

**PRESENTATION INFRASTRUCTURE
SPENDING – 30 SEPTEMBER 2006**
Department of Agriculture, Conservation and
Environment

NORTH WEST PROVINCE

***PUBLIC HEARING ON CONDITIONAL GRANTS
EXPENDITURE***

ON MONDAY 27 NOVEMBER 2006

CR M46 Marks Building - PARLIAMENT



**CONDITIONAL GRANTS & EQUITABLE SHARE
ALLOCATION**

	MTEF 2004/05 (R'000)	MTEF 2005/06 (R'000)	MTEF 2006/07 (R'000)	MTEF 2007/08 (R'000)	MTEF 2008/09 (R'000)
<u>CONDITIONAL GRANTS</u>					
<input type="checkbox"/> Landcare	6 370	5 000	4 750	4 672	4 897
<input type="checkbox"/> CASP	26 875	33 594	40 313	53 091	55 639
<input type="checkbox"/> Drought Relief	-	16 000	-	-	-
SUB-TOTAL (CG)	33 245	54 594	45 063	57 763	60 536
<u>EQUITABLE</u>					
<input type="checkbox"/> Settlement Support	30 000	50 000	26 650	40 000	50 000
<input type="checkbox"/> Heritage		5 318	6 517	7 270	7 633
SUB-TOTAL (E)	30 000	55 318	33 137	47 270	57 633
TOTAL	63 245	109 912	78 230	105 033	118 169



**CONDITIONAL GRANTS & EQUITABLE SHARE ACTUAL
SPENDING – QUARTER ENDING 30/09/2006**

	ROLL- OVER FUNDS (R'000)	2006/07 BUDGET (R'000)	TOTAL FUNDS AVAILABLE (R'000)	ACTUAL EXPENDITUR (R'000)	% SPENT
<u>CONDITIONAL GRANTS</u>					
<input type="checkbox"/> Landcare	3 532	4 750	8 282	1 783	21.5
<input type="checkbox"/> CASP	29 243	40 313	69 556	16 591	23.9
<input type="checkbox"/> Drought Relief	16 000	-	16 000	13 432	84.0
SUB-TOTAL (CG)	48 775	45 063	93 838	31 806	34.0
<u>EQUITABLE</u>					
<input type="checkbox"/> Settlement Support	12 505	26 650	39 155	5 269	13.5
<input type="checkbox"/> Heritage	4 803	6 517	11 320	601	5.3
SUB-TOTAL (E)	17 308	33 167	50 475	5 870	11.6
TOTAL	66 083	78 230	144 313	37 676	26.1

**CONDITIONAL GRANTS & EQUITABLE SHARE
COMMITMENTS – PERIOD ENDING 23/11/2006**

	ROLL- OVER FUNDS (R'000)	2006/07 BUDGET (R'000)	TOTAL FUNDS AVAILABLE (R'000)	ACTUAL EXPENDITUR E (R'000)	COMMITM ENTS AT 23/11/2006 (R'000)
<u>CONDITIONAL GRANTS</u>					
<input type="checkbox"/> Landcare	3 532	4 750	8 282	2 224	694
<input type="checkbox"/> CASP	29 243	40 313	69 556	30 103	27 351
<input type="checkbox"/> Drought Relief	16 000	-	16 000	14 672	421
SUB-TOTAL (CG)	48 775	45 063	93 838	46 999	28 466
<u>EQUITABLE</u>					
<input type="checkbox"/> Settlement Support	12 505	26 650	39 155	6 435	3 034
<input type="checkbox"/> Heritage	4 803	6 517	11 320	1 187	4 275
SUB-TOTAL (E)	17 308	33 167	50 475	7 622	7 309
TOTAL	66 083	78 230	144 313	54 621	35 775

ON OF SPENDS

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million (11.6%) of e at

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R 9.1

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Challenges

- ❑ Individual item procurement of services per project
- ❑ Misunderstanding of management about flexibility and authority to change projects
- ❑ Shortage of specialist skills (project management, economists and engineers) **external**
- ❑ Constraints imposed by financial delegations at the beginning of 2004/05
- ❑ Constitution of the Supply Management Committee and training for members
- ❑ Late transfers to the province (R16m of drought/disaster relief transferred in December 2005) **external**
- ❑ Too many projects on a small scale requiring a lot of turn around time management
- ❑ Lack of capacity in the ongoing monitoring and evaluation unit
- ❑ Group dynamics affect project implementation - **external**

REMEDIAL ACTIONS

- ❑ Bulk Procurement Systems implemented as from May 2006
- ❑ Increase in financial delegations to responsible officials (including decentralization on decision making)
- ❑ Outsourcing of project management. Economist unit established but recruitment slow due to poor response to advertisement. Efforts being made to create internal capacity for engineers during 2007/08
- ❑ Projects now reviewed from time to time to ensure amendments where necessary
- ❑ The Supply Chain Management unit fully established and members are being trained. The DBAC has been restructured and now fully functional
- ❑ Planning is done on bigger projects with high impact and to minimize management time
- ❑ Monitoring and evaluation unit fully capacitated to appraise progress on projects regularly
- ❑ Institutional capacity building for bigger land reform groups/beneficiaries is being investigated

CONCLUSION

It has made significant
 expenditure since of
 as in our previous

confident that both end
 of allocation of