Department of Defence

Defence Secretariat

Annual Performance Plan

for 2011

Working Together We Can Do More

defence

Department:
Defence
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF DEFENCE (DOD)

"Doing things differently to achieve more with less"

Overarching Strategic Statement

For the fiscal years

2011/12– 2015/16

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Foreword by the Honourable Minister of Defence and Military Veterans, L.N. Sisulu, MP

In the 2010 budget Vote, we profiled the conscious development of reliable, dependable human capital base within the Defence Force. To this end, we announced the establishment of the National Defence Service Force Commission, revitalisation of the Defence Reserves and finalisation of the non statutory Force Military Veterans Pension, to mention but a few. Auditable outputs have been recorded in so far as these are concerned and are evidenced by the Promulgation of Defence Amendment Act 22 of 2010, whose object is to provide for the establishment of the National Defence Force Service Commission charged with a role to create a separate dispensation for the Defence Force, creating a paradigm that prescribes contracts for Defence Reserves whilst protecting them from discrimination by employers and creditors.

Stemming from the President's announcement at a special Cabinet meeting on 25 October 2010, a new growth path for the country has been agreed upon. This path places people's employment at the centre of government's economic policy. Defence commits itself to support government's intent in terms of inherent available Defence capabilities and initiatives such as the MSDS and National Youth Service system in contribution to national skills development and job creation.

Notwithstanding the auditing standards that are continually being enhanced, the Ministry will earnestly pursue the realisation of a qualification free Audit. Some auditable strides have been registered which are a result of the multi-pronged strategy to realise the qualification free audit, of which operation "Clean Audit" is but one. Deepening in establishing internal controls that will help to proactively mitigate functions and processes that could lead to an audit qualification will be prioritised. A strong monitoring and evaluation capability will be enhanced.

The role of Defence within the Government Cluster system in the International Co-operation Trade and Security (ICTS) Cluster, will continue to receive priority attention in order to strengthen South Africa's support of international and regional peace, security and stability.

The SANDF contributes with contingent force of 1229 men and women under the Mission dubbed MONUSCO in the DRC and 634 soldiers under the Mission code named UNAMID in Sudan. Apart from the troop contribution in the Peace Mission in the DRC, SANDF troops also provide post conflict reconstruction in that country with the view to strengthening the weak state apparatus and institutions. In this respect the focus areas are integration and team building training, transformation process and general military training of the Armed Forces. On the basis of bilateral arrangements with Central African Republic, SANDF has deployed 49 men and women with the view to providing general military assistance in the form of training to the Armed Forces of said country.

Internally, the SANDF has since April 2010 deployed for border safeguarding along the borders of RSA and her neighbouring countries. Currently, SANDF has already set its footprint along RSA/Zimbabwe Border and RSA/ Mozambique border and due to deploy along RSA/Lesotho border on 1 April 2011. State resources need to be mobilised more aggressively to ensure the stable roll out of Operation CORONA (border-safeguarding). Currently, Defence is furthermore exploring possibilities to ensure security against piracy prevails in the SADC waters on a bilateral and multinational basis. The piracy threat is real and therefore they is a need to ensure in accordance with safe guarding territorial integrity that we need to develop a plan on how to deal with this problem and ensure that our trade lines remain safe and secure.

At the time of writing, the SANDF has joined forces with National Disaster Management Centre for humanitarian assistance community affected by floods national. To this end, the SANDF has deployed air assets to airlift entrapped people to safety, as well as delivering food parcels for those in need. The mandate of the Defence remains that of Defence and protection of the, Republic, its territorial integrity and its people in accordance with the Constitution of the Republic and the principles on international law regulating the use of forces.

We have entered into a Delivery Agreement (DA) with the President to facilitate service delivery in terms of selected Medium Term Strategic Framework (MTSF) outcomes. In the meanwhile Defence has implemented the outcomes based strategic planning approach in order to ensure that high performance levels are achieved and properly accounted for. I am also a signatory to the delivery Agreements of Outcome 2, 3,

and 5 and as such obligations that flow from these delivery agreements must find expression in the planning instruments of the Constitutional institutions that service the Defence mandate, with the Defence Secretariat providing the essential norms and standards to guarantee implementation.

The Strategic Plans are developed to give effect to the two constitutional entities that service the Defence Mandate which are the Defence Force and the Defence Secretariat reflect, amongst others, the essence of the Delivery Agreement (DA) entered into, between myself and the Commander in Chief in terms of applicable Outcomes and provide parameters and expectations that I consider achievable for Defence. The alignment of Defence with the Constitutional and legislative mandate is reflected through the pursuance of our identified Outcomes, Outputs, Vision and Mission which will ensure that Defence remains relevant to the dynamic circumstances.

Finally, allow me to reflect a little on impact assessment of my Portfolio. During the Budget Vote 21 of both FY2009/10 and FY2010/11, I outlined the institutional reforms that will form the strategic levers of my transformation Agenda. In the FY 2009 Budget Vote, I indicated the need to provide a visible reward and recognition to all those that sacrificed their well being to help us realise the freedoms that we now enjoy. As such Military Veterans were consciously my transformation agenda. To date the Department is indeed in place. The coming years will thus be characterised by initiatives to maximise the functionality of the organ of State by widening the footprint of a reliable and dependable service delivery focused Department.

The execution of the Constitutional and legislative Defence mandate of both the Defence Secretariat and the South African National Defence Force are provided in the strategic and annual performance plans accompanying this Overarching Statement. These documents provide the required detailed information on the functioning of these two Defence entities.

I am confident that through these planning instruments, distinctive features of the Defence Force will be protected whilst delivery to the citizens will be enhanced.

(L.N. SISULU)
MINISTER OF DEFENCE AND MILITARY VETERANS, MP

THE DEFENCE FUNCTION IN CONTEXT

DEFENCE CONSTITUTIONAL MANDATE

The primary object of the Defence function is to provide for the Defence and protection of the Republic, its territorial integrity and its people. The Constitution provides that the rendition of the Defence function should be done in a manner consistent with the provisions of the Constitution and the principles of international law regulating the use of force.

The Department of Defence (DOD) derives its mandate primarily from section 200(2) of the Constitution[1] as well as section 227 of the Interim Constitution of the Republic of South Africa[2]. The Defence mandate is given substance by the Defence Act[3], the White Paper on Defence (1996) and the Defence Review (1998).

The DOD comprises of the Defence Secretariat which is established in terms of Section 204 of the Defence Act and the South African National Defence Force (SANDF) established in terms of Section 200 (2) of the Interim Constitution[4].

VISION

Effective Defence for a democratic South Africa.

MISSION

To provide, manage, prepare and employ Defence capabilities commensurate with the needs of South Africa as regulated by the Constitution, national legislation and Parliamentary and Executive direction. The above will be provided through the proper management, provision, preparedness and employment of Defence capabilities, which are in line with the domestic and global needs of South Africa.

THE DOD MEDIUM-TERM STRATEGIC FOCUS

In the medium to long term, the DOD will execute its mandate through focusing on the following:

- To defend and protect South Africa, its sovereignty, its territorial integrity, its national interests and its people in accordance with the Constitution and principles of international law regulating the use of force.
- To contribute to freedom from fear and want, including the promotion of human security, both nationally and internationally.
- To contribute to a better life for the people of South Africa.

Whilst emphasising its obligation, the DOD embraces Government's initiatives and priorities to alleviate poverty and underdevelopment. The DOD support to these Government initiatives requires that:

- Defence capabilities are enhanced and maintained.
- Peace, security and confidence-building in the SADC region and the rest of the continent are promoted through constructive dialogue aimed at nurturing sound Defence diplomatic relations and projecting South Africa's foreign policy principles and objectives;
- The Government's policy to resolve conflicts peacefully through recognised international instruments and mechanisms be supported by deploying the SANDF in international peace missions;
- The Government's diplomatic engagements are supported through participation in multilateral institutions such as the SADC, AU and UN.

1 Act 108 of 1996.
2 Act 200 of 1993
3 Act 42 of 2002
4 Act 200 of 1993.

THE MINISTER OF DEFENCE AND MILITARY VETERANS (MOD&MV) PRIORITIES

For the period ahead, the Minister has made a determination of matters considered important for the DOD to pursue as strategic priorities. The execution of these strategic priorities will enhance the effective realisation of the Defence mandate. Monitoring and evaluation of performance against these identified strategic priorities will test the extent to which the Defence function has been able to "do things differently and achieve more with less". The strategic priorities identified are as follows:

- Execution of the Border Safeguarding Function. The safeguarding of the borders of South Africa remains one of the key functions of the SANDF. The phased in approach, adopted by the SANDF in undertaking this function, will continue in FY2011/12 with the final phase completed in FY2012/13.
- Establishment of the New Service Dispensation. The Defence Amendment Act, 22 of 2011, has been enacted. As intended, the Defence Amendment Act has created a new service dispensation for the SANDF members. In FY2011/12 the DOD shall focus on the implementation of the afore-mentioned amendment in order to realise this dispensation. Consequential amendments to other Acts will also be taken into account.
- Enhancement of the SANDF's Landward Defence Capabilities. In order to undertake all required missions, the enhancement of the Landward Defence Capabilities is essential. For the Landward Defence Capability to operate jointly with the Air Defence and Maritime Defence Capabilities, this enhancement is considered a priority. The Landward Defence Capability has not enjoyed the advantage of being part of the Strategic Defence Packages and is thus lacking technologically advanced Primary Mission Equipment.
- Maritime Security. The Defence and security of South Africa is inextricably linked to that of the region and the continent. Being a littoral country, South Africa needs to have a balanced maritime capability to effectively respond to arising maritime security threats affecting South Africa.
- Job Creation. In support of the government initiative on job creation, the DOD plans to create job opportunities in the following areas:
  - Filling of all 1 401 vacant funded positions in the DOD.
  - Recruitment of 5 700 young South Africans per year to the Military Skills Development System (MSDS).
  - Call up of 16 400 Defence Reserve members per year to undertake specific tasks over specific periods of time.
  - The enhancement of the DOD Works Capability to create opportunities for people with technical skills within the SANDF. This in turn will allow for the SANDF intakes to increase with the same number of the SANDF members transferred to the DOD Works Capability.
  - Creation of job opportunities in the Defence Industry through approved DOD projects.
- Enhancement of the SANDF's Peacekeeping Capability (SANDF Deployability). The role of the SANDF in promoting peace and security in the region and the continent necessitates the enhancement of the SANDF's peacekeeping capability that will include the SANDF's Forward Deployment Capability.
- National Youth Service. The implementation of the National Youth Service by using core Defence capabilities to provide initial training to the youth prior to absorption into service delivery departments.
- Revitalisation of the Reserves. As part of the One Force concept, the Reserves must be transformed and revitalised to fulfil the various important Defence roles allocated to them.
- Restructuring and Support of the Defence Industry. The restructuring should focus on Defence capability, the interactive framework and function alignment in order to properly synchronise these with the requirements and mandate of Defence. The emphasis should be on Governance, Risk Management, Compliance and Accountability framework applicable within Defence Portfolio.
- Department of Defence Works Capability. The state of the DOD facilities portfolio calls for the review of the existing arrangements for the repair and maintenance of Defence facilities. The establishment of the DOD Works Capability seeks to achieve an end state where the DOD will have an in-house capacity that will ultimately assume the full responsibility of the Defence facilities repair and maintenance. The DOD Works Capability will at the same time create job opportunities in the DOD, thus contributing to the Government's priority of job creation.

DEFENCE OUTCOMES

The Defence outcomes relate to the medium-term results that are the consequence of achieving specific Departmental outputs. Outcomes are "what we wish to achieve". The Defence Outcomes are as follows:

- Enhanced Civil Control of the Department of Defence.
- RSA is Defended and Protected.

DEFENCE OUTPUTS

Defence outputs relate to the DOD's final products, or goods and services produced for delivery. Outputs are defined as "what we produce or deliver". The Defence Outputs are as follows:

- Conduct ordered defence commitments in accordance with government policy and strategy.
- Provide mission ready defence capabilities.
- Provide sound defence direction.
- Ensure defence compliance with Regulatory Framework.

DEFENCE ACTIVITIES

Defence activities are the processes or actions that use a range of inputs to produce the desired outputs and ultimately achieve the intended outcomes. In essence, activities describe "what we do". The following Departmental activities are relevant:

- Administrate the DOD.
- Enable the DOD.
- Employ the SANDF.

DEFENCE INPUTS

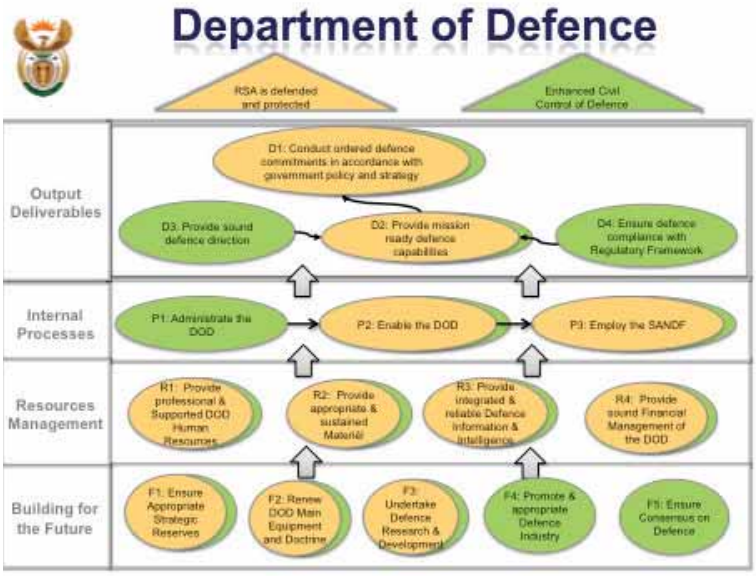
- Provide professional & Supported DOD Human Resources.
- Provide appropriate & sustained Materiél.
- Provide integrated & reliable Defence Information & Intelligence.
- Provide sound Financial Management of the DOD.

BUILDING FOR THE FUTURE (REJUVENATION)

- Ensure Appropriate Strategic Reserves.
- Renew DOD Main Equipment and Doctrine.
- Undertake Defence Research & Development.
- Promote & appropriate Defence Industry.
- Ensure Consensus on Defence.

DOD STRATEGY MAP

As a whole, the DOD has made progress with the implementation of the Balanced Score Card (BSC) as a performance management framework. Although the performance management system has not reached maturity in the DOD, it has established a profound footing in the Department's planning process. **Figure 1: DOD Strategy Map**



BUDGET PROGRAMME STRUCTURE OF THE DOD

For financial allocation and reporting purposes, the Outputs of Defence are presented in terms of programmes representing the contribution of various Services and Divisions within the DOD in the achievement of the Defence mandate. The outputs of the eight DOD individual programmes are described in Table 1.

Table 1: DOD Budget Programme Structure

Programme	Purpose	Accountable Entity
Administration.	Conduct the policy development, management and administration of the Department.	Ministry
		Def Sec /SANDF
Force Employment.	Successfully conduct all operations, as well as joint interdepartmental and multinational military exercises.	SANDF
Landward Defence.	Provide prepared and supported landward Defence capabilities for the Defence and protection of South Africa.	SANDF
Air Defence.	Provide prepared and supported air Defence capabilities for the Defence and protection of South Africa.	SANDF
Maritime Defence.	Provide prepared and supported maritime Defence capabilities for the Defence and protection of South Africa.	SANDF
Military Health Support.	Provide prepared and supported military health capabilities and services for the Defence and protection of South Africa.	SANDF
Defence Intelligence.	Provide a Defence intelligence and counter-intelligence capability.	SANDF
General Support.	Provide general support capabilities and services to the Department.	Def Sec /SANDF

DOD ALIGNMENT WITH MEDIUM TERM STRATEGIC FRAMEWORK (MTSF) PRIORITIES

The Table below indicates the DOD alignment to MTSF Priorities as issued by the Presidency. This is a Framework that guides the Government's programme during the electoral mandate for the period 2009 – 2014 and beyond.

Table 2: DOD Alignment with the MTSF Priorities

Strategic Priority as Reflected in the MTSF	Elements of Strategy	DOD Alignment with MTSF Priorities
Strategic Priority 1: Speeding up growth and transforming the economy to create decent work and sustainable livelihoods.	Creation of decent employment, economic growth, broad-based industrialisation.	Ensure that procurement processes promote broad-based economic empowerment.
		Development of the White Paper on Defence Industry.
	Intensify the implementation of the National Youth Service by enhancing youth development through job creation in public sector programmes.	The DOD National Youth Service Strategy and Military Skills Development System (MSDS) are work in progress to meet the government's priority of developing youth.
Strategic Priority 2: Massive programme to build economic and social infrastructure.	Development of robust, reliable, affordable and secure ICT infrastructure.	Development of the DOD integrated cyber-security policy.
	Establish an integrated management framework to ensure the synchronisation of DOD and DPW strategic objectives of Defence facility infrastructure development and management.	Establishment of the DOD Works' Capability to address the Defence facilities maintenance backlog. Development of the DOD Asset and Facilities Management Policy Framework will enable Defence to assume full responsibility for the management and maintenance of facilities and fixed assets.
Strategic Priority 3: Comprehensive rural land development strategy linked to land and agrarian reform and food security.	Support other government departments in the aggressive implementation of land reform policies. Facilitation of the Draft DPW Disposal Policy into a policy implementation document.	Finalisation of pending Defence land claims (land restitution). Develop partnership with local Government and broad based community organization in optimal utilization of underutilized military land and facilities.
Strategic Priority 4: Strengthen the skills and human resource base.	Broaden access to post-secondary education and improve higher education.	Access to post-secondary education funding by means of bursaries.
	In partnership with identified academic institutions, develop DOD logistics training institutions into centres of excellence for Supply Chain Management and Life Cycle Management.	Restructuring of DOD logistics training capability to be streamlined towards force preparation objectives, broad-based skills and human resource development.
	To provide the technical skills needed by the economy there is a need to work very closely with state-owned enterprises to train people in the skills needed by the economy.	The DOD will have to work with entities such as Armscor, Denel and the Castle Control Board to ensure that skills development is achieved.

Strategic Priority as Reflected in the MTSF	Elements of Strategy	DOD Alignment with MTSF Priorities
Strategic Priority 5: Improve the health profile of all South Africans.	Increase institutional capacity to deliver health-system functions.	Hospital revitalisation programme. Health promotion treatment, care and support. Filling of vacant funded posts and improving remuneration of health and medical care personnel.
	Improving treatment of TB.	DOD awareness programmes.
	Comprehensive plan for HIV/AIDS.	DOD prevention awareness programmes. HIV treatment roll-out sites. Bio-medical research on issues around mission readiness.
Strategic Priority 6: Intensify the fight against crime and corruption.	Develop the strategy and Plan to inform DOD's role in borderline safeguarding.	Undertaking of border safeguarding function.
	Combat the scourge of corruption in the public and private sectors by strengthening legal and policy frameworks.	Full implementation of anti-criminality strategy and plan. Full implementation of Fraud Prevention Plan. Promote financial disclosures at all levels. Strengthen the GRC processes to address the ethical and fiduciary requirements that guide the securing of service providers. Strengthen the DOD Risk Management Framework.
	Support provided to other government institutions in the fight against crime and corruption and ensuring that people in SA are and feel safe.	Internal Deployment of the SANDF.
	Effective and efficient Defence Legal Service.	Strengthening of the Military Justice System and reducing military court case backlogs.
Strategic Priority 7: Build cohesive, caring and sustainable communities.	Promote shared value system.	Intensify civic education programmes to include all members and employees.
Strategic Priority 8: Pursuing African advancement and enhanced international co-operation.	Continued prioritisation of African Agenda.	Promote nationally identified outputs that relate to advancement of regional and global peace, security and sustainability.
		Ensure that regional, continental and international peace security structures are capacitated and strengthened by appropriate deployments.
		Ensure that adequate legal instruments and frameworks exist to support the requisite deployments in Peace Missions and General Military Assistance Missions.
	Improving political and economic integration of the SADC.	Improve governance within SADC in terms of Defence Specific Security Sector Reform programmes.
	Strengthen South-South Relations.	Implementation and monitoring of IBSA Agreements and Action Plans relevant to the DOD. Ensure alignment of agreements with NEPAD, revitalise NAASP, and support AU and UN efforts to guarantee lasting solutions to conflicts.
	Strengthening political and economic relations with emerging nations and forums.	Participation in the BRICS Forum by South Africa to ensure that South Africa and Africa in general contribute to the growing economy of the world. The DOD Foreign Relations Strategy to include the BRICS objectives.

Strategic Priority as Reflected in the MTSF	Elements of Strategy	DOD Alignment with MTSF Priorities
Strategic Priority 9: Sustainable resources management and use.	Promote a culture of sustainable resource management.	Assist in protecting marine resources in co-operation with the South African Police Services (SAPS). Promote the responsible management of land resources through the collaboration with stakeholders to promote land use recycling.
	Contribute to a system for environmental Impact Management Strategy.	Ensure compliance with National Environmental Management Act (NEMA) and the applicable protocols regarding sustainable resource management.
	Effectively utilise the allocated radio frequency spectrum.	Promote prudent utilisation of Defence allocated bandwidth.
	Implementation of national Framework for sustainable development. Develop a sustainable Supply Chain Management and Life Cycle Management framework that meets Force employment requirements and is compliant with NT resource management guidelines and requirements.	Compliance with relevant protocols to ensure sustainable environmental management. Ensure that the Logistics Intervention and Restructuring Programme objectives are accomplished and embraced within the DOD at all levels.
Strategic Priority 10: Building a developmental state, including improvement of public service and strengthening of democratic institutions.	Improving the capacity and efficacy of the State.	The review of the Defence Secretariat to align it with the mandate for Defence organisation and support requirements for the Minister of Defence and Military Veterans. Strengthening the Monitoring and Evaluation component of the DOD. Defence Strategy, Force Design and Force Structure that responds to the country's current and emerging needs.
	In order to have a capacitated State that will ensure that service delivery is happening faster, there is a need to fill all funded vacant posts.	Linked to the Medium-term Expenditure Framework, the DOD will ensure that funded posts are to be filled, incumbents capacitated and skilled in order to meet the post requirements.
	Entrenching a culture and practice of an efficient, transparent, honest and compassionate Public Service.	Continually project patriotism and high levels of discipline that characterise the Defence Force. Deepen the understanding of the code of conduct that defines the outlook of the members and employees of Defence. Improve DOD supply chain and financial management to facilitate the payment of SMME's on time. Promote the responsible use of public resources and accountability through the realisation of a qualification-free audit.

INFORMATION SYSTEMS SUPPORTING DOD PERFORMANCE INFORMATION

Since 2005, the DOD has developed an information system called "GEJIMA" which provides for one-stop-shop capturing of performance information. The aforementioned system is managed by the State Information, Technology Agency (SITA), and is utilised to conduct gap and trend analysis with regards to performance information. Notwithstanding the challenges with the current local area networks experienced in certain domains within the DOD, the Department is determined to improve on the integrity, currency and reliability of the performance information. In cases of infrastructural failures, capturing of data on the system as it relates to planning and performance data is undertaken at the SITA offices and the consolidated information is confirmed by Departmental planning authorities.

DOD SELECTED PERFORMANCE INDICATORS

Table 3: DOD Trendable Performance Indicators and Targets

Indicator	Programme	Past			Current[5]	Projections		
		2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
% Compliance of SADC early warning centre contribution with SADC and SADC organ outcomes	Force Employment	New indicator				100%	100%	100%
% Compliance with the SADC standby force agreements and South African pledge	Force Employment	New indicator				100%	100%	100%
Number of large-scale external operations per year[6]	Force Employment	11	9	8	4	3	3	3
Average number of personnel deployed daily in external operations	Force Employment	2 698	2 931	2 480	2 041	1 985	1 985	1 985
Number of person days used during internal operations[7]	Force Employment	515 516	231 608	133 036	524 000	375 000	555 165	735 840
Number of internal operations in support of other government departments per year	Force Employment	3	4	5	5	4	4	4
Number of joint, inter departmental and military exercises conducted per year	Force Employment	10	10	8	8	8	8	8
% Compliance with UN requirements, rules and regulations for peace missions	Force Employment	New indicator				100%	100%	100%
Total number of Defence diplomatic missions	Administration	32	36	37	37	37	37	37
Finalisation of the DOD Border Management Strategy	Administration	New indicator				Approved	Implementation (Monitor)	Compliance (Monitor)
Number of force employment hours flown each year	Air Defence	12 271	11 099	12 754	8 279	10 402	8 862	9 452
Number of sea hours on patrol in South African maritime zones per year	Maritime Defence	9 648	8 236	12 945	8 286	9 000	9 000	9 000
Throughput in terms of the DOD National Youth Service concept	Administration	New indicator				1 500	2 000	6 000
Number of military skills development members in the system per year	Landward Defence	4 677	6 736	8 874	8 662	11 140	11 140	11 140
Total number of active reserves	Landward Defence[8]	12 583	19 763	13 352	11 083	16 400	17 500	18 500

Table 4. Trendable Performance Indicators and Targets: Job Creation

Performance Indicator/priorities	Programme	Projections			MTSF Outcome
		2011/12	2012/13	2013/14	
Members in the MSDS per year.	Administration	11 140	11 140	11 140	Outcome 5
Number of active Reserves per year.	Administration	16 400	17 500	18 500	Outcome 5
Throughput in terms of the DOD National Youth Service concept.	Administration	1 500	2 000	6 000	Outcome 5
% Vacant funded post filled by June 2011.	Administration	100%	100%	100%	Outcome 5
% Decline in turn-over rates.	Administration	6%	5%	5%	Outcome 5
Establishment of a DOD Works Capability function (Strategic Direction)	Administration	Approval of the DOD Works Capability Structure	Monitor (Implementation)	Monitor (Impact)	Outcome 5
Creation of job opportunities in the Defence industry according to DOD projects	Administration	TBD	TBD	TBD	Outcome 5

FINANCIAL CONSIDERATIONS IN ALLOCATION OF THE DEFENCE PROGRAMMES

The composition of the Defence's Budget Programmes as published in the Estimates of National Expenditure (ENE) 2011, Vote 22 is as provided the Table below.

5 Data as reported for the first two quarters of the FY2010/11.
6 The indicator has been changed from 2011/12 to only reflect "large-scale" operations, as the requirement for general military assistance and small-scale operations cannot be accurately projected. Currently the requirement is for two large-scale (Battalion + [More than 800 members]) operations, but contingency planning is being done to be prepared for a third operation of limited duration, should it be required.
7 The large number in 2010 was due to operations in support of the 2010 FIFA World Cup and the gradual increase from 2011/12 onwards is the result of the phasing in of border safeguarding operations.
8 The bulk of the Reserves are within the Landward Defence Programme, with smaller numbers within the other Programmes.

Table 5: Financial Allocations of the Defence Programmes

Programmes	2010/11	2011/12	2012/13	2013/41
	R'000	R'000	R'000	R'000
Administration	3 247 080	3 718 129	4 052 120	4 395 303
Force Employment	1 908 870	2 241 553	2 436 064	2 692 237
Landward Defence	9 982 892	11 763 543	12 773 878	13 730 269
Air Defence	6 059 126	6 768 133	7 216 773	7 007 093
Maritime Defence	2 179 822	2 500 516	2 539 002	2 919 458
Military Health Support	2 770 215	3 044 139	3 328 036	3 519 675
Defence Intelligence	631 149	668 988	702 465	737 049
General Support	3 936 179	3 899 964	4 322 904	4 701 090
Total	30 715 333	34 604 965	37 371 242	39 702 174

DOD EXPENDITURE TRENDS

The detail of DOD's estimated expenditure is reflected in Government's Estimate of National Expenditure 2011 and is included in the Appropriation Bill 2011 tabled in Parliament on 23 February 2011.

DEPARTMENTAL RECEIPTS

Departmental receipts are mainly from the sale of redundant or obsolete equipment and Defence matériel, the rental of accommodation to personnel, and board and lodging. The reason for the fluctuations in real departmental receipts, specifically financial transactions in assets and liabilities, is due to the unpredictable nature of reimbursements for peace support operations. Revenue collection projections are also hampered by the unpredictable nature of the potential buyers of SANDF equipment, and by international treaties, protocols and licence agreements. Between FY2009/10 and FY2013/14, revenue is expected to increase from R676.7 million to R885.9 million, at an average annual rate of 7.7 percent.

Table 6: Estimated Departmental Revenue

Economic classification	Audited outcome[1]			Revised estimate	Medium-term receipts estimate		
(Rand thousand)	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
Sales of goods and services produced by department	165 148	165 268	209 606	281 638	295 720	310 506	326 031
Sales of scrap, waste, arms and other used current goods	7 336	28 285	-	17 859	18 752	19 690	20 674
Transfers received	-	290 653	228 291	195 682	172 353	180 971	190 019
Fines, penalties and forfeits	1 157	1 058	3 724	3 615	3 796	3 986	4 185
Interest, dividends and rent on land	1 710	1 398	2 750	2 473	2 597	2 726	2 863
Sales of capital assets	128 913	122 066	19 481	52 684	55 318	58 084	60 988
Transactions in financial assets and liabilities	247 591	20 662	236 097	348 515	255 006	267 756	281 144
Total Departmental Receipts	**551 855**	**629 390**	**699 949**	**902 466**	**803 542**	**843 719**	**885 904**

ORGANS OF STATE AND PUBLIC ENTITIES REPORTING TO THE MOD&MV

This Strategic Statement is applicable to all organs of State and public entities reporting to the Minister in terms of the Public Finance Management Act (PFMA). These include the following:

- Department of Military Veterans. The purpose of the Department of Military Veterans is that it is responsible for the overall management and administration of military veterans affairs including but not limited to developing policy, legislation, programmes, benefits and services that facilitate the transition from active service to civilian life.
- Defence Force Service Commission. This Commission is responsible for making recommendations to the Minister concerning conditions of service of SANDF members.
- ARMSCOR. ARMSCOR is a Schedule 2 entity under the PFMA mandated to support the delivery of the strategic Defence capabilities.
- Castle Control Board. The Castle Control Board is classified as a public entity under the PFMA and carries the mandate of managing and protecting the Castle of Good Hope on behalf of the MOD & MV and has the ultimate ownership responsibility for the Castle.

DOD PERFORMANCE INFORMATION FOR THE PERIOD FY2011/12 TO FY2015/16

Table 7: DOD Performance Information for the Period FY2011/12 to FY2015/16

MTSF Outcome	DOD Outcome	DOD Outputs	Performance Indicator	Estimated Performance (Targets) 10/11	Medium-term Targets					Delegation
					11/12	12/13	13/14	14/15	15/16	
Outcome 2	RSA is defended and protected	Combat ready Defence capabilities	Trend of deployable status on Concurrent Health Assessment	Positive trend	Positive trend	Positive trend	Positive trend	Positive trend	Positive trend	SANDF
Outcome 3	RSA is defended and protected	Combat ready Defence capabilities	Landward Capability requirement approved (Approved Defence Strategy)	TBD	Approved	Implementation	Implementation	Implementation	Implementation	Def Sec/ SANDF
			Approved DOD Border Management Strategy	TBD	Strategy Approved	Monitor (Implementation)	Monitor (Compliance)	Monitor (Effectiveness)	Monitor (Effectiveness)	Def Sec
			% funding allocation received for approved DOD Strategic Defence Packages	TBD	50%	75%	100%	100%	100%	Def Sec
			Approved Strategy to facilitate securing of National Key Points	TBD	Approved	Monitor (Implementation)	Monitor (Compliance)	Monitor (Effectiveness)	Monitor (Effectiveness)	Def Sec/ SANDF
			Approved National Defence Security Strategy	TBD	Approved by MOD&MV (Consultation with security agencies)	Monitor (Implementation)	Monitor (Compliance)	Monitor (Effectiveness)	Monitor (Effectiveness)	Def Sec/ SANDF
	Enhanced civil control of DOD	Defence Compliance with Regulatory Framework	Approved DOD Fraud and Corruption Prevention Strategy	TBD	Approved	Monitor (Implementation)	Monitor (Compliance)	Monitor (Effectiveness)	Monitor (Effectiveness)	SANDF
Outcome 5	Enhanced civil control of DOD	Defence Direction	Approval and implementation of the Reserve Force Legislation	Legislation drafted	Regulations drafted and Approved	Legislation Monitored	Legislation Implemented	Legislation Implemented	Legislation Implemented	Def Sec/ SANDF
			Approved Human Capital Development Strategy and Plan	TBD	Approved Strategy	Strategy Piloted	Development of Policy	Monitor Policy	Review Policy	Def Sec/ SANDF
			Approved HR Skills Development Plan	TBD	Pilot DOD Skills Audit Instrument	Conduct Skills Audit (Comprehensive)	Compile DOD Master Skills Plan	Approved DOD Skills Gap Development Plan	Monitor Development Plan	Def Sec/ SANDF
			Throughput numbers in terms of the DOD National Youth Concept	TBD	1500	2000	6000	TBD	TBD	Def Sec/ SANDF

MTSF Outcome	DOD Outcome	DOD Outputs	Performance Indicator	Estimated Performance (Targets) 10/11	Medium-term Targets					Delegation
					11/12	12/13	13/14	14/15	15/16	
Outcome 11	RSA is defended and protected	Ordered Defence Commitments	% Compliance SADC Early Warning Centre Contribution with SADC Organ Outcomes	70% operational	100% operational	100% operational	100% operational	100% operational	100% operational	SANDF
			% Compliance to agreed force levels (SADC Standby Force agreements and South African Pledge)	Force Levels to >95% of the TCC MOU	Force Levels to >95% of the TCC MOU	Force Levels to >95% of the TCC MOU	Force Levels to >95% of the TCC MOU	Force Levels to >95% of the TCC MOU	Force Levels to >95% of the TCC MOU	SANDF/Def Sec
				Equipments to 90% of the TCC MOU	Equipments to 90% of the TCC MOU	Equipments to 90% of the TCC MOU	Equipments to 90% of the TCC MOU	Equipments to 90% of the TCC MOU	Equipments to 90% of the TCC MOU	
				Financial Expenditure to >90% of the Mission Cash Flow Plan	Financial Expenditure to >90% of the Mission Cash Flow Plan	Financial Expenditure to >90% of the Mission Cash Flow Plan	Financial Expenditure to >90% of the Mission Cash Flow Plan	Financial Expenditure to >90% of the Mission Cash Flow Plan	Financial Expenditure to >90% of the Mission Cash Flow Plan	
			% Compliance of Border Safeguarding	100%	100%	100%	100%	100%	100%	SANDF
			Compliance with the agreed force levels (Peace Missions)	Force Levels to >95% of the MOU	Force Levels to >95% of the TCC MOU	Force Levels to >95% of the TCC MOU	Force Levels to >95% of the TCC MOU	Force Levels to >95% of the TCC MOU	Force Levels to >95% of the TCC MOU	SANDF
				Equipments to 90% of the TCC MOU	Equipments to 90% of the TCC MOU	Equipments to 90% of the TCC MOU	Equipments to 90% of the TCC MOU	Equipments to 90% of the TCC MOU	Equipments to 90% of the TCC MOU	
				Financial Expenditure to >90% of the Mission Cash Flow Plan	Financial Expenditure to >90% of the Mission Cash Flow Plan	Financial Expenditure to >90% of the Mission Cash Flow Plan	Financial Expenditure to >90% of the Mission Cash Flow Plan	Financial Expenditure to >90% of the Mission Cash Flow Plan	Financial Expenditure to >90% of the Mission Cash Flow Plan	

MTSF Outcome	DOD Outcome	DOD Outputs	Performance Indicator	Estimated Performance (Targets) 10/11	Medium-term Targets					Delegation
					11/12	12/13	13/14	14/15	15/16	
Outcome 11	Enhanced civil control of Defence	Defence Direction	DOD Representation %: Approved DOD peace mission coordination fora	5%	15%	20%	25%	30%	35%	Def Sec
			Compliance with the agreed force levels (Force Employment)	Information Classified						SANDF
			Amended DOD Information Security Systems (ISS) policy (Inclusive of cyber-security aspects)	Policy Revised	Policy promulgated	Policy Implemented	Policy Implemented	Policy reviewed	Reviewed policy promulgated	Def Sec/ SANDF
			Approved DOD cyber-security policy	TBD	Policy drafted	Further work as directed	Further work as directed	Policy Approved	Policy implemented	Def Sec
			Defence Strategy, Force Design and Force Structure	TBD	Draft Defence Strategy, Force Design and Force Structure developed.	Defence Strategy, Force Design and Force Structure Approved	Defence Strategy, Force Design and Force Structure Implemented	Defence Strategy, Force Design and Force Structure Implementation monitored	Defence Strategy, Force Design and Force Structure Implementation monitored	Def Sec
			DOD representation %: current number of positions filled against allocated for a quota of international institutions	5%	15%	20%	25%	30%	35%	Def Sec
			Approved White Paper on Defence Industry	White Paper drafted	White Paper approved	White Paper implemented	White paper implementation monitored.	White paper implementation monitored.	White paper implementation monitored.	Def Sec
Outcome 12	Enhanced civil control of Defence	Defence Direction	% Decline in DOD Vacancies	TBD	6%	6%	6%	6%	6%	Def Sec
			Auditor-General's Opinion	1x qualification	1x qualification	Unqualified	Unqualified	Unqualified	Unqualified	SANDF/ Def Sec
		Defence in compliance with the regulatory framework	% decline in turn-over rates	TBD	6%	5%	5%	6%	6%	Def Sec/ SANDF
			Number of disciplinary cases in the DOD finalised within 120 days	TBD	35%	40%	45%	50%	50%	Def Sec
			Significant reduction in the cases of irregularities and corruption in the DOD	TBD	20%	40%	60%	80%	100%	Def Sec/ SANDF
			Percentage litigation settlement in favour of the DOD.	TBD	50%	60%	70%	80%	90%	Def Sec/ SANDF
			Institutionalisation of the Defence Force Service Commission	TBD	Establishment	Fully Functional	Review (Impact Assessment)	Implement Assessment Findings	Fully Functional	Def Sec

MTSF Outcome	DOD Outcome	DOD Outputs	Performance Indicator	Estimated Performance (Targets) 10/11	Medium-term Targets					Delegation
					11/12	12/13	13/14	14/15	15/16	
Outcome 12	Enhanced civil control of Defence	Defence in compliance with the regulatory framework	Approved Defence Fiscal Framework	TBD	Development of revised Defence fiscal framework	Review of Defence fiscal framework in line with Defence Strategy	Full implementation of Defence Fiscal Framework	Assess impact of Defence Fiscal Framework	Implement Reviewed Framework	Def Sec/CFO
			Approved Defence Capabilities Framework	TBD	Approved	Implementation	Monitor Effectiveness	Review	Implement Reviewed Framework	Def Sec/ SANDF
			Approved research capability	TBD	Organisational structure	Fully operational structure	Fully operational structure	Fully operational structure	Fully operational structure	Def Sec
			Approved DOD Anti-Corruption Policy and Strategy.	TBD	Approval	Implementation	Monitor	Review	Implement	Def Sec
			Compliance with MISS and information security	TBD	100%	100%	100%	100%	100%	Def Sec
			Approved DOD Asset and Facilities Management Policy.	TBD	Develop Policy Framework	Development of subordinate policies	Implementation of guidelines to give effect to policy	Implementation and monitoring	Review	Def Sec
			% Vacant funded post filled.	100% by June 2011	100%	100%	100%	100%	100%	Def Sec/ SANDF

DOD SERVICE DELIVERY IMPROVEMENT PLAN

Table 8: DOD Service Delivery Improvement Plan (SDIP)

KEY SERVICE	SERVICE BENEFICIARY	CURRENT STANDARD		DESIRED STANDARD	
Ensuring a clean audit for the HR environment by establishing internal controls that will help to pro-actively mitigate HR functions and processes that could lead to an audit qualification	DOD Management and Officials	Quantity	The DOD has been receiving audit qualification for the past seven (7) consecutive years.	Quantity	No audit qualification from 2012 onwards.
		Quality	Current HR processes and practices of the DOD require mapping to ensure that they are streamlined and integrated. Governing processes of HR policies, procedures and practices need to be reviewed.	Quality	Establish effective internal controls on the processes that have an impact on disclosure notes to annual financial statement in order to ensure sustainable, predictable and reliable HR systems, policies, practices, processes and procedures.
		Consultation	Monthly and weekly meetings are held in terms of the Human Resources Board (HRB) and HR Exco, respectively, to discuss HR and related issues.	Consultation	To establish an integrated policy forum that comprises of HR Practitioners at Lvel 3 & 4 to discuss implementation measures of the policy decision taken in the policy making structures.
		Access	The DOD utilises physical unit visits to empower HR practitioners on policy measures, and through the Intranet, information bulletins and, distribution of policy documents.	Access	To streamline information flow throughout the policy making structural processes to ensure that monitoring and evaluation are done expeditiously.
		Courtesy	Services/Divisions/Formations/Units are provided with the opportunity to give inputs to be incorporated in the policy document. However, the inputs from the units are often addressed as implementation concerns after the policy has been promulgated.	Courtesy	That HR Practitioners across all levels of the department are provided with an opportunity to provide input into the policy before promulgation.
		Open & Transparency	The HR Practitioners are kept informed of HR policies, procedures and practices through bulletins and Intranet.	Open & Transparency	To have informed HR Practitioners that keep abreast with contemporary policy matters.
		Information	Information is disseminated through physical unit visits, information bulletins, the Intranet, communication forums .	Information	To inform HR Practitioners of possible changes in HR procedures and practices ahead of implementation of those changes, through effective on-line communication, e.g. the Internet or Intranet.
		Redress	TBD	Redress	TBD
		Value for Money	HR policies, procedures and practices are implemented, taking into account the principle of efficiency, effectiveness and economy.	Value for Money	Effective implementation of polices, procedures and practices by competent practitioners that will eliminate unfair labour practices.
		Time	HR policies, procedures and practices are developed and implemented as and when the need arises.	Time	That continuity and rejuvenation are achieved in a sustained manner.
		Cost		Cost	
		Human Resources	HR Practitioners in the DOD.	Human Resources	HR Practitioners and all officials in the DOD, taking ownership of the processes.

KEY SERVICE	SERVICE BENEFICIARY	CURRENT STANDARD		DESIRED STANDARD	
Filling of Posts in the DOD	DOD Management and Officials	Quantity	The department has a large number of vacant posts across all levels. This contributes to incapacity and impacts negatively on service delivery.	Quantity	To reduce the turnaround time of filling the posts to six (6) months from the date of their becoming vacant.
		Quality	The applicable staffing policy makes provision for a vacancy for six months to a year.	Quality	Revise the staffing policy by focusing on interventions to improve the quality of staffing.
		Consultation	Policy making structures that include the Defence Staff Council, HR Board, HR Exco and, HR Policy Development Committee. Liaise with external departments/institutions including DPSA and PSC.	Consultation	To conduct roadshows across all levels of the DOD, empowering HR Practitioners and end-users of the policy.
		Access	The policy website (Intranet), and hard copies are distributed across DOD via post.	Access	Implementation of automated software through IFMS (SAP) that will reflect the total profile of the post in terms of its vacancy period and equity status.
		Courtesy	Services/Divisions seldom send letters of regret to post applicants who did not make the shortlist, let alone acknowledge receipt of application.	Courtesy	Improve the recruitment & selection system to effectively enable the department to practise professional etiquette by issuing acknowledgements & regrets.
		Openness & Transparency	The practice with regard to the current staffing process does not involve all the relevant role-players in terms of employment equity and labour representatives. The latter enhances the extent of openness and transparency of the process.	Openness & Transparency	Staffing processes that observe the provision of R&S practices, as enshrined in the Act, Regulations and departmental policy.
		Information	Information is disseminated through physical unit visits, information bulletins, Intranet and communication forums.	Information	To inform HR Practitioners of possible changes to the staffing policy and practices ahead and implementation of those changes through effective on-line communication, e.g Internet or Intranet.
		Redress	TBD	Redress	TBD
		Value for Money	The staffing process that is followed until the appointment of a suitable candidate is done effectively, efficiently and economically.	Value for Money	Improving the recruitment & selection to be "just on time".
		Time	More than 12 months after the post becomes vacant	Time	Post filled within a period of six (6) months
		Cost	Staffing budget.	Cost	Staffing budget.

KEY SERVICE	SERVICE BENEFICIARY	CURRENT STANDARD		DESIRED STANDARD	
Performance Agreements and financial declarations Performance Agreements of SMS that are signed within stipulated time period PA to include constitutional imperative in respect of responsibility and accountability	DOD SMS members	Quantity	An estimated 60% of SMS Performance Agreements are signed after the stipulated required timeline and 40% is still outstanding to date.	Quantity	100% signing of Performance Agreements within the required time period. PA to include gender responsibilities and accountability.
		Quality	Performance Agreements are compiled without taking into account the deliverables stipulated in the Strategic Business Plans of respective environments.	Quality	Detailed Performance Agreements that will serve as an enabling tool to highlight ways and means to achieve the strategic objectives as reflected in the plans.
		Consultation	Human Resources Management environment is responsible for the management function. It issues an instruction on an annual basis to inform SMS members about submission of PA's. The instruction is often accompanied by the guidelines on how to complete the PA's.	Consultation	Conduct a workshop once per annum, involving all SMS members in the DOD, to serve as a forum to educate and empower members in terms of PAs PA to include constitutional imperative in respect of responsibility and accountability.
		Access	Human Resources Management section liaises with SMS members through the office that deals with Performance Agreements.	Access	Introduce an electronic system that can be utilized to keep the data of signed and unsigned PA's on time, and furnish the reasons for non-compliance with the stipulated timelines.
		Courtesy	SMS members are continuously reminded with regard to PAs that are due for submission and any other improvement that needs to be done to the already submitted PA's.	Courtesy	SMS members to be given a period of six (6) months before the financial year to submit PAs for the subsequent financial year.
		Open & Transparency	Completed, signed and approved PAs of SMS members are available for reference by members reporting to a particular SMS member.	Openness & Transparency	Creation of a computer system to enable authorized members who report a particular SMS member to view PAs on a regular basis. This will ensure that they stay focused on the course as far as strategic objectives are concerned.
		Information	SMS members are informed through circulars and ministerial directives on issues pertaining to PAs. There is also a Ministerial Handbook for SMS members, which gives guidelines on PAs, amongst others.	Information	Utilise the Internet as a tool to educate and empower SMS members and prospective SMS members on PA's regarding their important strategic link to Strategic Business Plan.
		Redress	TBD	Redress	TBD
		Value for Money	SMS members complete PAs taking into account financial guidelines and budgetary provision allocated to their specific environments.	Value for Money	Introduce a monitoring and evaluation system that will help validate the direct link of the PAs and Strategic Business Plan.
		Time	As per Financial Year.	Time	As per Financial Year.
		Cost	According to Budget allocation for the FY.	Cost	According to Budget allocation for the FY.
		Human Resources	As per number of staff employed within a particular service/division/unit/directorate.	Human Resources	As per number of staff employed within a particular service/division/unit/directorate.

KEY SERVICE	SERVICE BENEFICIARY	CURRENT STANDARD		DESIRED STANDARD	
Performance Assessments/ Incentives	DOD Officials	Quantity	An average of 70% of performance assessments are completed and submitted on time as stipulated in the directives and instructions.	Quantity	100% completed performance assessments within the required time period.
		Quality	Performance assessments are completed using 360 degree method (multi-rater). The supervisory responsibility of performance assessments/incentives needs to be strengthened to ensure that the quality of the results is objective and not compromised.	Quality	Revise the system of performance assessments/ incentives to be aligned with individual performance.
		Consultation	The DOD customises the PMDS guidelines issued by the DPSA to be applied internally. There are instructions issued annually to Services/Divisions by the HR Service System environment highlighting measures to be applied in the performance assessment/incentive process.	Consultation	To hold education and empowerment workshops annually with managers and supervisors. This will help improve the competency level of managers/ supervisors in managing the process effectively.
		Access	Performance assessments/incentives are available electronically and on hard copy and are distributed across Services/divisions/formations/units.	Access	Performance assessments/incentives are available electronically and on hard copy and are distributed across Services/divisions/formations/units.
		Courtesy	HR Service System provides support to environments that require assistance in completing performance assessments/incentives.	Courtesy	Introduce an electronic system to monitor environments that need to be assisted in completing performance assessments/incentives.
		Openness & Transparency	The process of managing and completing performance assessments/incentives involves stakeholders throughout the management and decision making structures up to the HOD.	Openness & Transparency	The process of managing and completing performance assessments/incentives involves stakeholders throughout the management and decision-making structures up to the HOD.
		Information	Instructions are issued to Services/Divisions, and are published in the Intranet, and further communicated through information bulletins.	Information	Instructions are issued to Services/Divisions, and are published in the Intranet and further communicated through information bulletins.
		Redress	Members/employees are advised to utilize the grievance management system of the department to raise issues that need to be redressed.	Redress	Members/employees are advised to utilize the grievance management system of the department to raise issues that need to be redressed.
		Value for Money	The payment of the incentive is done on the basis of the confirmed results of the Moderating Committee.	Value for Money	Performance assessment/incentive system to be revised by including supporting motivations that accompany the results. The latter will assist the Moderating Committee to take informed decisions in awarding the incentives.
		Time	As per Financial Year.	Time	As per Financial Year.
		Cost	As per allocated budget for the payment of incentives.	Cost	As per allocated budget for the payment of incentives.
		Human Resources	As per identified personnel for performance assessments/ incentives.	Human Resources	As per identified personnel for performance assessments/incentives.

(Footnotes)

1 Data as reported for the first two quarters of the FY2010/11.

2 The indicator has been changed from 2011/12 to only reflect "large-scale" operations, as the requirement for general military assistance and small-scale operations cannot be accurately projected. Currently the requirement is for two large-scale (Battalion + [More than 800 members]) operations, but contingency planning is being done to be prepared for a third operation of limited duration, should it be required.

3 The large number in 2010 was due to operations in support of the 2010 FIFA World Cup and the gradual increase from 2011/12 onwards is the result of the phasing in of border safeguarding operations.

4 The bulk of the Reserves are within the Landward Defence Programme, with smaller numbers within the other Programmes.

DEFENCE SECRETARIAT

ANNUAL PERFORMANCE PLAN (APP)

FOR THE FISCAL YEARS

2011/12 -2013/14

"Doing things differently to achieve more with less"

Date of tabling: 09 March 2011

INTRODUCTION BY THE ACCOUNTING OFFICER

The mandate of Defence remains unambiguously the protection of the territorial integrity of the RSA. In delivering on this mandate, the collateral utility of Defence capabilities has been demonstrated with the various service delivery projects in support of other government departments. The mandate is executed in terms of section 200(1) that establishes a disciplined South African National Defence Force (SANDF) whose functions are articulated in section 224(1) of the interim Constitution of South Africa.

Equally so, section 204 of the Constitution of the Republic of South Africa, has institutionalised civil–military relations through a civilian Secretariat. In terms of section 204 "a civilian secretariat for Defence must be established by national legislation to function under the direction of the Cabinet member responsible for Defence." Giving substance to this Constitutional imperative is section 8 of the Defence Act, No 42 of 2002 which spells out the scope of operations of the Defence Secretariat. The task directive encapsulates provision of policy advice to the Minister, enhancing civil control and oversight, comprehensive instructions and ensuring SANDF compliance to MOD&MV directives.

At a work session in September 2009, the Defence Secretariat developed a blueprint for a vision of building a responsive and dependable Defence secretariat for the third decade. The blueprint culminated in the ground breaking September 2010 Margate DOD Resolution that formalised the separation of norms and standards from execution. The aforementioned resolutions concerned the MOD&MV priority on alignment of the Defence Secretariat with its constitutional and legislative mandate; viz "A review of the Defence Secretariat to align with the mandate of the Defence organisation and support requirements for the Minister of Defence and Military Veterans."

Furthermore, in an attempt to achieve more with little, the President of the Republic of South Africa adopted the outcomes based approach to strategic planning, implementation and performance monitoring and evaluation so as to achieve auditable evidence of improvement of the quality of lives of citizens.

The success in achieving the identified outcomes will be the careful selection of outcomes that will have the greatest impact within the DOD in the most effective and efficient manner. More importantly, our ability to measure with appropriate performance indicators will ensure the Department is able to gauge the successes that we are achieving and also areas which may require intervention and support to ensure our outputs are achieved and that ultimately our outcomes are realised.

Furthermore, this will also imply that we need to do things differently, that we need to move away from the comfort of the familiar and take on ways of working that are different and new with heightened levels of efficiency and effectiveness.

At the Cabinet Lekgotla held from 20 to 22 January 2010, we adopted the twelve (12) Medium-Term Strategic Framework (MTSF) outcomes that most accurately reflect Government's mandate derived from the MTSF priorities and electoral mandate. The role of Defence as the Secretariat and the coordinator of the International Co-operation, Trade and Security (ICTS) Cluster presents an opportunity for the Defence Secretariat to take centre stage in providing policy directives that will guide the footprint of Defence as well as provide a focused approach to management of the five security domains.

The phased implementation of border safeguarding has seen the Defence Force deployed for border safeguarding along the borders of RSA and its neighbouring countries since April 2010. Currently, the Defence Force has returned to the RSA/Zimbabwe and the RSA/Mozambique border and is due to deploy along the RSA/Lesotho border on 1 April 2011.

From a strategic budgeting perspective it is worth indicating that the analysis of cost drivers has revealed the massive resource recapitalisation that is required to maintain the anticipated border safeguarding priority. Such State resources need to be mobilised more aggressively to ensure the success of Operation CORONA (border safeguarding).

In embracing the government's priority of creating decent jobs, the massification of the Military Skills Development System (MSDS) has seen at least four thousand youth enrolling during the first semester of 2011 in

the MSDS programme. Further partnerships with other organs of state, notably Sector Education and Training Authorities (SETA)s and the Department of Higher Education and Training, will be explored in the quest to expand the creation of decent work.

Another initiative that demonstrates the Department's commitment to the creation of decent work is the National Youth Service (NYS) concept. In refining the concept in collaboration with other Government Departments, a pilot project has, in collaboration with the Department of Rural Development, commenced in Bloemfontein during this financial year. It is believed that this will refine the concept and advance implementation.

It is against this backdrop that the Defence Secretariat has developed its Annual Performance Plan informed by the Strategic Plan. This is important for the alignment of the Defence Secretariat strategic statement so that the government outcomes oriented monitoring and evaluation approach can be achieved by working together with all relevant stakeholders.

The Annual Performance Plan details the outcomes, outputs, activities and inputs that the Defence Secretariat is responsible and accountable for, which provides the norms and standards that support its execution, accountability and monitoring.

Honourable Minister, I submit to you the Defence Secretariat Annual Performance Plan as evidence of the DOD's commitment to building a responsive and dependable Defence secretariat for the third decade. It is hoped that through this Performance Plan, civil-military relations will be strengthened to the benefit of South Africa.

(MS N.Z.H. MPOFU)
SECRETARY FOR DEFENCE

OFFICIAL SIGN-OFF

It is hereby certified that this Performance Plan

a. was developed by the Defence Secretariat (Defence Secretariat) Management under the guidance of the Accounting Officer;
b. was prepared in line with the current Strategic Plan of the Defence Secretariat; and
c. accurately reflects the strategic outcomes and outputs which the Defence Secretariat programme/ sub-programme will endeavour to achieve given the resources made available in the budget for the FY 2011/12-FY13/14.

[MR M. DLABANTU]
CHIEF FINANCIAL OFFICER

[DR T. GAMEDE]
CHIEF DEFENCE POLICY STRATEGY AND PLANNING

[MS N.Z.H. MPOFU]
ACCOUNTING OFFICER
Approved by:

[MS L.N. SISULU]
MINISTER OF DEFENCE AND MILITARY VETERANS

DECLARATION ON THE ACCURACY AND COMPLETENESS OF THE INPUTS TO THE ANNUAL PERFORMANCE PLAN BY THE SECRETARY FOR DEFENCE

I, Ms N.Z.H. Mpofu, Secretary for Defence, acknowledge my responsibility for the accuracy of the performance information and the fair presentation of the Annual Performance Plan (APP) and confirm, to the best of my knowledge and belief, the following:

- The Plan has been prepared in accordance with the relevant Defence Secretariat guidelines that gives substance to the policy direction provided by the National Treasury or any other organ of state delegated to perform the function.
- The information furnished in this APP for the FY 2011/12 – FY 2013/14 is true and correct in every respect.
- The APP is free of any omissions.
- The necessary records to support my declarations on this form are available for audit purposes.

[MS N.Z.H. MPOFU]
ACCOUNTING OFFICER

PART A: STRATEGIC OVERVIEW

CHAPTER 1

INTRODUCTION

This chapter provides an overview of the constitutional and legislative origins of the Defence Secretariat, its vision, mission, Minister's priorities, planned policy and legislative developments that will impact on strategic budgeting during the Medium-Term Expenditure Framework (MTEF) and the overview of budget and Medium-term estimates.

The Defence Secretariat was established in terms of section 204 of the Constitution of the Republic of South Africa, 1996, given substance to by section 6 of the Defence Act, 42 of 2002 and executes its functions within the parameters of section 8 of the Defence Act 42 of 2002.

The Secretary for Defence is furthermore, the Head of the Defence Secretariat and acts within the specified areas of responsibility to provide strategic direction to the DOD by operating under the direction of the Minister of Defence and Military Veterans.

Under other applicable regulatory frameworks, the Secretary for Defence is the Head of the Department, the Accounting Officer, the Information Officer and the principal adviser to the Minister of Defence on Defence policy matters.

The development of norms and standards which the Defence Secretariat is responsible for, enhances the DOD's compliance with the appropriate regulatory frameworks as they relate to resource mobilisation, utilisation and accounting.

STRATEGIC FOCUS

As illustrated in the Vote 22 Chapter of the Estimate of National Expenditure (ENE), to continue to deliver on its mandate, the DOD focuses on strategic priorities determined in response to changing circumstances. By implication, the role of the Defence Secretariat focuses on the implementation of these emerging priorities aimed at the realization of the Defence mandate.

ALIGNMENT WITH GOVERNMENT OUTCOMES

The Defence Secretariat provides for the coordination of the Department's contribution to MTSF Outcomes 2, 3, 5 11 and 12. In this regard, the Defence Secretariat provides the necessary support to the Minister to perform the coordination role of the International Cooperation, Trade and Security (ICTS) Cluster. Furthermore, the Defence Secretariat coordinates the DOD's inputs to other MTSF priorities.

ARRANGEMENT OF THE PLAN

The Annual Performance Plan (APP) consists of three parts, packaged in chapters and covers the following aspects:

- Part A. A strategic overview which provides insight into the organisational environment, performance environment of the Defence Secretariat, an updated situational analysis and the associated financial information.
- Part B. Information pertaining to the Defence Secretariat Outputs linked with the MTSF Outcomes is provided as well as the information on risk management, utilisation of consultants, Private Public Partnerships and the Public Entities reporting to the Executive Authority.
- Part C. This Chapter provides links to other plans.

It is the intended that each of the parts as alluded to above will display the logical progression of the linkage between the Defence Secretariat strategic planning process and the APP.

VISION

Excellence in governance to ensure the efficient and effective Defence delivery.

MISSION

The Defence Secretariat directs specified managerial, administrative and advisory services to achieve the ends of the Defence Strategy and to enhance and effect the MOD capacity for civil control.

CONSTITUTIONAL AND LEGISLATIVE MANDATES

The Constitutional and legislative mandate governing the Defence Secretariat is reflected in Table 1 below.

Table 1. Defence Secretariat Constitutional and Legislative Mandates

Act	Key Responsibilities Placed on the DOD
Section 204 of the Constitution of the RSA, 1996 (Act 108 of 1996)	"A civilian secretariat for Defence must be established by national legislation to function under the direction of the cabinet member responsible for Defence".
Defence Act 42 of 2002	Section 6: Establishment of the Defence Secretariat Section 7: Appointment of the Sec Def as a head of the department by the Presidency. Section 8: Functions of the Sec Def. Section 9: Delegation of powers and assignment of duties by the Sec Def.
Public Service Act (3)(a)	Subject to the provisions of paragraphs (c) and (d), a head of department shall be responsible for the efficient management and administration of his or her department, including the effective utilisation and training of staff, the maintenance of discipline, the promotion of sound labour relations and the proper use and care of State property, and he or she shall perform the functions that may be prescribed.
Treasury Regulations 5 and 30 (amended)	Prescribes the planning and reporting process (Strategic Plans and Annual Performance Plan) for Government Departments and Public Entities.

REVISIONS TO LEGISLATIVE AND OTHER MANDATES

Currently there are no revisions to legislative mandates within the Defence Secretariat. In FY2011/12, the Defence Secretariat will, however, focus on the drafting of regulations to implement the following legislation:

- Military Discipline Bill. The Constitution enjoins the State to respect the dignity of all persons and some of the offences and penalties are not in line with this injunction.
- Geneva Conventions Bill. To enact the Geneva Conventions and their Protocols into domestic law in terms of section 231 of the Constitution.
- Defence and Related Acts Repeal and Amendment Bill. To repeal and amend Defence and Related Acts
- Military Ombudsman Bill. To make provisions for the appointment of a Military Ombudsman to attend to complaints by members of the SANDF.
- Defence Amendment Act. To operationalise the Defence Service Commission and to establish the Regulatory Framework in which they operate.
- Appointment of the Defence Military Command Structure. To provide the process and procedures for the appointment of members to the Military Command Structure.

PENDING COURT RULINGS

No applicable court rulings are noted within the Defence Secretariat which may impact on policy aspects.

THE MINISTER OF DEFENCE AND MILITARY VETERANS (MOD&MV) PRIORITIES

For the period ahead, the Minister has made a determination of matters considered important for the DOD to pursue as strategic priorities. The execution of these strategic priorities will enhance the effective realisation of the Defence mandate. Monitoring and evaluation of performance against these identified strategic priorities will test the extent to which the Defence function has been able to "do things differently and achieve more with less". The strategic priorities identified are as follows:

- Execution of the Border Safeguarding Function. The safeguarding of the borders of South Africa remains one of the key functions of the SANDF. The phased in approach, adopted by the SANDF in undertaking this function, will continue in FY2011/12 with the final phase completed in FY2012/13.

- Establishment of the New Service Dispensation. The Defence Amendment Act, 22 of 2011, has been enacted. As intended, the Defence Amendment Act has created a new service dispensation for the SANDF members. In FY2011/12 the DOD shall focus on the implementation of the afore-mentioned amendment in order to realise this dispensation. Consequential amendments to other Acts will also be taken into account.
- Enhancement of the SANDF's Landward Defence Capabilities. In order to undertake all required missions, the enhancement of the Landward Defence Capabilities is essential. For the Landward Defence Capability to operate jointly with the Air Defence and Maritime Defence Capabilities, this enhancement is considered a priority. The Landward Defence Capability has not enjoyed the advantage of being part of the Strategic Defence Packages and is thus lacking technologically advanced Primary Mission Equipment.
- Maritime Security. The Defence and security of South Africa is inextricably linked to that of the region and the continent. Being a littoral country, South Africa needs to have a balanced maritime capability to effectively respond to arising maritime security threats affecting South Africa.
- Job Creation. In support of the government initiative on job creation, the DOD plans to create job opportunities in the following areas:
  - Filling of all 1 401 vacant funded positions in the DOD.
  - Recruitment of 5 700 young South Africans per year to the Military Skills Development System (MSDS).
  - Call up of 16 400 Defence Reserve members per year to undertake specific tasks over specific periods of time.
  - The enhancement of the DOD Works Capability to create opportunities for people with technical skills within the SANDF. This in turn will allow for the SANDF intakes to increase with the same number of the SANDF members transferred to the DOD Works Capability.
  - Creation of job opportunities in the Defence Industry through approved DOD projects.
- Enhancement of the SANDF's Peacekeeping Capability (SANDF Deployability). The role of the SANDF in promoting peace and security in the region and the continent necessitates the enhancement of the SANDF's peacekeeping capability that will include the SANDF's Forward Deployment Capability.
- National Youth Service. The implementation of the National Youth Service by using core Defence capabilities to provide initial training to the youth prior to absorption into service delivery departments.
- Revitalisation of the Reserves. As part of the One Force concept, the Reserves must be transformed and revitalised to fulfil the various important Defence roles allocated to them.
- Restructuring and Support of the Defence Industry. The restructuring should focus on Defence capability, the interactive framework and function alignment in order to properly synchronise these with the requirements and mandate of Defence. The emphasis should be on Governance, Risk Management, Compliance and Accountability framework applicable within Defence Portfolio.
- Department of Defence Works Capability. The state of the DOD facilities portfolio calls for the review of the existing arrangements for the repair and maintenance of Defence facilities. The establishment of the DOD Works Capability seeks to achieve an end state where the DOD will have an in-house capacity that will ultimately assume the full responsibility of the Defence facilities repair and maintenance. The DOD Works Capability will at the same time create job opportunities in the DOD, thus contributing to the Government's priority of job creation.

DOD POLICY PROPOSALS IN SUPPORT OF THE PRIORITIES OF THE MOD&MV

In support of the MOD&MV by the Defence Secretariat in the achievement of the above-mentioned ministerial priorities, the Defence Secretariat will undertake the following planned policy proposals.

- Development of a policy framework to form the basis of the Defence Amendment Act 22 of 2010 and its implementation.
- Development of the Defence Security Strategy contributing to the National Security Strategy. This development will set the broad context for the development of a National Security strategy.
- Defence contribution to the Crime Prevention Strategy of Government which will include support to the JCPS Cluster priorities and requirements.
- Finalisation of the DOD Border Management Strategy which includes Border Safeguarding.

- The National Youth Service Conceptual and policy framework to set the norms and standards which the DOD will follow in order to ensure the achievement of the targets (DOD representation) as set in the delivery agreement of MTSF Outcome 5 namely "Skilled and capable workforce to support an inclusive growth path".
- Establishment of research capacity in the Policy Division in order to inform policy development and formulation. This will include international benchmarking and best practice analysis with other Defence sectors.
- Review of the White Paper on Defence Related Industries and development of a Defence Industry Strategy to strategically position the Defence function to maximise the responsiveness of the Defence Industry in supporting the delivery of the mandate.
- Defence Related Public Entities Strategy to include the transformation of Armscor and proposals on the Repositioning of Denel.
- Assets and Facilities Management Policy Framework to enable the DOD to assume full responsibility for the management and maintenance of facilities and fixed assets.
- The repositioning of the DOD "Shared Staffs" functions to allow for the execution of the Defence Secretariat and the SANDF distinct yet complimentary roles.
- Development of an HR Development Policy and Skills Development Plan which will include the finalisation of a DOD Skills Audit.
- Development of a Defence Fiscal and Defence Capability Framework.
- An Armed Forces Day policy Framework that facilitates armed forces engagements with the national citizenry is to be developed.

The Defence Secretariat will furthermore ensure that the Ministerial priorities are executed within the framework of governance, risk, compliance and accountability management principles. The strategic resourcing of the above-mentioned priorities will underpin Departmental funding initiatives if and where so required to ensure full support to the Executive Authority.

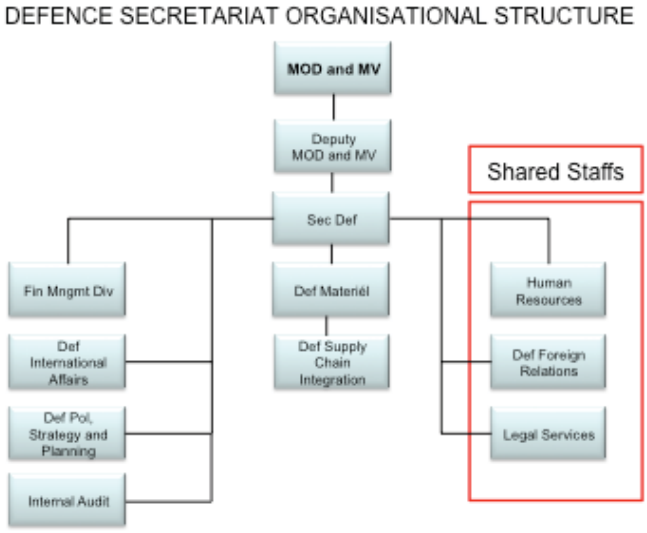
SITUATIONAL ANALYSIS

The Defence Secretariat APP for the period of the FY 2011/12 to FY 2013/14 has been developed taking into consideration the priorities of government. This top-down approach has been used in the development of this APP, which is linked with the Strategic Plan and the Budget for the MTEF. This APP includes performance information in terms of outputs for the Changed (MTSF Outcomes) and Sustained Agenda (Legislative Mandate). The Defence Secretariat APP will outline mainly how a sound direction will be provided to Defence in order for the MOD&MV to realise the achievement of its priorities which are linked to the relevant MTSF Outcomes.

ORGANISATIONAL ENVIRONMENT

It is envisaged that a review of the Defence Secretariat will be completed and implemented in order to align this constitutionally mandated establishment with support requirements of the Minister of Defence. The current Defence Secretariat Organisational Structure is indicated in figure below:

Figure 1. Defence Secretariat Organisational Structure



FINANCIAL CONSIDERATIONS AND ALLOCATIONS FOR THE ADMINISTRATION PROGRAMME

The budget of the Defence Secretariat is located within Programme 1: Administration. Table 2 below provides an overview of the distribution of funds to the sub-programmes of the DOD (Defence Secretariat and SANDF) within the Administration programme.

Table 2. Budget for the DOD Administration Programme

Rand thousand	2011/12	2012/13	2013/14
	Medium term estimates		
Sub-programmes			
Ministry	55,694	58,701	60,975
Departmental Direction	38,740	41,558	44,815
Policy and Planning	96,699	102,918	110,630
Financial Services	266,091	267,960	281,285
Human Resources Support Services	635,355	668,032	707,050
Legal Services	160,942	168,077	175,676
Inspection Services	69,759	72,890	76,715
Acquisition Services	54,129	58,351	61,869
Communication Services	29,652	30,954	32,612
South African National Defence Force Command and Control	105,828	108,787	115,840
Religious Services	9,628	11,534	12,129
Defence Reserve Direction	15,859	16,376	17,089
Defence Foreign Relations	172,433	192,119	202,035
Office Accommodation	1,961,950	2,202,656	2,445,642
Military Veterans Management	45,370	51,207	50,941
Total	**3,718,129**	**4,052,120**	**4,395,303**

EXPENDITURE TRENDS FOR THE ADMINISTRATION PROGRAMME OVER THE FY2011/12 MTEF

The detail of DOD's estimated expenditure is reflected in Government's Estimate of National Expenditure 2011 and is included in the Appropriation Bill 2011 tabled in Parliament on 23 February 2011.

DEFENCE SECRETARIAT FINANCIAL INFORMATION

The full cost and budgeted amount per programme are indicated in Table 3. The full cost indicates the variation between the required funds within the Department in order to achieve both the Changed and Sustained Agenda of the Department and the actual funds allocated. The full cost and the budget are linked to the current budget programme structure.

The Defence Secretariat budget is located within Programme 1: Administration of the current Defence Budget Programme Structure. It is envisaged that the programme structure will be structured according to the two Defence Entities (Defence Secretariat and SANDF) and not the DOD as a whole. This will ensure that the Secretary for Defence (Sec Def) and the Chief of the SANDF (C SANDF) take responsibility for what is rightfully theirs and hence there will be Annual Reports for each entity. Reporting will then be simplified in this case.

The Table below reflects the full cost of the sub-programmes under Programme 1: Administration. This includes the budget for shared services such as Finance Services, Legal Services and the Human Resource Services. The budget of Defence Secretariat Divisions that lies with the SANDF, or in respect of which the budget holder is at the SANDF, are not clearly reflected in this table since the breakdown is not available.

Table 3. Defence Secretariat Full Cost for the FY2011/12 to the FY2013/14

Sub-Programmes	2011/12 (R'000)		2012/13 (R'000)		2013/14 (R'000)	
	Full Cost	Budget Amount	Full Cost	Budget Amount	Full Cost	Budget Amount
Ministry	55 694	55 694	58 701	58 701	60 975	60 975
Departmental Direction (Secretary for Defence)	38 740	38 740	41 558	41 558	44 815	44 815
Government Information Technology Officer (GITO)[1]	15 322	11 822	15 919	12 105	16 510	12 352
Policy and Planning (Defence Policy Strategy and Planning)	96 699	96 699	102 918	102 918	110 630	110 630
Financial Services[2]	266 091	266 091	267 960	267 960	281 285	281 285
Human Resource Support Services	635 355	635 355	668 032	668 032	707 050	707 050
Legal Services	160 942	160 942	168 077	168 077	175 676	175 676
Acquisition Services (Defence Materiél and Defence Supply Chain Integration)	54 129	54 129	58 351	58 351	61 869	61 869
Communication Services	29 652	29 652	30 954	30 954	32 612	32 612
Defence Foreign Relations (Defence International Affairs)	13 131	13 131	12 833	12 833	13 101	13 101
TOTAL	**1 365 755**	**1 362 255**	**1 425 303**	**1 421 489**	**1 504 523**	**1 500 365**

1 These estimates are included in the sub-programme Departmental Direction
2 These estimates are subject to changes in the FY 2012/13 and onwards based on the implementation of the Governance, Risk and Compliance Management Framework

PART B: PERFORMANCE INFORMATION

CHAPTER 2

INTRODUCTION

This chapter provides an overview of the performance information that spells out the operationalisation of the mandate articulated in the previous chapter. Further, the translation of the performance information in terms of the outcomes based approach as well as the Vote 22 is presented.

OVERVIEW OF PROGRAMME 1: ADMINISTRATION

Defence Secretariat mandate finds expression within the Administration programme of the ENE. This programme is aimed at facilitating the overall management of the Department, as well as discharging the responsibilities of the Accounting Officer, in pursuit of the Minister's Policy, as well as charging Divisions with the development of norms and standards in the various areas. The Administration programme provides a centralised human resource support; financial, religious and legal services; centralised governance, risk and compliance expertise and the determination of working methods and procedures that improve internal controls as well as the veracity of information provided.

ADMINISTRATION PROGRAMME PURPOSE

The Administration Programme executes the Department's overall management, administration and policy development and is reflected hereunder.

Table 4: Administration Programme

Sub-programme	Responsibility
Ministry. To provide political direction to the DOD to ensure the democratic Defence of South Africa by meeting the required Defence commitments and providing appropriate Defence capabilities.	Minister and Deputy Minister of Defence and Military Veterans
Departmental Direction. To provide departmental direction to the DOD to ensure the effective, efficient and proper conduct of Defence activities in accordance with legislation and policy.	Secretary for Defence
SANDF Command and Control: To provide command and control for the SANDF.	Chief of the SANDF
Policy and Planning[3]: To advise on national security policy matters and co-ordinate the strategic direction process by developing, formulating, monitoring and adapting Defence policy, strategy and plans in accordance with national policy to enable the effective, efficient and proper conduct of Defence activities.	Chief of Defence Strategy, Policy and Planning Chief of Military Policy, Strategy and Planning
Financial Services. To provide a cost-effective financial management service to the Minister of Defence, the Secretary for Defence and the Chief of the South African National Defence Force within the evolving regulatory framework, by means of a professional representative civilian financial management corps and an appropriate financial management system.	Chief Financial Officer
Acquisition Services: To manage the DOD acquisition policies.	Chief of Defence Matériel
Defence Supply Chain Integration To provide management on supply value chain, governance, risk and compliance within the department.	Head of Defence Supply Chain Integration
Inspection Services: To ensure the validity and veracity of the management information of the DOD.	Inspector General Internal Audit
Human Resources Support Services. To provide full human resources support services to the DOD.	Chief of Human Resources
Legal Service. To provide professional, legitimate and deployable Defence legal services and support commensurate to the needs of the DOD.	Chief of Defence Legal Services
Religious Services. To provide a chaplain service that cares for all DOD members and their dependants and promotes spiritual growth, social support and ethical conduct.	Chaplain General

3 In the ENE, the policy and Planning allocation includes funding for the Corporate Staff Office as well as the Military Policy, Strategy and Planning Office.

Sub-programme	Responsibility
Communication Services. To provide Defence communication policy, strategy and plans in accordance with DOD policy and national (Government Communication and Information System – GCIS) policy, and provide a centralised corporate communication capability, services and products in order to enable effective, efficient, interactive, two-way communication between the DOD and its public/stakeholders.	Head of Communication
Defence Reserve Direction. To direct the development and maintenance of the Reserve Force system, to provide specialist advice on Reserve matters; and to promote/market the Reserves and the volunteer Reserve system.	Chief of Defence Reserves
Defence International Affairs: Formulate and provide policy advice on the determination and conduct of Defence foreign relations and the attendant Defence diplomatic engagement and ensure such policy accords with evolving and emerging foreign policy of the country. *Defence Foreign Relations*. To provide the DOD and MOD with a foreign relations capability and services.	Chief of Defence International Affairs Chief of Defence Foreign Relations
Office Accommodation. To manage the payment of accommodation charges, leases and municipal services as a direct result of the devolution of a portion of the National Department of Public Works' budget to national departments (Managed within General Support Programme)	Chief of Logistics

OVERVIEW OF SUB-PROGRAMME PURPOSE

The Defence Secretariat resides under the Administration Programme. The sub–programmes' purpose that fall under the Defence Secretariat is illustrated in the Table below.

BUDGET PROGRAMME STRUCTURE OF THE DEFENCE SECRETARIAT

In order to ensure Strategic Budgeting and reporting for the DOD, the outputs of the department are presented in terms of programmes that are all-encompassing. The programmes represent the contribution of various Services and Divisions within the DOD. However, the programmes will be restructured in order to ensure that the Defence Secretariat supports the achievement of the DOD mandate and outcomes.

CHANGES TO BUDGET PROGRAMME STRUCTURE

No changes to the budget Programme Structure have been made. However, it is envisaged that the budget programme structure will be aligned with the National Treasury Framework for Budget Programme Structure for the MTEF FY 2012/13-FY 2014/15 (i.e. Programmes should be grouped within the three categories, namely Support Service Programmes, Service Delivery Programmes and Enabling Programme).

The current Defence Secretariat budget programme structure with its associated purpose is depicted in Table 5 below through which the outputs of the Defence Secretariat will be achieved.

Table 5: Current Defence Secretariat Budget/Sub-Programme Structure

Programme/Sub-Programme	Purpose
Ministerial Direction.	To provide political direction to the DOD to ensure the democratic defence of South Africa by meeting the required Defence commitments and providing appropriate Defence capabilities
Administration.	Conduct the policy development, management and administration of the Department
Departmental Direction (Accounting Officer).	Provide departmental direction to the DOD to ensure the effective, efficient and proper conduct of Defence activities in accordance with legislation and policy.
Government Information Technology Officer (GITO).	To provide departmental direction to the Department of Defence to ensure the effective, efficient and proper conduct of Defence information and communication system activities in accordance with legislation and policy.
Internal Audit.	To ensure the validity and veracity of management information of the DOD.
Policy and Planning (Defence Policy Strategy and planning).	To advise on national security policy matters and coordinate the strategic direction process by developing, formulating, monitoring and adapting Defence policy, strategy and plans in accordance with national policy to enable the effective, efficient and proper conduct of Defence activities.
Financial Services[4].	To provide a cost-effective financial management to the Minister of Defence, the Secretary for Defence and the Chief of South African National Defence Force within the revolving regulatory framework, by means of a professional representative civilian financial management corps and an appropriate financial management system.

4 Based on the model that will enhance good corporate governance, efficiency, effectiveness and economy in the execution of functions by Services and Divisions, the Financial Management Division must be reviewed to support the governance, risk and compliance model and to empower Service and Divisional Chiefs in the execution function. This approach should enable managers to manage and also to be held accountable for their decisions.

Human Resource Support Services	To advise on human resource policy matters and coordinate the strategic direction process by developing, formulating, monitoring and adapting human resource policy, strategy and plans in accordance with government HR policy to enable an effective and efficient HR function.
Defence Legal Services	To provide professional legitimate and deployable Defence legal services and support commensurate with the needs of the DOD (excluding Adjutant General).
Acquisition Services (Defence Materiel)	To manage DOD acquisition policies
Defence Supply Chain Integration	To provide management on supply value chain, governance, risk and compliance within the department of Defence.
Defence International Affairs	Formulate and provide policy advice on the determination and conduct of Defence foreign relations and the attendant Defence diplomatic engagement and ensure such policy accords with the evolving and emerging foreign policy of the country.
Communication Service (Ministry)	To provide Defence communication policy, strategy and plans in accordance with DOD policy and national (Government Communication and Information System – GCIS) policy, and provide a centralised corporate communication capability, services and products in order to enable effective, efficient, interactive, two-way communication between the DOD and its publics/stakeholders.

DEFENCE SECRETARIAT OUTCOME

The Defence Secretariat Outcome to support the realisation of the MTSF Outcomes is "Enhanced Civil Control[5] of Defence".

DEFENCE SECRETARIAT OUTPUTS AND ANNUAL TARGETS

The Defence Secretariat outputs will support the DOD Outcomes which are linked to the Minister's Delivery Agreement.

The Minister of Defence has signed the Delivery Agreements for Outcomes 11 but will contribute to the following outcomes:

- Outcome 2 - A long and healthy life for all South Africans.
- Outcome 3 - All people in South Africa are and feel safe.
- Outcome 5 - Skilled and capable workforce to support an inclusive growth path.
- Outcome 11 - Create a better South Africa, a better Africa in a better world.
- Outcome 12 - An efficient, effective and development oriented public service and empowered, fair and inclusive citizenship.

The MOD&MV will, in terms of the Delivery Agreement play a leading role in terms of Outcome 11 and contribute to Outcome 2, 3, 5 and 12 as stated above. The signing of Delivery Agreements for the above-mentioned outcomes by the MOD does not prevent the DOD from contributing to other MTSF Outcomes. The performance information of the DOD is therefore derived from the linkage of different priorities and strategies as depicted in figure 2 below.

The APP will only reflect the performance indicators which are in support of the Defence Secretariat Outcomes and Outputs which will then be linked to the relevant MTSF Outcomes as outlined above.

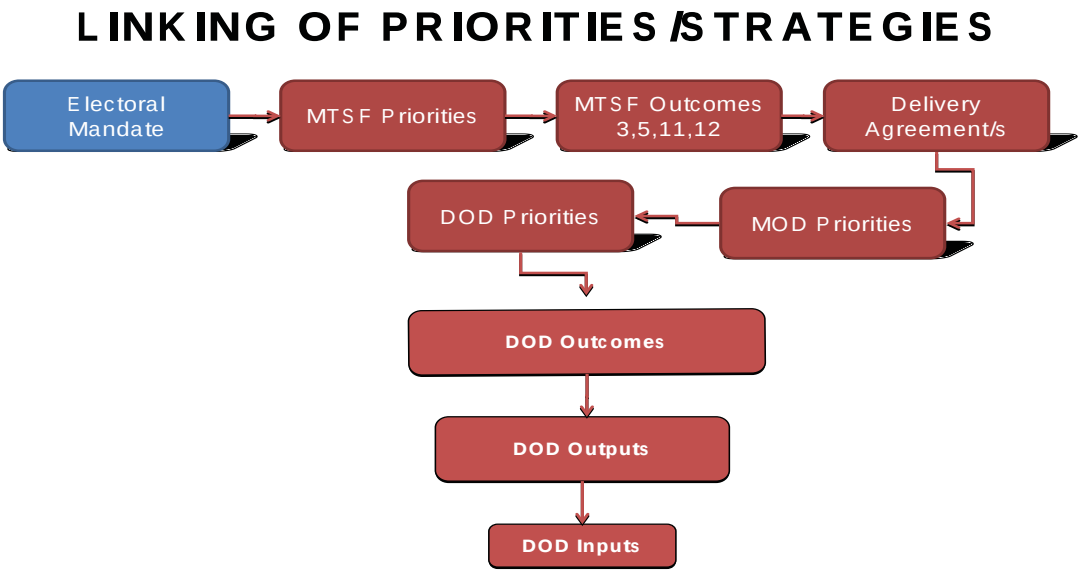
The Defence Secretariat Outputs, Activities and Inputs that support the DOD outcomes are listed in the table below:

Table 6: Defence Secretariat Outputs, Activities and Inputs

Defence Secretariat Outputs	Sound Defence Direction
	Defence Compliance with the Regulatory Framework
	Defence Commitments in Accordance with Government Policy and Strategy
Defence Secretariat Activities	Comprehensive Defence Strategy and Policy
	Comprehensive Instructions Framework
	Efficient systems and processes for monitoring and evaluation in the DOD
	A corporate support function.
	Information management in the DOD.
	Financial management for the DOD.
Defence Secretariat Inputs	Human Resources
	Materiél
	Information Communication Technology (ICT)
	Finances

5 The Defence Act, 2002 (Act No 42 of 2002) refers to civil control.

Figure 2: Origin of DOD Performance Information



DEFENCE SECRETARIAT TRENDABLE AND NON-TRENDABLE PERFORMANCE INFORMATION

The Defence Secretariat Outputs and annual targets linked to the MTSF Outcomes are indicated in the tables to follow. The individual Programmes' contribution to these outputs are embedded within their respective core outputs. The tables therefore reflect the integrated and consolidated outputs of the Defence Secretariat Programme and Sub-programmes.

Table 7. Defence Secretariat Trendable Performance Indicators

Performance Indicator	Programme	Projections			MTSF Outcome
		2011/12	2012/13	2013/14	
Finalisation of the DOD Border Management Strategy.	Administration	Approved	Monitor (Implementation)	Monitor (Compliance)	Outcome 3
Throughput in terms of the DOD National Youth Service concept.	Administration	1500	2000	6000	Outcome 5
Approved DOD Anti-Corruption Policy	Administration	Approved	Implementation	Monitor	Outcome 12
Percentage litigation settlement in favour of the DOD.	Administration	50%	60%	70%	Outcome 12
Institutionalisation of the Defence Force Service Commission	Administration	Establishment	Fully Functional	Review (Impact Assessment)	Outcome 12

Table 7a. Trendable Performance Indicators and Targets: Job Creation

Performance Indicator/priorities	Programme	Projections			MTSF Outcome
		2011/12	2012/13	2013/14	
Members in the MSDS per year.	Administration	11 140	11 140	11 140	Outcome 5
Number of active Reserves per year.	Administration	16 400	17 500	18 500	Outcome 5
Throughput in terms of the DOD National Youth Service concept.	Administration	1 500	2 000	6 000	Outcome 5
% Vacant funded post filled by June 2011.	Administration	100%	100%	100%	Outcome 5
% Decline in turn-over rates.	Administration	6%	5%	5%	Outcome 5
Establishment of a DOD Works Capability function (Strategic Direction)	Administration	Approval of the DOD Works Capability Structure	Monitor (Implementation)	Monitor (Impact)	Outcome 5
Creation of job opportunities in the Defence industry according to DOD projects	Administration	TBD	TBD	TBD	Outcome 5

DEFENCE SECRETARIAT PROGRAMME PERFORMANCE INDICATORS

Table 8. Defence Secretariat Outputs and Annual Targets for MTSF Outcome 3

MTSF Outcome	Defence Secretariat Outcome	Defence Secretariat Outputs	Performance Indicators	Estimated Performance (Targets -2010/11)	Medium-term Targets					
					2011/12	2012/13	2013/14	2014/15	2015/16	Programme/ Sub-Programme
Outcome 3: All People in South Africa are and feel safe.	Civil control / oversight of Defence	Govern Defence commitment in Accordance with Government Policy & Strategy	Approved DOD Border Management Strategy	TBD	Strategy Approved	Monitor (Implementation)	Monitor (Compliance)	Monitor (Effectiveness)	Monitor (Effectiveness)	Administration (Policy and Planning)
		Govern Defence commitment in Accordance with Government Policy & Strategy	Approved Strategy to facilitate securing of National Key Points	TBD	Approved	Monitor (Implementation)	Monitor (Compliance)	Monitor (Effectiveness)	Monitor (Effectiveness)	Administration (Policy and Planning)
		Govern Defence commitment in Accordance with Government Policy & Strategy)	% Funding allocation received for approved DOD Strategic Defence Packages (Air and Maritime Defence Strategy)	TBD	50%	75%	100%	100%	100%	Administration (Defence Materiel)
		Sound Defence Direction	Approved National Defence Security Strategy	TBD	Approved by MOD&MV (Consultation with security agencies)	Monitor (Implementation)	Monitor (Compliance)	Monitor (Effectiveness)	Monitor (Effectiveness)	Administration (Policy and Planning)
			Approved DOD Fraud and Corruption Prevention Strategy	TBD	Approved	Monitor (Implementation)	Monitor (Compliance)	Monitor (Effectiveness)	Monitor (Effectiveness)	Administration (IG DOD)
			Approved White Paper on Defence Industry	TBD	Approved	Monitor (Implementation)	Monitor (Compliance)	Monitor (Effectiveness)	Review	Administration (C Def Mat & HODSCI)
			Approved Strategy on Defence Industry	TBD	Approved	Monitor (Implementation)	Monitor (Compliance)	Monitor (Effectiveness)	Review	Administration (C Def Mat)

Table 9. Defence Secretariat Outputs and Annual Targets for MTSF Outcome 5

MTSF Outcome	Def Sec Outcome	Def Sec Outputs	Performance Indicator	Estimated Performance (Targets - 10/11)	Medium-term Targets					
					2011/12	2012/13	2013/14	2014/15	2015/16	Programme/ Sub-Programme
Outcome 5: Skilled and Capable workforce to support an inclusive growth path	Civil control / oversight of Defence	Defence Compliance with Regulatory Framework	% Vacant funded posts filled	100% By June 2011	100%	100%	100%	100%	100%	Administration (Human Resources)
		Sound Defence Direction	Approved Human Capital Development Strategy and Plan	N/A	Approved Strategy	Strategy Piloted	Development of Policy	Monitor Policy	Review Policy	Administration (Human Resources)
			Approved HR Skills Development Plan	N/A	Pilot DOD Skills Audit Instrum-ent	Conduct Skills Audit (Comprehen-sive)	Compile DOD Master Skills Plan	ApprovedDOD Skills Gap Development Plan	Monitor Development Plan	Administration (Human Resources)
			Throughput numbers in terms of the DOD National Youth Concept	N/A	1500	2000	6000	TBD	TBD	Administration (Human Resources)

Table 10. Defence Secretariat Outputs and Annual Targets for MTSF Outcome 11

MTSF Outcome	Defence Secretariat Outcome	Defence Secretariat Outputs	Performance Indicators	Estimated Performance (Targets) 10/11	Medium-term Targets					
					11/12	12/13	13/14	14/15	15/16	Programme/ Sub-programme
Outcome 11: Create a better South Africa, a better Africa in a better world	Civil control / oversight of Defence	Sound Defence Direction	Percentage interaction between DOD and foreign training (Def Research and Development).	75%	80%	85%	90%	95%	100%	Administration (Defence International Affairs)
			% Compliance with outputs of diplomatic missions.	65%	70%	75%	80%	85%	90%	Administration (Defence International Affairs)
			% Compliance with UN and AU Requirements Rules and Regulations for Peace Missions.	65%	70%	75%	80%	85%	90%	Administration (Defence International Affairs)
			% MOU compliance with agreed force levels for deployment in UN missions.	75%	80%	85%	90%	95%	100%	Administration (Defence International Affairs)

Table 11: Defence Secretariat Outputs & Annual Targets for Outcome 12

MTSF Outcome	Def Sec Outcome	Def Sec Outputs	Performance Indicator	Estimated Performance (Targets) 10/11	Medium-term Targets					
					11/12	12/13	13/14	14/15	15/16	Programme/ Sub-Programme
Outcome 12: An efficient, effective and development oriented public service and empowered, fair and inclusive citizenship	Civil control / oversight of Defence	Defence Direction	Alignment of the DOD's priorities and activities with Government's Programme of Action and Cabinet Lekgotla resolutions.	TBD	Full Implementation of Minister's priorities	Full Implementation of Minister's priorities	Full Implementation of Minister's priorities	Full Implementation of Minister's priorities	Full Implementation of Minister's priorities	Ministry
			Quality of Directives to the Departmental planning guidelines to the Department as a whole	TBD	Evaluate the implementation of structure for accounting and reporting by C SANDF and make improvements	Continuous improvement of the accounting and reporting systems	Continuous improvement of the accounting and reporting systems	Continuous improvement of the accounting and reporting systems	Continuous improvement of the accounting and reporting systems	Departmental Direction
			DOD Representation %: Current number of positions filled against allocated quotas of international institutions.	5%	15%	20%	25%	30%	35%	Administration (Human Resource & CDIA)
		Defence commitments in accordance with government policy and strategy	Percentage Security Clearances Allocated to Def Sec staff	TBD	100%	100%	100%	100%	100%	Administration (Sec Def)
		Compliance with good financial management	Auditor General Opinion	1x Qualification	1x Qualification	Unqualified	Unqualified	Unqualified	Unqualified	Administration (Financial Services)
		Defence in compliance with the regulatory framework	Number of disciplinary cases in the Def Sec finalised within 120 days	TBD	60%	100%	100%	100%	100%	Administration (Legal Services & Human Resources)
			% HR turn-over rates	TBD	6%	5%	5%	6%	6%	Administration (Human Resource Support Services)
			Significant reduction in the cases of irregularities and corruption in the DOD	-	20%	40%	60%	80%	100%	Administration (IG DOD)

MTSF Outcome	Def Sec Outcome	Def Sec Outputs	Performance Indicator	Estimated Performance (Targets) 10/11	Medium-term Targets					
					11/12	12/13	13/14	14/15	15/16	Programme/ Sub-Programme
Outcome 12: An efficient, effective and development oriented public service and empowered, fair and inclusive citizenship	Civil control / oversight of Defence	Defence Compliance with Regulatory Framework	Approved DOD Anti-Corruption Policy and Strategy.	-	Approval	Implementation	Monitor	Review	Implement	Administration (Human Resources, Inspector General and Risk Management)
			Compliance with MISS and information security	NA	100%	100%	100%	100%	100%	Administration (DEISM)
			Approved DOD Asset and Facilities Management Policy	NA	Develop Policy Framework	Development of subordinate policies	Implementation of guidelines to give effect to policy	Implementation and monitoring	Review	Administration (HODSCI)
			% Vacant funded posts filled	100% By June 2011	100%	100%	100%	100%	100%	Administration (Human Resources)
			Approved Defence Fiscal Framework	N/A	Development of revised Defence fiscal framework	Review of Defence fiscal framework in line with Defence Strategy	Full implementation of Defence Fiscal Framework	Assess impact of Defence Fiscal Framework	Implement Reviewed Framework	Administration (Financial Services))
			Approved Defence Capabilities Framework	N/A	Approved	Implementation	Monitor Effectiveness	Review	Implement Reviewed Framework	Administration (Defence Acquisition)
		Provide Sound Defence Direction	Approved research capability	N/A	Organisational structure	Fully operational structure	Fully operational structure	Fully operational structure	Fully operational structure	Administration

Table 12. Defence Secretariat Performance Indicators: Building for the Future

Building for the future	Performance indicator	Estimated Performance(Targets) 10/11	Medium-Term targets					Programme/Sub-Programme
			11/12	12/13	13/14	14/15	15/16	
Consensus on Defence	GCIS Survey	% Improvement in the outcome of the Annual GCIS Consensus	17%	17%	17%	17%	TBD	Ministry (HOC)
Defence Research and Development	% Expenditure on Research and Development	The frequency of interaction between DOD training institutions and the equivalent institutions of foreign partners (Def Research and Development)	70%	80%	80%	80%	90%	Administration (Def Mat & DSCI)
Defence Research and Development	The frequency of interaction between DOD training institutions and the equivalent institutions of foreign partners (Def Research and Development)	TBD	TBD	80%	80%	80%	80%	Administration Defence International Affairs
Strengthened Defence Industry	Approved White Paper on Defence Industry	TBD	TBD	Approved	Implementation	Implementation	Implementation	Administration Policy and Planning in conjunction with Defence Supply Chain Integration

Table 13: Defence Secretariat Performance Indicators for DOD Activities Linked to the MTSF Outcomes

MTSF Outcomes	Defence Secretariat Outcomes	Defence Secretariat Outputs	Defence Secretariat Activities	Performance Indicator	Estimated Performance (Targets) 10/11)	Medium-term Targets				
						11/12	12/13	13/14	14/15	Programme
Outcome 12: An efficient, effective and development oriented public service and empowered, fair and inclusive citizenship	Civil control / oversight of Defence	Sound Defence Direction	A corporate support function (Comms)	% Improvement Public Opinion of the SANDF (value for money)	TBD	17%	17%	17%	17%	Administration (HOC)
				% Deviation from Approved DOD Budget Allocation on Training (Skills Improvement)	TBD	25% deviation	15% deviation	5% deviation	TBD	Administration (Human Resource Services)
			Comprehensive Defence Strategy and Policy	Approved DOD HR Retention Strategy	TBD	Approved	Implementation	Implementation	Implementation	Administration (Human Resource Support Services)
				Compliance with approved DEIS Master Plan	TBD	100%	100%	100%	100%	Administration (GITO)
				Approval of Reserve Force Amended Legislation	TBD	Approved	Implementation	Implementation	Implementation	Administration (Policy and Planning)
				Approval of the White Paper on Defence	TBD	Approved	Implementation	Implementation	Implementation	Administration Policy and Planning)
				Approved DOD Policy regulating resource unit costing	TBD	Approved	Implementation	Implementation	Implementation	Administration (Policy and Planning)
				% funding allocation received for approved DOD Strategic Defence Packages	TBD	100%	100%	100%	100%	Administration (Defence Materiel)
			A Corporate Support Function	% Achievement of competency requirements by DOD SMS members	TBD	TBD	TBD	TBD	TBD	Administration (Human Resource Support Services)
				% Number of disciplinary cases in the DOD finalised within 120 days	TBD	80%	80%	80%	80%	Administration (Legal Services)

MTSF Outcomes	Defence Secretariat Outcomes	Defence Secretariat Outputs	Defence Secretariat Activities	Performance Indicator	Estimated Performance (Targets) 10/11)	Medium-term Targets				
						11/12	12/13	13/14	14/15	Programme
Outcome 11: Create a better South Africa, a better Africa in a better world	Civil control / oversight of Defence	Sound Defence Direction	Comprehensive Defence Strategy and Policy	The frequency of interaction between our training institutions and the equivalent institutions of our foreign partners. (Def Research and Development)	75%	80%	85%	90%	95%	CDIA
				% Compliance with objectives set by respective diplomatic missions in line with SA foreign policy direction	65%	70%	75%	80%	85%	CDIA
				% Compliance with UN and AU Requirements Rules and Regulations for Peace Missions	65%	70%	75%	80%	85%	CDIA
				Ensuring that CJ Ops complies with agreed force levels for deployment in UN missions as would be reflected in the MOU	75%	80%	85%	90%	95%	Defence International Affairs
MTSF Outcome 12 - An efficient, effective and development oriented public service and empowered, fair and inclusive citizenship	Civil control / oversight of Defence	Sound Defence Direction	A Corporate Support Function	Average days outstanding payments (Claims, Invoice and transaction costs)	30 days	30 days	30 days	30 days	30 days	Administration (Human Resource Support Services)
				Compliance with % Budget Transfers	≤ 8%	≤ 8%	≤ 8%	≤ 8%	≤ 8%	Administration (Financial Services)

Table 14. Defence Secretariat Performance Indicators Linked to the Inputs

MTSF Outcome	Defence Secretariat Outcome	Defence Secretariat Output	DOD Input	Performance Indicator	Estimated Performance (Targets)	Medium-term targets				Programme/ Sub-Programme
						2011/12	2012/13	2013/14	14/15	
Outcome 12: An efficient, effective and development oriented public service and empowered, fair and inclusive citizenship	Civil control / oversight of Defence	Compliance with the regulatory framework	Human Resources	% Decline HR turnover rates.	TBD	6%	5%	5%	6%	Administration (HR Services)
				% Improvement in Public Opinion of the SANDF (Value for money).	TBD	17%	17%	17%	17%	Administration (Communication Services)
				% of DOD PSAP members attending training programmes.	TBD	15%	18%	20%	25%	Administration (HR Services)
				% SMS members' Performance Agreements signed and submitted by stipulated time.	TBD	100%	100%	100%	100%	Administration (HR Services)
		Sound Defence Direction		Approved DOD HR Retention Strategy.	TBD	Strategy Approved	Strategy Implemented	Strategy Implemented	Strategy Reviewed	Administration (HR Services)
				Decline in average months to fill funded vacancies in the DOD.	TBD	6 months	4 months	2 months	2 months	Administration (HR Services)
		Compliance with the regulatory framework	Information	Finalised DOD skills audit.	TBD	20%	50%	85%	100%	Administration (HR Services)
				Improved quality of Performance Management System (PM) system and implementation thereof.	TBD	01 April 2011	N/A	N/A	N/A	Administration (HR Services)
				% Compliance with approved DEIS Master Plan.	TBD	100%	100%	100%	100%	Administration (GITO)
		Sound Defence Direction	Finances	% Deviation from Approved Budget.	TBD	0% Deviation	0% Deviation	0% Deviation	0% Deviation	Administration (Financial Services)
				DOD ENE Chapter in compliance with National prescripts.	According to National Treasury guidelines	Submitted in terms of National Treasury guidelines	Submitted in terms of National Treasury guidelines	Submitted in terms of National Treasury guidelines	Submitted in terms of National Treasury guidelines	Administration (Financial Services)
				DOD monthly, quarterly and annual financial reports in compliance with National prescripts.	According to National Treasury guidelines	Submitted in terms of National Treasury guidelines	Submitted in terms of National Treasury guidelines	Submitted in terms of National Treasury guidelines	Submitted in terms of National Treasury guidelines	Administration (Financial Services)

The table below provides the selected Defence Secretariat Performance Indicators which directly address the core mandate of the institution.

Table 15 Defence Secretariat Programme Performance Indicators: Administration

Defence Secretariat Outputs	Sub-Programme	Performance indicator	Audited Outcome			Estimated Performance (Targets) 10/11	Medium-Term targets		
			07/08	08/09	09/10		11/12	12/13	13/14
Department of Defence Information and Communication System governance to direct the department to ensure internal and external communication enabling effective and efficient decision-making in achieving departmental outcomes developed	GITO	Promulgated Department of Defence Information Strategy.	Strategy aligned and promulgated	Implementation	Strategy Reviewed	Implementation	Monitor Implementation	Monitor Implementation	Review Implementation
		Promulgated Information and Communicating System Policy in accordance with the Information and Communicating System Policy Development plan.	Approved ICS Policy	Implementation	Review ICS Policy development Plan	Implementation	Implementation	Implementation	Implementation
ICS compliance to ensure adherence to the prescribed governance so as to effect standardisation resulting in interconnectivity and interoperability ensured.		Conduct all the staff visits to Services and Divisions in accordance with the approved annual staff visit plan and table recommendations for departmental ICS policy update.	All staff visits conducted	All staff visits conducted	All staff visits conducted	100%	100%	100%	100%
ICS risk analysis and the visible implications so as to develop the mitigating actions in accordance with the DOD Risk Management Framework conducted and ensured.		Conducting all actions to mitigate the Divisional Risks and ICS corporate risks in accordance with the promulgated Divisional Risk management plan and register.	ICS Risk management Committee instituted	Risk Registers managed	Risk Registers managed	Risk Registers and action plans reviewed	Continuous review and Implementation of action plans	Continuous review and Implementation of action plans	Continuous review and Implementation of action plans

Defence Secretariat Outputs	Sub-Programme	Performance indicator	Audited Outcome			Estimated Performance (Targets) 10/11	Medium-Term targets		
			07/08	08/09	09/10		11/12	12/13	13/14
Credible Defence Policy direction	Policy and Planning	Approved Defence Review/Strategy	-	-	-	-	Strategy Drafted	Strategy Approved	Strategy reviewed
		Co-ordinated Defence engagement clusters	-	-	Cluster related submissions by defined target dates	Cluster related submissions by defined target dates	Cluster related submissions by defined target dates	Cluster related submissions by defined target dates	Cluster related submissions by defined target dates
		Defence Deployments mandated in compliance with law	-	-	100% Defence deployments legally authorised	100% Defence deployments legally authorised	100% Defence deployments legally authorised	100% Defence deployments legally authorised	100% Defence deployments legally authorised
Effective Defence Strategic Management		DOD Strategic Plan and APP in compliance with National Prescripts	-	-	Tabled in terms of the stipulated National Treasury timelines	Tabled in terms of the stipulated National Treasury timelines	Tabled in terms of the stipulated National Treasury timelines	Tabled in terms of the stipulated National Treasury timelines	Tabled in terms of the stipulated National Treasury timelines
		Organisational Structure Reports completed for approval within agreed time frames and requirements	-	-	>80%	>80%	>80%	>80%	>80%
		DOD Annual and Quarterly reports in compliance with National Prescripts	-	-	According to prescribed National Treasury Timelines	Tabled in terms of the stipulated National Treasury timelines	Tabled in terms of the stipulated National Treasury timelines	Tabled in terms of the stipulated National Treasury timelines	Tabled in terms of the stipulated National Treasury timelines
		DOD ERM maturity level increased	-	-	Level 2	Level 2	Level 3	Level 3	Level 3
Enabled NCACC Secretariat support capacity.		Secretariat equitably resourced to provide NCACC Secretariat support in accordance with approved D CAC Operational Plan	-	-	-	Resource 70% of the D CAC approved Operational Plan requirement	Resource 70% of the D CAC approved Operational Plan requirement	Resource 70% of the D CAC approved Operational Plan requirement	Resource 70% of the D CAC approved Operational Plan requirement

Defence Secretariat Outputs	Sub-Programme	Performance indicator	Audited Outcome			Estimated Performance (Targets) 10/11	Medium-Term targets		
			07/08	08/09	09/10		11/12	12/13	13/14
Human Resource Strategic Direction and Plans service to the DOD	Human Resource Services	Annual approved DOD corporate HR Support plan	-	1	1	1	1	1	1
		Annual reduction in DOD collective grievances	-	-	-	20%	30%	50%	70%
		Number of HR policies revised annually to ensure alignment with the applicable regulatory framework	-	-	4	6	8	8	8
		% of collective grievances and dispute resolved	-	60%	70%	80%	85%	90%	100%
Combated corruption through strengthened legal and policy compliance		%compliance with annual submission and recording of SMS financial disclosures	-	92%	81%	92%	95%	100%	100%
Directed, orchestrated and controlled HR Development for the DOD		Promulgation of an HR Development Strategy	Draft Strategy Developed	Draft Strategy Developed	Draft Strategy Finalised	Strategy Approved and Promulgated	Strategy Implemented and Monitored	Strategy Implemented and Monitored	Strategy Implemented and Monitored
Legal advice to the DOD	Defence Legal Services	% of DOD legal advice Services and capability provided to the DOD	-	85%	97%	100%	100%	100%	100%
Facilitation of Strategic Capital Acquisition Master Plan	Acquisition services (Defence Materiel)	Approved SCAMP based on Services/Divisional requirements	-	-	SCAMP approved	Execution	Execution	Execution	Execution
Integrated Defence Supply Chain	Defence Supply Chain Integration	Approved White paper on Defence Industry	-	-	-	-	Approved	Implementation	Implementation
		% reduction in non-compliance with supply chain regulatory framework	-	-	-	-	4%	6%	6%

Defence Secretariat Outputs	Sub-Programme	Performance indicator	Audited Outcome			Estimated Performance (Targets) 10/11	Medium-Term targets		
			07/08	08/09	09/10		11/12	12/13	13/14
Concerted approach to build friendly Defence relations utilising student and directing stock exchanges as a key instrument for confidence building	Defence International Affairs	The frequency of interaction between our training institutions and the equivalent institutions of our foreign partners. (Def Research and Development)	-	-	-	75%	80%	85%	90%
Formulation of a foreign relations policy aligned with South Africa's Foreign Policy objectives		% Compliance with objectives set by respective diplomatic missions in line with SA foreign policy direction	-	-		65%	70%	75%	80%
Formulation of appropriate legal Instruments		% Compliance with UN and AU Requirements Rules and Regulations for Peace Missions	-	-	-	65%	70%	75%	80%
		Ensuring that CJ Ops complies with agreed force levels for deployment in UN missions as would be reflected in the MOU	-	-	-	75%	80%	85%	90%
Fully expended allocations	Financial Services	% expenditure on budget allocations	95%	99%	99%	100%	100%	100%	100%
		% deviation within the 8% cash flow range	-	-	-	8%	8%	8%	8%

DEFENCE SECRETARIAT QUARTERLY TARGETS

Table 16: Quarterly Targets for Defence Secretariat Outputs linked with MTSF Outcome 3

Defence Secretariat Outcome	Defence Secretariat Outputs	Description of Indicator	Reporting Period	Annual Target 2011	Quarterly Targets			
					1st	2nd	3rd	4th
Civil control / oversight of Defence	Sound Defence Direction	Landward Capability requirement approved (Approved Defence Strategy)	Annually	Approved	Strategy drafted	Stakeholder consultation	Draft Strategy presented to command bodies for approval	Strategy approved
		Approved DOD Border Management Strategy	Annually	Approved	Strategy drafted	Stakeholder consultation	Draft Strategy presented to command bodies for approval	Strategy approved
		% funding allocation received for approved DOD Strategic Defence Packages (Air and Maritime)	Annually	100%	TBD	TBD	Funding request drafted with motivations	100% allocations received
		Approved Defence Security Strategy	N/A	Approved	First Draft	Approval by MOD&MV	Consultation Agencies and JCPS Cluster	Minister's tabled document in Cabinet

Table 17: Quarterly Targets for Defence Secretariat Outputs linked with MTSF Outcome 5

Defence Secretariat Outcome	Defence Secretariat Outputs	Description of Indicator	Reporting Period	Annual Target 2011	Quarterly Targets			
					1st	2nd	3rd	4th
Civil control / oversight of Defence	Sound Defence Direction	Throughput number in terms of the DOD National Youth concept	Annually	1500	500	500	500	500
		% vacant posts filled by June 2011	Annually	100%	100%	100%	100%	100%

Table 18: Quarterly Targets for Defence Secretariat Outputs linked with MTSF Outcome 11

Defence Secretariat Outcome	Defence Secretariat Outputs	Description of Indicator	Reporting Period	Annual Target 2011	Quarterly Targets			
					1st	2nd	3rd	4th
Civil control / oversight of Defence	Sound Defence Direction	% interaction between Defence training institutions and the equivalent foreign training institutions (Def Research and Development)	Quarterly	80%	25%	25%	25%	5%
		% Compliance with outputs of diplomatic missions	Annually	70%	15%	15%	20%	20%
	Defence Compliance with Regulatory Framework	% Compliance with UN and AU Requirements Rules and Regulations for Peace Missions	Annually	70%	15%	15%	20%	20%
		Monitoring of MOU compliance with agreed force levels for deployment in UN missions	Annually	80%	20%	20%	20%	20%

Table 19: Quarterly Targets for Defence Secretariat Outputs linked with MTSF Outcome 12

Defence Secretariat Outcome	Defence Secretariat Outputs	Description of Indicator	Reporting Period	Annual Target 2011	Quarterly Targets			
					1st	2nd	3rd	4th
Civil control / oversight of Defence	Sound Defence Direction	DOD Representation %: Current number of positions filled against allocated quotas of international institutions.	Annually	100%	25%	25%	25%	25%
		Approved White Paper on Defence Industry	Annually	White paper Approved	Conceptualisation	Development of draft White Paper	Stakeholders Consultation	White Paper approved
		Auditor–General opinion	Quarterly	1 Qualification	Unqualified	Unqualified	Unqualified Audit	Unqualified
		% reduction in military court case backlogs	Quarterly	12%	3%	3%	3%	3%
	Defence in compliance with the regulatory framework	Number of disciplinary cases in the DOD finalised within 120 days	Quarterly	60	15%	15%	15%	15%
		% decline HR turnover rates	Quarterly	6%	1%	2%	4%	6%
		% filled funded vacant vacancies by 1 June 2011.	Quarterly	100%	100%	100%	100%	100%
		Approved DOD anti-corruption policy	Quarterly	Policy approved	Conceptualisation	Development of draft policy	Stakeholders Consultation	Policy approved
		Compliance with MISS and information security	Annually	100%	100%	100%	100%	100%
		Approved DOD Asset and Facilities Management Policy	Quarterly	Development of Policy framework by end June	Draft document	Consultation	Amendment	Final Policy document
	Establish Research Capability	Approved Research capacity	Quarterly		Investigation report	Resource funding	Approval of structure	Capturing of structure on the system

Table 20: Quarterly Targets for Defence Secretariat: Activities

Defence Secretariat Outcome	Defence Secretariat Outputs	Defence Secretariat Activities	Description of Indicator	Reporting Period	Annual Target 2011	Quarterly Targets			
						1st	2nd	3rd	4th
Civil control / oversight of Defence	Sound Defence Direction	Efficient Systems and Processes	% Improvement in Public Opinion of the Defence Secretariat (value for money)	Annually	17%	2%	5%	5%	5%
			Annual % utilisation of Def Sec budget allocation on training (skills improvement).	Annually	100%	15%	20%	15%	50%
			Approved DOD HR Retention Strategy	Quarterly	Approved Strategy	Conceptualisation	Development of draft Strategy	Stakeholders Consultation	Strategy approved
			Compliance with approved DEIS Master Plan	Annually	100%	100%	100%	100%	100%
			Approval of Reserve Force Amended Legislation	Annually	Legislation approved	Conceptualisation	Development of draft Legislation	Stakeholders Consultation	Legislation approved
			Approval of the White Paper on Defence	Annually	White Paper Approved	Conceptualisation	Development of draft White Paper	Stakeholders Consultation	White Paper approved
			Approved DOD Policy regulating resource unit costing	Annually	Policy Approved	Conceptualisation	Development of draft policy	Stakeholders Consultation	Policy approved
			% Funding allocation received for approved DOD Strategic Defence Packages	Annually	100%	-	-	Funding Request drafted with motivations	100% allocations received
			% Number of disciplinary cases in the DOD finalised within 120 days	Annually	80%	-	-	-	80%
		Comprehensive Defence Strategy and Policy	The frequency of interaction between DOD training institutions and the equivalent institutions of foreign partners. (Def Research and Development)	Quarterly	80%	25%	35%	35%	15%
			% Compliance with objectives set by respective diplomatic missions in line with SA foreign policy direction	Annually	70%	15%	15%	20%	20%
			% Compliance with UN and AU Requirements Rules and Regulations for Peace Missions	Annually	70%	15%	15%	20%	20%
			Ensuring that CJ Ops complies with agreed force levels for deployment in UN missions as would be reflected in the MOU	Annually	80%	20%	20%	20%	20%
		Corporate Support Function	Average days outstanding payments (Claims, Invoice and transaction costs)	Annually	30 days	30 days	30 days	30 days	30 days
			Compliance with % Budget Transfers	Quarterly	≤ 8%	≤ 8%	≤ 8%	≤ 8%	≤ 8%

Table 21: Quarterly Targets for Defence Secretariat: Inputs

Defence Secretariat Outcome	Defence Secretariat Outputs	Defence Secretariat Inputs	Description of Indicator	Reporting Period	Annual Target 2011	Quarterly Targets			
						1st	2nd	3rd	4th
Civil control / oversight of Defence	Compliance with the regulatory framework/ Sound Defence Direction	Human Resources	% Decline in HR turnover rates.	Quarterly	6%	1%	2%	4%	6%
			% Decline in DOD vacancies.	Quarterly	6%	1.5%	1.5%	1.5%	1.5%
			% Deviation from Approved DOD Budget Allocation on Training (Skills Improvement)		25% deviation	10%	5%	5%	5%
			% Improvement Public Opinion of the SANDF (Value for money)	Annually	17%	TBD	TBD	TBD	17%
			% of DOD PSAP members attending training programmes	Annually	18%	TBD	TBD	TBD	18%
			% SMS members' Performance Agreements signed and submitted by stipulated time	Annually	100%	TBD	TBD	TBD	100%
	Defence Direction		Approved DOD HR Retention Strategy	Quarterly	Approved Strategy	Conceptualisation	Development of Strategy	Stakeholders Consultation	Strategy approved
	Compliance with the regulatory framework		Decline in average months to fill funded vacancies in the DOD	Annually	6 months	6 months	-	-	6 months
			Finalised DOD Skills Audit.	Annually	20% completed	-	-	-	20% completed
			Improved quality of Performance Management System and implementation thereof.	Annual	System developed and Implemented	System developed and Implemented	System developed and Implemented	System developed and Implemented	System developed and Implemented
		Information	% Compliance with approved DEIS Master Plan	Annually	100%	TBD	TBD	TBD	100%
	Defence Direction	Finances	% Deviation from Approved Budget	Annually	0% Deviation	TBD	TBD	TBD	0% Deviation

Table 22: Quarterly Targets for Defence Secretariat: Building for the Future

Building for Future	Description of Indicator	Reporting Period	Annual Target 2011	Quarterly Targets			
				1st	2nd	3rd	4th
Consensus on Defence	GCIS Survey	Annually	17%	17%	17%	17%	17%
Defence Research and Development	The frequency of interaction between DOD training institutions and the equivalent institutions of foreign partners. (Def Research and Development)	Quarterly	80%	80%	80%	80%	80%
Strengthened Defence Industry	Approved White Paper on Defence Industry	Annually	White Paper Approved	Conceptualisation	Draft White Paper developed	Stakeholder consultation	White Paper approved

Table 23: Quarterly Targets for Defence Secretariat: Programme Performance Indicators

Defence Secretariat Outputs	Sub-programme	Description of Indicator	Reporting period	Annual Target 2011	Quarterly Targets			
					1st	2nd	3rd	4th
To develop Department of Defence Information and Communication System governance to direct the department to ensure internal and external communication enabling effective and efficient decision-making in achieving departmental goals and objectives.	GITO	Promulgated Department of Defence Information Strategy.	Quarterly	100%	10%	30%	70%	100%
		Promulgated Information and Communicating System Policy in accordance with the Information and Communicating System Policy Development plan.	Quarterly	100%	15%	40%	70%	100%
To confirm ICS compliance to ensure adherence to the prescribed governance so as to effect standardisation resulting in interconnectivity and interoperability.		Conduct all the staff visits to Services and Division in accordance with the approved annual staff visit plan and table recommendations for departmental ICS policy update.	Quarterly	100%	25%	50%	75%	100%
To mitigate all identified Department of Defence Information and Communication Systems risks.		Percentage of risks mitigated in accordance with the Department of Defence's Information and Communication Systems Risk management plan and register.	Quarterly	100%	25%	50%	75%	100%
To provide political direction to the DOD to ensure the democratic defence of South Africa by meeting the required Defence commitments and providing appropriate Defence capabilities	Ministry	Defence priorities and activities aligned to Government outcomes and Cabinet Lekgotla resolutions.	Quarterly	Statutory Reports submitted by stipulated dates	Statutory Reports submitted by stipulated dates	Statutory Reports submitted by stipulated dates	Statutory Reports submitted by stipulated dates	Statutory Reports submitted by stipulated dates

Defence Secretariat Outputs	Sub-programme	Description of Indicator	Reporting period	Annual Target 2011	Quarterly Targets			
					1st	2nd	3rd	4th
Credible Defence Policy direction	Policy and Planning	Co-ordinated Defence engagement clusters	Quarterly	Cluster related submissions by defined target dates	Cluster related submissions by defined target dates	Cluster related submissions by defined target dates	Cluster related submissions by defined target dates	Cluster related submissions by defined target dates
		Defence Deployments mandated in compliance with law	Quarterly	100% Defence deployments legally authorised	100% Defence deployments legally authorised	100% Defence deployments legally authorised	100% Defence deployments legally authorised	100% Defence deployments legally authorised
Effective Defence Strategic Management		DOD Strategic Plan (SP) and APP in compliance with National Treasury Prescripts	Annually	Tabled in terms of the stipulated National Treasury Timeline	Draft SP and APP aligned with National Treasury Prescripts	Draft SP and APP submitted to NT, AG and Presidency in terms of the stipulated timeline	Draft SP and APP approved by the MOD for printing	SP and APP tabled in terms of the stipulated National Treasury Timeline
		Organisational Structure Reports completed for approval within agreed time frames and requirements	Quarterly	>80%	>80%	>80%	>80%	>80%
		DOD Annual and Quarterly reports in compliance with National Prescripts	Quarterly	According to prescribed National Timeline	According to prescribed National Timeline	According to prescribed National Timeline	According to prescribed National Timeline	According to prescribed National Timeline
Human Resource Strategic Direction and Plans service to the DOD	Human Resource Services	Annual approved DOD corporate HR Support plan	Annually	1	-	-	1	-
		Annual reduction in DOD collective grievances	Bi-Annually	30%	-	15%	-	15%
		Number of HR policies revised annually to ensure alignment with the applicable regulatory framework	Bi-Annually	8	0	4	0	4
		% of collective grievances and disputes resolved	Quarterly	85%	20%	20%	20%	25%
		%compliance with annual submission and recording of SMS financial disclosures	Annually	95%	-	-	-	95%
Combated corruption through strengthened legal and policy compliance		Promulgation of HR Development Strategy	Quarterly	Strategy Approved	Conceptualisation	Development of Strategy	Stakeholder Consultation	Strategy approved
Directed, orchestrated and controlled HR Development for the DOD		% of DOD legal advice Services and capability provided to the DOD	Quarterly	100 %	100 %	100 %	100 %	100 %

Defence Secretariat Outputs	Sub-programme	Description of Indicator	Reporting period	Annual Target 2011	Quarterly Targets			
					1st	2nd	3rd	4th
Facilitation of Strategic Capital Acquisition Master Plan (SCAMP)	Defence Materiel	Approved SCAMP based on Services/ Divisional requirements	Bi-annually	MCC approval obtained as and when required Armament acquisition executed according to the SCAMP	-	MCC approval obtained as and when required Armament acquisition executed according to the SCAMP	-	MCC approval obtained as and when required Armament acquisition executed according to the SCAMP
Integrated Defence Supply Chain	Defence Supply Chain Integration	% reduction in non-compliance with supply value chain regulatory framework	Quarterly	4%	1%	1%	1%	1%
		Trend in the incidents of non-compliance with supply chain regulatory framework	Annually	Negative Trend	Negative Trend	Negative Trend	Negative Trend	Negative Trend
		Approved White Paper on Defence Industry	Annually	White paper Approved	Conceptualisation	Development of draft White Paper	Stakeholder Consultation	White paper approved
		The frequency of interaction between our training institutions and the equivalent institutions of our foreign partners. (Def Research and Development)	Quarterly	80%	25%	35%	35%	15%
Concerted approach to build friendly Defence relations utilising student and directing stock exchanges as a key instrument for confidence building	Defence International Affairs	% Compliance with objectives set by respective diplomatic missions in line with SA foreign policy direction	Annually	70%	15%	15%	20%	20%
Formulation of a foreign relations policy aligned with South Africa's Foreign Strategy		Approved DOD Foreign Relations Strategy	Annually		Draft strategy	Consultation	Approval process	Implementation
		% Compliance with UN and AU Requirements Rules and Regulations for Peace Missions	Annually	70%	15%	15%	20%	20%
Formulation of appropriate legal Instruments		Ensuring that CJ Ops complies with agreed force levels for deployment in UN missions as would be reflected in the MOU	Annually	80%	20%	20%	20%	20%
		% expenditure on budget allocations	Quarterly	100%	10%	15%	35%	40%
Fully expended allocations	Financial Services	% deviation within the 8% cash flow range	Quarterly	8%	8%	8%	8%	8%

RISK MANAGEMENT

The DOD fully understands its statutory obligations in respect of Enterprise Risk Management. To that end, the DOD will continue to enhance the risk management culture as contemplated in section 38(1) (a) (i) of the PFMA, (Act 01 of 1999) as amended. For the MTEF period (FY2011/12 to 2013/14), the DOD focus will be on the approved DOD Enterprise Risk Management Framework and the enhancement of the Enterprise risk architecture through the revision of the current risk management policy and strategy.

The DOD is guided by the Public Sector Risk Management Framework of 2008, which aims to support institutions to improve and sustain their performance by enhancing their systems of risk management.

The main Defence Secretariat risks that could impact on the realization of the outputs are tabulated below:

Table 24: Defence Secretariat Risks

Enterprise Risk	Mitigation Strategy/Action
Full Compliance with Regulatory Framework. The DOD's inability to fully comply with the regulatory framework requirements in respect of accounting and supply chain management.	Implementation of best practice supply chain and life cycle management. The acquisition of a single logistic information management system that is compliant with National Treasury and Auditor-General reporting requirements is being investigated. Until then, manual work-around and enhancements of legacy Defence logistics systems are being implemented.
The DOD Infrastructure and Facilities' State of Disrepair. Continued deterioration of DOD infrastructure, facilities and equipment due to insufficient funding. This situation constrains the DOD from executing its mandate effectively.	The verification of the DOD asset portfolio is under way. Closer management of the DOD and Public Work Department's respective rights and obligations on infrastructure and facilities' maintenance. The DOD Internal maintenance /works capabilities are being enhanced.
The Non-Integration of DOD IT Systems. The non-integration of information systems (Finance, Supply Chain Management and Human Resources systems) and inadequate information technology network has a negative impact on the DOD's performance.	Analysis of all DOD IT systems for integration options. Seek National Treasury permission for the procurement of a single logistic management system that will allow for integration with other IFMS modules. The IFMS roll-out plan to be implemented to mitigate reliance on manual controls or other external systems.

PART C: LINKS TO OTHER PLANS (RESOURCE PLANS)

CHAPTER 3

OVERVIEW OF THE CHAPTER

As required by National Treasury Regulation 5, the resources necessary for the delivery of the Defence mandate are provided herewith. This chapter deals with the presentation of supporting and functional resource areas which support the execution of the mandate. Further the chapter presents a brief exposition of Public Entities that report to the Executive Authority. Details of which will be contained in the individual plans of the entities. Also presented herein are the Public Private Partnerships as well as consultants that will be utilised during the medium-term expenditure framework and beyond.

LINKS TO THE DEFENCE SECRETARIAT LONG-TERM INFRASTRUCTURE AND OTHER CAPITAL PLANS

This section must reconcile the budget and MTEF with the infrastructure and other capital projects set out in the DOD Strategic Plan.

Details of the links to the long-term infrastructure plan are reflected in the below.

Table 25: Defence Secretariat Long-term Infrastructure and Capital Plan

Project Name/Programme	Outputs	Outcome			Main Appropriation	Medium Term Estimates		
		07/08	08/09	09/10	2010/111	2011/12	2012/13	2013/14
New and Replacement Assets								
Maintenance and repair to Defence Legal Service Division infrastructure.	TBD	214 388	290 866	417 935	275 612	304 670	1 810 066	145 582
Upgrades and Additions of Assets								
Upgrading of DLSD Infrastructure.	TBD				1 255 000	230 560	0	0
Total					**1 530 612**	**535 230**	**181 006**	**145 582**

OVERVIEW OF PUBLIC-PRIVATE PARTNERSHIPS

The Department is conducting a feasibility study for Project Brilliant which is a PPP project within the Human Resource sub-programme. The project was approved by the Defence Plenary Defence Staff Council (PDSC) in January 2008. The DOD has not yet entered into an agreement with any company. The transactional costs of the project amount to R8 million.

PUBLIC ENTITIES REPORTING TO THE EXECUTIVE AUTHORITY

The DOD has an oversight role for two Public Entities which fall under Schedule 2 of the PFMA, namely Armscor and the Castle Control Board. The Sec Def therefore, as the Accounting Officer of the Department, will oversee the performance of these Public Entities. Armscor receives allocations from the fiscus while the Castle Control Board generates its own revenue. The summary of the mandate, outputs and annual budget for both the above-mentioned entities is provided in the table below.

Table 26: Public Entities Reporting to the Executive Authority

Name of Public Entity	Legislative Mandate	Output	Current Annual Budget (R thousands)	Date of Next Evaluation
Castle Control Board	The Castle Control Board as a public entity, under the Public Finance Management Act (Act No 1 of 1999) sec 1, has the mandate to manage and protect the Castle of Good Hope on behalf of the Minister of Defence having the ultimate ownership responsibility for the Castle.	To preserve and protect the military and cultural heritage of the Castle of Good Hope. To optimise the tourism potential of the Castle. To optimise accessibility to the Castle by the public.	No state funds are allocated to the Castle Control Board.	Internal Audit by Mazars – February/March 2011 External Audit by Auditor General – June 2011.
Armscor	Armscor mandate is derived from the Armscor Act 51 of 2003 to assist the MOD & MV with the following: ▪ To be a nodal centre for acquisition; ▪ Disposal of equipment; and ▪ Decision to support Defence materiél requirement of the DOD; ▪ Conduct the Defence technology, research, development, analysis, test and evaluation requirements of the Department of Defence effectively, efficiently and economically;	▪ Funding and growth; ▪ People capabilities; ▪ Broad Based Black Economic Empowerment; ▪ Stakeholder relationships; ▪ Support local industry; ▪ Operational efficiency	820 872 for the 2011/12 Financial Year	July 2011

DEFENCE FORCE SERVICE COMMISSION (DFSC)

The Defence Force Service Commission (DFSC) is a service commission of the Defence Force established in terms of section 62A of the Defence Amendment Act 22 of 2010. The mandate, composition and governance prescripts pertaining to the processes to discharge the legislative mandate are encapsulated in section 62. As an independent and autonomous entity the commission reports to the Minister. The purpose of the DFSC is to investigate, provide expert advice and make recommendations regarding remuneration and the conditions of service of members of the Defence Force. Currently the Interim National Defence Force Service Commission will continue doing work until the permanent Defence Force Service Commission has been appointed.

CONSULTANT UTILISATION

Table 27: Consultant Utilisation and HDI Classification for the FY2011/12

Project Title	Total Number of Consultants required on the Project	Percentage ownership by HDI Groups	Duration Work Days	Contract Value in Rand
Supply Chain Strategic Plan of Action CSIR: CPSC/G/230/08	53	-	8 032	54,973,801
Transformation Management Advisory Board (TMA Board).	10 Permanent members on the TMA Board.	N/A	4 One-day Board meetings per annum. 4 two-day visits to Services per annum.	Chairperson per day: 12,112.00 Members per day: 1,208.00 Total: 155,808 [Inclusive of transportation costs]
Asset Management Stock Verification Programme Classic One Consortium: B/G/839/08	106	-	257	47,219,391
Media Monitoring	Intention to contract company at commencement of MTEF 2011	-	Continuous (monthly analysis and reports)	700,000
Total amount used for consultants		**TBD**	**TBD**	**105, 693,192**

(Footnotes)

1 These estimates are included in the sub-programme Departmental Direction

2 These estimates are subject to changes in the FY 2012/13 and onwards based on the implementation of the Governance, Risk and Compliance Management Framework.

3 In the ENE, the policy and Planning allocation includes funding for the Corporate Staff Office as well as the Military Policy, Strategy and Planning Office.

4 Based on the model that will enhance good corporate governance, efficiency, effectiveness and economy in the execution of functions by Services and Divisions, the Financial Management Division must be reviewed to support the governance, risk and compliance model and to empower Service and Divisional Chiefs in the execution function. This approach should enable managers to manage and also to be held accountable for their decisions.