No.203 - 2022: Fourth Session, Sixth Legislature

**GAUTENG PROVINCIAL LEGISLATURE**

**========================**

**ANNOUNCEMENTS,**

**TABLINGS AND**

**COMMITTEE REPORTS**

**========================**

Monday, 20 June 2022

**ANNOUNCEMENTS**

none

**TABLINGS**

none

**COMMITTEE REPORTS**

**1. The Chairperson of the Economic Development, Environment, Agriculture and Rural Development Portfolio Committee, Hon. F Hassan, tabled the Committee’s Oversight Report on the Fourth Quarterly Performance Report of the Department of Agriculture and Rural Development for the 2021/2022 financial year, as attached:**

**COMMITTEES QUARTER OVERSIGHT REPORT ON DEPARTMENT / ENTITY PERFORMANCE**

**Adopted Portfolio Committee on Economic Development, Environment, Agriculture and Rural Development Oversight Report on the 4th Quarterly Report of the Gauteng Department of Agriculture and Rural Development for the 2021/2022 Financial Year**

| **Committee Details** | | **Department / Entity Details** | |
| --- | --- | --- | --- |
| **Name of Committee** | **Economic Development, Environment, Agriculture and Rural Development Portfolio** | **Name of Department / Entity** | **Gauteng Department of Agriculture and Rural Development** |
| **Which Financial Year** | **21/22** | **Dept. Budget Vote Nr.** | **11** |
| **Which Quarter** | **4th** | **Hon. Minister / MEC** | **Mr Parks Tau** |
| **Committee Approvals** | | | |
|  | **Name** | | **Date Considered by Committee** |
| **Hon. Chairperson** | Ms Fasiha Hassan | |  |
| **Adoption and Tabling** | | | |
| **Date of Final Adoption by Committee** | | | **Scheduled date of House Tabling** |
| **Thursday, 9th June 2022** | | | **Tuesday, 21st June 2022** |

**NOTES:**

Contents

[i. ABBREVIATIONS 6](#_Toc50576907)

[ii. SUMMARY 7](#_Toc50576908)

[iii. INTRODUCTION 11](#_Toc50576909)

[iv. PROCESS FOLLOWED 12](#_Toc50576910)

[1. OVERSIGHT ON DEPARTMENT / ENTITY ACHIEVEMENT OF STRATEGIC PRIORITIES 13](#_Toc50576911)

[2 OVERSIGHT ON DEPARTMENT / ENTITY ACHIEVEMENT OF APP TARGETS 14](#_Toc50576912)

[3 OVERSIGHT ON DEPARTMENT / ENTITY PROJECT MANAGEMENT 16](#_Toc50576913)

[4 OVERSIGHT ON DEPARTMENT / ENTITY FINANCIAL PERFORMANCE 17](#_Toc50576914)

[5 OVERSIGHT ON DEPARTMENT / ENTITY RESOLUTIONS AND PETITIONS MANAGEMENT 19](#_Toc50576915)

[6 OVERSIGHT ON DEPARTMENT / ENTITY PUBLIC ENGAGEMENT 21](#_Toc50576916)

[7 OVERSIGHT ON INTERNATIONAL TREATISE / AGREEMENTS 22](#_Toc50576917)

[8 OVERSIGHT ON DEPARTMENT / ENTITY GEYODI EMPOWERMENT 23](#_Toc50576918)

[9 OVERSIGHT ON DEPARTMENT / ENTITY COMPLIANCE WITH FIDUCIARY REQUIREMENTS 24](#_Toc50576919)

[10 OVERSIGHT ON A CAPACITATED PUBLIC SERVICE 25](#_Toc50576920)

[11 OVERSIGHT ON ANY OTHER COMMITTEE FOCUS AREA 26](#_Toc50576921)

[12 COMMITTEE FINDINGS / CONCERNS 27](#_Toc50576922)

[13 COMMITTEE RECOMMENDATIONS 28](#_Toc50576923)

[14 ACKNOWLEDGEMENTS 29](#_Toc50576924)

[15 ADOPTION 29](#_Toc50576925)

ABBREVIATIONS

| **Abbreviation** | **Full Wording** |
| --- | --- |
| AEL | Atmospheric Emission License |
| APP | Annual Performance Plan |
| BkB | Bontle Ke Botho |
| DALRRD | Department of Agriculture, Land Reform and Rural Development |
| DBSA | Development Bank of Southern Africa |
| DDM | District Development Model |
| GDARD | Gauteng Department of Agriculture and Rural Development |
| GDED | Gauteng Department of Economic Development |
| GEYODI | Gender, Youth, Persons living with Disabilities |
| GPEMF | Gauteng Provincial Environmental Management Framework |
| GGT-2030 | Growing Gauteng Together – Our Vision 2030 |
| CoGTA | Cooperative Governance and Traditional Affairs |
| GPG | Gauteng Provincial Government |
| GPL | Gauteng Provincial Legislature |
| GWIS | Gauteng Waste Information System |
| IDMS | Infrastructure Delivery Management System |
| IGR | Intergovernmental Relations |
| SOM | Sector Oversight Model |
| MEC | Member of Executive Council |
| MTEF | Medium-Term Expenditure Framework |
| MTSF | Medium Term Strategic Framework |
| NAIES | National Atmospheric Inventory System |
| NDP | National Development Plan |
| PAPA | Performing Animals Protection Act |
| PGDP | Provincial Growth and Development Plan |
| POE | Portfolios of Evidence |
| PPP | Preferential Procurement Plan |
| PPECB | Perishable Product Export Control Board |
| PRAAD | Policy Reasonable Accommodation and Assistive Devices |
| PwDs | Persons living with Disabilities |
| RISDP | Regional Indicative Strategic Development Plan |
| SDGs | Sustainable Development Goals |
| TER | Township Economy Revitalisation |
| TID | Technical Indicator Description |
| TMR | Transformation, Modernization and Reindustrialisation |

# SUMMARY

| **ii. [Summary of the report]** |
| --- |
| **[Note: Only snapshots or “One-Liners” or Bullet Points of the most important / strategic achievements. No details please]** |
| ***Strategic Priorities***  *High level summary of Committee’s overall assessment of the Department / Entity achievement of relevant strategic priorities for the period under Review* |
| The Committee noted that the Department's focus is on harnessing and maximising the economic potential of the province's agricultural sector and ensuring food security for all. Moreover, Agriculture has been identified as one of the Province's eleven key economic sectors. The Department committed to ensure that the sector is involved with all interventions to radically transform, modernise, and reindustrialise Gauteng. Apart from the alignment of its programmes and policies to the Gauteng Provincial Government’s (GPG) Transformation, Modernization and Reindustrialisation (TMR), the department also ensures alignment to the National Development Plan (NDP).  The Department planned for and reported on a total of 122 indicators as at the end of the fourth quarter. Overall, the Department achieved 79% (96) of its fourth quarter targets. A total of 21% (26) of targets were not achieved for the fourth quarter. This can be attributed to non-achievement in Programme 1: Administration (6), Programme 2: Agriculture and Rural Development (11) and Programme 3: Environment (9). |
| ***Department / Entity APP Achievement***  *An overall Summary of whether the Committee thinks the Department / Entity Non-Financial Performance is sound and prudent* |
| T**he Committee is concerned that the Department continues to battle with delivering on targets related to infrastructure and capital funded projects**. |
| *An analysis on whether (and if so, the extent to which) the Department / Entity Programmes / Projects are indeed achieving its Strategic Objectives / Service Delivery Outcomes for the period under review.* |
| The **Committee noted with concern that the Department has consistently been under performing even before the Covid 19 pandemic**. The Committee continues to encourage the Department to ensure that the service delivery mandate is achieved. |
| ***Department / Entity Project Management***  *Overall Summary on management and delivery of Department / Entity Projects* |
| **The Committee continued to note with concern on the various capital funded projects that the Department is managing in the current financial year and over the Medium-Term Expenditure Framework (MTEF) period which have run for a long period without completion.** |
| ***Financial Performance***  *An overall Summary of whether the Committee thinks the Department / Entity Financial Performance is sound and prudent* |
| The department’s total allocated adjusted budget is R1.044 billion. The Department at the end of the **4th** quarter managed to spend 75% of its projected budget. Overall, the department spent R944.7 million that is equivalent to 90% of its total allocated budget for 2021/22 financial year. Administration (Programme 1) has spent R62.2 million that is equivalent to 88% of its allocated budget for the 4th quarter, annual spending at the end of the March 2022 it at 97%. Agriculture and Rural Development (Programme 2) has spent R149,1 million that is equivalent to 63% of its allocated budget for the 4th quarter, annual spending at the end of the FY is at 82%. Environmental Affairs (Programme 3) has spent R86.6 million that is equivalent to 94% of its allocated budget for the 4th quarter, annual spending at the end of the March 2022 is at 98%.  The suite of interventions that the GDARD reported would be considered beyond the 3rd quarter to help in realising expenditure levels that met the threshold level, do not seem to have yielded the desired outcome. The year-to-date effect of budget utilization means that it is only the Administration and Environmental Affairs programmes that have utilized their budget to levels commensurate with this stage in the budget cycle and stand at 97% and 98% respectively of annual budget. The year-to-date utilization of the budget by the Agriculture and Rural Development programme stands at 82%. A large portion of the unutilized funds that have to be returned to Treasury stems from the Agriculture and Rural Development programme and are in excess of R80 million. The return of large amounts of unutilized funds by the GDARD continues unabated and has been the case for at least the last five financial years. |
| ***Resolutions Management***  *An overall Summary of the Committee’s assessment of Department / Entity Resolutions Management* |
| N/A |
| ***Petitions Management***  *An overall Summary of the Committee’s assessment of Department / Entity Petitions Management* |
| The Department did not consider any petitions for the quarter under review. |
| ***Public Engagements***  *An overall Summary of the Committee’s assessment of Department / Entity Public Engagements* |
| **Through Public Engagement, GDARD coordinated the following Stakeholder Engagements for the reporting period under review: -**  **School Readiness Campaign: 10th of January 2022**  The Gauteng Department of Agriculture and Rural Development has a special role to play during the campaign in collaboration with GDE. Through this Campaign, GDARD targeted a total of 2(Two) Schools and 1(One) Early Childhood Development Centre around the City of Johannesburg. The campaign was aimed at assessing the state of readiness for the 2022 school year as well as understanding key issues that might hinder teaching and learning. For GDARD, the MEC was deployed at Durban Deep Primary School, Christian Day Care Centre and Princess High School mainly to conduct an oversight visit to monitor readiness in terms of availing departmental resources. In this regard, GDARD assisted the identified learning institutions with planting of trees as well as the establishment of a food garden, whilst other Departments took care of their Departmental resources e.g. Provision of School Uniforms and Dignity Packs to identified learners; Learner Support Material,  **The following are the outcomes achieved by GDARD to meaningfully involve the public/stakeholders in the intended course of its work**   * Crop farmers successfully trained by the Department as per the outlined project objectives * Agricultural Research Symposium: 4th of February 2022 * The engagement was aimed at sharing information regarding GDARD’s agricultural research agenda with various stakeholders for an improved agricultural output in the province.   **Ntirhisano outreach programme**   * Through the Ntirhisano Outreach Programme, the following outreach programs were conducted in various communities: - * 10th of March 2022 : Consultation with small businesses and entrepreneurs, whereby information was shared with communities on how * small businesses and entrepreneurs can access business opportunities offered by the department * 31st of March 2022 : Sharing information through presentations and dialogues, whereby information was shared with the intention to promote departmental programmes as well as improving service delivery by giving entrepreneurs business opportunities   **The following are the outcomes achieved by GDARD to meaningfully involve the public/stakeholders in the intended course of its work**  Through IGR Coordination, the following were achieved by GDARD during the reporting period under review: -   * 10th of March 2022: Joint IGR meeting between GDED and GDARD - The engagement as was held sought to discuss relevant IGR Issues and come up with relevant strategic response mechanisms * 16th -17th of March 2022 : Inaugural Local Government Continental Free Trade – Through this engagement, the objective was that of conducting a dialogue on the Role of Local Government in African Continent Free Trade Agreements and Epicentre of a successful free trade agreement, Innovative Infrastructure Financing Instruments and Cross-Border Trade Investments * 23rd of March 2022 : Pre-IDP analysis- The engagement discussed sector departmental issues and agreed with Municipalities on the IDP’s roadmaps, roles and responsibilities for all relevant stakeholders and clarification sought on the desired outcomes when the IDP processes have been completed * 28th of March 2022 : IGR Practitioners Forum-Outline of progress on the Implementation of DDM and One Plan for the Province and the Interventions Required, outline of the impact of coalition government in local government and its impact in promoting cooperative and Intergovernmental Relations, as well as discussions around structural processes for the IGR Reporting to the Executive Council and Premiers Coordinating Council and other IGR policy related issues * 30th of March 2022 : Progress meeting with Sector Departments on DDM Implementation in Gauteng – City of Johannesburg with a view of discussing the departmental status of catalytic projects happening in the district space, how much budgets have been used thus far, challenges and interventions required where necessary. |
| ***International Agreements***  *Overall Summary on Department / Entity implementation of relevant Internal Agreements / Treaties [Only if applicable] [Applicable only to OCPOL / OoP]* |
|  |
| ***GEYODI Empowerments***  *Overall Summary on Department / Entity achievement on actual GEYODI empowerment in communities* |
| ***The Committee noted the following achievements on actual GEYODI empowerment in communities;***  **GENDER**   * SMS Females = 24 (62%) * 1690 Subsistence women producers supported * Procurement spent on business owned by Women is currently at 39% * 8 women benefitted from Agri-parks   **YOUTH**   * Procurement spend on business owned by Youth is currently at 26% * 2483 Work opportunities created through Tshepo 1 million Programme   **DISABLED**   * PwDs employed = 25 (3%) * Procurement spend on business owned by Persons with Disabilities is currently at 1%   **SENIOR CITIZENS – N/A.**  The Committee acknowledges that the Department has put measures in place to pursue a more targeted and deliberate approach towards businesses owned by designated groups. |
| ***Fiduciary Compliance***  *Overall Summary on Department / Entity Compliance with fiduciary requirements* |
| The format of the Gauteng Department of Agriculture and Rural Development’s 4th Quarterly report of 2021/22 financial year is in compliance with standard requirements (targets per quarter, expenditure per programme, expenditure per economic classification). However, it should be noted that the new structure of the report makes no provision for revenue generated, economic classification but, makes provision for an update on the status of capital projects the Department is involved in. |
| ***Capacitated Department / Entity***  *An overall Summary of whether the Committee thinks the Department / Entity is adequately capacitated and resourced to carry out its functions and discharge its mandates* |
|  |
| The Committee has always been of the view that all Departmental critical vacant positions should be filled in order to ensure that service delivery imperatives are attained. |
| ***Any other Committee Focus Area (if relevant / applicable and Requirement)***  *High level summary of any other area of Department / Entity performance with respect to its Quarter Report that the Committee wishes to report on, which is not already included in any of the above Focus Areas.* |
| None reported |
| ***Summary of Committee Findings***  *High level summary of Committee findings. Broadly, which aspects do they relate to* |
| The Committee continuously observes that the Department fails to spend its annual budget and never meets its planned targets. Moreover, there is :   * Lack of improvement on spending the allocated budget, continuous underperforming, and not achieving planned targets. * Failure to support the Township Economy Revitalization (TER) strategy and implementation thereof. * Continuous failure to align its budget with its planned targets, as under expenditure is observed in Agriculture and Rural Development. * Lack of completing infrastructure projects and spending in goods and services due to tender processes that are being implemented through the open tender system * Failure to complete capital funded projects and keep them operational * With respect to Landcare]; there is: * Failure to identify available land for agricultural purposes/production * Lack of assisting small holder farmers to gain access to land * Failure to identify land that needs to be rehabilitated |
| ***Summary of Committee Recommendations***  *High level summary of Committee Recommendations. Broadly, which aspects do they relate to* |
| The Committee recommends that the Department provide;   * Operational plans in place to ensure that the Agricultural Sector is supported. * Comprehensive report on the implementation of the Township Economy Revitalization to support the planned targets on township spending. * Provide detailed quarterly reports on how it will align all its Departmental targets with its expenditure, and how the service delivery mandate will be achieved. * Progress report on the implementation of capital funded projects by Development Bank of Southern Africa (DBSA) |

# INTRODUCTION

The Economic Development, Environment, Agriculture and Rural Development Portfolio Committee exercises oversight and scrutiny over the Gauteng Department of Agriculture and Rural Development herein referred to as the Department. This includes planning, budgeting, financial management and reporting by the Provincial Department of Agriculture and Rural Development. In line with the provisions of the Constitution of the Republic of South Africa (1996)/, Tthe Public Finance Management Act (PFMA) (1999) creates the basis on which oversight by Legislatures should be exercised. It clearly outlines areas of service delivery that should be reported on, including the responsibilities of officials and the role of the Legislature in cases where reports have to be tabled.

This report primarily focuses on examining whether the budget allocated for the Department is aligned to key government strategic priorities. Furthermore, the report assesses whether the objectives of the Department correlate with the intended outputs as well as outcomes. The Portfolio Committee intends to interrogate and assess the overall departmental performance through in year monitoring and make findings on the performance of Departmental programmes during the 4th Quarter for the 2021/22 FY. The Gauteng Provincial Legislature’s oversight methodology stipulates that when analysing the budget, the variables of the Sector Oversight Model (SOM) must be considered. Given that SOM variables are interrelated, priorities, inputs (capital and current), outputs and outcomes should be considered one against the other.

# PROCESS FOLLOWED

* The Speaker formally referred the 4th Quarterly Performance Report of the Gauteng Department of Agriculture and Rural Development for the 2021/22 financial year to the Economic Development, Environment, Agriculture and Rural Development Portfolio Committee for consideration and reporting.
* At the meeting held on Friday, 13th May 2022 the Committee Researcher tabled an analysis of the performance report of the 4th Quarter Performance Report. On Thursday, 2nd June 2022, the Gauteng Department of Agriculture and Rural Development presented the 4th Quarterly Performance Report for the 2021/22 financial year to the Portfolio Committee focusing on the departmental financial and non-financial performance.
* On Thursday, 9th June 2022, the Portfolio Committee deliberated and adopted the draft Committee Oversight Report on the 4th Quarter performance of the Department. The report was submitted to the Proceedings Unit for tabling and consideration by the House.

# OVERSIGHT ON DEPARTMENT / ENTITY ACHIEVEMENT OF STRATEGIC PRIORITIES

| **1.1 THE DETAILS ON Department / Entity achievement on relevant Strategic Priorities for the period under review]** |
| --- |
| The committee noted and acknowledged the following entity achievements under the period under review:  **Transformed agri-food value chains through increased participation of previously disadvantaged farmers in Commercial agriculture – the Department reported that ;**   * Forty-two (42) smallholder producers supported, and twenty-one (21) women producers supported * Twenty-four (24) smallholder producers supported in Sedibeng and West Rand * Two thousand six hundred and fifty-seven (2 657) epidemiological units visited, and seventeen thousand two hundred and seven (17 207) laboratory tests performed * Forty-eight thousand eight hundred and thirty-seven (48 837) export control certificates issued * Two thousand four hundred and eighty-three (2 483) work opportunities were created through environmental public employment programmes * Five hundred and four (504) EPWP FTE jobs were created   **Improved environmental protection to achieve sustainable development –**   * 100% of facilities with Atmospheric Emission licences reported to the National Atmospheric Emissions Inventory System (NAEIS) * 76% of permits were issued within legislated timeframes * 95% of completed EIA applications were finalised within legislated timeframes * 100 percent of waste licence applications were finalised within legislated timeframes.   **Effective Rural Development coordination, monitoring, and evaluation to improve the social and economic livelihoods of rural communities –**   * Nine (9) sustainable rural enterprises were supported. * No Stakeholders were supported with COVID 19 Awareness Training. * Seven (7) stakeholders contributed to the implementation of Rural Development programme through quarter 3 progress reports * Thirteen (13) queries resolved via email on GPG Common Platform that were requesting funding, farming information, land and municipality support complaint.   **Transformed agri-food value chains through increased participation of previously disadvantaged farmers in Commercial agriculture –**   * One thousand six hundred and ninety (1 690) subsistence women producers supported. Two thousand five hundred and ninety-seven (2 597) subsistence producers supported. |

# 2 OVERSIGHT ON DEPARTMENT / ENTITY ACHIEVEMENT OF APP TARGETS

| **2 [THE DETAILS ON DEPARTMENT / ENTITY APP PERFORMANCE]** |
| --- |
| **Number of APP targets relevant for this Quarter** |
| 122 |
| **Number of APP targets for this Quarter that have been achieved during this Quarter** |
| 92 |
| **Percentage of APP targets for this Quarter that have been achieved during this Quarter** |
| 75% |
| **Percentage of APP achievement for the previous Quarter (for Comparison)** |
| The Department achieved 69% in the 1st Quarter, achieved 66% in the 2nd Quarter and 75% achievement under 3rd Quarter |
| **Main areas in the APP that have experienced non-achievement or over achievement during this Quarter** |
| The Administration Programme had the lowest number of unachieved targets at 6 whilst the Agriculture and Rural Development programme recorded the highest number of unattained targets (14) and the Environmental Affairs Programme recorded 10 unachieved targets. |
| **Main reasons provided by the Department / Entity for non-achievement or over achievement of its APP during this Quarter** |
| **CONDITIONAL GRANTS**:  The department has spent R79.7 million of its R 145.3 million allocated budget, which is equivalent to 79% of its allocation difference of R65,6 million. Total CASP expenditure incurred includes compensation of employees for graduate’s programme stipends. The delays in the construction of Conditional Grant infrastructure projects (piggery structures, poultry structures, fence, equipping of boreholes and installation of hydroponics tunnels as per the approved 2021/2022 financial year), a total value of R25 545 million has been allocated for infrastructure support implemented through by DBSA, with implementation underway, an envisaged value of R14,3 million might not be delivered on as at end of the financial year. The department engaged with national transferring office to deviate from the planned grant deliverables (from the infrastructure towards piggery and poultry production inputs) to the value of R14,3 million, approval was granted from the National Transferring Officer in the beginning of February 2022, but some of the delivery could not be finalised at financial year end. Allocation for implementation of AgriParks (Obed Mthombeni Agripark in Lesedi Local Municipality Infrastructure) was not used. The work for implementing the Agri Parks - Phase 1 and 2 was handed over to DBSA. The work was not done hence the non-expenditure. The Committee also noted that the Department did prepare a Roll over request for Conditional Grant amounting to R 17,4 million and Equitable share amounting to R32 million because of invoices submitted after the last payment run and service providers unable to deliver goods and services before financial year end closure. |
| **Measures in place (with timeframes) to correct the deviation in targets for this Quarter and to prevent recurrence of such or similar deviation** |
| The Department reported that the following mitigating measures will be implemented to remedy the under expenditure.   * **Goods and Services:** * **Programme 1:** The major underspending of R8,2 million can be attributed to the following, under expenditure under the following items. on the Fleet services- Government Motor Transport, Inventory Fuel, Oil and gas, because official travel less during the COVID 19 lockdown period. For Computer equipment and RT Contract was entered into, but the suppliers could not deliver before financial year end closure. * **Programme 2 :** The major underspending was under this programme, R86 million underspending can be attributed to the following items: contractors, Farming supplies, inventory. Most of the tenders advertised during the 2021-2022 Financial year was non-responsive. The CASP and IIlima/Letsema Business plans was only approved in June and the 1st tranche transfers were made on the 20th of July 2021. The Gauteng Landcare 2021-22 business plan was approved in August 2021. Because of the late approval, the national department (DALRRD) indicated that performance by the department is very poor, it seems unlikely that the funds transferred will be spent. * **Programme 2 :** The Department was requested to send an acceleration plan to the national department to outline how performance would be approved, but the national department was not convinced by the submission. A decision was taken that the last two transfers (R2.7 million tranche) will therefore be withheld and returned to the national revenue fund. * **Programme 3 :** The major underspending under this programme relate to Building and other fixed structure. There was expenditure on projects under infrastructure projects at Abe Bailey and Suikerbosrand Diepkloof farm for construction of fence implemented by DBSA. The DBSA also reported delays due to tender being non-responsive and Metal Workers strike but could not be finalised at financial year end. * **Transfers and Subsidies:** Transfers and subsidies-The department has spent R9.1 million on its budget of R11 million which is equivalent to 83% of its allocation. R721 thousand was spent on property rates and taxes for including previous years claims on Merafong Municipality. R1.3 million was transferred to AGRI-SETA and CATTH-SETA for skills development levy. R7.2 million was transferred to higher education institutions for Bursaries, internships and for research agenda projects. R2.3 million was spent on leave gratuity payments. Transfer of R 1,020 million to VUT was not paid as at 31st March due to late submission of approved documents to finance. Rollover will be requested. * **Payments for Capital Assets:** Capital payments including infrastructure - The Department has spent R40.3 million of its R55.6 million budget allocation, which is equivalent to 73% of its allocation. The main expenditure under this item was for Laptops, printers etc. (tools of trade) to employees working from home due to covid-19 and motor vehicles procured under veterinary services. Contractor appointed for Infrastructure project relating to Garden shade nets, borehole iInstallation implemented by DBSA, reported delays emanated experienced cash flow problems and the contractor was appointed late in September 2021 because of tenders were non-responsive, project not finalised at Financial year end. |
| **A summarized analysis on the Department / Entity performance per Programme for the period under review** |
| This quarter performance information report reflects on the performance of the Gauteng Department of Agriculture and Rural Development (GDARD) for the end of quarter 4 (i.e., January to March 2022) against predetermined annual and quarterly targets outlined in the 2021/22 Annual Performance Plan (APP). The section below outlines key priority programmes and projects that have been implemented through the Annual Performance Plan (APP) across all budget programmes and expands on key successes and achievements including challenges experienced in the quarter under review.  The Department planned for and reported on a total of 122 indicators as at the end of the fourth quarter. Overall, the Department achieved 79% (96) of its fourth quarter targets. 21% (26) of targets were not achieved for the fourth quarter. This can be attributed to non-achievement in Programme 1: Administration (6), Programme 2: Agriculture and Rural Development (11) and Programme 3: Environment (9).  **Administration**  The financial management function in the Department improves financial accountability, and compliance to prescripts and regulations. The Department managed to pay 96% of all invoices received within 15 working days for the fourth quarter of the 2021-2022 Financial year. These invoices were however processed within 30 working days. The main reasons for exceeding the 15 days were due to the payment run which was scheduled for 1st March 2022, was not successful and this resulted in one invoice exceeding the 10 days, by one day. The other reason was due to the Invoice that rejected to exception, it was cleared on the following payment run, but exceeded the 15 wWorking days. To mitigate this issue, all system related payment run errors is known by Provincial Treasury and the Department does not have any control over these system error.  The Ddepartment did not achieve the targets on the designated groups. The department 's biggest expenditure is in the current contracts secured through competitive bidding and the department relied on the Request for Quotation (RFQ) which is less than R500 000 to advance the designated groups. The department 's planned tenders are still in the process and the Preferential Procurement Report (PPR) regulation that was used in bids to advance designated groups has been declared invalid by the Constitutional Court. The department will continue to give preference to the designated groups using RFQ with the threshold havings been increased to R1m.  The Department will therefore put measures in place to pursue a more targeted approach towards township-based businesses. There are 87 vacancies out of a total of 1059 posts in the establishment of the Department. Throughout the financial year the department continuously strived to reduce and maintain the vacancy rate below the national 10% standard and has recorded 8.21% vacancy rate at end of quarter 4. Similarly, senior management (SMS) female representation was increased to 62 percent against planned target of 50 percent. The continuous targeted recruitment drive and the commitment to prioritise women has yielded positive results. The Department had recorded a significant achievement of 2.57% on People with Disabilities (PwD’s) against the target of 2%.  **Agriculture and Rural Development**  The purpose of this programme is to consolidate and enhance the role of the agricultural sector in radically transforming, modernising and re-industrialising Gauteng. The programme is also intended to support viable and sustainable agricultural enterprises, increase access to food security for all, and ensure comprehensive rural development.  **Sustainable Resource Management**  The Sustainable Resource Management (SRM) is responsible to manage and coordinate the provision of sustainable resource management services. For the indicator number of green jobs created a total of 269 opportunities were created through the removal of invasive alien plants. This was realised through Campaign to integrate projects and use of more service providers. With regards to hectares rehabilitated, a total of 296 hectares were cleared in city of Tshwane and Mogale city. A total of 500 hectares of cultivated land under Conservation Agriculture practices were completed.  **Farmer Support and Development**  The Farmer Support and Development (FSD) Directorate is responsible to expand access to agri-food value chain opportunities, promote agricultural development within the land and agrarian reform initiatives in the province and maximise food security, through provision of sustainable agricultural development support to subsistence, smallholder and commercial farmers, provision of agricultural infrastructure support coordination rendering of extension and advisory services, training and capacity building to farmers.  The agricultural advisory, Presidential employment stimulus initiative, availability of production inputs procured through RFQ and the Departments participation on the Eastern Cape Tender enabled the Department to support 1 690 subsistence women producers, and 2 597 subsistence producers in quarter 4.  **Veterinary Services**  The Veterinary services (VETS) are assigned with the responsibility of reducing levels of animal disease occurrence and negligible occurrence of zoonotic diseases in the province. The objective is to ensure healthy animals and safe animal products which contribute to the welfare of the people of Gauteng through the provision of required services.  Themba clinic has managed to attend to a total of 8 645 cases. The Themba clinic remains busy due to high demand of veterinary services. With regards to number of samples collected for targeted animal diseases surveillance, a total of 462 samples were collected against the planned target of 125. The continued Avian Influenza outbreak increased the number of samples collected, as many samples were collected on reports of dying poultry. Routine surveillance was also increased in accordance with the implemented recovery plan. One annual report for the 2021-2022 financial year for the export values providing the amount (tonnage/quantities) and Rand value on information of exported animals and animal-based products has been submitted. The Department has achieved its planned target of 300 for number of inspections conducted on facilities producing meat. This saw the Department conducting a total of 485 inspections, and this was due to the 3 additional Community Chief State Veterinarians employed which assisted to strengthen the workforce.  **Research and Technology Development Services**  The Research and Technology Development Services (RTDS) Directorate is responsible to render expert and needs based research, development and technology transfer services impacting on development objectives. The Department was able to support 10 Agribusinesses with Business Incubation in collaboration with The Innovation Hub Management Company (TIHMC) and 10 research projects were implemented to improve agricultural production in quarter 4.  **Rural Development**  Gauteng Provincial Government departments continue to report their provision of services in the rural areas of the province. GDARD continues with the coordination of Rural Development Programme in line with the proposed Minister’s performance agreement. This will be done according to the District Development Model which is led by Gauteng Provincial Treasury and Gauteng Cooperative Governance and Traditional Affairs departments. On average, nine stakeholders (provincial departments, municipalities, national departments, and government entities) contribute to Rural Development. For the quarter under review, a total of 7 stakeholders (GDARD, Gauteng Department of Education, Gauteng Department of Sports Arts Culture and Recreation, Gauteng Department of Social Development, Department of Agriculture Land Reform and Rural Development and Midvaal Local Municipality, Department of Cooperative Government and Traditional Affairs.) submitted their reports in line with the Rural Development Plan (Outcome 7).  **Environment**  The programme is responsible for the sustainable development mandate area of GDARD, that is, protection of and management of Gauteng’s natural and environmental resources and ecosystems.  **Environmental Policy Planning and Coordination**  The purpose of the programme is to promote sustainable development by mainstreaming environmental factors in all policies, plans and projects.  Three inter-governmental sector tools were reviewed against a set target of three. These tools include the review of Integrated Development Plans, review of Spatial Development Frameworks, and the compilation of the 1st Environmental Implementation Plan Annual Compliance Report 2020/21. Additionally, the department is currently using and reporting on three functional environmental information management systems which are the Environmental Impact Assessment (EIA) online submission system, Gauteng Waste Information System (GWIS) and GIDS. Two climate change response interventions were implemented which were the Gauteng Climate Change School Awareness Programme and the Solar PV and Entrepreneurial Training. The department developed one legislated tool, finalised the Gauteng City Region Over-arching climate change response strategy implementation plan, developed one Gauteng Green House Gas (GHG) inventory, implemented the Gauteng Industrial Symbiosis programme. An 8.1Mt CO2eq was achieved which means the department managed to curb the provincial GHG emissions within the 139Mt CO2eq Peak Plateau Decline (PPD) trajectory range.  **Compliance and Enforcement**  The objective of this unit is to manage the development, and implementation of environmental compliance monitoring systems, enforcement of legislation and environmental authorisations.  The target of criminal investigations over to the NPA for prosecution was also exceeded due to the obtaining of suspect and witness statements that were outstanding in prior months. The Department handed over 8 criminal investigations against a target of 6. However, the Department did not achieve the target of S24G applications finalized within 60 days of payment of administrative fine due to a number of these fines being under appeal. In this regard, the Department managed to issue 3 section 24G administrative fines from a target of 5.  **Impact Management**  The purpose of this unit is to manage the implementation of environmental impact mitigation to promote sustainable development and a safe healthy environment. All applications in Q4 were issued within timeframes, however, the overall performance was already negatively affected by the non-performance in Q1. This has resulted in the Department achieving 95% overall.  **Air Quality Management**  The objective of this unit is to manage the promotion of sustainable environmental management for improved quality of life by promoting acceptable ambient air quality and manage hazardous substances and other related anthropogenic activities. The Department did not receive any Atmospheric Emission License (AEL) applications and thus none were issued. On the other hand, the Department achieved the target of percentage of facilities with Atmospheric Emission licences reporting to the National Atmospheric Emissions Inventory System (NAEIS) as all facilities reported which translates to 100% achievement.  **Waste Management**  The purpose of this unit is to manage the implementation of waste management strategies and waste information systems, issues waste authorization, support local government to render appropriate waste management services and promote waste minimization in Gauteng.  The Department issued fourteen (16) Health Care Waste approvals from a target of ten (10) due to more applications received than expected. However, the Department did not achieve the target of 3 buy-back centres upscaled to commercial level due to the due diligence only being completed in Q3. Furthermore, the Department had planned to support 45 recycling facilities and buy-back centres with recycling equipment but only supported 3 recycling facilities due to the tender to purchase more recycling equipment not being advertised. The department had planned on conducting one feasibility study for the regional integrated waste facility but did not achieve the target as the study is not complete yet. Additionally, the target of promulgating one Gauteng Waste Minimisation Regulation was also not achieved as the work is still in progress. However, the department achieved the targets of training and formalising 50 waste recycling cooperatives. |
| **Summarized information on any unplanned / emerging priorities reported on by the Department / Entity during the period under review** |
| The department did not have emerging priorities for the quarter under review |
| **Summarized information on how the Department / Entity maintains portfolios of evidence to verify its reported performance information** |
| The verification process is intended to ensure that the reports, listings and Portfolios of Evidence (POEs) submitted by the branches are accurate. This is done by cross checking the reports against the supporting listings and POEs. The focus areas that the Monitoring and Evaluation Unit (M&E) validates during verification include the following:   * POE against TID (as it appears in an approved APP): This verifies whether the submitted POE is the one stipulated in the TID or not. * Listing against POE: This verifies whether all the POEs are reflected in the listing. * Dates: This verifies whether the dates contained in the POE fall within the quarter under review. * Signatures: This verifies whether all the required signatures in the documents are appended or not. * ID copies: This is to verify the ID numbers of beneficiaries and to support the signature appended on the delivery notes.   In the end, evidence and listings provided must reflect and correspond with the reported figures. If the numbers do not correspond, this is communicated to the branches for correction, resubmission or confirmation of the figures as recounted by M&E. It is reported that when all of this has been completed, the validated report, listings and POEs get stored on Planning, Monitoring and Evaluation’s electronic shared folder which is located on the Department’s internal drive. The internal shared drive which is only accessible to M&E and IT officials who have been granted access. |

# 3 OVERSIGHT ON DEPARTMENT / ENTITY PROJECT MANAGEMENT

| 1. **THE DETAILS ON [DEPARTMENT / ENTITY PROJECT MANAGEMENT]** |
| --- |
| The Committee has continuously observed the lack of project management from the Department in the previous years. The Department has lacked in completing infrastructure/capital funded projects and spending in goods and services due to tender processes that are being implemented through the open tender system. The Committee conducted oversight on some of the outstanding projects and will continue to monitor as some of them date back to the previous Political Term. (The same reporting last time).   |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | **Name of the Project** | **Brief description of the Projet** | **Start date** | **End date** | **Current status** | **Challenges** | | Abe Bailey Nature Reserve: Construction of fence | Construction of fence | 5 Feb 2018 | 2 Jun 2022 | Feasibility | Project to be implemented by DBSA, however the IPIP was recently completed and sites visits has commenced. COVID-19 caused serious delays. | | Diepkloof Farm in Suikerbosrand Nature Reserve: Supply and installation of fence | Supply and installation of fence | 15 Oct 2019 | 30 Nov 2021 | Project Initiation | Project to be implemented by DBSA, however the IPIP was recently completed and sites visits has commenced. COVID-19 caused serious delays. | | Rand West Agri park: Upgrading of Agri park | Upgrading of Agri park | 30 Nov 2018 | 1 Nov 2021 | Feasibility | Project to be implemented by DBSA, however the IPIP was recently completed and sites visits has commenced. COVID-19 caused serious delays. | | Roodeplaat Nature Reserve: Construction of new staff housing, Upgrading of Zeekoeigat Hall and sleeping quarters. | Construction of new staff housing, Upgrading of Zeekoeigat Hall and sleeping quarters. | 18 Jul 2018 | 5 Feb 2024 | Project Initiation | Project to be implemented by DBSA, however the IPIP was recently completed and sites visits has commenced. COVID-19 caused serious delays. | | Suikerbosrand Nature Reserve: Upgrading of bulk infrastructure | Upgrading of bulk infrastructure | 1 Mar 2018 | 9 Dec 2024 | Project Initiation | Project to be implemented by DBSA, however the IPIP was recently completed and sites visits has commenced. COVID-19 caused serious delays. | | Suikerbosrand Nature Reserve: Upgrading of Northern Water Line | Upgrading of Northern Water Line | 1 Jul 2005 | 2 May 2022 | Feasibility | DID is not ensuring that PSP provide cash flow projections and schedule indicating timelines to submit all necessary documentation. DID should indicate when the project will progress to implementation phase. | | Tarlton Agri park: Upgrading of the Agri park | Upgrading of the Agri park | 21 Feb 2018 | 1 Mar 2023 | Project Initiation | Project to be implemented by DBSA, however the IPIP was recently completed and sites visits has commenced. COVID-19 caused serious delays. | | Vereeniging Fresh Produce Market: Upgrading of the market | Upgrading of the market | 29 Nov 2017 | 28 Nov 2024 | Project Initiation | Project to be implemented by DBSA, however the IPIP was recently completed and sites visits has commenced. COVID-19 caused serious delays. | | Installation of boreholes and irrigation systems. | Installation of boreholes and irrigation systems. | 31-Aug-19 | 08-Mar-22 | Project Initiation | None. | | Various Farms – Construction of 63 boreholes. | Various Farms – Construction of 63 boreholes. | 07-Nov-17 | 11-May-22 | Construction | Delay in creating of Purchase Order. Contractor drilled where he was not permitted to drill in Ekurhuleni. Geohydrologist to confirm if any dolomite issues were encountered & borehole fit for use. | | Various Farms – Construction of 8 Piggery structures. | Various Farms – Construction of 8 Piggery structures. | 07-Nov-17 | 31-Mar-22 | Projection Initiation | Project to be implemented by DBSA, however the IPIP was recently completed. IA to submit the sites visits schedule. COVID-19 caused serious delays | | Procurement and Installation of shade nets x24 locations | Procurement and Installation of shade nets x24 locations | 16-May-18 | 06-Dec-21 | Project Initiation | Project to be implemented by DBSA, however the IPIP was recently completed and sites visits completed. COVID-19 lockdown caused serious delays | | Construction and commissioning of the 24 broiler house (2500 broilers each) and 6 Layer house (5000 layers each) | Construction and commissioning of the 24 broiler house (2500 broilers each) and 6 Layer house (5000 layers each) | 13-Mar-17 | 23-Nov-21 | Construction 76% -99% | Overall construction progress is 82% complete for the sites handed over to the contractor to date. Progress delayed by the COVID -19 lockdown. Implementing Agent is ARC for the projects. Slow progress on sites | | Construction of 8 Biogas Plants. | Construction of 8 Biogas Plants. | 31-Jul-19 | 30-Jan-24 | Project Initiation | Client forwarded site locations and contacts for additional beneficiaries. Awaiting site visit confirmation from Internal client. COVID-19 lockdown caused serious delays | | Installation of boreholes and irrigation systems. | Installation of boreholes and irrigation systems. | 31-Aug-19 | 08-Mar-22 | Project Initiation | Draft PIR is requires additional information as new boreholes must be added | | Construction of new poultry structure (40 000 capacity) | Construction of new poultry structure (40 000 capacity) | 08-Jul-19 | 14-Nov-22 | Project Initiation | PIR to be submitted to GPT by end of November 2020. SUE provided letters for a basic EIA to be done. | |

# 4 OVERSIGHT ON DEPARTMENT / ENTITY FINANCIAL PERFORMANCE

| **4 THE DETAILS ON DEPARTMENT / ENTITY FINANCIAL PERFORMANCE** |
| --- |
| **Actual amount (in Rands) allocated to the Department / Entity as budget for this entire Financial Year** |
| **R1,044,811 000** |
| **Actual amount projected by the Department / Entity to be spent only during the Q under review** |
| **R398,127** |
| **Actual amount (in Rands) spent by the Department / Entity only during the Q under review** |
| **R298,033** |
| **Total actual amount (in Rands) spent by the Department / Entity (Year to Date), i.e. from the beginning of this FY to the end of this Q under review** |
| **R944,717** |
| **Percentage (% of total budget allocation) of budget expenditure for this Q under Review only** |
| **75%** |
| **Percentage (% of total budget allocation) of budget expenditure (Year to Date), i.e. from the beginning of this FY to the end of this Q under review** |
| **90%** |
| **An analysis of how the % budget expenditure compares with the % APP achievement** |
| Budget expenditure is at 75% and APP achievement is at 79% |
| **If there was over / under spending of greater than 3% of projection, what were the main challenges that led to the over / under spending** |
| * The department manage to spend R298 million of it projected Expenditure of R398 million that equals to 75% for the 4th quarter for the 2021/22 financial year. The main under expenditure is in programme 2 (63%), under Goods and Services, this under expenditure can be attribute to Procurement process (RFQ) and Tender process still unfolding. The major underspending was under Agriculture and Rural Development programme, R86 million underspending can be attributed to the following items: contractors, Farming supplies, inventory. Most of the tenders advertised during the 2021-2022 Financial year was non-responsive. The CASP and IIlima/Letsema Business plans was only approved in June and the 1st tranche transfers were made on the 20th of July 2021. The Gauteng Landcare 2021-22 business plan was approved in August 2021. Because of the late approval, the national department (DALRRD) indicated that performance by the department is very poor, it seems unlikely that the funds transferred will be spent. The Department was requested to send an acceleration plan to the national department to outline how performance would be approved, but the national department was not convinced by the submission. * A decision was taken that the last two transfers (R2.7 million tranche) will therefore be withheld and returned to the national revenue fund. On the department Conditional grant has spent R121.3 million of its R 145.3 million allocated budget, which is equivalent to 83% of its allocation difference of R23,9 million. Total CASP expenditure incurred includes compensation of employees for graduate’s programme stipends. The delays in the construction of Conditional Grant infrastructure projects (piggery structures, poultry structures, fence, equipping of boreholes and installation of hydroponics tunnels as per the approved 2021/2022 financial year), a total value of R25 545 million has been allocated for infrastructure support implemented through by DBSA, with implementation underway, an envisaged value of R14,3 million might not be delivered on as at end of the financial year. The department engaged with national transferring office to deviate from the planned grant deliverables (from the infrastructure towards piggery and poultry production inputs) to the value of R14,3 million, approval was granted from the National Transferring Officer in the beginning of February 2022, but some of the delivery could not be finalised at financial year end. Allocation for implementation of AgriParks (Obed Mthombeni Agripark in Lesedi Local Municipality Infrastructure) was not used. The work for implementing the Agri Parks - Phase 1 and 2 was handed over to DBSA. The work was not done hence the non-expenditure. * It should also be noted that the Supreme Court of Appeal (SCA) held that the Minister's promulgation of regulations 3(b), 4 and 9 of the Procurement Regulations was unlawful. While awaiting the outcome of the above guidance from the Constitutional Court, organs of state were advised that- tenders advertised before 16 February 2022 be finalised in terms of the Procurement Regulations; tenders advertised on or after 16 February 2022 be held in abeyance; and no new tenders be advertised. This court judgment also impacted on all procurement requests (RFQ) that were not finalised /approved before 28 February 2022 wereas not processed on the system. This also impacted on the Department ability to commit the outstanding balance for the 2021-2022 Financial year. * The department’s total allocated budget is R1.044 billion, the department has spent R944.7 million that is equivalent to 90% of its total allocated budget for 2021/22 financial year. Administration (Programme 1) has spent R263.6 million that is equivalent to 97% of its allocated budget, Agriculture and Rural Development (Programme 2) has spent R382.3 million that is equivalent to 82% of its allocated budget. Environmental Affairs (Programme 3) has spent R298.7 million that is equivalent to 98% of its allocated budget. The underspending on goods & service as well as Capital expenditure were explained in the first bullet. * It should be noted that the Department did prepare a Roll over request for Conditional Grant amounting to R 17,4 million and Equitable share amounting to R32 million because of invoice submitted after the last payment run and service providers unable to delivered goods and services before financial year end closure. The total request for GDARD Roll over amount to 49,4 million. |
| **Mitigating measures by the Department / Entity to remedy over / under expenditure** |
| The Department implemented the following mitigating measures to remedy the under expenditure;   * + The Department is busy with re-alignment or re-structuring SCM directorate and review of structure to include all SCM functions to respond to the increase in demand of Department priorities. These structure changes were included in the Department revised Organisational structure for approval. The Department appointed a Deputy Director Tenders from the 1 July 2021 to assist with the Tender issues and expedite the Tender processes in GDARD, however this Official resigned 30 November 2021, and was only able to assist the Department for 5 months. Write in full did approve that it must be readvertised and filled.   + All procurement functions are given priority, the Department Identifiedy tenders which can be implemented through the RT Contracts from National Treasury and investigate the possibility of applying Treasury Regulation 16A6.6 by using contracts approved by other provincial departments to procure the same goods and services needed by GDARD. |
| **The Department / Entity’s achievement with respect to GEYODI responsive budgeting / procurement for the period under review** |
| The department did not achieve the targets on the designated groups. The department 's biggest expenditure is in the current contracts secured through competitive bidding and the department relied on the RFQ which is less the R500 000 to advance the designated groups. The department 's planned tenders are still in the process and the PPR regulation that was used in the bids to advance designated groups has been declared invalid by the Constitutional Court. The department will continue to give preference to the designated groups using RFQ for which the threshold has been increased to R1m.   |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | | **PP Spend for Agriculture and Rural Development (Summary) Financial Year 2021-2022** | | | | | | | | | **Department** | **Financial Year** | **Female Spend**  **R’000** | **% Female** | **Youth Spend**  **R’000** | **% Youth Spend** | **PWD Spend**  **R’000** | **% PWD** | | Agriculture and Rural Development | 2021/22. Q4 | 64 322 | 39% | 30 369 | 26% | 1 340 | 1% | | **BEE Target for 2021/2022** | | **Female = 40%** |  | **Youth = 30%** |  | **PWD = 4%** |  | |
| **The Department / Entity’s achievement with respect to township economy / SMME / local procurement for the period under review** |
| The Department for the fourth Quarter of the 2021-2022 Financial year did not manage to achieve its procurement target for Township spend of 40% only achieve 18%.Although the Department targeted township-based business when request for procurement for </= R500 000 are made, the impact of this procurement is not enough to achieve the set targets.   |  |  |  |  | | --- | --- | --- | --- | | **TER Spend Report for Agriculture and Rural Development (Summary) Financial Year 2021-2022** | | | | | **Department** | **Financial Year** | **Total Spend** | **% Spend** | | GDARD | 2021/2022 | 19 644 | 18% | | Q4 - Township Spend Target for 2021/2022 | | 40% |  | |
| **A summary for the period under review with respect to payment of service providers within 15-30 days** |
| The Department managed to pay 95% of all invoices received within 15 days for the 4th quarter of the 2021-2022 Financial year.  It must be noted that all invoices were processed within the 30 days for the 4th quarter of the 2021-2022 Financial year.  Reason for Deviation: The main reasons for exceeding the 15 Days were due to the following:  1. Payment run scheduled for 1st March 2022 was not successful resulting in one invoice exceeding the 10 days, by one day.  2. Huge number of invoices received on the system for the Month of March 2022 from one supplier, the Department needed to prioritised other invoices when processing payment for the final payment run. Two of these invoices could not be process in 15 days  3. Invoices rejected to exception, it was cleared on the following payment run, but exceeded the 15 Working Days.  4. Payment run was not successful and had to be re-run the following day  5. Late submission for RLS02 by end users, for processing some invoice with the 15 days.  6. Invoices was delay due to change in allocation from Conditional Grant allocations to Equitable share, could not only be correct in the next payment run. |
| **A summary for the period under review with respect to fruitless, wasteful and irregular expenditure** |
| **Fruitless and wasteful expenditure**  The Department did identify Fruitless and wasteful expenditure during the 4th Quarter of the 2021/2022 financial year.   1. The Department received and Investigation report relating to irregular expenditure incurred in the 2015/16 financial year, GDARD issued requests for quotations to several suppliers for the repairs and maintenance of a building. The repairs and maintenance work were awarded to Valotech 14 CC. The service provider carried out work on Unit 6 (SBR), an evaluation of the building was carried out by DID, classifying the building for demolishing. This has resulted in the fruitless and wasteful expenditure as it relates to the money spent on this unit. This still need to be Officially confirmed by our Infrastructure Unit in the Department. 2. GPT required a forensic investigation to determine whether there were any irregularities in awarding of the Suikerbosrand contracts (for the construction of the Suikerbosrand Nature Reserve Northern Link Waterpipe line), irregularities in respect of the payments made, and roles and responsibilities of employees who were given the responsibility to manage the project. Based on the finding of this Forensic Report, the Department’s payment of the R9.6million constituted an irregularity and possibly fruitless and wasteful expenditure. This must still be confirmed by DID. No officials in GDARD was implicated in this Forensic Report.    1. **Irregular expenditure**   The Department did not identify any irregular expenditure for the 4th Quarter of the 2021-2022 FY.   * 1. The Department however do have Irregular expenditure amounting to R86.1 million relating to the 2016-2017 and 2017-2018 Financial year, most of these cases were investigated and the Department is in a process for implementing these findings and recommendations as indicated in the Investigation Report. The Risk Management unit in GADRD is busy with a determination test if the rest of the Irregular expenditure must still be investigated. The Department finalised the submission for R46,3 million Condonement letters to Provincial Treasury, based on the investigation report completed and also taken in to consideration implementation of consequent management. |
| **A summary for the period under review with respect to efficiency / value for money in all SCM / procurement processes** |
| None reported |
| **A summary for the period under review with respect to reduction of fraud and corruption in all SCM / procurement processes** |
| None reported |
| **A summary for the period under review with respect to ongoing clean audits** |
| None for the quarter under review |
| **A summary for the period under review with respect to spending on conditional grants (where applicable)** |
| On the Conditional grant the Dept has spent R121.3 million of its R 145.3 million allocated budget, which is equivalent to 83% of its allocation difference of R23,9 million. Total CASP expenditure incurred includes compensation of employees for graduate’s programme stipends. The delays in the construction of Conditional Grant infrastructure projects (piggery structures, poultry structures, fence, equipping of boreholes and installation of hydroponics tunnels as per the approved 2021/2022 financial year), a total value of R25 545 million has been allocated for infrastructure support implemented through by DBSA, with implementation underway, an envisaged value of R14,3 million might not be delivered on as at end of the financial year. The department engaged with national transferring office to deviate from the planned grant deliverables (from the infrastructure towards piggery and poultry production inputs) to the value of R14,3 million, approval was granted from the National Transferring Officer in the beginning of February 2022, but some of the deliverablesy could not be finalised at financial year end. The Gauteng Landcare 2021-22 business plan was approved in August 2021. Because of the late approval, the Nnational Ddepartment (DALRRD) indicated that performance by the department is very poor, it seems unlikely that the funds transferred will be spent. The Department was requested to send an acceleration plan to the national department to outline how performance would be approved, but the national department was not convinced by the submission. A decision was taken that the last two transfers (R2.7 million tranche) will therefore be withheld and returned to the national revenue fund. |
| **Program / Sub Programme level financial performance** |
| |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | | **3.1 DEPARTMENT / ENTITY BUDGET EXPENDITURE FIGURES** | | | | | | | | **Programme** | **Final Appropriation** | **Projected Budged for the Quarter under review** | **Actual Expenditure for the Q Under review** | **Percentage Expenditure for the Q Under review** | **Actual Expenditure (Year to Date)** | **Percentage Expenditure (Year to Date)** | | Programme 1: Administration | 271,928 | 70,520 | 62,254 | 88% | 263,662 | 97% | | Programme 2: Agriculture and Rural development | 468,791 | 235,621 | 149,135 | 63% | 382,305 | 82% | | Programme 3: Environmental Affairs | 304,092 | 91,986 | 86,644 | 94% | 298,750 | 98% | | **Totals** | **1,044,811** | **398,127** | **298,033** | **75%** | **944,717** | **90%** | |

# 5 OVERSIGHT ON DEPARTMENT / ENTITY RESOLUTIONS AND PETITIONS MANAGEMENT

|  |  |
| --- | --- |
| **5.1 THE DETAILS ON DEPARTMENT / ENTITY RESOLUTIONS MANAGEMENT** | |
| **How many Responses / Actions to Resolutions were due by the Department / Entity during the Quarter under review** | **With respect to any and all Resolutions that were due in the Quarter under review, how many Resolutions have been successfully responded to by the Department / Entity** |
| 0 | 0 |
| **What is the Committees perception of the Quality and Timeliness of Department / Entity responses to Committee Resolutions** | |
| Acceptable – The Department is encouraged to continue improving on unachieved plans | |
| **With respect to the Resolutions / Action due during the Quarter under review but still overdue, what reasons have been provided by the Department / Entity [with mitigating measures to submission]** | |
| Analysed resolutions were presented to the Committee in the meeting of Thursday, 17th March 2022. | |

|  |  |
| --- | --- |
| **5.2 THE DETAILS ON DEPARTMENT / ENTITY PETITIONS MANAGEMENT** | |
| **How many Responses / Actions to Petitions due by the Department / Entity during the Quarter under review** | **With respect to any and all Petitions that were due in the Quarter under review, how many Petitions have been successfully responded to by the Department / Entity** |
| 0 | 0 |
| **What is the Committees perception of the Quality and Timeliness of Department / Entity responses to referred Petitions** | |
| N/A | |
| **With respect to the Petitions / Action due during the Quarter under review but not yet responded to by the Department / Entity, what reasons have been provided by the Department / Entity [with mitigating measures to submission]** | |
| N/A | |

# 6 OVERSIGHT ON DEPARTMENT / ENTITY PUBLIC ENGAGEMENT

|  |
| --- |
| **6. THE DETAILS ON DEPARTMENT / ENTITY PUBLIC ENGAGEMENTS** |
| **The steps / measures the Department / Entity has taken to meaningfully involve the public / stakeholders in the course of its work / service delivery, during the period under review** |
| **Through Public Engagement, GDARD coordinated the following Stakeholder Engagements for the reporting period under review: -**  **School Readiness Campaign : 10th January 2022**  The Gauteng Department of Agriculture and Rural Development has a special role to play during the campaign in collaboration with GDE. Through this Campaign, GDARD targeted a total of 2(Two) Schools and 1(One) Early Childhood Development Centre around the City of Johannesburg. The campaign as held aimed at assessing the state of readiness for the 2022 school year as well as understanding key issues that might hinder teaching and learning. For GDARD, the MEC was deployed at Durban Deep Primary School, Christian Day Care Centre and Princess High School mainly to conduct an oversight visit to monitor readiness in terms of availing Departmental resources. In this regard, GDARD assisted the identified learning institutions with planting of trees as well as the establishment of a food garden, whilst other Departments took care of their Departmental resources e.g. Provision of School Uniforms and Dignity Packs to identified learners; Learner Support Material,  The following are the outcomes achieved by GDARD to meaningfully involve the public/stakeholders in the intended course of its work  Crop farmers successfully trained by the Department as per the outlined project objectives  Agricultural Research Symposium: 4th of February 2022  The engagement was aimed at sharing information regarding GDARD’s agricultural research agenda with various stakeholders for an improved agricultural output in the province.  Ntirhisano outreach programme  Through the Ntirhisano Outreach Programme, the following outreach programs were conducted in various communities: -  10th of March 2022 : Consultation with small businesses and entrepreneurs, whereby information was shared with communities on how  small businesses and entrepreneurs can access business opportunities offered by the department  31st of March 2022 : Sharing information through presentations and dialogues, whereby information was shared with the intention to promote departmental programmes as well as improving service delivery by giving entrepreneurs business opportunities  The following are the outcomes achieved by GDARD to meaningfully involve the public/stakeholders in the intended course of its work  Through IGR Coordination, the following were achieved by GDARD during the reporting period under review: -   * 10th of March 2022: Joint IGR meeting between GDED and GDARD - The engagement as was held sought to discuss relevant IGR Issues and come up with relevant strategic response mechanisms * 16th -17th of March 2022 : Inaugural Local Government Continental Free Trade – Through this engagement, the objective was that of conducting a dialogue on the Role of Local Government in African Continent Free Trade Agreements and Epicentre of a successful free trade agreement, Innovative Infrastructure Financing Instruments and Cross-Border Trade Investments * 23rd of March 2022 : Pre-IDP analysis- The engagement discussed sector departmental issues and agreed with Municipalities on the IDP’s roadmaps, roles and responsibilities for all relevant stakeholders and clarification sought on the desired outcomes when the IDP processes have been completed * 25th of March 2022: Progress meeting with Sector Departments on DDM Implementation in Gauteng West Rand District-The engagement sought to present and discuss the departmental status of catalytic projects happening in the district space, as well as to how much budgets have been used thus far, including the outline of challenges and interventions required where necessary * 28th of March 2022 : IGR Practitioners Forum-Outline of progress on the Implementation of District Development Model and One Plan for the Province and the Interventions Required, outline of the impact of coalition government in local government and its impact in promoting cooperative and Intergovernmental Relations, as well as discussions around structural processes for the IGR Reporting to the Executive Council and Premiers Coordinating Council and other IGR policy related issues   30th of March 2022 : Progress meeting with Sector Departments on DDM Implementation in Gauteng – City of Johannesburg with a view of discussing the departmental status of catalytic projects happening in the district space, how much budgets have been used thus far, challenges and interventions required where necessary. |
| **Summary of Public Education programmes of the Department / Entity during the period under review** |
| **Through Public Education Programmes, GDARD coordinated the following education programmes:-**   * A total of 5(Five) World Wetlands meetings facilitated by GDARD during the reporting period under review * Community mobilization around the Nigel Community * Meetings also held with Emfuleni Speakers’ Office and the Veterinary services in line with the vaccination outreach   Meetings and mobilization for City of Tshwane, Garankuwa for Post SOPA outreach |
| **Feedback sessions conducted by the Department / Entity** **during the period under review** |
| **Through the IGR Workstream Sessions, GDARD coordinated the MEC/MMC joint political IGR session on the 16th of February 2022 as follows: -**   * The joint GDED/GDARD IGR forum as held on the 16th of February and 2022 addressed the following critical agenda items:- * Progress on Township Bill Process and Communication Strategy * Gauteng Economic War Room * Inter-active session between the MEC and MMCs of various Municipalities   Outcome(s)   * Departmental Alignment and compliance to the District Development Model * Alignment to departmental priorities; * It was agreed that the forum needs to reconvene soon to address Land Release Program issues as well as EIAs; * The implementation of farmer support programme for small holder farmers should also be prioritized * The discussions should unpack clear processes of how the Department has committed on access to markets aspects in terms of Agriculture. * GDARD to report on setting up of databases for farmers. * GDARD to prepare a comprehensive presentation on Agriculture and Agro-processing programs |
|  |

# 7 OVERSIGHT ON INTERNATIONAL TREATISE / AGREEMENTS

| **7. DETAILS ON IMPLEMENTATION OF INTERNATIONAL AGREEMENTS / TREATIES [Applicable only to OCPOL / OoP]** |
| --- |
| [Enter information here] |

# 8 OVERSIGHT ON DEPARTMENT / ENTITY GEYODI EMPOWERMENT

| **8. DETAILS ON DEPARTMENT / ENTITY GEYODI EMPOWERMENT** |
| --- |
| |  |  |  |  | | --- | --- | --- | --- | | **GENDER**  SMS Females = 24 (62%)  1690 Subsistence women producers supported  Procurement spend on business owned by Woman is currently at 39%  8 women benefitted from Agri-parks | **YOUTH**  Procurement spend on business owned by Youth is currently at 26%  2483 Work opportunities created through Tshepo 1 million Programme | **DISABED**  PwD employed = 25 (3%)  Procurement spend on business owned by Persons with Disabilities is currently at 1% | **SENIOR CITIZENS – N/A** | |

# 9 OVERSIGHT ON DEPARTMENT / ENTITY COMPLIANCE WITH FIDUCIARY REQUIREMENTS

| **9. [DETAILS ON DEPARTMENT / ENTITY COMPLIANCE WITH FIDUCIARY REQUIREMENTS]** | |
| --- | --- |
| **GPL** | The 4th Quarterly Report for Vote 11 was submitted to the GPL for further processing |
| **Auditor General (AGSA)** | None for the quarter under review |
| **Public Service Commission (PSC)** | None for the quarter under review |
| **Compliance with relevant fiduciary Legislation [e.g., PFMA]** | Compliant |

# 10 OVERSIGHT ON A CAPACITATED PUBLIC SERVICE

| **10. THE DETAILS ON A CAPACITATED DEPARTMENT / ENTITY** |
| --- |
| **Detailed information on the current vacancies (at all staff levels)** |
| 1 059 |
| **Current vacancy rate** |
| 87 |
| **Current acting positions (at all Staff levels)** |
| 6 |
| **Terminations during the period under review** |
| 15 |
| **New appointments during the period under review** |
| 25 |
| **Detailed information on the GEYODI / HDI empowerment for the period under review** |
| Total Females in the Department = 505 (52%)  SMS Females = 24 (62%)  PwD = 25 (3%) |
| **Detailed information on any suspensions for the period under review** |
| 0 |

# 11 OVERSIGHT ON ANY OTHER COMMITTEE FOCUS AREA

|  |
| --- |
| **11. THE DETAILS ON ANY OTHER COMMITTEE FOCUS AREA [Only if relevant and applicable]** |
| *Any other area of Department / Entity performance with respect to its Quarter Report that the Committee wishes to report on, which is not already included in any of the above Focus Areas.* |
| N/A |

# 12 COMMITTEE FINDINGS / CONCERNS

| **12. DETAILED COMMITTEE FINDINGS / CONCERNS (on each specific Focus Area analysed above)** |
| --- |
| * 1. The lack of improvement on spending the allocated budget, continuously underperforming, and not achieving planned targets. |
| 12.2 The lack of spending the Conditional Grants on the agricultural industry |
| 12.3 Failure to produce long term solutions to address the issue of sustainable food security in the Province. |
| 12.4 The Continuous failure to identify available land for rehabilitation and agricultural production and the implementation thereof |
| 12.5 Continuous challenges of the IDMS system and non-responsiveness to tenders which affects service delivery |
| 12.6 Failure to implement projects that will create green job opportunities around renewable energy sources as an alternative energy in the Province, particularly on solar panels. |
| 12. 7 The Committee is concerned that Department continues to underachieve its target to for businesses owned by Youth and People with Disabilities (PWDs) |
| * 1. Inability to create work opportunities in relation to Tshepo 1 Million Programme |

# 13 COMMITTEE RECOMMENDATIONS

| **13 [DETAILED COMMITTEE RECOMMENDATIONS]** | | | |
| --- | --- | --- | --- |
| **Based on the information set out herein-above as well as the Committee Concerns, the Committee therefore recommends as follows:** | | | |
| **Ref Number** | **Recommendation** | **Type of response expected** | **Due Date** |
| EDEARD/ Q4PR / 001 | The Department should provide monitoring and evaluation quarterly reports on the progress of how planned targets are achieved and the budget is spent on planned projects. | Written Response should be forwarded to the GPL on the resolution as adopted by the House | 20/09/2022 |
| EDEARD/ Q4PR / 002 | Provide the Committee with a detailed report on how the allocated funds on the Conditional Grants will be utilised to support the agricultural sector. | Written Response should be forwarded to the GPL on the resolution as adopted by the House | 20/09/2022 |
| EDEARD/ Q4PR / 003 | Provide a comprehensive report/plan in place to address food security issues in the Province. Also including measures in place to assist Community food gardens to be maintainable. | Written Response should be forwarded to the GPL on the resolution as adopted by the House | 20/09/2022 |
| EDEARD /Q4PR / 004 | Provide the Committee with a comprehensive report that includes a list of identified Land for agricultural production. | Written Response should be forwarded to the GPL on the resolution as adopted by the House | 20/09/2022 |
| EDEARD /Q4PR / 005 | Provide the Committee with a comprehensive report on mediums utilized to advertise tenders and measures undertaken to attract bidders. Moreover, provide a report on how the IDMS will be improved in order achieve set targets. | Written Response should be forwarded to the GPL on the resolution as adopted by the House | 20/09/2022 |
| EDEARD /Q2PR / 006 | Provide plans in place to create green job opportunities on the renewable energy sources as an alternative energy source in the Province. The plans should also include ways on how the Department will ensure that there is’a reduction on the over-reliance on coal which is a finite and environmentally unfriendly resource. | Written Response should be forwarded to the GPL on the resolution as adopted by the House | 20/09/2022 |
| EDEARD /Q4PR / 007 | Department to provide a turnaround strategy on how procurement targets for Women, Youth and People with Disabilities will be achieved in the next quarters. | Written Response should be forwarded to the GPL on the resolution as adopted by the House | 20/09/2022 |
| EDEARD /Q4PR / 008 | Provide the Committee with a continuous report on the creation of work opportunities relating to Tshepo 1 Million Programme**.** | Written Response should be forwarded to the GPL on the resolution as adopted by the House | 20/09/2022 |
| **Additional recommendations:**   1. Provide a list of rural enterprises supported in the year under review 2. Provide a list of beneficiaries of 2000 hectares of Land 3. Provide a list of beneficiaries of Tshepo 1 million opportunities 4. Provide timelines on the resolve of releasing land for economic purposes in the Province, noting the pronouncement by the Premier in 2018. | | | |
| **Explanatory note on the reference numbers for Recommendations (ultimately Resolutions)**   * Reference number is in the format : [A] / [B] / [C] * [A] = The 3 letter Committee identifier. E.g., COGTA/HS can be “CHS”, SRAC can be “SRA” * [B] = The 4-digit identifier for the SOM Imperative [e.g., Q1PR or Q2PR or FIS1 or APR, or BV. In this case, since this is a Q-Report template, it will either be Q1PR or Q2PR or Q3PR or Q4PR] * [C] = The 3-digit number of the recommendation in this report [001,002,003 …, 00n] | | | |

# 14 ACKNOWLEDGEMENTS

The Portfolio Committee on Economic Development, Environment, Agriculture and Rural Development wishes to thank the MEC for Economic Development and Agriculture and Rural Development, Mr Parks Tau, the Head of Department, Ms M Gasela and her team of officials. The Chairperson, Ms Fasiha Hassan further wishes to acknowledge and express his gratitude to the Honourable Members of the Portfolio Committee on Economic Development, Environment, Agriculture and Rural Development Members Ms S Nkosi-Malobane, Mr L Makhubela, Ms B Mncube, Mr M Gana, Ms A Cilliers, Mr A Tshitangano, Mr J Hoffman, Mr D Adams. Further appreciation goes to the alternate Members of the Committee namely Members: Mr A Alberts, Ms Du Plessis and Ms B Badenhorst. It is an honour to lead such a hard-working team.Furthermore, the Portfolio Committee would like to express appreciation for the contribution of the following support staff members: Acting Group Committee Coordinator Mr T Skosana; the Committee Researchers Mr B Mabuza, Ms M Makhubele and Dr A Malapane, Senior Committee Coordinator Mr T Skosana, Committee Coordinator Ms L Mampe, Administrative Assistants; Ms N. Mngadi and Ms V Mokubetsi, Hansard Recorder Mr S Baloyi, Senior Information officer, Ms Azwinndini Netshivhuyu, Communications Officer; Mr Takalani Ndou, Service Officer Ms Busisiwe Nhlapo, and Public Participation Officer: Mr B Dhlomo for their dedication and commitment.

# 15 ADOPTION

In terms of Rule 117 (2)(c) read together with 164, the Economic Development, Agriculture and Rural Development Portfolio Committee presents the Oversight Report on the 4th Quarterly Performance Report of the Gauteng Department of Agriculture and Rural Development for the 2021/22 financial year and recommends its adoption.