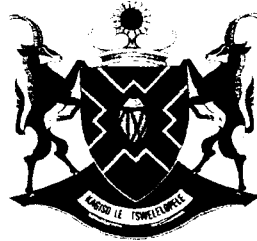


**NORTH WEST PROVINCIAL LEGISLATURE**



**Strategic Plan, Annual  
Performance Plan and Budget  
Vote 2010/11**

**Departmental Presentation 28 April 2010**

**4/28/2010**

**Committee Report**

**Hon. Dodo Baloyi (Chairperson)**

# North West Provincial Legislature

## Report on the Presentation by the Department of Agriculture, Conservation, Environment and Rural Development (DACERD)

### 1. Introduction

The Department of Agriculture, Conservation, Environment and Rural Development (DACERD) is committed in uplifting the livelihood of the people within the Province. The department presented its annual performance plan and budget for 2010/11 to the Portfolio Committee for scrutiny. This was done in order for the Portfolio Committee to be more informed in processing the budget and to be passed by the Provincial Legislature.

### 2. Objectives

The objective of the meeting was for the Department to present its Annual Performance Plan and Budget Briefing for the 2010/2011. The following are the strategic goals of the department.

1. Effective legislation, policies and institutional framework
2. Increased capacity building intervention and awareness
3. Improved service delivery
4. Internal departmental excellence

### 3. Departmental Presentation

The department tabled its presentation on how they are planning to achieve the above objectives during the financial year 2010/11. The Annual Performance Plan basically aims at ensuring that the above strategic goals of the department are implemented and the Portfolio Committee continues to do oversights in making sure that all the relevant bodies are **committed and participate fully** in this regard. The latter will ensure speeding up of growth and transforming economy to create decent jobs in order to address the challenges of high unemployment facing the society within the province particularly in the rural areas.

The Annual Performance Plan was reviewed to reflect key services and new mandate of the department. The four strategic goals stated above were also reviewed to ensure focus on strategic priorities and the new mandate of rural development.

### 3.1 Departmental challenges

- Collapsing of projects due to group dynamics.
- Budget limitations of R25m with regard to rural development of which should be used for operations only and not for employees compensations and this might be difficult to achieve the intended objectives.
- There are serious challenges in Potchefstroom College of Agriculture wherein students are not paying their study and hostel fees and thus impacting adversely on revenue collection.
- R120million that was requested for rural development has been declined and only 25million allocated for North- West for the current financial year.
- Animal pound bill that is in the Premiers Office

The Departmental programme structure is as follows:

1. Administration	R149 336 000.00
2. Agricultural Support Services	R 59 656 000.00
2.1 District Services (4)	R379 613 000.00
3. Environmental Services	R 65 113 000.00
4. Rural Development	<u>R 25 000 000.00</u>
<b>Total Budget</b>	<b><u>R 678 718 000.00</u></b>

The Medium Term Expenditure Framework (MTEF) with regard to the above budget allocations were considered and aligned with the Annual Performance Plan to each objective and output across the Chief Directorates.

#### 4. Concerns raised by the Portfolio Committee

- Unauthorized payment of R9 988 000.00 that is not dealt with in accordance with section 34 of the PFMA.
- Unavailability of key officials during the Auditor General's audit which impact negatively as it makes it difficult to obtain necessary information.
- There is no clear departmental strategy to manage the extra funds requested in the current financial year.

- Partnership of the department with Tourism Board to ensure compliance of rules with regard to wild animals e.g. unlocked lions.
- Timeframes for the department to finalize the removal of unlocked lions not specified and the lives of the people remain in danger as some of the lion breeders are unwilling to comply on safety specifications.
- Recommendations for Taung Skull and Vredefort Dome are not yet implemented.
- Measures by the department to address racism, farmers' eviction and ill treatment of the farmers within the province as the department of labour is not engaged.
- Strategy of the department to partner with other departments and organs of the civil society to realize the rural safety plan
- Strategy to resuscitate collapsed projects e.g. grapes project in Britz
- The strategy to improve rural development is not clearly defined.
- There is no clear plan to address crime as well as alleged corruption of the key official within the department.
- Outcome of the investigation. There are no valid reasons on why the recommendations with regard to Taung Skull were not implemented instead wasting state resources to seek for a private legal advisor. Evaluation, how far is the department with addressing the issues raised in the report.
- Non-adherence of SCOPA resolutions by the department.
- Extension Officers who are not capacitated in terms of intervening between the farmers in areas where there are tensions.
- Weak Agribusiness within the department as it is not clearly stated whether there will be a linkage with the department of finance.
- Non-compliance with applicable legislation by the department to pay suppliers within 30 days of receipt of the invoice as required by Treasury Regulations.

## **5. Responses by the Department of Agriculture**

- With regard to Taung Skull recommendations, a letter was written to the HOD by the MEC to implement. However, there were going to be legal implications that needed to be taken into consideration.
- With regard to unauthorized expenditure, the matter had been repeatedly reported to the PPAC, Portfolio Committee as well as Provincial Treasury to solicit funding and no feed-back has been forthcoming.
- Unavailability of key officials was due to the fact that they had attended Public Administration, Leadership and Management Academy (PALAMA) during the Auditor General's audit.
- The department has established a directorate of risk management before payments could be processed to eradicate corruption e.g. to track all the transactions within the department.
- Some of the Collapsed projects are due to inevitable group dynamics and Land Bank repossession wherein farmers are not paying their debts.
- The department attended a farmer's summit which was intended to prepare for a national farmers summit with relevant stakeholders to address the challenges of farmers attacks and eviction and the recommendations of the latter are taken into consideration for implementation.
- The department has developed a green book wherein the Extension Officers will keep record of the number of farmers that s/he is responsible for and all the extension officers received laptops, 3GS to support their services and uniforms will also be organized to ensure uniformity.
- There is no record or statistics as to whom and how many people received Nguni cattle.
- The department has developed a fencing specification with regard to lion breeders and 92% of compliance with law achieved electrified fencing as required and 8% non-compliance will be closed.
- Only two (2) lion breeders in the area of Vendersdorp and Swartreggens that was reported to have been claimed by Kgosi and lions will be moved to another place.
- National Job Evaluation – the department has been taken to court and lost the case. However, 24 million has been sourced and everybody was paid on the 1<sup>st</sup> of April 2010 and will negotiate with employees with regard to arrears and sacrifice posts.

## 6. Recommendations

- Chairperson of the Portfolio Committee on Finance, Economic Development and Tourism to call a meeting between the department of Agriculture, Portfolio Committee on Agriculture, Provincial Treasury and Finance MEC in order to discuss insufficient budget allocated to Rural Development as a matter of urgency.
- The department should plan and prioritize certain issues in a manner that they do not clash as there are other important matters but not urgent and therefore must be given treatment that it deserves e.g. attending PALAMA versus Auditor General' audit.
- Taung Skull recommendations should be implemented as a matter of urgency and the department should not seek any legal advice.
- All Environmental Impact Assessment (EIA) reports and pending reports should be submitted to the Portfolio Committee in 14 working days.
- The department should take initiative to convene a workshop in order to address the issue with regard to EIA's applications and all the relevant stakeholders should be invited.
- Statistics of lion breeders who are not complying with the law should be submitted to the Portfolio Committee.
- Extension Officers should be capacitated to ensure that they adapt to the current material conditions and political situations on reasons that there are new people that have entered farming industry.
- SCOPA resolutions should be implemented by the department and report back to the Portfolio Committee.
- The management of the department of Agriculture should bench-mark with Limpopo province with regard to the wild life animals in order to find out or learn more about the management of the wild animals and specifications on control of wild animals.
- Quarterly performance reports should be submitted to the Portfolio Committee and must include departmental internal audit report. The Auditor General has emphasized that the departmental internal audit committee is not performing as required.
- The department should send its researchers regarding wild animals that are not locked in Taung that are said to belong to Kgosi.

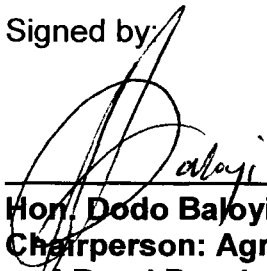
- The department should strengthen their working relationship with the North-West Parks and Tourism Board in order to address wild life.
- The department should submit Vredefort report to the Portfolio Committee, upon such submission the legislature will be updated.

## 7. Conclusion

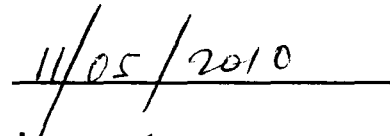
In conclusion, the Portfolio Committee emphasized the need for the department to comply and implement the resolutions made by SCOPA and recommendations made of Taung Skull report. The latter will assist in addressing the alleged criminal conduct pertaining to the irregular expenditure, fruitless and wasteful expenditure. We therefore recommend to the House that the departmental budget for 2010/11 be adopted.

Signed by:

Date: 28 April 2010



*Dodo Baloyi*



*11/05/2010*

**Hon. Dodo Baloyi**  
**Chairperson: Agriculture, Conservation, Environment**  
**and Rural Development**