

Public hearing on conditional grants and capital expenditure: 4th quarter

**Presentation to Select Committee on Finance
Northern Cape's Department of Agriculture
and Land Reform
10 May 2007**



Overview

- Equitable share versus Conditional Grant allocation
- Project Summary CASP
- Project Summary Land Care
- 4th quarter expenditure on conditional grants
- Expenditure trends per month
- Overall Expenditure: Conditional Grants
- CASP Outputs 2006/2007
- Monitoring and Evaluation
- Challenges for conditional grants
- Plans to improve delivery on conditional grants
- Achievement per activity
- Trends on Capital Expenditure

Equitable share versus conditional grant allocation

SUMMARY COMPARISON BASED ON ORIGINAL ALLOCATIONS				
	05/06	06/07	Increase	% increase
Equitable Share	94,372	108,285	13,913	14%
Conditional Grants	37,934	46,201	8,267	21%
Total	132,306	154,486	22,180	16%

3

Project summary: CASP 2006/07

District	Name	Description	Budget
Namaqua	Coboop	Infrastructure for stock farming and marketing	R530 000
	Goodhouse	On farm irrigation infrastructure	R1 500 000
	Borehole testing unit	Testing unit	R80 000
Sub- total			R2 110 000
Siyanda	Rooipan	Infrastructure for stock farming	R1 150 000
	Groenwater	Infrastructure for stock farming (money was shifted to another project due to conflict)	R1 590 000
	Blocuso	Irrigation Development	R3 090 000
Sub-total			R5 830 000

4

Project summary: CASP 2006/07

District	Name	Description	Budget
Frances Baard	Kopano	Construction of irrigation system	R800 000
	Mayeng	Stock watering system & fencing	R2 707 000
Sub-total			R3 507 000
Kgalagadi	Elgon	Housing facilities for egg production	R600 000
	Kono	Infrastructure for stock farming	R900 000
	Animal Health	Improve livestock production	R1 500 000
Sub-total			R3 000 000
Pixley Ka Seme	Elim	Infrastructure development	R140 000
	Bakenskop	Infrastructure development	R400 000
Administration			R790 000
TOTAL			R15 777 000

5

Project summary: Landcare 2006/07

Project Name	Description	Budget
Northern Cape Land Care Awareness	Land Care Awareness Week	560
Siyanda		
High School Keimoes	To expose the youth to land care principles and agriculture	40
Kakamas Junior Land Care	To expose the youth to land care principles and agriculture	45
Loubos Junior Land care	To expose the youth to land care principles and agriculture	38
Ganzemond	Upgrading of infrastructure	265
Kenhardt Meent	Stock water and fencing	457
Beeshoek	Infrastructure development and Capacity building and training	300
Pixley Ka Seme		
Taaibeschdraai	Soil conservation works of denuded areas	465
Kgalagadi		
Ga-Segonyane Commonage	To combat bush encroachment	300

Project summary: Landcare 2006/07

Project name	Description	Budget
Namakwa		
Boesmansplaat	Provide on-farm infrastructure	271
Twefontein	Repair existing fences and construct new stock watering systems	728
Springputs	Construct new stock watering systems	397
Dabenoris	Construct new stock watering systems	475
Poffadder Commonage	Repair and construct new infrastructure	130
Brandvlei Commonage	Capacity building and training	277
Boschmansberg	Provide on-farm infrastructure	758
Administration		644
Grand Total		6 150

7

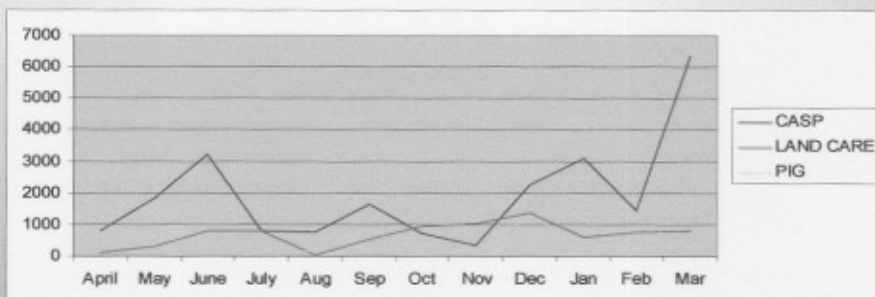
4th Quarter Expenditure on Conditional Grants

Conditional Grant	Jan	Feb	Mar	Total
CASP	3100	1446	6359	10, 905
LAND CARE	607	776	814	2, 197
PIG	436	235	1505	2, 186
TOTAL	4143	2457	8610	15, 288

8

Expenditure trends per month

Conditional Grant	April	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
CASP	820	1826	3202	809	773	1660	737	363	2269	3100	1446	6359	23364
LAND CARE	127	323	810	803	44	536	958	1042	1376	607	776	814	8216
PIG			63	11	184	687	37	202	1248	436	235	1505	4807
TOTAL	947	2150	4075	1623	1001	3083	1732	1607	4893	4143	2457	8610	36387



9

2006/2007 expenditure : Conditional Grants

Conditional Grant	2005/2006	2006/2007	2006/2007 allocation		
	Rollover	Budget	Total Budget	Actual Expenditure	%
CASP	6,718	15,777	22,496	23,364	103%
LAND CARE	1,873	6,150	8,023	8,216	102%
PIG	1,588	3,220	4,808	4,807	99,9%
TOTAL	10,179	25,147	35,327	36,387	103%

10

CASP OUTPUTS -2006/07

Outputs	Number	Budget spent ®
Irrigation system	6	5,978,800
Dams	5	1,433,000
Stock handling facilities	5	1,145,500
Fencing	16	2,515,200
Pack house	1	132,500
Storage	1	60,000
Stock water system	62	2,696,400
Boreholes	5	1,816,100
Total		15,777,000

Monitoring and Evaluation

- **Senior management evaluates expenditure monthly**
- **Project Management office established**
- **Departmental Project Coordinating Committee established and meetings held bi-monthly**
 - **Assesses project proposals**
 - **Recommends for approval**
 - **Assesses and evaluates progress**
- **Project leaders were appointed**
 - **Project committees for individual project established**
 - **The committees monitors implementations and expenditures**

Challenges for conditional grants

- More demands by other land reform beneficiaries especially the more they see implementation and changes in the neighbouring approved projects or
- Sometimes, even there is a shortage of engineers

Plans to improve delivery on conditional grants

- Monthly review of expenditure
- Holding quarterly reviews with project leaders



Thank You

Trends in capital expenditure

Programmes for 2006/2007		Main Appropriation R'000	4 th quarter spending R'000	% spent
Administration	1,291	1,291	1,291	100%
Sustainable Resource Management	8,053	6,044	6,044	75%
Equitable	44	44	44	100%
Conditional Grants	8,023	6,000	6,000	75%
Farmer Support and Development	31,304	29,629	29,629	95%
Equitable	4,000	4,000	4,000	100%
Conditional Grants	27,304	25,629	25,629	94%
Veterinary Services	555	555	555	100%
Technological Research and Development	464	464	464	100%
Agricultural Economics	500	500	500	100%
Total	42,167	38,483	38,483	91%