



Presentation to the Select Committee on Finance

**KwaZulu-Natal
Department of Agriculture &
Environmental Affairs**

S. ADAM

10 May 2007

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Overview



⌘ The figures to be presented may differ to those presented by KZN Provincial Treasury due to the following reasons

☒ There were outstanding journals of about R 6,455 mil in CASP

☒ These were finalised as at the 25th of April 2007

KWAZULU-NATAL PROVINCIAL
DEPARTMENT OF AGRICULTURE AND ENVIRONMENTAL AFFAIRS

Summary of Conditional Grants Expenditure



Grant	Budget (000)	Expenditure (Exp plus Committed) (000)	% Spent
CASP	55,524	51,710	93%
Land Care (Conditional Grant)	10,335	5,476	53%
Disaster Management	23,000	0	0%
Total	88,859	57,186	

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Expenditure on CASP



Grant	Budgeted amounts (R'000)	Expenditure (R'000)	% Expenditure
Land Reform	R 38,866,800	R 39,529,043	102%
Food Security	R 6,662,880	R 4,714,534	71%
Training & Capacity Building	R 6,662,880	R 4,575,623	69%
Marketing & Business Development	R 1,665,720	R 1,225,970	74%
Advisory, Extension & Technical	R 1,665,720	R 1,665,720	100%
TOTAL	R 55,524,000	R 51,710,890	93%

NB: Excludes departmental funding of R10 million.

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Expenditure on LandCare



Grant	Budget (000)	Expenditure (Exp plus Committed) (000)	% Spent
Land Care (Conditional Grant)	R 10 355 (R6675 + R 3680)	5,476	53%

- ⌘ Initial Allocation for 2006/07: R 6 675 m
- ⌘ Additional funds of R 3 680 m received in Dec '06 for funding of 3 new projects and Planning Grant
- ⌘ Commitments as at 31 march R3 735 m
- ⌘ Reasons for under-spending:
 - ☒ Late notification of additional in Adjustments Estimate
 - ☒ Ineffective SCM
 - ☒ Service Providers failing to deliver


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Capital Expenditure 06/07



CAPITAL EXPENDITURE	Initial Budget	Adjustments	Variance	Adjusted Budget	Actual as at March 07	Variance	% Spent	COMMENTS
BUILDINGS & OTHER FIX STRUCT	51,200	0	000	51,200	42,712	4,201	83%	Delays in implementation of projects
MACHINERY & EQUIPMENT	22,000	-132	400	22,168	15,400	7,768	69%	Non-filing of posts
TOTAL	73,200	-132	400	73,468	58,112	15,356	79%	


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AG QUALIFICATION ISSUES	TURN AROUND STRATEGY
Lack of Supporting Documentation	<ul style="list-style-type: none"> -Strengthen records management -Ensure that all projects and invoices have requisite documentation
Asset Management	<ul style="list-style-type: none"> -Asset register for all classes of assets updated within the next three months. -Ensure proper management and valuation of biological assets. -Reconciliation and branding of all cattle given to beneficiaries finalised by June. -Determine definite number of the stock still held by the department at various locations.
Leave entitlement	<ul style="list-style-type: none"> -Strengthened the management capacity of the HR Management section -Recruiting up of staff in this section -Also, we have ensured that proper filing of documents takes place which is the basis for the management of basic documents such as leave records.
Suspense accounts	<ul style="list-style-type: none"> -Ensure that all suspense accounts cleared on a monthly basis.

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continued



Unauthorized expenditure and Irregular Expenditure	<ul style="list-style-type: none"> - Ensure development of a template for standardized business plans - Ensure proper costing of business plans with requisite approvals by the accounting officer. - To develop a monitoring mechanism that will give early warning in terms of the success or otherwise of the projects. - Ensure timely implementation of business plans, within approved budget in order to prevent over-expenditure. - In the short term, we have centralized all procurement and payment to our Head Office in Cedara.
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