

REMEDIAL MEASURES

- PROJECT MANAGEMENT UNIT OF DEDICATED OFFICIALS WAS PUT IN PLACE AT PROVINCIAL AND DISTRICT LEVELS TO DRIVE THE PROGRAM
- BID & SPECIFICATION COMMITTEES WERE PUT IN PLACE TO MEET WHEN NECESSARY .
- EMERGING CONTRACTORS ARE CAPACITATED IN TERMS OF THE EPWP .
- THE DEPARTMENTAL OFFICIALS ARE UNDERGOING PROJECT PLANNING AND MANAGEMENT COURSES TO INCREASE THEIR TECHNICAL COMPETENCE.

EXPENDITURE REPORT FOR 2005/06 FINANCIAL YEAR

- THE TOTAL BUDGET ALLOCATION FOR THE YEAR WAS R47m - Plus a Roll-Over of- R25m FROM 2004/05 FINANCIAL YEAR, WHICH AMOUNTED TO -R73m.
- AS AT THE END OF MARCH 2006, THE EXPENDITURE WAS R67m ,{with commitments of R6,2m which could not be honored before the end of the year}
- THE COMMITTED AMOUNT OF R6,2M WAS FOR THE REHABILITATION OF TYHEFU IRRIGATION SCHEME IN PEDDIE
- THIS AMOUNT WAS NOT USED DURING THE LAST FINANCIAL YEAR DUE TO SOCIAL CONFLICTS IN THE IRRIGATION SCHEME

**DEPARTMENT OF AGRICULTURE
ANNEXURE 1: CASP EXPENDITURE
REPORT FOR 2005/06**

EXPENDITURE 2005\06 END MARCH2006	BALANCE	TOTALS
67,112	6,213	73,325

Conditional Grants 2004/05

Conditional Grant	Original Budget	Rollovers	Final Budget	Transfer	Spent	Balance unspent
	R'000	R'000	R'000	R'000	R'000	R'000
CASP	38,043	0	38,043	38,043	12,250	25,793
Land Care	3,5000	5,266	8,766	3,500	2,646	6,120
Totals	41,543	5,266	46,809	41,543	14,896	31,913

EXPENDITURE PER CATEGOTY

	BUDGET	EXPENDITURE	BALANCE
FENCING	29,330,000	29,330,000	-
IRRIGATION	14,665,000	8,452,000	6,213,000
DIP-TANKS	10,999,000	10,999,000	-
TRACTORS	5,675,449	5,675,449	-
ANIMAL FACILITIES	12,656,000	12,656,000	-

Conditional Grants 2005/06

Conditional Grant	Original Budget	Rollovers	Final Budget	Transfer	Spent	Balance unspent
	R'000	R'000	R'000	R'000	R'000	R'000
CASP	47,552	25,773	73,325	47,552	67,132	6,193
Land Care	8,000	6,119	14,119	8,000	13,680	439
Totals	55,552	31,892	87,444	55,552	80,812	6,632

**DEPARTMENT OF AGRICULTURE
ANNEXURE 1: CASP EXPENDITURE
REPORT FOR 2005/06**

EXPENDITURE 2005\06 END MARCH 2006	BALANCE	TOTALS
67,112	6,213	73,325

Conditional Grants 2006/07

Conditional Grant	Original Budget	Rollovers	Final Budget	Transfer from National	Spent	Balance unspent
	R'000	R'000	R'000	R'000	R'000	R'000
CASP	57,061	6,193	63,254	5,707	2,969	60,285
Land Care	6,675	530	7,205	3,005	1,273	5,932
Totals	63,736	6,723	70,459	8,712	4,242	66,217

Capital Spending

Programme	Allocation	Expenditure
Prog 1	4,050,000	122,045
Prog 2	1,448,780	211,840
Prog 3	209,500	0
Prog 4	305,000	0
Prog 5	1,575,428	0
Prog 6	251,248	0
Prog 7	275,200	0
Totals	8,115,156	333,885

Monitoring capacity 2006/07

- Organisational Development directorate is rendering the monitoring and evaluation function
- This is done at a limited scale due to absence of human resource capacity dedicated to M&E
- Only M&E framework has been set
- M&E core group is designing an assessment tool for M&E

REMEDIAL MEASURES

- FINANCIAL INSTITUTIONS ARE INVOLVED FOR FINANCIAL ASSISTANCE

- SOCIAL MOBILIZATION DONE WHERE AND WHEN NECESSARY
- EMERGING CONTRACTORS ARE CAPACITATED
- PROJECTS TO BE FINISHED ON TIME

Variance explanations

- Program 1: R9 112
 - This under spending is linked to abandoned winter cropping plans where agricultural technicians were to play a major role using Fleet Afrika vehicles.
- Program 3: R34 937
 - The department initially planned to plough winter crops under massive food.
 - Because market related factors winter cropping plans were abandoned.

CASP CONDITIONAL GRANT IMPLEMENTATION CHALLENGES

- LACK OF START-UP CAPITAL & BRIDGING FINANCE FROM THE CONTRACTORS
- SOCIO-POLITICAL PROBLEMS WITHIN THE COMMUNITIES
- LACK OF CAPACITY FROM THE CONTRACTORS – NON-COMPLIANT TENDER SUBMISSIONS – ADJUDICATION DELAYS
- EXTENDED PLANNING TIME LINE BETWEEN DEPARTMENT SECTIONS – SIGNIFICANT IMPROVEMENTS TO-DATE
- DELAYED COMPLETION OF PROJECTS