Department of Defence

Defence Secretariat

Strategic Plan

for the fiscal years 2011/12 - 2015/16

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

Date of tabling: 09 March 2011

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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.

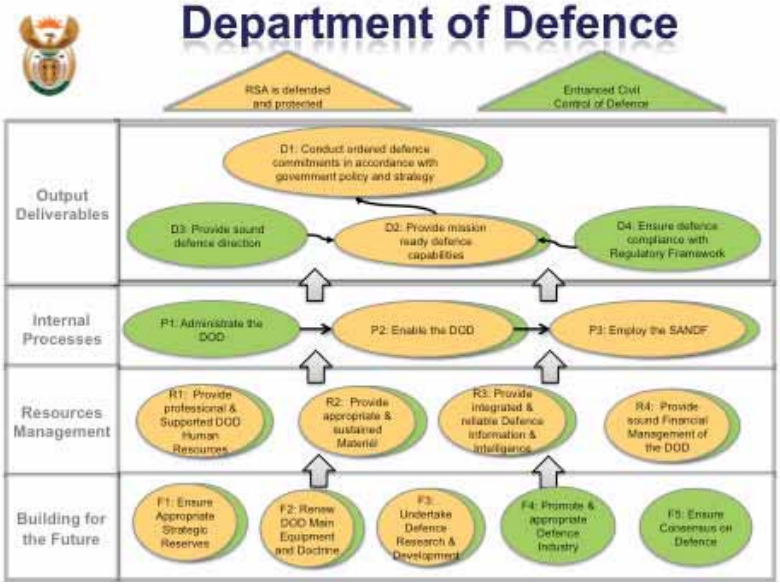
BUILDING FOR THE FUTURE (REJUVENATION)

- 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					
					11/12	12/13	13/14	14/15	15/16	Delegation
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 STRATEGIC PLAN

"Doing things differently to achieve more with less"

FOR THE FISCAL YEARS
2011/12 – 2015/16

Date of tabling: 09 March 2011

INTRODUCTION BY THE SECRETARY OF DEFENCE

The mandate of Defence remains the protection of the territorial integrity of the RSA. The mandate is executed through 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. In delivering this mandate, the collateral utility of Defence capabilities has been demonstrated with the various service delivery projects in support of other government departments.

Equally so, Section 204 of the Constitution of the Republic of South Africa, has institutionalised sound 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 mandate are Sections 6 to 9 of the Defence Act, No 42 of 2002 that establishes, as well as spells out the scope of operations of the Defence Secretariat. The task directive encapsulates the provision of policy advice to the Minister, enhances civil control and oversight. In addition to this, the Secretariat is responsible for issuing comprehensive instructions and ensuring SANDF compliance to MOD directives.

In September 2009 at a work session, the Defence Secretariat, developed a blueprint that would inform 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 recommendation for adoption by COD. The aforementioned Resolutions were aimed at the achievement of the MOD priority on alignment of the Defence Secretariat with its Constitutional and Legislative Mandate. Further work on the Repositioning of the Secretariat will form the basis of the Defence Secretariat programme in 2011.

Furthermore, 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 prioritisation of the identified outcomes that impact on and are a requirement of the Defence Secretariat will also constitute an critical part of the programme in 2011. More importantly, our ability to measure appropriate performance indicators will most surely ensure the Department is able to gauge the successes it is achieving and areas which may require intervention and support to ensure the outputs are achieved and ultimately, outcomes are realised.

The development of an oversight reporting framework to give structure and content to the role of the Defence Secretariat, define the elements of Civil Military relations and promote devolution of appropriate functions to the SANDF to enhance effectiveness in implementation. This will be coupled with the strengthening of the Internal Audit Functions and the enhancement of compliance levels throughout the Department of Defence.

The Defence Secretariat remains seized with the responsibility of providing the latest and fit-for-purpose policy and legislative instruments to support a Defence Force that functions within the legal framework that appreciates the role of civil authority within a democracy.

The role of the Department of Defence as the secretariat and the coordinator of the ICTS Cluster presents an opportunity for substantive contribution to the work of the cluster, in support of South African Foreign Policy. In this, the ICTS cluster pursues and protects the National Interest of South Africa and this is reflected in the Defence diplomacy and Peace Support Operations led by the Department of Defence.

South Africa pursues Defence diplomacy initiatives in furtherance of the peace, stability, confidence building and meeting the security objectives of government. For political, strategic and geographic reasons, Defence cooperation with other states in the Southern African Development Community (SADC), the African Continent and the World beyond, is a priority for the achievement of peace and security. Consequently, Defence will engage in cooperative ventures with its counterparts throughout the region and continent in areas of training and education; Defence planning; exchange visits; multinational exercises and procurement of military equipment.

The signing and implementation of international Defence agreements is a critical policy action. These are placed at the disposal of Defence to ensure the implementation of governmental direction aimed at the attainment of peace and security, both nationally and internationally. A Defence diplomacy strategy and

international engagement framework supported by an annual updated international engagements plan which will guide Defence efforts will be developed.

In pursuit of the promotion of international and regional peace, security and stability, the Republic of South Africa is a signatory to a number of international peace and security protocols, including, inter alia, the United Nations (UN), African Union (AU) and SADC Peace and Security Protocols, and bears constitutional responsibility to meet these international obligations.

Within the context of regional peace and security architecture, on one hand, and the country's legislative framework, on the other, the RSA externally deploys and employs its state resources in pursuit of her national security interests and foreign policy objectives, and in the same vein, to advance collective interests of the region. It is also within this same context that RSA military resources are pledged to the SADC Standby Force with the view to employing them in the protection of hard earned regional peace, security and stability.

The phased implementation of border safeguarding has since April 2010, seen the Defence Force deployed for border safeguarding along the borders of the RSA and her neighbouring countries. Currently the Defence Force has already set its footprint along the RSA/Zimbabwe and RSA/Mozambiquan border and are due to deploy along the RSA/Lesotho border on 1 April 2011. As such, State resources are to be mobilised more aggressively to ensure the stable roll-out of Operation CORONA (border safeguarding).

In embracing the government priority of creating decent jobs, the enhancement of the Military Skills Development System (MSDS) has seen at least four thousand youth enrolling during the first semester of 2011 for the MSDS programme. Further partnerships with other organs of state, notably Sector Education and Training Authorities (SETAs), and the Department of Higher Education and Training), will be explored in the quest to create decent jobs.

Another initiative that profiles the Defence's commitment to the creation of decent work, is the National Youth Service Concept (NYS). In refining the implementation of the concept in collaboration with other Government Departments, a pilot project has, in collaboration with the Department of Rural Development, commenced in Bloemfontein during the FY2010/11 year. It is believed that the lessons learned from the pilot project will be used to refining the concept further and ensure the establishment of the Policy and regulatory framework for the National Youth Service Programme and its implementation.

Foregrounding all the aforementioned efforts will be the strengthening of civil-military relations so as to deepen the pillars on which the Policy Review and Strategy are anchored as well as to guarantee the efficacy of implementation. It is against this backdrop that the Defence Secretariat has developed its Strategic Plan and the accompanying Annual Performance Plan.

Honourable Minister, I submit to you this Strategic Plan that provides evidence of the commitment to the MOD and MV priorities and other aspects as outlined within the approved FY11/12 DOD Overarching Strategic Statement which form the basis of this Plan and all links thereto. This Plan further serves as a means of building a responsive and dependable Defence Secretariat for the third decade. It is hoped that, through this Strategic Plan, the strengthening of civil-military relations will be achieved that will help realise a modernised, responsive, resilient, relevant and reliable Defence Force.

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

PART A: STRATEGIC OVERVIEW

CHAPTER 1

INTRODUCTION

The Defence Secretariat is established in terms of Section 6 of the Defence Act 42 of 2002, designed to give effect to the mandate of the Defence Secretariat and execute its functions within the parameters of section 8 of the Defence Act 42 of 2002.

The Secretary for Defence is the Head of the Department, the Accounting Officer, the Information Officer and the principal advisor to the Minister of Defence on Defence policy matters. The Secretary for Defence is also the Head of the Defence Secretariat and acts within the areas of responsibility to provide strategic direction to the DOD by operating under the direction of the Minister of Defence and Military Veterans.

The development of norms and standards that enhance compliance with the appropriate regulatory frameworks to promote accountable mobilisation and utilisation of resources is the principal task of the Defence Secretariat, which is at the heart of an accountable administration.

The Defence Secretariat will strive to enhance sound civil control and robust legislative oversight over the SANDF, as well as compliance with the national policy and regulatory frameworks. In this regard, the Strategic Plan aims to carry out its mandate, focus on the two outcomes of Defence and contribute to the governmental outcomes.

This Strategic Plan is packaged into four chapters. Chapter 1 provides the Strategic Overview of the Defence Secretariat which includes the constitutional and legislative mandate, the policy mandate, planned policy initiatives and the vision, mission and values.

Chapter 2 provides the medium term strategic focus of the Defence Secretariat and focuses on the situational analysis which consists of the performance and organisational environment of the Defence Secretariat.

Chapter 3 provides the translation of the Defence Secretariat's mandate into Defence outputs in a logical framework approach with the accompanying exposition on the financial resources. The detailed performance information is provided in the tables.

Chapter 4 concludes with the resource plans that support the Defence Secretariat Strategic Plan. This Plan provides an overview of both entities and organs of state that currently report to the Executive Authority through the structures and mechanism located within the Defence Secretariat.

LEGISLATIVE AND OTHER MANDATES

CONSTITUTIONAL MANDATE

The Defence Secretariat derives its mandate from Section 204 of the Constitution of the Republic of South Africa which reads:

"204. A civilian secretariat for Defence must be established by national legislation to function under the direction of the Cabinet member responsible for Defence."

DEFENCE SECRETARIAT LEGISLATIVE MANDATE

Section 6 of the Defence Act, 2002 gives substance to the Constitutional mandate of the Defence Secretariat as it relates to the functions of the Secretary for Defence and is as follows:

"Functions of Secretary for Defence

The Secretary for Defence-

(a) is the Head of the Department as contemplated in the Public Service Act, 1994 (Proclamation No. 103 of 1994), and the accounting officer for the Department as contemplated in section 36 of the Public Finance Management Act, 1999 (Act No. 1 of 1999);

(b) is the principal departmental adviser to the Minister on Defence policy matters

(c) must advise the Minister on any matter referred to him or her by the Minister;

(d) must perform such functions as may be entrusted to the Secretary for Defence by the Minister, in particular those necessary or expedient to enhance civil control by –

(i) Parliament over the Department;

(ii) parliamentary committees having oversight over the Department; and

(iii) the Minister over the Department;

(e) must provide the Chief of the Defence Force with comprehensive instructions requiring the Chief of the Defence Force to issue orders and directives and to give commands to any specified member regarding the exercise of any power delegated or the performance of any duty assigned to that member by the Secretary for Defence as head and accounting officer of the Department of Defence;

(f) Must monitor compliance with policies and directions issued by the Minister to the Chief of the Defence Force and report thereon to the Minister; and

(g) is responsible for the discipline of, administrative control over and management of employees, including their effective utilisation and training."

In terms of Chapter III, section 3.b of the Public Service Act, (Act 1994) the Secretary for Defence is responsible for the efficient management and administration of the DOD including the following:

- Utilisation and training of staff,
- Maintenance of discipline,
- Promotion of sound labour relations, and
- Proper use and care of state property.

In accordance with the Public Finance Management Act, (Act 1 of 1999), the Secretary for Defence is the Accounting Officer of the Department of Defence.

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.

POLICY MANDATES

Policy mandates applicable to the Defence Secretariat include:

- The White Paper on Defence for the Republic of South Africa May 1996.
- The South African Defence Review, 1998.

VISION

Excellence in governance to ensure 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.

VALUES

The Defence Secretariat through the DOD values has committed itself to individual and organisational values as noted hereunder.

INDIVIDUAL VALUES

- Discipline.
- Transparency.
- Excellence through leadership.
- Honesty and Integrity.
- Accountability.
- Fairness.
- Teamwork.

ORGANISATIONAL VALUES

In delivering on the Defence mandate, the Defence Secretariat shall follow the principles set out below as gleaned from the DOD Overarching Strategic Statement and expect to be judged on its performance against them:

- Service Standards. Service standards are based on clear direction and strong leadership. Our priority is, and shall always be, to maximise our Defence capability and our contribution to peace and security. We shall maintain high standards of excellence and professionalism in everything we do.
- Excellence. We shall build on what we do well and actively foster a climate of success. We shall invest in our people and encourage innovation. We shall provide the right incentives and recognise individual and team contributions.
- Ethics. We shall adopt and encourage reasonable working practices. We shall not be deflected by the demands of vested interests. We shall foster fairness and trustworthiness in all that we do. We shall not avoid difficult issues.
- Openness and Transparency. We shall make clear communication and better understanding of our priorities. We shall ensure that our messages are understood. We shall listen to clients' concerns and make sure we understand what they are saying to us. We aim to create a climate of trust and transparency in our decision-making.
- Consultation Rooted in Effective and Efficient Partnership and Collaboration. We shall encourage and improve links with other Government departments and other relevant organs of state. We shall strengthen partnerships with industry, allies and the community at large. We shall promote collaboration within the DOD, harmonise activities and systems and, where sensible, we shall share knowledge.
- People. We shall uphold the values as espoused in the founding principles of the Constitution and further expressed in the Bill of Rights.
- Teamwork. Within the DOD, we are one team and embrace one purpose. We shall debate issues fully, whilst rigorously representing our individual responsibilities. Our overriding aim is however to reach conclusions that are best for Defence as a whole and then to act on them.
- Accountability. We shall create a learning organisation in which all employees seek and share knowledge and information, whilst committing themselves to personal growth. We shall set the example and lead the way. We shall lead by example and influence others to follow these principles. We shall be sensible of the demands we make on people, recognising the unique commitment they make.
- Discipline. We shall consistently strive towards upholding a highlevel of discipline. We shall individually and collectively rebuild the profile and image of the Defence establishment as the best disciplined profession.

RELEVANT COURT RULINGS

No applicable court rulings are noted within the Defence Secretariat which may impact/influence Departmental policy and strategy aspects.

LEGISLATION TO BE INTRODUCED TO CABINET/PARLIAMENT

Legislation to be introduced to Cabinet/Parliament is indicated in table 1 and 2 below.

Table 1: Legislation to be Introduced to Cabinet/Parliament

Title of Legislation	Objective of 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 provision for the appointment of a Military Ombudsman to attend to complaints by members of the SANDF.

Table 2: DOD Regulations to be Introduced to Cabinet/Parliament

Title of Regulation	Objective of Regulation
Defence Force Service Commission.	To operationalise the Defence Service Commission and to establish the Regulatory Framework in which it operates.
Appointment of the Defence Military Command Structure.	To provide the process and procedures for the appointment of members to the Military Command Structure.

CHAPTER 2

DEFENCE SECRETARIAT MEDIUM TERM STRATEGIC FOCUS

INTRODUCTION

This chapter provides an overview of the current changing situational environment which may impact directly or indirectly on the Defence Secretariat performance environment and organisational environment. Further, it reflects the departmental strategic planning process and the development of the Defence Secretariat Strategic Plan. Finally, it links the Defence Secretariat outcomes to Government's medium-term strategic focus.

SITUATIONAL ANALYSIS

PERFORMANCE ENVIRONMENT

Contribution to Government's Medium Term Strategic Framework (MTSF). The Government's Medium-Term Strategic Framework (MTSF) is a statement of intent that identifies the development challenges facing South Africa. This outlines the medium-term strategy for improvements in the conditions of the lives of South Africans and for the Defence Secretariat's enhanced contribution to the cause of building a better Africa and a better world. The Defence Secretariat plays a role in contributing to the MTSF outcomes.

Human Resources (HR). A contributing factor to the human resource challenge, is the current deviation by the Department from the structural blueprint articulated in the White Paper on Defence and the Defence Review regarding the relationship between the Regulars and the Reserves. The ongoing participation of the MSDS currently compounds the human resource funding and personnel inflation figure of the DOD. A current review of the Defence Strategy will provide direction in terms of a projected Defence footprint and blueprint, thereby creating future Defence capabilities, force design and force structure which will endeavour to address the current organisational challenges.

Defence Research Capability. The declining research capability of Defence is currently placing a threat on the sustainability of development and the situation is exacerbated by the inability of Defence to harness existing sector research capabilities currently residing within Defence Training Institutions, Defence Industry as well as leveraging partnerships with international stakeholders.

Intellectual Property and Patents. Over the short and medium term, interventions to manage the Intellectual Property (IP) of the DOD will be strengthened in collaboration with Armscor who is mandated through the Armscor Act as the custodian of such IP.

Further, the short and medium term will see the management of the current patents, copyrights and trademarks of products developed by Defence, which are essential to enhance its knowledge base and reduce the unit cost. It will also see the development of appropriate definitions of military strategic IP with the requisite protocols and regimes for its protection from direct and indirect infringement both domestically, continentally and globally.

Infrastructure/Facilities. A backlog in current DOD facilities' maintenance has resulted in an ongoing decline in the state of Defence facilities, exacerbated by the inability of the Department of Public Works (DPW) to service its maintenance mandate as the custodian of state infrastructure. A phased-in strategy to relocate the facilities' maintenance function from the DPW to the DOD is being pursued.

Information Management. The DOD currently does not possess an integrated information management system. To improve this situation, electronic interfaces between the DOD and its suppliers will be prioritised to align with the Integrated Financial Management System (IFMS) which will furthermore enable the integration between current DOD information systems and the financial management system (FMS). Ageing and obsolete technology continues to hamper the effectiveness of the Department.

Contribution to Government Clusters. In the International Cooperation, Trade and Security (ICTS) Cluster, the DOD chairs the Cluster at a Director-General level and the Minister is the chairperson of the Cluster, responsible for the co-ordination of the work of the Cluster and reporting to the President. By virtue of the Minister's and the Secretary for Defence's positions in the Cluster, the DOD carries out the secretariat function of the Cluster, ensuring that the documentation and content for meetings are adequately prepared and presented.

The Government's New Growth Path. In contributing to the Government's new growth path, the Defence Secretariat commits itself to supporting Government's intent in terms of inherent available Defence capabilities and initiatives such as the MSDS and the National Youth Service system in contribution to national skills development and job creation. The employability of young future leaders, within both the private and public sectors, will be of great advantage to those members who graduate from the ranks of the Department of Defence.

Stakeholder Engagement. Stakeholders with a legitimate interest in the Defence Secretariat should be able to obtain a full, fair and honest account of the DOD's performance and challenges. Society demands greater transparency and accountability regarding reports and communications. Issues such as social responsibility, environmental responsibility and sustainability may be considered to be addressed with stakeholders as part of good corporate governance in the Defence Secretariat. The MOD&MV has also placed an emphasis on this aspect in the Minister's Strategic work session that convened in March 2010.

Corporate Governance. Corporate governance refers to the formal and informal relationships between the DOD and its stakeholders and its formal system of accountability. The DOD embraces corporate governance by aligning its own goals with those of its stakeholders/society, which impacts on the strategic direction of the organisation. The DOD approach to corporate governance is reflected and enforced by its values, actions and standards. In terms of the King III Report, seven characteristics of good corporate governance have been identified and the DOD strives to adhere to such characteristics, which are:

- Discipline.
- Transparency.
- Independence.
- Accountability.
- Responsibility.
- Fairness.
- Social responsibility.

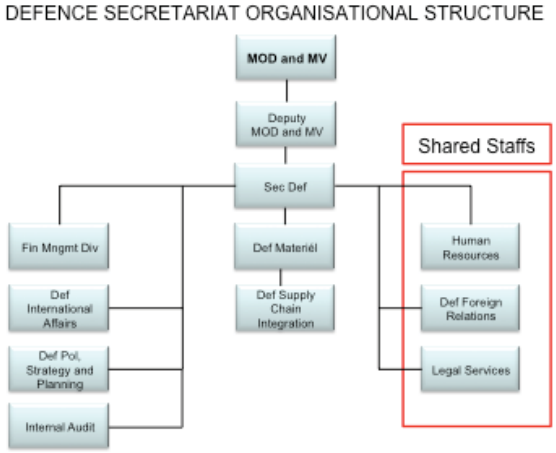
Strengthening Regional and Continental Organisations. The DOD's stance with international and regional security organisations amongst others, the AU and SADC are to be clearly pronounced in the Department's Foreign Relations Strategy. The DOD supports these organisations by adequately representing the DOD and the country at these organisations.

ORGANISATIONAL ENVIRONMENT

Explanatory Indicators. The introduction of Delivery Agreements with National Ministers by the President has provided the basis of performance expectations and indicators to be purposed during the MTEF period. This Strategic Plan reflects performance indicators and targets with the responsible authority which will be pursued during this period.

Organisational Structure. The approved organisational structure of the Defence Secretariat is reflected in the figure below.

Figure 1: The Defence Secretariat as a Component of the DOD Macro-Structure



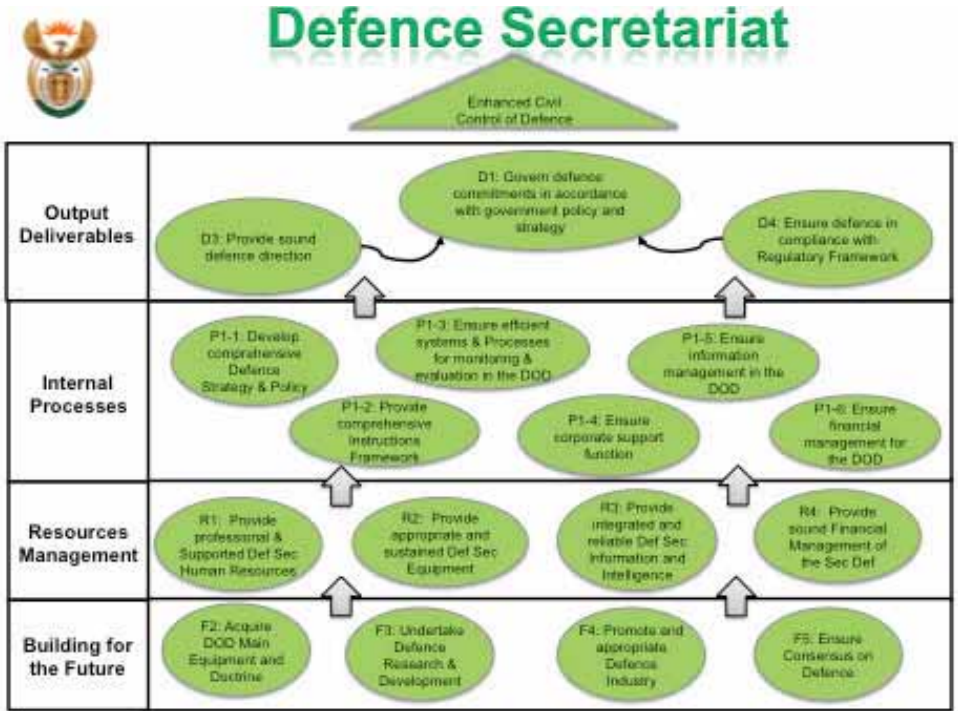
THE DEFENCE SECRETARIAT STRATEGY MAP

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.

The Defence Secretariat Strategy Map as a sub-set of the DOD Strategy map is reflected in Figure 2. It is a visual expression of the Defence Secretariat's Strategic Plan which will form the basis for strategic planning.

The strategy maps will form the framework for the development of the annual performance agreements of the Accounting Officer with the Minister of Defence and Military Veterans. Hence, when implemented, the BSC will form the basis of the performance management system at organisational and individual levels within the Defence Secretariat. These depicted strategy maps and scorecards will, in future, play a pivotal role in the strategic planning and reporting process.

Figure 2: Defence Secretariat Strategy Map



DESCRIPTION OF THE STRATEGIC PLANNING PROCESS

The medium-term strategic planning process in the DOD is initiated annually with the Environmental Analysis (EA).

The Executive Authority provides the ministerial direction in terms of key deliverables for the Medium Term at the MOD and MV Strategic work session (January/February) and at the Annual Planning and Budgeting Seminar (August).

A DOD Strategic Planning work session is held under the guidance of the Secretary for Defence and the CSANDF with a view to translating the Minister's guidelines and instructions for departmental purposes.

Thereafter, the Secretary for Defence and the Chief of the SANDF refine and cascade the guidelines received further down during their individual work sessions. Functional guidelines are developed and Services and Divisions are thus able to analyse the strategic implications on their areas of responsibility.

Divisions of the Secretariat develop their Annual Performance Plans in line with the Defence Secretariat Strategic Plan and submit them during April of the following year. The plans are technically evaluated in May in preparation for the Departmental Programme and Budget Evaluation Committee (DPBEC) in June, where the individual Services make presentations and the Accounting Officer makes evaluations.

These revised plans are submitted in August and inform the corporate Strategic Plan. The Defence Secretariat Strategic Plan is mapped out from the DOD Overarching Strategic Statement. The Defence Secretariat SP is compiled and approved by the Secretariat Council (SC) and the Plenary Defence Staff Council (PDSC).

The approved document is submitted to the Auditor-General (AG) and National Treasury (NT) and the Presidency in November for quality assurance and inputs regarding compliance with the regulatory framework.

The Accounting Officer presents the approved document to the Minister. The publication process then commences and culminates in the tabling of the document in Parliament in March of every year. The plans are executed at the start of the new financial year i.e. 1 April. The Defence Secretariat Strategic Plan introduces the development of the Defence Secretariat Annual Performance Plan. The execution of the Defence Secretariat's Annual Performance Plan is monitored through Quarterly Reports (first three quarters) and the Annual Report.

GOVERNMENT MEDIUM-TERM STRATEGIC FRAMEWORK (MTSF)

The Government's Medium-Term Strategic Framework (MTSF) is a statement of intent that identifies the development challenges facing South Africa. This outlines the medium-term strategy for improvements in the conditions of the lives of South Africans and for our enhanced contribution to the cause of building a better Africa and a better world.

Government has agreed on 12 outcomes as a key focus of work between now and 2014. Each outcome has a limited number of measurable outputs with targets. Each output is linked to a set of activities that will help achieve the targets and contribute to the outcome. Each of the 12 outcomes has a delivery agreement that, in most cases, involves all spheres of government and a range of partners outside government. Combined, these agreements reflect Government's delivery and implementation plans for its foremost priorities.

The MTSF requires Government Departments to immediately develop their five-year strategic plans and budget requirements, taking into account the applicable medium-term imperatives. These five-year strategic plans should be aligned with the applicable ten priorities of Government which then translate to the 12 Government MTSF outcomes as listed below:

- MTSF Outcome 1. Improved quality basic education.
- MTSF Outcome 2. A long and healthy life for all South Africans.
- MTSF Outcome 3. All people in South Africa are and feel safe.
- MTSF Outcome 4. Decent employment through inclusive economic growth.
- MTSF Outcome 5. A skilled and capable workforce to support an inclusive growth path.
- MTSF Outcome 6. An efficient, competitive and responsive economic infrastructure network.
- MTSF Outcome 7. Vibrant, equitable, sustainable rural communities contributing towards food security for all.
- MTSF Outcome 8. Sustainable human settlements and improved quality of household life.
- MTSF Outcome 9. A responsive, accountable, effective and efficient local government system.
- MTSF Outcome 10. Environmental assets and natural resources that are well protected and continually enhanced.
- MTSF Outcome 11. Creating a better South Africa and contributing to a better and safer Africa in a better world.
- MTSF Outcome 12. An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.

Essentially, whilst the delivery of the Defence mandate finds expression in selected MTSF Outcome areas, focused effort has been adopted and delivered with regards to outcomes 2, 3, 5, 11 and 12.

The DOD will support the initiatives of Outcomes 2, 3, 5 and 12 while executing its secretariat and coordinating role in terms of Outcome 11.

As such the trendable and non-trendable indicators which inform the Estimate of National Expenditure (ENE) will reflect on the information developed in this regard for the DOD and which includes the Defence Secretariat indicators.

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.

DEFENCE DIPLOMACY INITIATIVES

In the ever-changing and unpredictable international environment, the use of military means for diplomatic purposes is an established practice and norm in South Africa. South Africa's Defence diplomacy approximates a military adjunct to diplomacy rather than a distinct type of diplomacy. This is within the strategic contextualisation of the DOD Defence policy which links the Defence function to foreign policy and specifically emphasises strategic Defence co-operation through Defence diplomacy. This approach points to the utilisation of military instruments, their non-coercive and co-operative use as a particular type of diplomacy in a democratic South Africa. The DOD continues to employ Defence diplomacy foremost to strengthen alliances against common challenges, strategic engagement with regional and global strategic partners, encourage multilateral regional cooperation, support the democratic norms of civil-military relations and assist states in the African continent in developing peacekeeping capabilities, security sector reform and military professionalism.

While the primary focus has been on advancing the African Agenda, such an approach would be ineffective if, given South Africa's geo-strategic role in global affairs, the DOD does not extend its Defence diplomacy beyond the continent. Thus the DOD through its implementing instrument, the SANDF, engages in a wide range of activities with other friendly countries beyond the continent, ie IBSA states, individual EU member states and the United States. Defence diplomacy is anchored on enduring suitable Defence cooperation agreements,

the conduct of strategic security dialogues that enable understanding of the common and partner concerns, the identification of areas of common interest, goodwill visits at the level of the Service Chiefs, professional Defence and military expert exchanges, military training, combined exercises, reciprocal visits of warships, observers for exercises, sports and adventure activities, disaster management and humanitarian assistance; and cooperation in UN Peace Keeping Operations where necessary.

On the African continent, the underpinning thrust of pursuing Defence diplomacy is the recognition that South Africa through its armed forces should project an image of a none aggressor and pursue confidence and collective security building initiatives. On the other hand, in the rest of the world, Defence relations continue to be nurtured on the understanding that the DOD has become a member of the broader international community and therefore has to develop its capacity to meet international standards and develop reliable partnerships and sound relations with states that are influential in the global security environment.

At multilateral fora the DOD continues to focus energies and resource on the achievement of the goals of the New Partnership for Africa's Development (NEPAD), the Africa Renaissance objectives, strengthening the peace and security structures of the African Union Commission, the SADC Organ on Politics, Defence and Security Cooperation (OPDSC), the interstate Defence and Security Committee (ISDSC) and more pointedly the SADC Standby Force.

Efforts to deploy DOD personnel, both military and civilian, to strategic planning and management structures of both the AU and SADC provides opportunities to export South Africa's expertise, experience and knowledge. Apart from advancing strategic engagement and fostering co- operative relationships with former or potential adversaries, these Defence multilateral interactions also contribute to global and regional security by focusing on co-operative security and advancing the institutionalisation of multilateralism at regional and sub-regional levels.

The DOD's conduct of Defence diplomacy activities shall be viewed in the context of evolving foreign policy priorities. This evolution acknowledges the country's geo-strategic role since the advent of democracy as a peace broker in the continent and an influential voice in policy determination on African issues. Admittedly, the experiences of the past 16 years have compelled the government to rethink its strategy on international engagements as evidenced by the formulation of a draft International Relations Strategy (IRS), the conceptualisation of South Africa's national interests and a conceptual framework for the identification of anchor states, all of which are in discussion in the International Co-operation Trade and Security (ICTS) cluster. These policy changes are premised on the recognition of the opportunities and constraints facing South Africa in its policy quest to contribute to the "creation of a better South Africa and contributing to a better and safer Africa in a better world". The natural response of the DOD would be to formulate a Defence Foreign Relations Strategy buttressed by qualitative Defence diplomacy activities implementable annually.

PART B: OUTPUT INFORMATION

CHAPTER 3

OVERVIEW OF PROGRAMME 1: ADMINISTRATION

This programme is aimed at facilitating the overall management of the Department, 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. These responsibilities include providing centralised human resource support, centralised 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.

PROGRAMME PURPOSE

The Administration Programme executes the Department's overall management, administration and policy development and is reflected hereunder. Note that the budget for the DOD and MV is included in this Programme.

Table 3: Administration Sub-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[1]. 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. To provide research and development capabilities to inform policy development and formulation, this will include international best practice assessment and benchmark with other Defence sectors.	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 Materiél
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
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
Chief Defence International Affairs. Formulate and provide policy advise on the determination and conduct of Defence foreign relations and the attendant Defence diplomatic engagement and ensure that such policy accords with the 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

ADMINISTRATION SUB-PROGRAMME OVERVIEW

The Defence Secretariat resides within the Administration Programme whose primary objective is to facilitate the provision of the appropriate frameworks for sound policy direction and advice and the systemic monitoring and evaluation thereof. Further, the Defence Secretariat is, through an effective management of civil–military relations, required to mobilise resources to procure appropriate Defence capabilities that respond to the needs of South Africa within the evolving policy and national priority trajectory that characterise a developmental state.

The Defence Secretariat supports Defence diplomacy through the provision of norms and standards for the deployment of Defence attachés, servicing of Defence related Memoranda of Understanding (MOUs) and the promotion of participation in the Defence and security structures of the UN, the AU, and SADC.

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.

Table 4: Defence Secretariat Programme Structure

Sub-Programmes	Purpose
Departmental Direction (Defence Secretariat)	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 DOD ensuring effective, efficient and proper conduct of Defence information and communication system activities in accordance with legislation and policy.
Policy and Planning (Defence Policy Strategy and Planning)	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.
Financial Services (Financial Management Division)	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 professional representative civilian financial management corps and an appropriate financial management system.
Legal Services (DLS)	To provide professional legitimate and deployable Defence legal services and support commensurate to the needs of DOD (excluding Adjudant General).
Human Resource Support Services (Strategic Direction and Planning)	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.
Acquisition Services (Def Mat)	To manage DOD acquisition policies.
Defence Supply Chain Integration (HODSCI)	To provide management on supply value chain, governance, risk and compliance within the DOD.
Internal Audit (IA)	To ensure the validity and veracity of management information of the DOD.
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 International Affairs (DIA)	Formulate and provide policy advise 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 SECRETARIAT OUTCOME

The Defence Secretariat contributes to the following outcome of the Department.

Table 5: Departmental Outcomes that the Defence Secretariat Contributes to

Def Sec Outcome 1	Enhanced Civil Control of Defence
Outcome statement	Enhanced civil control of the Defence.
Justification	The pursuance of Outcome 1 by the DOD will ensure alignment to the legislative requirements of the Defence Act, No 42 of 2002.
Links	DOD Outcome: "Enhanced Civil Control of Defence". The achievement of Outcome 1 will directly contribute to the Medium Term Strategic Framework (MTSF) and the Medium Term Expenditure Framework (MTEF), Outcome 12 as indicated below: MTSF 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.

DEFENCE SECRETARIAT OUTPUTS

The Defence Secretariat Outputs are aligned with the Defence Secretariat Outcomes and are indicated in the Table below.

Table 6: Defence Secretariat Outputs

Sec Def Output 1	Provide sound Defence direction
Outputs statement	To direct DOD ordered commitments to ensure alignment with government policy and strategy.
Baseline	Possible baselines may include the number of previously conducted ordered commitments.
Justification	This output will contribute to the achievement of Government's agenda nationally, regionally and globally in pursuance of predetermined priorities thereby improving the human condition of individuals.
Links	The achievement of this output will ensure the achievement of the DOD outcome, "The RSA is defended and protected".
Sec Def Output 2	**Govern Defence commitments in accordance with Government policy and strategy**
Output statement	The provision of Defence direction will ensure 100% alignment between the DOD and Governmental imperatives.
Baseline	Representation by the DOD at approved fora: DOD Border Management Strategy Approved. DOD Representation %: Approved Peace Mission Coordination Fora. DOD Representation %: Current number of positions filled against allocated quotas of international institutions.
Justification	This output is paramount to ensuring compliance by the DOD with regulatory requirements thereby ensuring consensus on Defence.
Links	The achievement of this output will ensure the achievement of the DOD outcome number 2, "Enhanced civil control of Defence".
Sec Def Output 3	**Ensure Defence in compliance with Regulatory Framework**
Output statement	The ensuring of 100% Defence compliance will ensure the DOD executes its mandate within regulatory framework.
Baseline	Number of Auditor General (AG) audit outcomes
Justification	This output is paramount to ensuring compliance by the DOD with regulatory requirements thereby ensuring consensus on Defence.
Links	The achievement of this output will ensure the achievement of the DOD outcome number 2, "Enhanced civil control of Defence".

DEFENCE SECRETARIAT ACTIVITIES

The activities that will be executed within the Defence Secretariat Value Chain are to Administer and Enable the DOD as a whole. The realisation of the defence outputs will emerge through the achievement of the Defence Secretariat activities which are directly related to the Administration Budget programme structure. The activities are as follows:

Table 7: Defence Secretariat Activities

Sec Def Activity 1	Develop comprehensive Defence Strategy & Policy.
Sec Def Activity 2	Provide comprehensive Instructions Framework.
Sec Def Activity 3	Ensure efficient systems & Processes for monitoring & evaluation in the DOD.
Sec Def Activity 4	Ensure corporate support function.
Sec Def Activity 5	Ensure information management in the DOD.
Sec Def Activity 6	Ensure financial management for the DOD.

DEFENCE SECRETARIAT INPUTS

The following inputs are relevant to the Defence Secretariat.

Table 8: Defence Secretariat Inputs

Sec Def Input 1	Provide professional & Supported Def Sec Human Resources.
Sec Def Input 2	Provide appropriate and sustained Def Sec Equipment.
Sec Def Input 3	Provide integrated and reliable Def Sec Information and Intelligence.
Sec Def Input 4	Provide sound Financial Management of the Def Sec.

BUILDING FOR THE FUTURE

The following aspects will be managed so as to ensure a Defence Secretariat that is well positioned to meet the future demands placed on the organisation.

Table 9: Defence Secretariat: Building for the Future (Rejuvenation)

Future Perspective 1	Acquire DOD Main Equipment.
Future Perspective 2	Undertake Defence Research & Development.
Future Perspective 3	Promote and appropriate Defence Industry.
Future Perspective 4	Ensure Consensus on Defence.

INFORMATION SYSTEMS IN SUPPORT OF DOD PERFORMANCE INFORMATION

The DOD has, since 2005 developed a system (GEJIMA) that provides for a one-stop shop capturing of performance information. The aforementioned system is managed by SITA and is utilised to conduct gap and trend analysis with regards to performance information. Notwithstanding the challenges experienced in certain domains within the Department of Defence with the local area networks, the Department is determined to improve on the integrity, currency and reliability of the information. In cases of infrastructural failures, capturing of data on the system as it relates to planning and performance data is undertaken at SITA offices and thereafter the confirmation of consolidated information is verified by corporate strategic planners.

BALANCED SCORE CARD (BSC)

DOD has also developed one central system of performance information and targets which cascade into the Department to ensure full alignment of effort and strategic direction at all levels. Reporting (quarterly and annual) will now be fully aligned within the Department. Performance indicators are in the process of being captured in terms of the Balanced Score Card (BSC) Cognos System in conjunction with SITA to enable the DOD leadership to have visibility of the Departmental performance at all levels of the organisation. Roll-out of BSC Cognos system is expected to be undertaken during 2011/12

DEFENCE SECRETARIAT TRENDABLE PERFORMANCE INDICATORS AND TARGETS

The table below provides the selected performance and trendable indicators that will be tracked to ensure the Defence Secretariat mandate.

Table 10: Defence Secretariat Trendable Performance Indicators and Targets

Performance Indicator	Programme	Projections			MTSF Outcome
		2011/12	2012/13	2013/14	
Finalisation of the DOD Border Management Strategy.	Administration	Approved	Implementation (Monitor)	Compliance (Monitor)	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)	Monitor (Compliance)	Outcome 12
Percentage litigation settlement/s 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 11. 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

Table 12: Defence Secretariat: Outputs and Annual Targets for MTSF Outcome 3

MTSF Outcome	Def Sec Outcome	Def Sec 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 3: All People in South Africa are and feel safe.	Civil control / oversight of Defence	Combat ready Defence capabilities	Landward Capability requirement approved (Approved Defence Strategy)	TBD	Approved	Implementation	Implementation	Implementation	Implementation	Def Sec/ SANDF
		Govern Defence commitment in Accordance with Government Pol&Strat	Approved DOD Border Management Strategy	TBD	Strategy Approved	Monitor (Implementation)	Monitor (Compliance)	Monitor (Effectiveness)	Monitor (Review)	Administration (Policy and Planning)
		Govern Defence commitment in Accordance with Government Pol&Strat	Approved Strategy to facilitate securing of National Key Points	TBD	Approved	Monitor (Implementation)	Monitor (Compliance)	Monitor (Effectiveness)	Monitor (Review)	Administration (Policy and Planning)
			% Funding allocation received for approved DOD Strategic Defence Package (Air and Maritime Defence Strategy)	TBD	50%	75%	100%	100%	100%	Administration (Defence Materiel)
		Provide sound Defence Direction	Approved National Defence Security Strategy	TBD	Approved by MOD&MV in consultation with the South African Security Service	Monitor (Implementation)	Monitor (Compliance)	Monitor (Effectiveness)	Monitor (Effectiveness)	Administration (Policy and Planning)
			Approved White Paper on Defence Industry	TBD	Approved	Monitor (Implementation)	Monitor (Compliance)	Monitor (Effectiveness)	Review	Administration (Def Mat & DSCI)

Table 13: 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					
					11/12	12/13	13/14	14/15	15/16	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	TBD	Approved Strategy	Strategy Piloted	Development of Policy	Monitor Policy	Review Policy	Administration (Human Resources)
			Approved HR Skills Development Plan	TBD	Pilot DOD Skills Audit Instrument	Conduct Skills Audit (Compre-hensive)	Compile DOD Master Skills Plan	Approved DOD Skills Gap Development Plan	Monitor Development Plan	Administration (Human Resources)
			Throughput numbers in terms of the DOD National Youth Concept	TBD	1 500	2 000	6 000	TBD	TBD	Administration (Human Resources)

Table 14: 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 and 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.	ENE	100%	100%	100&	100%	100%	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 15: 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	Sound Defence Direction	DOD Representation %: Current number of positions filled against allocated quotas of international institutions.	5%	15%	20%	25%	30%	35%	Administration (Human Resource Support Services)
		Defence commitments in accordance with government policy and strategy	Percentage Security Clearances Allocated to Def Sec staff	TBD	100%	100%	100%	100%	100%	Administration (SecDef)
		Compliance with good financial management	Auditor-General Opinion findings	TBD	1x Qualification	Unqualified Audit	Unqualified Audit	Unqualified Audit	Unqualified Audit	Administration (Financial Management Division)
		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)
		Sound Defence Direction	% HR turn-over rates	TBD	6%	5%	5%	6%	6%	Administration (Human Resource Support Services)
			Approved DOD Anti-Corruption Policy and Strategy.	TBD	Approval	Implementation	Monitor	Review	Implement	Administration (Human Resources, Inspector General and Risk Management)
			Compliance with MISS and information security	TBD	100%	100%	100%	100%	100%	Administration (DEISM)
			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	Administration (DSCI)

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	Provide sound Defence Direction	Approved Research Capability	TBD	Organisational structure	Fully Operational Structure	Fully Operational Structure	Fully Operational Structure	Fully Operational Structure	Administration (Policy and Plan)
			Approved Defence Fiscal Framework	TBD	Development of a 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	TBD	Approved	Implementation	Monitor Effectiveness	Review	Implement reviewed Framework	Administration (Defence Acquisition)
			DOD Approved Fraud and Corruption Prevention Strategy	TBD	Approved	Monitor (Implementation)	Monitor Compliance	Monitor Effectiveness	Monitor Effectiveness	Administration (IG DOD)
			Significant reduction in the cases of irregularities and corruption in the Defence Department	TBD	20%	40%	60%	80%	100%	Administration (IG DOD)

Table 16. 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	Percentage improvements in the outcome of the Annual GCIS Survey	17%	17%	17%	17%	17%	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 (Defence International Affairs)
Strengthened Defence Industry	Approved White Paper on Defence Industry	N/A	Approved	Monitor (Implementation)	Monitor (Compliance)	Monitor (Effectiveness)	Review	Administration (Def Mat & DSCI)

RESOURCE CONSIDERATIONS

The following resource considerations were taken into account:

- Expenditure Trends. The required funding requirements will increase in the short to medium term due to increases in operating cost and a decline in the real value of the DOD budget vote.
- Trends in the Numbers of Key Staff. Loss of scarce skilled, knowledgeable and experienced personnel continues to increase at an unacceptable rate.
- Trends in the Supply of Key Inputs. Prepared forces are not sufficient to satisfy ordered commitments according to doctrine.

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's focus will be on the roll-out of the approved DOD Enterprise Risk Management Framework and the enhancement of the Enterprise Risk Architecture through the revision of the current risk management into planning, execution, reporting and decision making.

The DOD is guided by the Public Sector Risk Management Framework 2008 which aims at supporting Institutions to improving and sustain their performance by enhancing their systems of risk management.

The main Def Sec risks that could impact on the realisation of the outputs are tabulated below:

Table 17: 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 underway. ▪ The closer management of the DOD and Public Work Department's respective rights and obligations on infrastructure and facilities maintenance. ▪ The DOD's Internal maintenance/works capabilities being enhanced. ▪ Close monitoring of DOD projects.
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 infrastructure resulting in 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

CHAPTER 4

The resources necessary for the delivery of the Defence mandate are herewith provided. This chapter deals with the presentation of supporting and functional resource areas which support the execution of the mandate. These resource areas are located within an acknowledged inextricable link that exists between the vision and the enablers.

OVERVIEW

As required by National Treasury Regulation 5, the resources necessary for the delivery of the Defence Mandate are provided herewith. This section deals with the presentation of supporting and functional resource areas which support the execution of the mandate. These resource areas are located within an acknowledged inextricable link that exists between the vision and the enablers.

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

LINKS TO DOD LONG TERM INFRASTRUCTURE AND OTHER CAPITAL PLANS

Table 18: 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**

LINKS TO THE ICT (DEIS MASTER PLAN)

The DEIS Master Plan serves as the primary mechanism through which the DOD Information Strategy is realised. It facilitates the strategic alignment between the information requirements of the DOD, on the one hand, and the enabling of information solutions for DOD requirements on the other. The DEIS Master Plan therefore directs and co-ordinates all ICS&S investments being made across the entire DOD, in order to ensure that the DOD gains the best value from money spent on ICS&S in accordance with DOD Strategies, Plans and Priorities.

Table 19: ICT Plan Performance Information

Outputs	Performance Indicator	Targets		
		2011/12	2011/12	2013/14
Management of information as a strategic resource in the department	Promulgated DOD Information Strategy	100%	Implemented and monitored	Implemented and monitored
Mitigate all identified Department of Defence Information and communication systems risks.	% of risks mitigated in accordance with the Department of Defence's Information and communication systems risk management plans and register.	100%	100%	100%

LINKS TO THE DOD HUMAN RESOURCES PLAN

The HR Plan ensures the most effective, efficient and economic HR composition of the right quantity, quality at the right place and time to meet the strategic and operational objectives of the HR Division in the DOD.

The intention of this plan is to derive the delta between human resource supply and demand, and to propose broad remedial strategies. Thus, essentially the plan depicts the "*what".* This human resource plan has undertaken an appreciation of both internal and external factors in order to delineate the delta between human resource supply and demand. Through this process it has become readily apparent that focussed and directed intervention is required in order to optimise, *inter alia*, the work-force composition, the attainment of representivity, and the management of the personnel flow.

Table 20: Human Resource Plan Performance Information

Outputs	Performance Indicator	Targets		
		2011/12	2012/13	2013/14
Minimise the loss of HR expertise/ institutional knowledge.	Reduction in the number of people leaving the organisation.	10%	25%	50%
	% Improvement in the morale of DOD members.	30%	50%	80%
	% Improvement in the conditions of service of DOD members.	25%	50%	80%
	Effective, efficient and transparent career management in place.	30%	60%	100%
Create a conducive work environment for employees.	Negative trend in reduction in number of grievances lodged.	Negative	Negative	Negative
Achievement of optimal staffing levels in accordance to the guidelines and budget restrictions.	Staffed structures enabled to deliver on respective mandates.	Attain and maintain a 100% staffed structure.	Attain and maintain a 100% staffed structure.	Attain and maintain a 100% staffed structure.

CONDITIONAL GRANTS

The Defence Secretariat has no conditional grants within the appropriated budget.

ORGANS OF STATE AND PUBLIC ENTITIES REPORTING TO THE EXECUTIVE AUTHORITY

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 that 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 Minister of Defence and has the ultimate ownership responsibility for the Castle.

The public entities to be evaluated during the upcoming five-year period are indicated in the Table below.

Table 21: Public Entities

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 who has 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's mandate is derived from the Armscor Act 51 of 2003 to assist the DOD & MV with the following: ▪ To be a nodal centre for acquisition; ▪ Disposal of equipment; and ▪ Decision support to Defence materiél requirements of the DOD requirements; ▪ 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	R820 872 for the 2011/12 Financial Year	July 2011

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 in January 2008. The DOD has not yet entered into an agreement with any company. The transactional costs of the project amounts to R8 million.

CONSULTANT UTILISATION

Table 22: Consultant Utilisation

Project Title	Total Number of Consultants required on the Project	Percentage ownership by HDI Groups	Duration Work Days	Contract Value in Rand	Milestones to ensure skills transfer
Supply Chain Strategic Plan of Action CSIR: CPSC/G/230/08	53		8032	54 973 801	
Asset Management Stock Verification Programme Classic One Consortium: B/G/839/08	106		257	47 219 391	
Media Monitoring	Intention to contract company with commencement of MTEF 2010		Continuous (monthly analysis and reports)	3 500 000	
Total amount used for consultants				105 693 192	

(Footnotes)
1 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.
2 The Defence Act, 2002 (Act No 42 of 2002) refers to civil control.