

SECOND QUARTER PROVINCIAL REPORT ON CONDITIONAL GRANTS

- CASP REPORT

1. REASONS FOR VARIANCES

TRANSFERS APRIL TO SEPT	ACTUAL EXPENDITURE AS AT 30 SEPTEMBER 2006 (2 nd QUARTER)	UNDER EXPENDITURE	EXP AS % OF AMOUNT ALLOCATED	REASONS FOR VARIENCES
25,678	23,859	1,820	7.1%	The main reason for this minor variance (50-42%) is due to delays in project implementation were due to challenges experienced by the contractors in the implementation of projects .The contractors that have been awarded tenders do not have the funding to continue with projects . The department is attempting to address this issue by assisting contractors and making part payments for work already completed .This enables the contractor to have funds at their disposal to continue with project implementation

- 2.1. CASP business plan was only signed by the Head of Department on the 20th November 2005, before being submitted to National Department of Agriculture (NDA). Before being implemented, it was discussed with the NDA on the 20th November 2006.
- 2.2. No Service Level agreements for 2006\07 financial year. A draft proposal is being discussed for 2007\08 business plan.

- 2.3. Explanation is the same under paragraph 1, above.
- 2.4. Risk management plan is depicted on page 14 of the business plan
- 2.5. Monitoring is done in terms of monthly and quarterly reports and in terms of evaluation of the whole program, this work has been commissioned to Agricultural Development and Research Institute (ADRI, University of Fort Hare, Alice) .A first preliminary report is expected to be out by month end of December 2006.

• LAND CARE GRANT

1.REASONS FOR VARIANCES

TRANSFERS APRIL TO SEPT	ACTUAL EXPENDITURE AS AT 30 SEPTEMBER 2006 (2 nd QUARTER)	UNDER EXPENDITURE	EXP AS % OF AMOUNT ALLOCATED	REASONS FOR VARIANCES
3,004	2220	784	26.1%	<p>The main reason for this minor variance (26.1%) is that there are no systems in place for employment of members of community on labour intensive work.</p> <p>Remedial action To use uVimba to enable processes to be done through the agency from November onwards.</p>

2.1 The signed business plan is with the National DoA. What came back to the province was the approved letter that was sent. A letter of acceptance that was signed by the Head of department is the document that exist.

2.2 No Service Level agreements for 2006\07 financial year.

- 2.3 Explanation is the same under paragraph 1, above.
- 2.4 Risk management plan is captured on the business plan
- 2.5 Monitoring is done in terms of monthly and quarterly reports .

4. EXPENDITURE PER CATEGORY FOR THE FIRST QUARTER

CATEGORY	BUDGET	EXPENDITURE	BALANCE	TARGET	OUTPUT	TOTAL TARGET FOR YEAR
<i>FENCING</i>	12,191,277	4,706,000	7,485,277	10	8	200
<i>IRRIGATION</i>	18,730,000		18,730,000	0	0	40
<i>ANIMAL</i>	10,625,000		10,625,000	0	0	25
						YEAR
<i>FENCING</i>	12,191,277	6,980,000	5,211,277	60	55	200
<i>IRRIGATION</i>	18,730,000	11,129,000	7,601,000	20	15	40
<i>ANIMAL FACILITIES</i>	10,625,000	2,463,000	8,162,000	15	9	25
<i>MARKETING INFRASTRUCTURE</i>	7,564,723	1,728,000	5,836,723	7	6	10
<i>STOCK WATER</i>	7,950,000	1,560,000	6,390,000	15	12	20
TOTAL	57,061,000	23,860,000	33,201,000	305	97	295

5. PROJECTIONS FOR THE THIRD QUARTER

TOTAL	57,061,000	111	295
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PROJECTIONS FOR THE FOURTH QUARTER

CATEGORY	BUDGET	TARGET	TOTAL TARGETS FOR THE YEAR
<i>FENCING</i>	12,191,277	47	200
<i>IRRIGATION</i>	18,730,000	15	40
<i>ANIMAL FACILITIES</i>	10,625,000	10	25
<i>MARKETING INFRASTRUCTURE</i>	7,564,723	2	10
<i>STOCK WATER</i>	7,950,000	5	20
TOTAL	57,061,000	79	295