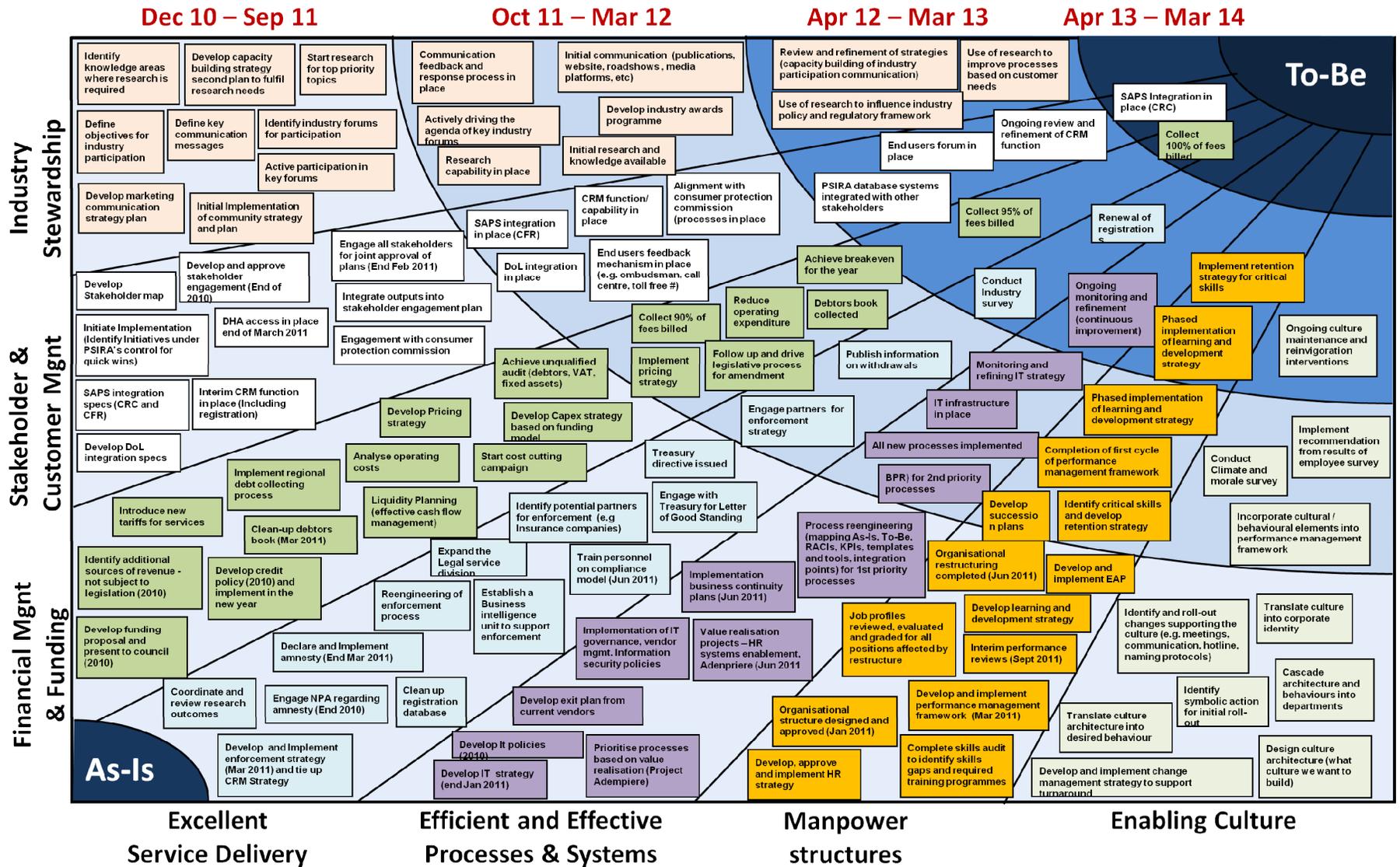
5.7 Strategic Priority 7 – Enabling Environment (Organisational Culture)

3-Year Objective (Mar 2014)	To ensure that the authority has a culture of learning embracing excellence that supports our vision and strategy	
Accountability	Director (CEO)	
6 Months (Sep 2011)	12 Months (Mar 2012)	24 Months (Mar 2013)
<ul style="list-style-type: none"> ▪ Develop and implement change management strategy to support turnaround ▪ Design culture architecture (what culture we want to build) ▪ Translate culture architecture into desired behaviours ▪ Identify symbolic actions for initial roll-out ▪ Identify and roll-out changes supporting the culture (e.g. meetings, communication, hotline, naming protocols) ▪ Cascade architecture and behaviours to departments ▪ Translate culture into corporate identity 	<ul style="list-style-type: none"> ▪ Incorporate cultural/behavioural elements into performance management framework ▪ Conduct climate and morale survey ▪ Implement recommendations from results of employee survey 	<ul style="list-style-type: none"> ▪ Ongoing culture maintenance and reinvigoration interventions

5.8 Overall Transformation Map

The key initiatives have been plotted onto an overall time-bound transformation map that provides a single snapshot of the turnaround strategy.

Figure 5 – Transformation Map



5.9 Resource Requirements

Implementation of the strategic priorities will require a concerted effort from all employees of PSIRA as well as the creation of new functions (e.g. research, CRM, BIU) to enable the change in strategic direction. As indicated under Strategic Priority 6 – Effective Organisational Structures with Skilled, Competent and Motivated Workforce, a key initiative will be the design and implementation of a new organisational structure focusing on having the right people in the right place to perform the right tasks.

The establishment of the new functions will result in new positions being created within the new structure and could therefore mean an increase in the overall manpower level. However, the organisational restructuring will be accompanied by a process reengineering exercise and by increased process automation through improved IT functionalities (as indicated under Strategic Priority 5 – Efficient and Effective Processes and Systems). The expectation is that more effective processes and systems will reduce workload on the core processes and will therefore enable the redeployment of personnel into other areas of the business, resulting in a limited net effect on the overall number of employees.

PSIRA will also focus on improved revenue management, including the identification and realisation of additional sources of revenue that are not subject to legislation, as indicated in Strategic Priority 3 – Financial Management and Funding. Tariffs, which have not been increased at all for several years, will also be reviewed through the new pricing strategy. These combined initiatives should result in an increase in revenue with the net effect of reducing the proportion of personnel cost as a percentage of revenue.

Finally, the funding model of PSIRA is currently being reassessed through the legislative review. PSIRA will contribute to the review by evaluating the financial impact of different scenarios (e.g. self-funded through own income vs grant allocation from National Treasury) and recommend the model that will better ensure sustainability of the Authority while improving service delivery.

5.10 Risk Management

Implementation of the strategic priorities presents some key risks that need to be mitigated and managed. The table below outlines the key risks that have been identified, their likelihood of materialising and the potential impact on strategic execution, as well as the proposed mitigation strategies.

Table 4 – Key Implementation Risks and Mitigation Strategies

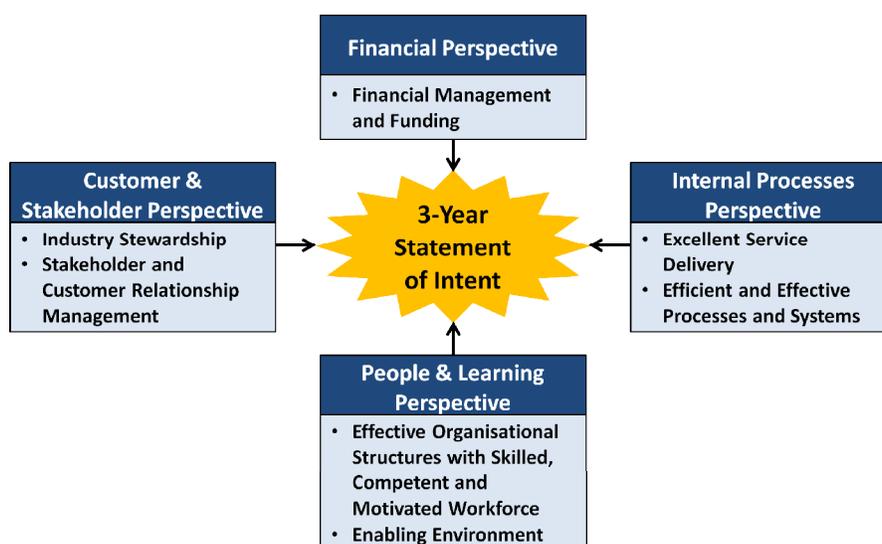
Risk Areas	Description	Likelihood	Impact	Mitigation Strategies
Funding	Insufficient funding to implement initiatives	Medium	Medium	<ul style="list-style-type: none"> ▪ Run scenarios and develop new funding model ▪ Investigate new sources of revenue ▪ Improve revenue management ▪ Analyse operating costs and start cost cutting campaign ▪ Investigate low cost options and limit funding requirements for implementation, including phasing and delay of initiatives
Programme Management	Implementation falls behind schedule and no corrective actions are taken	High	High	<ul style="list-style-type: none"> ▪ Establish Programme Management Office to coordinate, supervise and report on progress vs milestones ▪ Develop detailed implementation plans for each priority (charters, timelines, milestones, resources) ▪ Conduct regular programme review meetings
Human Resources	Inadequate resources to implement initiatives (numbers and skills)	Medium	High	<ul style="list-style-type: none"> ▪ Fast-track reengineering and automation of resource intensive processes to free resources ▪ Optimise resource allocation through PMO ▪ Investigate external implementation support
Stakeholder Cooperation	Stakeholders unwilling or too slow to respond	Low	High	<ul style="list-style-type: none"> ▪ Develop stakeholder map and engagement plan ▪ Fast-track engagement with key stakeholders ▪ Leverage Council to influence stakeholders ▪ Allow for lags into implementation plans
Organisational Commitment	Employees do not buy-in to the turnaround strategy	Medium	High	<ul style="list-style-type: none"> ▪ Communicate the strategy and seek input and feedback ▪ Conduct change management interventions to address areas of concern ▪ Implement benefits tracking system through PMO to demonstrate and share success ▪ Implement quick-wins and generate momentum

6. Performance Management

As previously stated, the performance of PSIRA must improve on all fronts. It is therefore critical to put in place an effective performance management framework that will enable continuous monitoring of performance against the strategic priorities to identify performance gaps and take corrective actions whenever necessary. The following paragraphs present the Key Performance Areas (KPAs) and Key Performance Indicators (KPIs) for each strategic priority as well as the performance targets for next fiscal year (2011-2012). The targets refer to March 2011 unless otherwise stated.

The KPIs have been designed to cover both the specific efforts of the turnaround initiatives (e.g. completion of initiatives) as well as monitoring ongoing service delivery and overall business performance. The robustness of the proposed performance management framework has been checked against the Balanced Scorecard methodology (BSC), which is recognised as a best practice application of performance management, to ensure that the set of strategic priorities and associated KPIs is comprehensive enough and encompasses all key aspects of the business.

Figure 6 – Alignment of Strategic Priorities with Balanced Scorecard Methodology



The full set of KPAs, KPIs and targets is presented in the table below. The table is organised according to the Balanced Scorecard perspectives and presents the strategic priorities, KPAs, KPIs, baselines, targets for the next fiscal year, as well as the frequency of measurement for each KPI (where A = Annually, Q = Quarterly, M = Monthly). For KPIs related to completion of initiatives within a target deadline, the percentage completion of the initiative will be measured monthly or quarterly against project timelines and milestones until full implementation.

Table 5 – Performance Management Framework

BSC	Strategic Priorities	Accountability	KPAs	KPIs	Baseline	Target	Freq	
Customer & Stakeholder	Industry Stewardship (Knowledge and Advocacy)	DD: Training and Comms	Research capability	% of priority research areas completed	N/A	100%	Q	
			Industry participation	Number of industry forums initiated/driven by PSIRA	N/A	4 (1 per quarter)	Q	
				Level of participation (% of invited people attending)	N/A	80%	Q	
	External communication		Industry awards programme in place	N/A	Dec 2011	Q		
			Quarterly media statements regularly issued	N/A	Apr 2011	Q		
	Stakeholder and Customer Relationship Management	Director (CEO)	Stakeholder engagement	Quarterly publication regularly issued	N/A	Dec 2011	Q	
				Website enhancement project completed	N/A	Apr 2011	M	
				Compliance with stakeholder engagement plan	N/A	100%	Q	
CRM function effectiveness				Registrations turnaround time	6 months	1 month	Q	
Financial	Financial Management and Funding	DD: Finance and Admin (CFO)	Stakeholder integration	Basic CRM function/capability in place	N/A	Dec 2011	Q	
				% of customer contacts going through CRM function	N/A	100% in Q4	Q	
			End-users interaction	DHA access in place	SAPS integration in place (CFR)	N/A	Apr 2011	M
					DoL integration in place	N/A	Mar 2012	Q
Financial	Financial Management and Funding	DD: Finance and Admin (CFO)	Revenue management	Toll-free number/hotline available	N/A	Apr 2011	M	
				End-users feedback mechanism in place	N/A	Mar 2012	Q	
			Working capital management	Debtors days	>300	45 days	M	
				Collection rate	80%	90% of billed	Q	
Budget management	Current ratio	0.69:1	2:1	Q				
	Surplus/deficit	-R4.25m	Breakeven	M				
Compliance with PFMA regulations and accounting standards	Budget variance	±5%	±5%	M				
		External audit opinion	Qualified	Unqualified	A			
Compliance with PFMA regulations and accounting standards	Internal audit rating (average)	3	2	A				

Table 5 – Performance Management Framework (cont.)

BSC	Strategic Priorities	Accountability	KPAs	KPIs	Baseline	Target	Freq
Internal Processes	Excellent Service Delivery (Effective Regulation)	Director (CEO)	Improved integrity of registrations database	Ratio of officers unaccounted Ratio of businesses unaccounted	73% 68%	20% 20%	Q Q
			Effective law enforcement process (improved compliance level)	Compliance model designed	N/A	Apr 2011	M
				All personnel trained on compliance model	N/A	Jun 2011	M
				Compliance model implemented % of inspections resulting in contraventions	N/A 90%	Jul 2011 20% reduction	Q Q
	Efficient and Effective Processes and Systems	DD: Law Enforcement	Reengineered and standardised processes	Availability of process maps for 1st priority processes Availability of process maps for all processes	N/A N/A	Apr 2011 Mar 2012	M Q
			Process efficiency	Reduction in turnaround time for prosecutions (from inspection to finalisation)	730 days	90 days	Q
			Business continuity	Business continuity plan implemented	N/A	Jun 2011	M
			IT infrastructure	IT infrastructure in place	N/A	Mar 2012	Q
			IT systems efficiency	IT systems availability Mean time to repair Planned downtime	95% 5 hours 5%	98% 2 hours 1%	M Q Q
	Effective Organisational Structures with Skilled, Competent and Motivated Workforce	DD: Finance and Admin (CFO)		Performance management	Interim performance reviews completed for all employees	N/A	Sep 2011
Annual performance reviews completed for all employees			N/A		Mar 2012	Q	
% of employees with performance contracts			0%		100%	Q	
Succession planning			% of critical positions with succession plan	0%	100%	A	
Learning and development			Learning and development strategy implemented	N/A	Sep 2011	Q	
Employees wellbeing			EAP implemented	N/A	Jun 2011	M	
Employment equity			Gender equity in management positions Disability % in workforce	36% 0%	45% 2%	Q Q	
Efficient manpower level	Personnel cost as % of revenue	56%	50%	M			
Enabling Environment (Organisational Culture)	Director (CEO)	Culture architecture	Culture architecture designed	N/A	Jun 2011	M	
			Culture architecture cascaded into departments	N/A	Sep 2011	Q	
		Organisational climate and employee morale	Employee satisfaction rating (survey results)	N/A	75%	A	
Corporate identity	Launch of new corporate identity	N/A	Sep 2011	Q			

6.1. Quarterly Performance Reporting

PSIRA will regularly review its performance and will report on it on a quarterly basis, although several KPIs will be measured on a monthly basis for internal reporting. Based on the key initiatives and their target deadlines, the following table summarises the key deliverables for each quarter of the next fiscal year, as well as the key deliverables to be achieved before the end of the 2010-11 fiscal year.

Table 6 – Summary of Key Deliverables per Quarter

Quarter	Strategic Priorities	Key Deliverables	
2010-11 (Mar 11)	Stakeholder and Customer Relationship Management	Stakeholder engagement plan Stakeholders approval of plans	
	Financial Management and Funding	Funding model proposal Credit policy Debtors book cleaned-up	
		Excellent Service Delivery	Engage NPA and implement amnesty
	Efficient and Effective Processes and Systems	IT strategy IT policies	
		Effective Organisational Structures and Workforce	Organisational structure designed and approved Performance management framework
	Enabling Environment		Change management strategy
Q1 (Jun 11)	Industry Stewardship	Quarterly media statements regularly issued Website enhancement project completed	
	Stakeholder and Customer Relationship Management	DHA access in place Toll-free number/hotline available	
		Excellent Service Delivery	Compliance model designed All personnel trained on compliance model
	Efficient and Effective Processes and Systems		Availability of process maps for 1st priority processes Business continuity plan implemented
		Effective Organisational Structures and Workforce	Organisational restructuring completed EAP implemented
	Enabling Environment		Culture architecture designed
Q2 (Sep 11)	Industry Stewardship	Capacity building strategy and plan for research needs Marketing and communication strategy and plan	
	Stakeholder and CRM	Interim CRM function/capability in place Regional debt collection process	
		Financial Management and Funding	Pricing strategy Capex strategy based on funding model
	Excellent Service Delivery		Compliance model implemented Registrations database cleaned-up
		Effective Organisational Structures and Workforce	Interim performance reviews completed for all employees Learning and development strategy implemented
	Enabling Environment		Culture architecture cascaded into departments Launch of new corporate identity
Q3 (Dec 11)	Industry Stewardship	Industry awards programme in place Quarterly publication regularly issued	
	Stakeholder and CRM	Basic CRM function/capability in place	
Q4 (Mar 12)	Industry Stewardship	Priority research areas completed	
	Stakeholder and Customer Relationship Management	SAPS integration in place (CFR) DoL integration in place End-users feedback mechanism in place	
		Financial Management and Funding	Debtors book collected Availability of process maps for all processes
			Efficient and Effective Processes and Systems
	Effective Organisational Structures and Workforce	Succession plans in place for critical positions	
		Enabling Environment	Employee survey conducted

7. Organisational structure

The organisational structure of PSIRA has been reviewed, in response to the strategic priorities for the period 2011 – 2014. The structure is presented as Annexures “A” to “E”.

8. Medium term budget

8.1 Revenue budget

PSIRA is funded through levies collected from the private security industry. The income is derived from levies charged to individual security officers and security services providers. Such levies have since been reviewed in 2002, resulting in poor financial performance of the PSIRA in the past couple of years.

In order to ensure financial sustainability of the PSIRA, the levies and disbursement fees have been reviewed. The budgeted income for the medium term is presented below:

Revenue	%	2011/12	2012/13	2013/14
Levy 1 - Security Providers	34.4%	54,480,201	56,608,444	58,800,433
Lev 2 - Security Providers	21.2%	33,567,408	34,636,907	35,740,482
Training income	17.0%	27,000,000	27,860,253	28,747,916
Reissue of Certification and ID cards	0.2%	354,135	385,516	417,689
Fines	2.8%	4,500,000	4,643,376	4,791,319
Interest income - investments	0.5%	750,000	1,150,000	2,015,000
Registration fees - Security Providers	4.3%	6,779,328	7,325,783	7,886,229
Registration fees - Security Officers	19.7%	31,166,290	33,928,048	36,759,489
Total revenue	100.0%	158,597,362	166,538,327	175,158,556

8.2 Operational Expenditure by program / priority

Strategic priority / program	%	2011/12	2012/13	2013/14
Industry Stewardship (Knowledge and Advocacy)	4%	6,421,632	6,355,574	6,970,931
Stakeholder and Customer Relationship management	14%	21,420,415	22,384,606	23,902,883
Financial management and Funding	21%	32,201,266	29,477,638	29,746,137
Service delivery (Effective regulation)	52%	82,223,261	88,716,068	94,099,775
Efficient and effective processed and systems	5%	8,114,385	8,705,223	10,629,925
Effective Organisational Structures and Workforce	4%	5,592,701	6,041,162	6,402,212
Enabling environment	1%	822,000	825,600	866,880
Total	100%	156,795,660	162,505,872	172,618,743

8.3 Operational Expenditure Budget by classification

	2011/2012	2012/2013	2013/2014
REVENUE	158,597,362	166,538,327	175,158,556
Provision for Bad Debts	8,804,761	4,562,268	2,836,227
Staff Expenditure	73,004,635	79,823,736	84,233,025
Advertising	993,776	969,565	1,048,233
Printing	2,191,844	1,712,651	1,814,164
Stationery	1,502,810	1,610,817	1,701,354
Publications	30,011	31,512	33,087
Ribbons And Cartridges	1,429,412	1,504,227	2,370,891
Consultancy Fees	9,233,137	7,529,594	7,906,673
Information Technology	4,284,404	4,498,624	4,723,555
Personnel Agencies	272,000	282,200	296,910
Other	4,676,733	2,748,770	2,886,208
Legal Fees	2,500,000	2,625,250	2,658,763
Debt Collection Fees	1,837,488	1,929,362	1,971,092
Audit Fees	2,242,568	2,146,723	2,470,218
Bank Charges	540,600	567,630	596,012
Insurance	487,270	511,634	537,215
Security	3,485,647	3,664,120	3,846,887
Repairs and Maintenance	2,138,145	1,657,198	955,763
Amenities	580,743	609,780	640,269
Cleaning	419,499	424,626	445,514
Postage and Courier	1,684,080	1,794,684	1,913,443
Telephone Costs	5,212,539	5,649,668	6,050,394
Leases	9,386,963	10,014,398	10,866,150
Water, Lights and Levies	1,448,197	1,793,364	2,224,112
Workshops, Seminars and Functions	899,328	949,694	1,021,179
Councillors Expenses	400,000	420,000	441,000
Fingerprint Costs	8,968,842	9,717,330	10,528,283
Depreciation Costs	4,883,988	6,133,400	6,498,908
Travelling Costs	9,256,464	10,997,496	11,806,724
Venue Expenses	306,015	308,700	324,135
Training	2,338,522	2,276,876	2,261,443
Licences	461,279	479,868	2,488,866
Sundry Expenses	127,098	89,703	128,717
Total Operating Expenditure	156,795,660	162,505,872	172,618,743
Surplus for the Year	1,801,702	4,032,455	2,539,813

8.4 Long term Infrastructure and Capital asset Plan

8.4.1 Capital budget

The capital budget responds to the operational requirements of the PSIRA. During the financial year 2011/12, a considerable amount is invested in capital assets. This is mainly ascribed to lack of investment in infrastructure in the past couple of years. The capital investment are particularly in the area of Information technology, i.e. ERP systems, debtors management solutions and electronic revenue collection facilities.

Investment in building infrastructure, office furniture is informed by PSIRA's intent to improve service delivery. This entails opening of an additional regional office in the Limpopo province.

Asset class	2011/12	2012/13	2013/14
Motor vehicles	415,000	0	0
Buildings and Infrastructure	5,236,500	924,000	1,016,400
Computer equipment	3,948,100	672,500	546,500
Software	4,364,000	200,000	200,000
Office equipment	248,000	120,000	120,000
Office furniture	3,107,100	308,500	224,500
Total	17,318,700	2,225,000	2,107,400

8.4.2 Planned disposal of assets

There are no planned disposal of assets in the medium term.

8.4.3. Repairs and maintenance

Repairs and Maintenance	2011/12	2012/13	2013/14
	2,138,145	1,657,198	955,763

9. Information Technology Strategy

Objective

The overarching goal of the Information Technology department is pragmatic enablement of the business and the PSIRA through application of IT assets and capabilities. This goal is derived from the PSIRA's vision i.e. "To be recognised as an excellent regulator of private security in South Africa by all our stakeholders". In the medium term, the IT department shall, in line with the PSIRA's statement of intent, professionalize the IT services it renders to the business.

Information Technology context

The IT function at PSIRA has been outsourced for the past couple of years. In a bid to increase capacity, reduce risks and drive down operating costs, a feasibility exercise was carried out to compare in-house IT function as opposed to outsourced services. The outcome of the exercise indicated that the function will better be rendered if it is in-house. It is for this reason that, the IT function will be capacitated in the 1st quarter of 2011/12 so as to implement an in-house IT function.

IT will strive to adopt leading practices in the use of technology in order to support the PSIRA in executing its mandate. Building in this objective and to better define the role of IT at PSIRA, a set of goals have been defined. These statements are an attempt to align IT and business goals.

- To ensure confidentiality and integrity of data within our computing resources
- To ensure a reliable IT infrastructure for operations and communication
- To provide a realistic IT organisation and governance structure
- To provide a reliable service support to business
- To manage risks as it pertains to Information technology resources

IT Governance

To enable effective IT governance, the PSIRA has established an IT Steering Committee (subcommittee of Exco), which works closely with business to ensure that IT is aligned with business needs, services are reliable, resilient and responsive to change. IT governance is an important component for overall management of IT at PSIRA. In this regard, the PSIRA has adopted CobiT as its IT governance framework.

Business continuity

IT ensures minimal business impact in an event of IT service interruption by ensuring:

- That a service continuity plan and supporting system recovery procedures, and alternative manual procedures are maintained;
- That regular testing of IT contingency plans takes place
- That effective awareness and communication of the service continuity plan to business.

10. Conclusion

PSIRA has embarked on an organisational turnaround to drastically improve service delivery and establish a strong reputation as an effective regulator of private security in South Africa. The turnaround strategy is based on a simple, clear and succinct statement of intent that indicates what PSIRA wants to achieve within the next 3 fiscal years. Flowing from the

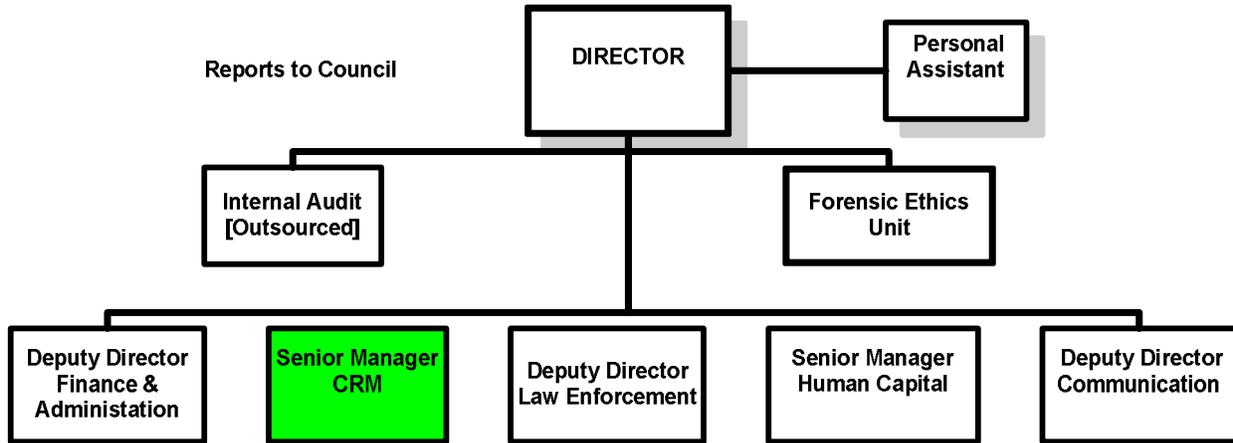
statement of intent, PSIRA has designed a strategic turnaround architecture based on seven strategic priorities and several key initiatives to achieve the 3-year objectives. Accountabilities for the strategic priorities and initiatives have been assigned amongst PSIRA's leadership team and all the designated individuals have pledged their commitment to successful implementation. Progress against implementation of the initiatives and overall business objectives will be tracked on a regular basis through a comprehensive set of performance indicators and targets.

Through the implementation of this turnaround strategy, PSIRA is confident of its ability to improve service delivery and provide a strong contribution to national interest by improving the fight against crime and ensuring that all the people of South Africa are and feel safe.

 Denotes new / vacant positions.

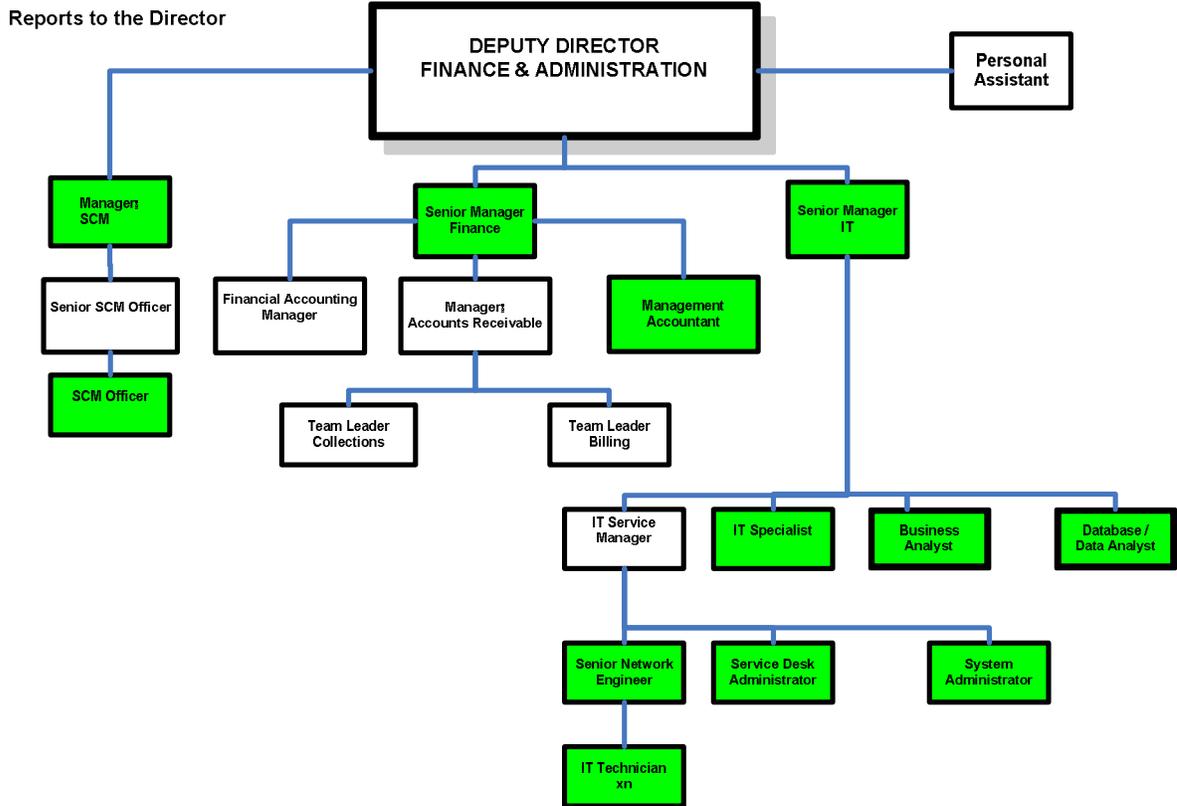
DIRECTOR'S ORGANOGRAM

24/12/2010



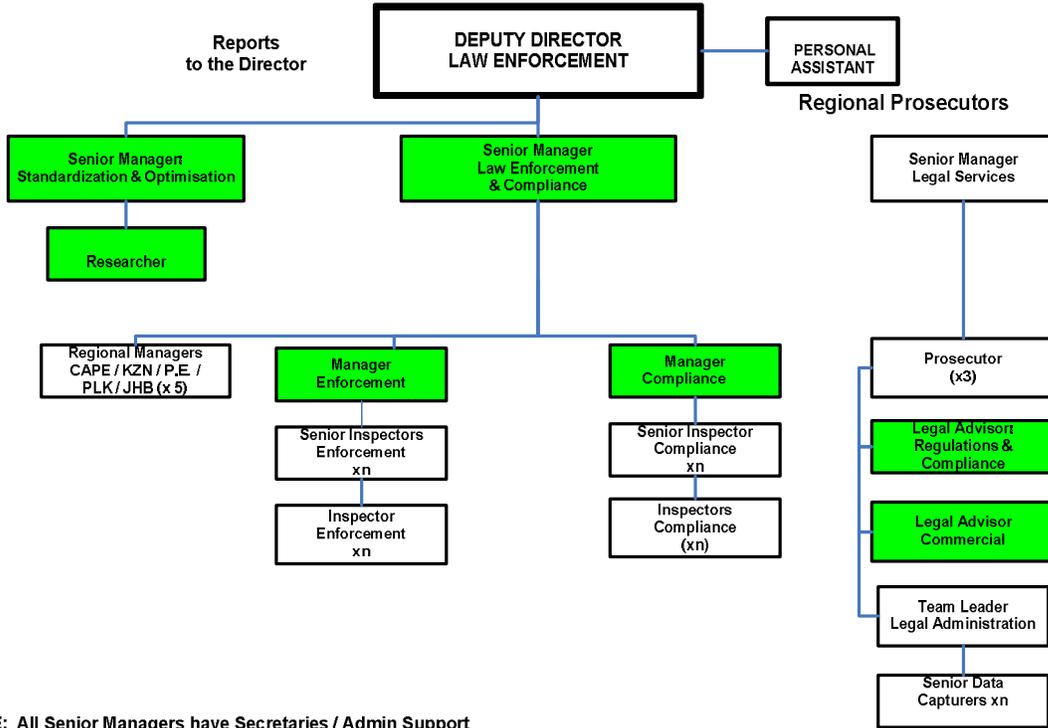
Denotes new / vacant positions.

DEPUTY DIRECTOR FINANCE & ADMINISTRATION ORGANOGRAM
24/12/2010



Denotes new / vacant positions.

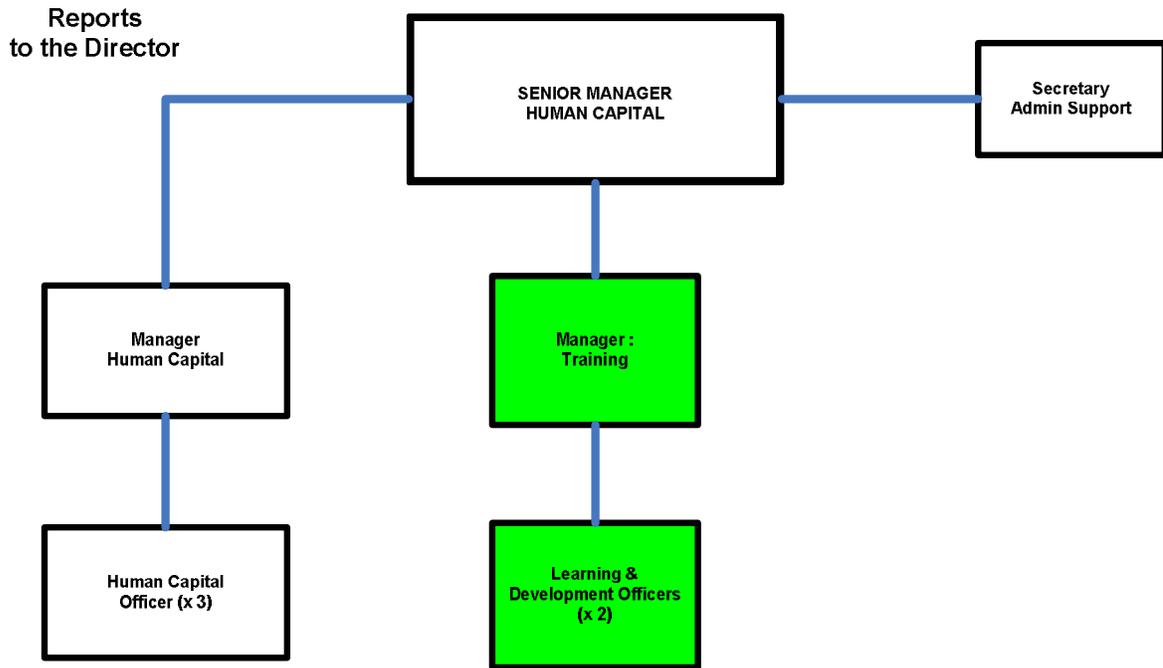
DEPUTY DIRECTOR LAW ENFORCEMENT ORGANOGRAM
24/12/2010



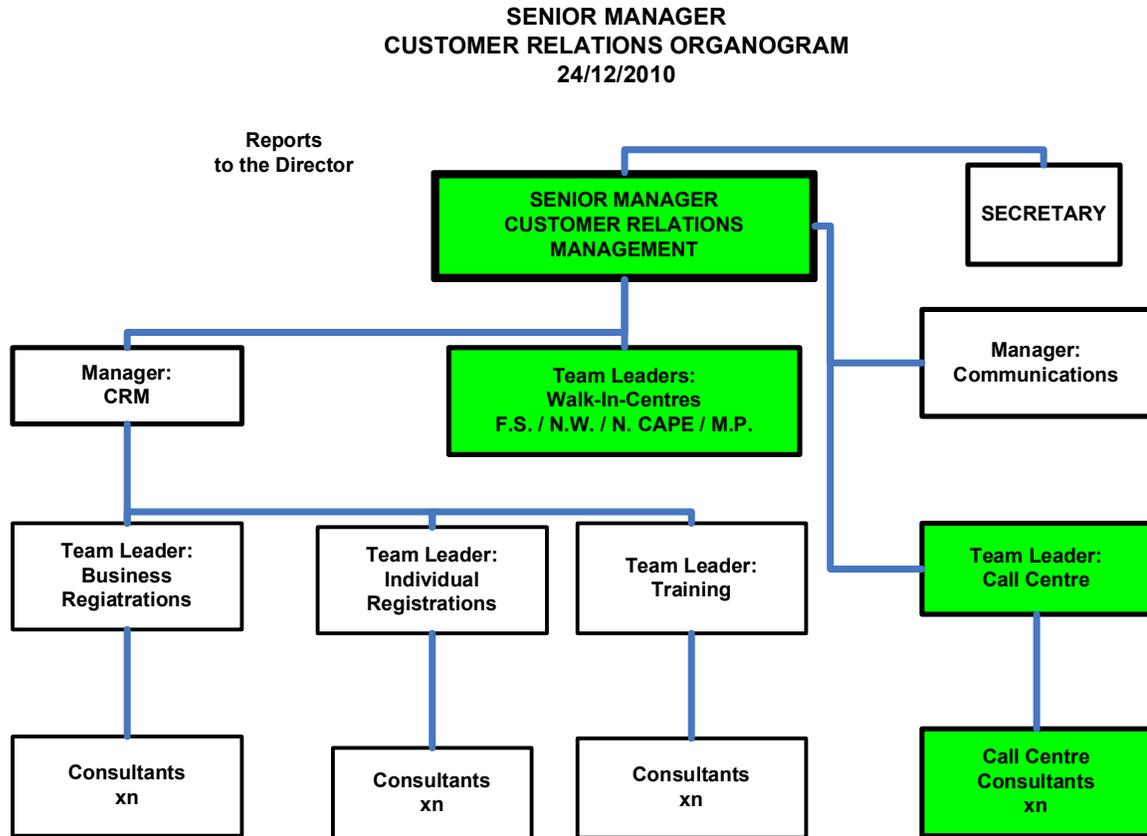
NOTE: All Senior Managers have Secretaries / Admin Support
Changes : Manager NIT : Redundant

 Denotes new / vacant positions.

**SENIOR MANAGER HUMAN CAPITAL ORGANOGRAM
24/12/2010**



 Denotes new / vacant positions.



Changes : Manager Registrations converted to CRM

Regional Manager Organogram 24/12/2010

