

**EASTERN CAPE DEPARTMENT OF RURAL
DEVELOPMENT AND AGRARIAN REFORM**

VOTE 8

**DRAFT ANNUAL REPORT
FINANCIAL YEAR 2020/2021**

TABLE OF CONTENTS

PART A: GENERAL INFORMATION	3
1. DEPARTMENT'S GENERAL INFORMATION	4
2. LIST OF ABBREVIATIONS	5
3. FOREWORD BY MEC.....	8
4. REPORT OF THE ACCOUNTING OFFICER	10
5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT	17
6. STRATEGIC OVERVIEW	18
7. LEGISLATIVE AND OTHER MANDATES	18
8. ORGANISATIONAL STRUCTURE	20
9. ENTITIES REPORTING TO THE MEC.....	21
PART B: PERFORMANCE INFORMATION	23
1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES	24
2. OVERVIEW OF DEPARTMENTAL PERFORMANCE	25
3. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES	34
4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION	38
5. TRANSFER PAYMENTS	108
6. CONDITIONAL GRANTS	110
7. DONOR FUNDS	116
8. CAPITAL INVESTMENTS	116
PART C : GOVERNANCE	117
1. INTRODUCTION	118
2. RISK MANAGEMENT.....	118
3. FRAUD AND CORRUPTION	119
4. MINIMISING CONFLICT OF INTEREST	120
5. CODE OF CONDUCT	120
6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES	120
7. PORTFOLIO COMMITTEES	120
8. SCOPA RESOLUTIONS	121
9. PRIOR MODIFICATIONS TO AUDIT REPORTS	126
10. INTERNAL CONTROL UNIT	126
11. INTERNAL AUDIT AND AUDIT COMMITTEES	126
12. AUDIT COMMITTEE REPORT	127
13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION	131
PART D: HUMAN RESOURCE MANAGEMENT	133
1. INTRODUCTION	134
2. HUMAN RESOURCES OVERSIGHT STATISTICS	136
PART E: FINANCIAL INFORMATION	159
1. REPORT OF THE AUDITOR GENERAL	160
2. ANNUAL FINANCIAL STATEMENTS	165

PART A: GENERAL INFORMATION

I. DEPARTMENT'S GENERAL INFORMATION

PHYSICAL ADDRESS: Department of Rural Development and Agrarian Reform
Dukumbana Building,
Independence Avenue;
Bhisho, 5605

POSTAL ADDRESS: Private Bag X 0040
Independence Avenue
Bhisho, 5605

TELEPHONE NUMBER/S: 040-602 5007

FAX NUMBER **040-635 0604**

EMAIL ADDRESS: communication@drdar.gov.za

WEBSITE ADDRESS: www.drdar.gov.za

2. LIST OF ABBREVIATIONS

ABSA	Amalgamated Banks of South Africa	DALRRD	Department of Agriculture, Land Reform and Rural Development
AETS	Agricultural Economic Transformation Strategy	DRDAR	Department of Rural Development and Agrarian Reform
ARC	Agricultural Research Institute	EAP	Employees Assistance Programme
ADMIN	Administration	EAPASA	Employee Assistance Professionals Associations of South Africa
AFS	Annual Financial Statements	EC	Eastern Cape
AGSA	Auditor General of South Africa	ECAETS	Eastern Cape Agricultural Economic Transformation Strategy
AHT	Animal Health Technicians	ECBF	Eastern Cape Beef Fund
AIDS	Acquired Immune Deficiency Syndrome	ECDC	Eastern Cape Development Corporation
APP	Annual Performance Plan	ECGGB	Eastern Cape Gambling & Betting Board
APAP	Agriculture Policy Action Plan	ECPTA	Eastern Cape Parks & Tourism Agency
ARP	Annual Recruitment Plan	ECRDA	Eastern Cape Rural Development Agency
ASAE	Association of Agriculture Educators	EE	Employment Equity
BAS	Basic Accounting System	EEP	Employment Equity Policy
BOD	Board of Directors	EHWP	Employee Health and Wellness Programme
BPR	Business Process Re-engineering	EIA	Environmental Impact Assessment
CA	Contagious Abortion	EPWP	Extended Public Works Programme
CAADP	Comprehensive Africa Agriculture Development Plan	ERM	Enterprise Risk Management
CASP	Comprehensive Agricultural Support Programme	EXCO	Executive Council
CCS	Compulsory Community Services	FAS	Financial Accounting Services
CIDB	Construction Industry Development Board	FEA	Female Enterprise Award
CIPC	Companies Intellectual Property Commission	FET	Further Education and Training
CFO	Chief Financial Officer	FTE's	Full Time Equivalents
COE	Compensation of Employees	GARDAG	Government Agricultural Research and Development Action Group
COGTA	Cooperative Governance and traditional Affairs	GDP	Gross Domestic Product
COO	Chief Operations Officer	GFADA	Grain Farmer Development Association
DAAC	District Agri-park Advisory Councils	GG	Government Transport
DAFF	Department of Agriculture, Forestry and Fisheries	GIAMA	Government Immovable Asset Management Act

DAPOT	District Agri Park Organising Task Team	OP	Operational Plan
GIS	Geographic Information System	OSD	Occupational Specific Dispensation
GITO	Government Information Technology Office	OTP	Office of the Premier
HET	Higher Education and Training	PAETV	Provincial Agriculture and Training Forum
HIV	Human Immune deficiency Virus	PAHC	Public Animal Health Care
HOD	Head of Department	PCMT	Provincial Coordinating Monitoring Team
HR	Human Resources	PDI	Previously Disadvantage Individual
HROPT	Human Resource Operations Project Task Team	PDP	Provincial Development Plan
ICT	Information Communication and Technology	PETFAFF	Provincial Education Training Forum for Agriculture, Forestry and Fisheries
ICU	Internal Control Unit	PERSAL	Payroll and Salaries
IOD	Injury on Duty	PFMA	Public Finance Management Act
ISO	International Standard Organisation	PI	Performance Indicator
IDP	Integrated Development Plan	PoA	Program of Action
IFSS	Integrated Food Security Strategy	PLAS	Proactive Land Acquisition Strategy
IGR	Inter-governmental Relations	PPECB	Perishable Product Export Control Board
KRA	Key Results Area	PPPFA	Preferential Procurement Policy Framework
LCD	Liquid Crystal Display	PSA	Public Service Association
LIMS	Lab Information Management Systems	PSCBC	Public Service Coordinating Bargaining Council
LMF	Labour Management Forum	RED	Rural Enterprise Development
MEC	Member of the Executive Council	RDP	Red Meat Development Program
MINMEC	Ministers and Members of the Executive Council	RT	Transversal Rated Contracts
MINTEC	Ministerial Technical Committee	RATU	Rural Appropriate Technology Unit
MOU	Memorandum of Understanding	SABS	South African Beareu of Standards
MPAT	Management and Performance Assessment Tool	SACNASP	South African Council for National Science Profession
MTSF	Medium Term Strategic Framework	SAMDI	South African Multidimensional Poverty Index
NAMC	National Agricultural Marketing Council	SANAS	South African National Accreditation System
NCDT	Nguni Cattle Development Trust	SASAT	South African Society Agricultural Technologists
NDP	National Development Plan	SASAE	South African Society for Agricultural Extension
NQF	National Qualifications Framework	SANSAE	South African Society for Agricultural Extension
OAG	Office of the Auditor General	SAQA	South African Qualifications Authority

OHS	Occupational Health Safety	SCM	Supply Chain Management
OHSA	Occupational Health Safety Act	SDGs	Sustainable Development Goals
OIE	Office Internationale Etizooties	SETA	Sector Education Training Agency
SDIP	Service Delivery Improvement Plan	SOMPED	Society for Medicinal Plants and Economic Development
SDM	Service Delivery Model	SPLUMA	Spatial Planning and Land Use Management Act of 2013
SG	Strategic Goal	STATSSA	Statistics South Africa
SHE	Safety Health Environment	TARDI	Tsolo Agricultural and Rural Development Institute
SHERQ	Safety, Health, Environment , Risk and Quality	TB	Tuberculosis
SLA	Service Level Agreement	UPS	Un-Interrupted Power Supply
SMME	Small Medium Micro Enterprise	USA	United States of America
SMS	Senior Management Service	VCT	Voluntary Counselling and Testing
SO	Strategic Objective	WEMA	Water Efficient Maize for Africa

3. FOREWORD BY MEC

South Africa's current economic path is unsustainable with the country facing the triple threat of stagnating economic growth, rising unemployment and high inequality. The trend experienced in the Province with low GDP growth rates, especially in agriculture is unsustainable. In order to increase the Provincial GDP from the current 1.7% to 2% by 2024, the Eastern Cape must develop sustainable models to consolidate fragmented land ownership structures through legal and commercial agreements that are symbiotic and mutually beneficial to all parties involved.

The state of national disaster due to COVID-19 as it was pronounced by the President resulted into the national lockdown and such the department had to adjust its plans (APP). The effects of Covid-19 pandemic have highlighted the critical role the agriculture sector plays in addressing food insecurity at household and community level. It is in this period that the sector was identified to be the essential service during the hard lockdown.

However, the outbreak of this pandemic, has not only affected the implementation of the plans of government institutions, it has also significantly changed the way of life of South Africans and the nature and the way of working and interacting with our clients and stakeholders had to change for purposes of flattening the curve of COVID-19.



The Department is fulfilling its legislative accountability mandate, as annual reports are an integral part of national and provincial department's reporting requirements. The achievements, performance information, governance, human resources information and financial information for each reporting period are reported in the annual report. Furthermore, Section 40 (1) and (3) of the PFMA and chapter 18 (18.3 and 18.4) of the Treasury Regulations sets out the legislative requirements for annual reports. The Minister of Public Service and Administration has prescribed this requirement for all government departments within the Public Service.

The right to food is enshrined in the Constitution of the Republic of South African. Section 27(1) (b) states that, everyone has the right to sufficient food and water and the State must formulate reasonable legislative efforts and take other measures within its available resources, to achieve the progressive realisation of these rights." The right to food requires that food be available, accessible, and adequate for everyone without discrimination.

As a response to this constitutional mandate, government has developed the National Food and Nutrition Security Policy which is key in achieving the objectives of the National Development Plan and that of the global Sector Development Goals (SDGs). Goal 2 of the SDGs commits to ending hunger, achieving food security, improved nutrition, and promote sustainable agriculture by 2030. Furthermore, government developed the National Development Plan (NDP) and the Provincial Development Plan (PDP) that contributes towards the strategic priority of stimulating innovative and growing economy with an enabling infrastructure network.

During the period under review, our service delivery model was premised on the Eastern Cape Agricultural Economic Transformation Strategy (AETS) that was implemented fully to ensure that it supports farmers (smallholder farmers and subsistence farmers) to venture into commercial production for secured markets by working together with development industry strategic partners in various commodities.

The department invested resources towards the implementation of its Annual Performance Plan (APP) and established commodity and cluster based partnerships with industry development partners to support smallholder producers.

Partnerships established ensured that higher levels of production were achieved, ensured skills transfer and supported producers. Cooperation between farmers, government, commodity organisations and private sector resulted in credible partnerships that has attracted investments leading to increased area under production, yields and improved access to markets.

Despite all the difficulties experienced during the period under review as a result of the Covid-19 pandemic, the department has created a total of 1 661 jobs emanating from both our resource management and infrastructure establishments. We continue to adopt a proactive approach and as such to mitigate the impact of climate change, we have launch Disaster and Early Warning Centre that advises farmers on prevalent weather patterns.

To adhere to the Public Service gender equity requirement of 50/50% at SMS level, DRDAR's female gender representation at SMS level is at 55.3%, Female gender representation below salary level 8 is at 52.8%.

With the outbreak of COVID 19 the financial year under review brought so many challenges that needed us to adjust our plans and strategies, adopt and adapt to technologies and new ways of doing things. With the lessons learnt over this period I am certain that we are better prepared as we continue to align and develop responsive plans and service delivery models.



HON NONKQUBELA PIETERS (MPL)
MEMBER OF THE EXECUTIVE COUNCIL
DATE: 31 August 2021

4. REPORT OF THE ACCOUNTING OFFICER

The year 2020/21 financial year was disrupted by the COVID-19 pandemic. In response to lockdown level 5 regulations, the agricultural sector was allowed to continue to operate as it was considered as an essential service to secure food security. Furthermore the Department of Agriculture, Land Reform and Rural Development (DALRRD) established the COVID-19 Agricultural Disaster Support Fund. The Department of Rural Development and Agrarian Reform (DRDAR) supported the farmers to apply for support from this fund, wherein a total of 1914 smallholder and communal farmers were successful and received R80 731 096.43.



During the reporting period, the Presidential Employment Stimulus Initiative (PESI) was introduced with the allocation of R1 billion through the Department of Agriculture, Land Reform and Rural Development (DALRRD). The DALRRD issued E-vouchers to 9919 successful applicants valued at R37 659 537.73. The Department of Corporate Government and Traditional Affairs also introduced the Solidarity Fund to support the rural and peri-urban subsistence farmers to purchase key farming inputs, which in turn will support their ongoing ability to produce food and prevent their households from being pushed into a poverty trap. To date R 24 360 000 has been redeemed for 12 180 farmers for production inputs support. Lastly, the DRDAR supported 20 000 households with food production pack in all districts and two metros at the value of R40 000 000.

The COVID-19 pandemic also resulted in a reduction in the Department's budget from R2 413 387 000 to R2 314 427 000 through the Special Budget Adjustment. This required an adjustment to the Annual Performance Plan to reduce the performance targets in line with the reduced budget.

During the period under review, the agriculture sector was evidently resilient; it became one of the sectors with a positive growth to the national and provincial GDP growth levels throughout the pandemic. According to the third quarter review, the primary sector agriculture increased to 16.5%, whilst citrus yielded R3.4 billion in exports in the last season. With government support to black farmers their contribution grew by 25% from 2019 to 2020.

The growth of the agricultural sector during the COVID-19 is the continuation of the pedestrian growth over the last decade. As per the StatsSA Census of Commercial Agriculture report 2017, the total income from the agricultural sector in the Eastern Cape province was R23,4 billion which was 354% higher than the R5.1 billion recorded in 2007. The main contributors were livestock farming which yielded R15 billion or 65,2% income, followed by horticulture at R6,7 billion or 23%. This decade also saw a significant increase in the number of employed persons in the sector, from 58 837 in 2007 to 65 151 in 2018.

As part of growing and transforming the agriculture sector, the Eastern Cape Agriculture Transformation Strategy and Agriculture and Agro-Processing Master Plan (AAMP), consolidated commodity value chains development according to natural resource potential and district municipalities. The Eastern Cape Commodity production corridors are as follows:

- Grain Corridor: Eastern & North Eastern Cape (Amathole, Chris Hani ,OR Tambo, Joe Gqabi, Chris Hani & Alfred Nzo)
- Red Meat: All six districts & two Metro
- Citrus Corridor: Amathole & Sarah Baartman
- Wool Corridor: All six Districts
- Deciduous Fruit Corridor: Sarah Baartman
- Macademia Corridor: Buffalo City, Amathole, OR Tambo and Alfred Nzo
- Vegetable Production Corridor: All six Districts targeting irrigated areas
- Poultry Production Corridor: all six districts
- Cannabis Corridor: OR Tambo, Alfred Nzo

During the year under review, the DRDAR commodity specialists developed commodity plans and engaged various stakeholders with the aim of attracting investment for growth and employment. The investment incentives per commodity value chain will be finalised in 2021/2022 financial year for implementation in 2022/2023 financial year. The investment incentives are designed to attract investment to increase the commodity contribution to GDP and employment.

The commercialisation of agriculture through partnership with the Ukhanyo Farmer Development (UFD), the women led WipHold and rural based Dalasile Agri Park supported 22 808 ha of grain production. These partnerships have also helped both smallholder and communal farmers to increase their yield from 3 ton per ha to an average of 5 tons per ha. The grain produced by the partners is marketed and sold to the local market and also stored and transformed into animal feed to support the livestock industry.

The Eastern Cape also steadily maintained its livestock exports of 67 812 units to Mauritius and the Middle East (Kuwait) with a total value of R307 million. Furthermore, a total of 834 dairy heifers were exported to Zimbabwe, Swaziland and Tanzania with a total value of R18.3 million, while 552 Boer goats at an estimated cost of R6000 per unit were exported to Zimbabwe, Tanzania and Uganda generating a total value R3.3million.

The two export abattoirs, namely the East London Red Meat and Sovereign Poultry Abattoir recorded an export output of 4 593 tons, valued at R359 million, during the period April 2020 to January 2021, and provided employment for 2 152 workers

As part of the animal products export all of the country's wool (85% exported) and world mohair (95% exported) clip is marketed from Gqeberha; and all SA animals fibre sold in these auctions are exported from the Harbour in Gqeberha. The total value of animal fibre export sold through the Eastern Cape shores is R3.7 billion from 27 614 893 kg.

The Cannabis Technical Advisory Team (CTAT) was established to develop the Cannabis strategy to attract investment in the province. The CTAT commenced with consultation with a broad range of stakeholders in order to shape the strategy and the implementation approach. The CTAT and DRDAR supported farmers to shape the Cannabis for Private Purposes Bill of 2020. A consultative process with all interested parties was undertaken to afford farmers and broad stakeholders to provide substantive inputs. The DRDAR supported 26 Hemp Permits with production inputs. Furthermore, five (5) producers were assisted to renew their Hemp permits with the South African Health Profession Regulatory Authority (SAHPRA).

The DRDAR in collaboration with (DALRRD) implemented the development of registration of Producers/Farmers for smallholder farmers in the province. The field data collection has registered 21 437 farmers. This project is ongoing and will be used to plan and appropriately allocate resources to support the agricultural development in the province.

The department intensified its Rural Development Coordination Programme by fully participating in the one-plan District Development Model that seeks to integrate all the work of government to common development objectives. Our intervention programmes ensure that rural communities are empowered; food secured and have access to basic services. To realise this the spring water protection programme benefitted many villages in OR Tambo, Chris Hani, Alfred Nzo who had no access to water.

The interventions to rescue Magwa-Majola Tea Estates are beginning to bear fruits with some positive spin-offs in the operations and revenue generation, whereby tea bag sales generated a total of R627 224 while bulk sales generated R18.5 million. The estate has introduced local packaging, branding and distributed to 43 retail stores in the Province and 1 558 (516 permanent and 1 031 temporal) jobs were sustained.

The Honourable Premier announced the reconfiguration of the Department and the process of the function shift of rural development to Office of the Premier has commenced. This function shift has affected the development the organogram. These processes are implemented to ensure a lean and agile organisational structure designed to create more farmer value.

The COVID-19 has negatively affected the department with a total of 259 cumulative COVID- 19 infections were recorded. A total of 24 employees have died whilst 235 recovered. The Department has conducted a

comprehensive risk assessment to ascertain the level of risk on its employees posed by the working environment so as to develop and implement mitigating measures to protect all employees. To limit infection among the employees, the department implemented work rotation, remote work and shifts to ensure minimum disruption to service delivery to ensure business continuity.

Lastly the Department has strengthened governance systems and internal controls which have resulted in improved audit outcomes and a reduction in non-compliance / material findings.

Overview of the financial results of the department

Departmental receipts	2020/2021			2019/2020		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	786	4 396	-3 610	4 826	5 691	-865
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	2	-	2	3	1	2
Interest, dividends and rent on land	3	2	1	4	8	-4
Sale of capital assets	1 268	930	338	1 500	1 614	-114
Financial transactions in assets and liabilities	210	8 741	-8 531	500	32 480	-31 980
Total	2 269	14 069	-11 800	6 833	39 794	-32 961

The department has collected more revenue than expected in the 2020/21 financial year. The revenue collection from other sales such as services rendered from vet services have exceeded expectations by 44%. Due to the COVID-19 pandemic, the department did not budget for a revenue collection on course fees generated at TARDI. The department collected R181 809 from course fees towards the end of the financial year. As the COVID-19 restrictions were lifted, the department collected R561 536 from the sale of wool.

An improvement in internal controls has resulted in a reduction in interest bearing debts. The collection from interest received from receivables has decreased significantly. The collection from receivables amounted to R485 873, which has resulted from constant monitoring of departmental receivables.

The department's annual tariff policy is reviewed annually taking into account the inflation rate. The inflation rate for the financial year under review was 5,4%. The tariff policy takes into account all goods and services rendered by the department. The tariff rates are based on recovering the cost incurred on goods and services.

The sale of capital assets consisted of biological assets. The biological assets sold had reached the end of the research cycle. The department sold biological assets to assist emerging farmers in line with the service delivery mandate of the department. The department has collected R929 716 from the sale of capital assets.

Departmental expenditure by programme:

Programme Description	2020/2021 R'000			2019/2020 R'000		
	Final Appropriation	Actual Expenditure	Variance	Final Appropriation	Actual Expenditure	Variance
Administration	454 537	455 874	-1 337	500 030	501 453	-1 423
Sustainable Resource Management	114 544	14 824	-280	137 518	136 140	1 378
Farmer Support and Development	811 949	799 196	12 753	802 945	788 269	14 676
Veterinary Services	296 884	296 549	335	331 646	330 636	1 010
Technology Research and Development	127 165	126 600	565	137 951	137 530	421
Agricultural Economics	33 671	33 758	-87	34 322	34 104	218
Structured Agricultural Training	167 306	164 650	2 656	174 871	168 782	6 089
Rural Development Coordination	253 663	253 032	631	285 641	285 291	350
TOTALS	2 259 719	2 244 483	15 236	2 407 292	2 382 205	25 087

Explanation of variances

1) Programme 3: Farmer Support and Development Services

Goods and Services R6.5 million

The under expenditure on Goods and Services was mainly caused by the reclassification of expenditure from minor assets under Goods and Services to major assets under biological assets.

Buildings and other fixed structures R6.2 million

The under expenditure in this item relates to unfinished infrastructure projects as follows:

Senqu, Engcobo, Enoch Mgijima and Matatiele could not be completed in the 2020/21 financial year due to technical and financial capability of contractors. This resulted in Sonwabile (Matatiele) shearing shed being cancelled and others with the letters of demand for poor performance being issued to contractors. This resulted in delays on both physical and financial progress thereby causing under-expenditure.

The delay in the completion of Krila and Craighead fences for Amathole Citrus resulted in under-expenditure. Fences were delayed due to the contractor that did not observe OHS in terms of supplying casual workers with protective clothing and resulted in a strike that lasted for two weeks together with poor workmanship that has seen the project work being re-done. These projects are projected to be completed in June 2021.

Land Preparation for Krila and Craighead project could not be completed due to the delays in the installation of the irrigation systems. The project had to be put on hold with only irrigation equipment delivered. The delays were as a result of the partner that was responsible for installation of the irrigation system and buying of trees that pulled out due to shortage of funds.

Delays in implementation caused retention fees for dipping tanks from Alfred Nzo and OR Tambo not to be paid as not all the liability matters were met at year end.

The scarcity of steel in the country due to COVID-19 lockdown resulted into the fencing materials being delivered late in the year. As a result the erection of fences could not be completed and will be completed in the 2021/22 financial year. Delays in the registration of Amathole Boreholes with Water Affairs resulted to the related budget not being spent by the financial year end.

There were savings from OR Tambo, Sarah Baartman and Alfred Nzo Boreholes due to dry borehole sites despite having looked for replacement sites as per contract condition.

There were delays in the implementation of Engcobo, Sakhisizwe, Intsika Yethu and Inxuba Yethemba boreholes. Sakhisizwe delayed due to inclement weather as well as financial challenges of the contractor. These projects will be completed in the 2021/22 financial year.

Machinery and Equipment R2.5 million

Invoices for computers worth R1.8 million and Transport entity worth R1 million were received after the year end and they will be paid in the next financial year.

2) Programme 7

Compensation of Employees R1.8 million:

When the department had to cut the budget, posts approved already had to be reprioritised. The reprioritisation process delayed the finalisation of the recruitment and resulted in the under expenditure.

3) Programme 1

The over expenditure is as a result of payments made to Department of transport for fleet leases.

Virements

1) Administration

Compensation of Employees: (R 6.8ml)

Compensation of Employees was reduced by R6.8million because of the delay in the filling of prioritized posts. This amount was redirected to the payment of leave gratuities, securities, leases and transport equipment.

Goods & Services: R3 million

This amount was received from Compensation of Employees to cover a budget shortfall on securities, leases and transport equipment.

Transfers & Subsidies: R9.1 million

An amount of R9.1 million was received to curb shortfall on leave gratuities and the claims to the department as part of a court settlement costs.

Payment for Capital Assets: R4.5 million

An amount of R4.5 million received for the payment of transport equipment and lease contract for cell phones.

2) Sustainable Resource Management

Compensation of Employees: (R8.2 million)

Compensation of Employees was reduced by R8.2 million because of the delays in the filling of prioritized posts. This amount was redirected to cover a budget shortfall in leave gratuities, leases and transport equipment.

Payment for Capital Assets: R0.969 million

An amount of R0.969 million received for the payment of survey equipment and cell phones lease contract.

3) Farmer Support and Development Services

Compensation of Employees: R3.3 million

An amount of R3.3 million has been received from other programmes to cover shortfall on compensation of employees.

Goods & Services: (R2.6ml)

An amount of R2.6 million has been reduced and provision made for the payment of tractors.

Payment for Capital Assets: R3.5 million

An amount of R3.5 million has been received for the payment of transport equipment, tractors and for purchase of extension officers' vehicles.

4) Veterinary Services

Compensation of Employees: (R7 million)

As explained in Programmes 1 & 2 above.

5) Research and Technology Development

Compensation of Employees: (R3.6 million)

As explained in programme 1.

6) Agricultural Economic Services

Transfers & Subsidies: R0.737 million

An amount of R737 000 was received from other programmes for a court settlement.

Structured Agricultural Education and Training

Compensation of Employees: (R3 million)

As explained in programme 1.

Rollovers: R4.481 million

An amount of R4.481 million has been rolled over to Comprehensive Agricultural Support (CASP) for the construction and upgrades of various infrastructure projects.

Unauthorised, Irregular and Fruitless and Wasteful expenditure

The irregular expenditure of the department is zero and the fruitless & wasteful expenditure amounts to R541 000 as at 31 March 2021. The department has taken all necessary steps to reduce/eliminate the expenditure in the financial year. The Internal Control Unit of the department is doing regular awareness programmes to all officials to reduce such expenditure. Consequence management is applied to officials that are implicated in irregular and fruitless and wasteful expenditures.

Public Private Partnerships

No Public Private Partnerships were reported in the previous year and none were entered into in the year under review.

Discontinued activities / activities to be discontinued

No activities were discontinued.

New or proposed activities

Financial implications of each new activity There are no new or proposed activities.

Supply chain management

There were no unsolicited bid proposals for the year under review. Internal control processes have been strengthened between procurement and expenditure sections of the department to avoid any potential irregular expenditure. An Irregular Expenditure Committee analyses any expenditure that was identified as irregular in order to recommend condonement or corrective measures for responsible officials. The department had a challenge of vacant posts throughout the financial year under review, however all the critical posts are now prioritised and included in the Annual Recruitment Plan(ARP) for the ensuing financial year.

Gifts and Donations received in kind from non-related parties.

None.

Exemptions and deviations received from the National Treasury

None.

Events after the reporting date

None.

Other

None.

Acknowledgements/Appreciation

The Department acknowledges and appreciates the leadership and the guidance provided by the Hon. MEC Pieters. The work of the department would not have been possible without the support of the stakeholders, farmers, communities, committed and dedicated staff.

Conclusion

In the 2020-21 financial year, the department achieved unqualified audit opinion. This demonstrated effective and efficient utilization of resources to deliver rural development and agriculture related priority programmes. Furthermore, the department implemented strategic programmes which over time will yield desired impacts in the reduction of poverty, underdevelopment and unemployment.



B DAYIMANI
ACTING ACCOUNTING OFFICER
DATE: 30th August 2021

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed throughout the annual report are consistent.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The Accounting Officer is responsible for establishing, and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2021.

Yours faithfully



B DAYIMANI
ACTING ACCOUNTING OFFICER

DATE: _____

6. STRATEGIC OVERVIEW

6.1 Vision

A sustainable agricultural sector, integrated rural development and food security for all.

6.2 Mission

To improve agricultural production to stimulate economic development, food security and integrated rural development through:

- Integrated rural development;
- Agrarian reform;
- Sustainable livelihoods;
- Support land reform for agricultural production;
- Facilitating partnerships to commercialise and transformation of the agriculture sector;
- Innovation, research, technology development to increase productivity and competitiveness; and
- Access to opportunities for youth, women and other vulnerable groups.

6.3 Values

- **Ethical leadership:** We lead with respect for ethical beliefs and values and for the dignity and rights of others.
- **Honesty & Integrity:** Commitment to be transparent with all stakeholders.
- **Innovation:** Commitment to keep abreast of new developments in relevant fields of expertise and be innovative in carrying out the mandate of the Department.
- **Excellence:** We are committed to exceeding our customer's expectations for quality, responsiveness, efficiency and service excellence.
- **Working hand in hand "Bambisanani":** We believe that the sum of our collective efforts will be greater than the total of our individual efforts.
- **Mutual respect:** We value each other's contribution as we seek to realise the vision and goals of the Department.
- **People centeredness:** "Bonke abantu esisebenza nabo, siya kusebenzisana nabo ngokufanelekileyo nangokulinganayo"

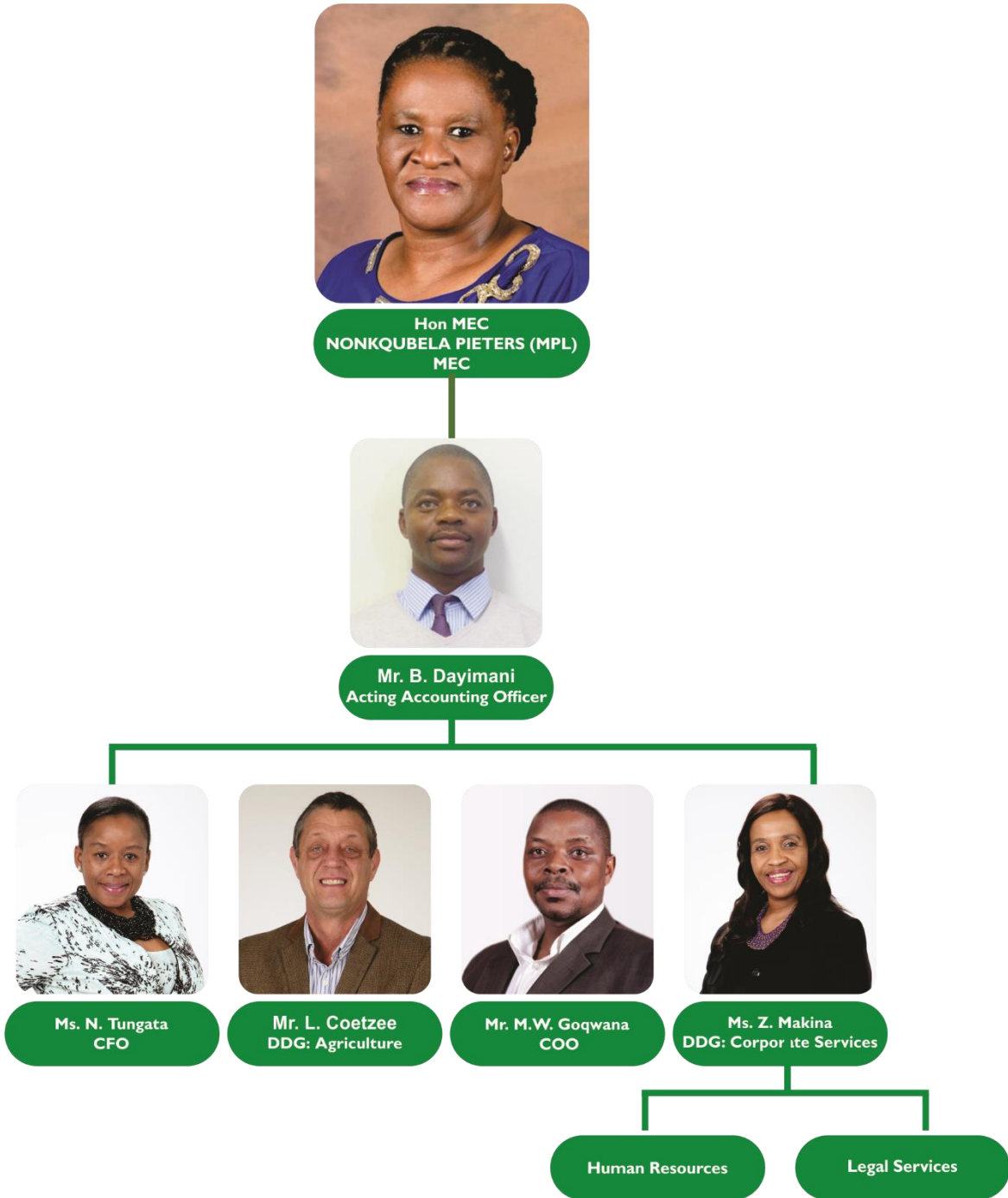
7. LEGISLATIVE AND OTHER MANDATES

The Department's mandates are informed by the following Acts:

- | | |
|---|--|
| • Constitution of the Republic of South Africa, | Act 108 of 1996 |
| • The Agriculture Development Act, 1999 | Act No 108 of 1996 |
| • Conservation of Agricultural Resources Act, 1983 | Act No. 67 of 1999 |
| • Eastern Cape Rural Finance Corporation, Act 1 of 2012 | Act No. 43 of 1983 |
| | Act No. 9 of 1999 as Amended by Act No 1 of 2012 |
| • Veterinary and Para-Veterinary Professions Act, 1982 | Act No. 19 of 1982 |
| • The Animal Health Act, 2002 | Act No. 7 of 2002 |
| • The Animal Identification Act, 2002 | Act No. 6 of 2002 |
| • The Meat Safety Act, 2000 | Act No. 40 of 2000 |
| • Animal Diseases Act, 1984 | Act No. 35 of 1984 |
| • Animal Improvement Act, 1998 | Act No. 62 of 1998 |
| • Animal Protection Act, 1962 | Act No. 71 of 1962 |
| • Livestock Improvement Act, 1997 | Act No. 25 of 1997 |
| • Agricultural Pests Act, 1983 | Act No. 36 of 1983 |
| • Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act, 1947 | Act No. 36 of 1947 |
| • Agricultural Research Amendment Act, 2001 | Act No. 27 of 2001 |

- Marketing of Agricultural Products Act, 1996 Act No. 47 of 1996
- Fencing Act, 1963 Act No. 31 of 1963
- Land Tenure Rights Act, 1991 Act No. 112 of 1991
- Intergovernmental Relations Framework Act, 2005 Act No. 13 of 2005
- Public Finance Management Act, 1999 Act No.1 of 1999
- Basic Conditions of Employment Act, 1997 Act No.75 of 1997
- Division of Revenue Act, 2009 Act No. 12 of 2009
- Preferential Procurement Policy Framework Act, 2000 Act No. 5 of 2000
- Public Service Act and Regulations, 1994 Act No. 103 of 1994
- Skills Development Act, 1998 Act No. 97 of 1998
- Occupational Health and Safety Act, 1993 Act No. 85 of 1993
- Employment Equity Act, 1998 Act No. 55 of 1998
- Promotion of Access to Information Act, 2000 Act No. 2 of 2000
- Treasury Regulations issued in terms of PFMA Act, 1999 Act No. 29 of 2000
- Promotion of Administrative Justice Act, 2000 Act No. 2 of 2000
- Spatial Planning and Land Use Management Act, 2013 Act No. 16 of 2013
- Protection of Personal Information Act, 2013 Act No. 4 of 2013

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE MEC

The Eastern Cape Rural Development Agency (ECRDA) is the sole public entity of the Department of Rural Development & Agrarian Reform. It is mandated to implement rural development initiatives on behalf of the Department. The relationship between DRDAR and ECRDA is regulated by a Shareholder's Compact which includes the appointment of the Board and the chairperson.

Accountability including reporting on key performance indicators/ projects and financial reporting on transferred funds. The Accounting Authority of the Agency reviews its performance levels in relation to the requirements of the Department. Progress is monitored on a quarterly basis by submission of Quarterly Performance Reports and Financial Reports to the Department as part of the accountability system.

Table 1: Entities, functions and relations with the MEC.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Eastern Cape Rural Development Agency) ECRDA	Eastern Cape Rural Finance Corporation Amendment, Act 1 of 2012	The department provides funding on an annual basis to support the operations of the entity. The budget is allocated to the entity for the year under review amounted to R226 051 000 of which 47 263 was for revitalization of the Tea Estates.	<ul style="list-style-type: none"> • The ECRDA is a catalyst organisation, with emphasis on planning, research and project packaging, facilitation, project management, and implementation of priority programs. • Other functions are innovation, development as well as mobilizing resources and capacity building. • Rural finance services to rural communities, with specific emphasis on loan finance to farming enterprises. • Implement Rural Enterprise Development projects: <ul style="list-style-type: none"> - Development of Cannabis production - Aggregation of RED Hubs - Magwa and Majola Tea Estates - Establishment of Mechanization Centres - Establishment of Transactional Advisory Services - Forestry Development

PART B: PERFORMANCE INFORMATION

I. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 161 of the Report of the Auditor General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

The Department of Rural Development and Agrarian Reform, like any other departments in the country and the province operated under challenging service environment characterised by social and economic instability. According to Statistics South Africa (P0141), annual consumer price index inflation was 3,0% in April 2020, down from 4,1% in March 2020, the lowest since June 2005 when the rate was 2,8%. The consumer price index decreased by 0,5% month-on-month in April 2020. Consumer demand has decreased between March and April 2020 as a result of the Covid-19 Alert level 5 lockdown.

The official unemployment rate increased by 1,0 percentage point to 30,1% in the first quarter of 2020 compared to the fourth quarter of 2019. The number of employed persons decreased by 38 000 to 16,4 million and the number of unemployed persons increased by 344 000 to 7,1 million in Q1: 2020 compared to Q4: 2019, resulting in an increase of 306 000 in the labour force. The outbreak of COVID 19 further worsened the situation as the Department had to adjust its plans due to budget reprioritisation to fund COVID 19 interventions. It is with great sadness to report that the Department lost 24 official who were at the forefront of service delivery due to COVID related complications.

The Province experienced the outbreak of African swine fever at Mquma and Buffalo City, Rabies in Mhlontlo and Engcobo. Following these outbreaks the veterinary services conducted extensive epidemiological intervention and brought the diseases under control.

To salvage crop produce and provincial yields from the outbreak of the African armyworm that was destroying pastures and grasslands in Amathole, Alfred Nzo and Chris Hani, the department deployed a technical team to conduct vigorous investigation, awareness and applied pesticides. Exports markets to the Middle East involving chilled meat and livestock. However, the livestock exports were marred by NSPCA court interdict application to stop exports. The department filed an intention to oppose part B of the court application by National Societies for the Prevention of Cruelty to Animals (NSPCA), seeking to stop exports of live animals to the Middle East.

Rural Development Coordination

The District Development Model is anchored on the development of the “One Plan” model. The One Plan Model is an intergovernmental plan setting out a long-term strategic framework to guide investment and delivery in the 6 district and metropolitan space, jointly developed and agreed to by all spheres of government. DRDAR is participating in the DDM Provincial Task Team. Six catalytic projects were profiled to form part of the provincial One Plan, One Budget integrated planning. IGR Sessions were held with district municipalities in the province to create good working relations with the Municipalities with the intention to identify areas of collaboration, sharing limited resources and to share the vision of the department to turn around agricultural sector.

The department formed part of the Provincial Rural Development and Anti-Poverty Coordination Program which is led by the Office of the Premier. The program is meant to provide a platform for all departments to present their plans for the Anti-Poverty sites for integrated implementation of the plans towards the identified anti-poverty sites.

The department presented the Rural Development Strategy (Ilima Labantu), Outcome 7 Priorities and the three selected Rural Development Government Priorities on the 23rd March 2021. The purpose of the meeting was to present the Rural Development concept, linking the Rural Development Strategy and Anti-Poverty Strategy and understanding of rural development coordination and monitoring mechanism in the province.

Home Industry Services

The department intensified rural development through support of communal and sub-urban communities to stimulate local economic development. In supporting youth, women and people with disabilities, a total of 100 Clothing and Textile Cooperatives received industrial sewing machines and some specialised machines as well as sewing material, a minimum of 40 meters of material per cooperative in all the districts.

Innovations and appropriate technologies

The department continued to address the challenges of water scarcity to the rural communities through the implementation of appropriate technologies. In the year under review six villages benefitted from Spring Water Protection with a total number of 1 165 households and 414 temporary jobs were created.

The department constructed Ventilated Improved Pit-Latrines at A.M Tapa Senior Primary School in Middledrift and this benefited a total of 269 learners and 7 staff members and 28 temporary jobs were created.

Rural Enterprise Development

The department promoted rural economies through the support of three youth rural development enterprises with Welding Material, Brick Making Machines and Studio Equipment for rural music entertainment inclination

Socio-Economic Research

DRDAR has established the evaluation task team for the High Impact Priority Projects that are implemented by ECRDA. The purpose of the task team is to evaluate the efficiency, effectiveness, relevance, impact and sustainability of the implemented High Impact Priority Projects and make recommendations.

Rural Development interventions implemented in response to Covid 19 pandemic

To curb the scourge of COVID-19, two reports were coordinated and produced during the quarter, namely: (i) a profile of 20 000 households intended to benefit from COVID-19 Grant Fund was produced through verification of application submitted from six districts of the Province, (ii) a Socio-Economic Overview of the Province focusing on Development and Economic indicators up until the end of December 2020 and reflecting on the potential negative impact of the pandemic, was also crafted and produced.

Crop Production expansion and commercialization

Maize production

According to the National Crop Estimate, the size of the commercial maize crop was set at 15,408 million tons and the contribution of the Eastern Cape Province to the National Maize Production under commercial sector in the 2019/20 was 154 750 tons which is about 1% of the total production of maize in the country. The non-commercial maize was 543 545 tons of which 40% is coming from the Eastern Cape Province. However, the average yield from the non-commercial sector is estimated at 1.8 tons/ha as opposed to 5,90 tons/ha estimated on commercial sector Nationally.

The disparities in the yields between the commercial and the non-commercial sector could be associated with the number of challenges facing the smallholder farmers in South Africa, e.g. lack of finance, unavailability of machinery, etc. The yield estimates conducted in the province in the previous season however showed that maize yields ranged between three 2.5 and 9 tons/ha, which is relatively higher compared to the national average. The 5% increase compared to the previous year's harvest is attributed to good summer rains during the 2020/21 cropping season.

Through its grain production support programme, the DRDAR planted 28 808 hectares of maize in the year under review compared to 18 016 ha planted in the previous season (2019/20). The DRDAR allocated a total amount of R107 Million towards the commercialization of communal and smallholder grain producers in the 2020/21 financial year. The significant increase in the number of hectares planted in the 2020/21 cropping season is attributed to good summer rains compared to the 2019/20 season, which was characterised by late rainfall. In line with its strategy, the department implemented the programme utilizing three partners (Dalasis Agri Park, Ukhanyo Farmer Development and Wiphold). These partners were allocated a total of 3 961 ha and the budget allocated was R 14 Million.

Household Food Security

The Eastern Cape remains one of the poorest provinces in South Africa, according to the Poverty Trends report by Stats SA. Poverty Trends report indicate 36% of the households in the province survived on social grants, which was their main source of income. The province also had the highest percentage of poor households, with children receiving child support grants, compared to other provinces. As a result the Department set aside a budget of R42 410 000 benefitting 20 123 households across the Province. These beneficiaries were supported with Household food packs such as seeds and seedlings, potato seeds, maize, poultry feed, poultry medication, chicks and fertilisers.

High Value Horticultural crop expansion

Citrus Expansion

The Eastern Cape Province is the second largest citrus producer in country. The province is currently producing in 23 020 ha and this is contributing about 26% to the area planted in South Africa, after Limpopo (41%). In the Eastern Cape, the smallholder farmers account for a total of 2 049 ha.

The Department in partnership with strategic partners have a long-term plan of expanding citrus in the Eastern Cape by 3 350 ha over the next ten years. In Sarah Baartman, the Department has partnered with black citrus producers to expand citrus orchards from 117 to 400 ha. These producers have been awarded water rights in the Sundays River Water System and all the irrigations are aimed at expanding production of black farmers.

To achieve transformation in the citrus industry, the Department has over the years supported 34 black citrus producers. This resulted in 1.7 million cartons exported by the 2020 production season and there has been a steady increase in the number of hectares under citrus production from 1 927 ha to 2 049 ha. This represents 25% growth in their production from 2019 to 2020 season and improved their contribution to provincial exports from 2% to 5%.

Pineapples

The Department supported pineapple production on 250 ha in 6 farms and a total of 1 431 tonnes were harvested, realizing R2.1 million and 123 jobs created. The produce is sold to Summerpride Foods for processing and packaging.

Poultry

It has been a government belief that poultry production is one of the means that can address poverty, create income levels and improving nutritional status of the rural community. There is a vast genetic progress achieved by breeding companies in many traits associated with chicken production, for instance attaining the slaughter weight that used to be attained in 42 days in 35 days or less. Therefore, to participate in this massive improvement, DRDAR has in the 2020/21 financial year been able to supply poultry farmers with feed (starter, grower, finisher and post finisher) and broiler chicks across the six Districts of the Province with the budget of R3 450 000.

Vegetables

The Department supported vegetable production on 507 ha across the Province (180 Amathole, 150 Chris Hani, 14 Joe Gqabi and, 163 OR Tambo). Furthermore, a partnership with Chris Hani Development Agency and DEDEA has resulted in the establishment of vegetable packhouse in Queen Industria at the cost of R15 million. This initiative benefited 11 vegetable cooperatives to access markets and improve profitability. Due to the outbreak of COVID-19 the infrastructure development to ensure SA GAP compliance could not be completed for the targeted sites and these projects will be completed in the next financial year.

Commercialization of livestock

The Eastern Cape Province has the highest levels of poverty, but it also boasts the highest potential for agricultural development. More than 75% of cattle slaughtered countrywide are finished in feedlots. More than 90% of slaughtered stock comes from the commercial sector, notwithstanding the fact that 40% of cattle are in the hands of smallholder farmers. Provincial Beef and mutton contributes 6 and 9 %, respectively to the Agricultural GDP while the province is the leader in cattle and sheep population.

To promote value addition in red meat, the Department has supported 17 custom feeding centers from these, more than 900 cattle and sheep were sold generating R8.5 million, this project created 95 jobs for the local communities. To enhance herd productivity through distribution of improved genetic material to smallholder and communal farmers, a total of 541 cattle have been distributed across the province. The RAFI beef program has so far distributed 690 breeding cows to six (6) smallholder farmers of Chris Hani and Amathole.

Beef expansion

The health of provincial herd is a priority for our food security and access to international trade. A total of 1.2 million animals were vaccinated against zoonotic diseases, while 3.7 million animals were dipped against external parasites. The Department has entered into three (3) year partnership with Agriculture Research Council (ARC) to ensure that the provincial herd participate into the National Livestock Recording Scheme. Currently there are 1 745 smallholder farmers that are recorded in the scheme. A total of 39 Extension officials were trained on the beef production and 47 farmers in cattle breeding and selection. Exports continued to exceed expectations despite the hard lockdown as a result of COVID 19 pandemic. As a result, 5 582 export control certificates were issued against a target of 3 900. Furthermore, smallholder and communal farmers were supported as per the distribution list in the table below:

Table 1: Smallholder and communal farmers supported with bulls and heifers

District	Bulls	Heifers	Projects	Youth	Women	Smallholder	Communal
Alfred Nzo	-	57	7	2	-	2	-
Amathole	58	113	43	4	2	32	12
Chris Hani	12	60	8	2	11	8	-
Joe Gqabi	11	80	-	1	2	8	-
OR Tambo	25	-	12	-	-	-	12
Sarah Baartman	22	95	11	1	-	-	-
Total	128	405	81	10	15	50	24

The expansion of the Redmeat Development Program is also facilitated with the existing collaboration between DRDAR and the National Agricultural Marketing Council (NAMC) to support the operational Custom Feeding Centers and a Feedlot in the Province through effective coordination of the various sectors of the economy (Table 2). The major focus of the programme is primarily on connecting communal farmers with formal markets and systemizing the informal markets, while presenting farmers with market opportunities in an accessible location.

The Department successfully provided 27 800 bags of complete ruminant feed to support the centres, and this generated a revenue of **R3, 8 million**, benefiting 237 farmers (Table 2).

Table 2: Performance of operational custom feeding centers in the Eastern Cape

District	No. Bags Feed Supplied	No. of Animals fed	No. Animals Sold	Revenue (R'000)	Beneficiaries
Alfred Nzo	2 700	72	47	457 144,00	62
Amathole	5 400	81	68	693 966,98	30
Chris Hani	12 600	220	135	1 238 068,86	14
Joe Gqabi	3 400	16	15	565 493,02	20
OR Tambo	3 700	160	148	897 157,00	111
TOTAL	27 800	549	413	3 851 829,86	237

Wool and Animal fibre

Wool sheep farming has been key to the development of rural economies. The establishment of many rural towns in most of the South African provinces resulted primarily because of Wool Sheep farming in these areas. The Department has partnered with Eastern Communal Wool Growers Association (ECCWGA) that has now been registered as an industry commodity organisation to transform the wool industry by providing a targeted support to black wool producers.

The Department has completed construction of 26 fully equipped shearing sheds with small stock dipping facility and four (4) small stock handling facilities. Animal health remains a cornerstone of this industry and a total of 8.8 million treatments were applied against sheep scab to ensure marketability of provincial flock. A total of 2 342 Merino type sheep and Angora goats were distributed to smallholder and communal farmers to improve quality of fibre produced.

In support of wool production, the province has supported smallholder and subsistence farmers with superior genetic material across the six Districts through the Livestock Production Improvement Scheme. The recommended and approved beneficiaries were supplied with superior genetic rams, ewes, bulls and does cows/calves to improve the quality and quantity of wool and mohair produced by smallholder and subsistence farmers (Table 3 and 4).

Table 3: Number of smallholder projects supported with sheep (Rams and Ewes)

District	Rams	Ewes	Beneficiaries	Youth	Women	Smallholder	Communal
Alfred Nzo	59	139	248	8	93	8	2
Amathole	264	40	32	1	8	5	28
Chris Hani	169	195	475	7	229	-	22
Joe Gqabi	53	150	60	1	1	14	2
OR Tambo	156	-	12	-	-	-	12
Sarah Baartman	18	320	7	1	2	7	-
Total	719	844	834	18	333	34	66

Table 4: Number of smallholder projects supported with goats (Bucks and Does)

District	Rams	Ewes	Beneficiaries	Youth	Women	Smallholder	Communal
Alfred Nzo	2	39	6	1	-	1	5
Amathole	51	80	13	-	3	5	8
Chris Hani	2	20	19	1	4	-	2
Joe Gqabi	5	-	1	-	-	1	-
OR Tambo	24	-	3	-	-	-	3
Sarah Baartman	26	510	8	-	1	-	-
Total	110	649	50	2	8	7	18

Drought mitigation

The Department has established Early Warning Centre housed at Dohne, providing regular weather advisories related to livestock and crop production. The centre is working with South African Weather Services (SAWS), Agriculture Research Council (ARC), Centre for Scientific and Industrial Research (CSIR) and four Institutions of Higher Learning in the Province. The centre has completed the installation of 86 weather stations which are all operational. The drought that the province has experienced in the past three (3) years has necessitated the Department to encourage farmers to produce hay locally to address feed shortage as part of contingency reserves for the province. As part of long term drought mitigation factors, the Department has supported production of fodder in 2 600 ha, commissioned 55 boreholes and rehabilitated 82 earth dams at a cost of R35 million. In partnership with the Department of Agriculture Land Reform and Rural Development a total of 90 boreholes has been drilled and will be commissioned soon

Sustainable Resource Management

In promoting sustainable use and management of natural agricultural resources by engaging in community based initiatives that support sustainability (social, economic and environmental), leading to greater productivity, food security, job creation and better well-being for all, thirty-seven (37) awareness campaigns, sixteen (16) capacity building exercises, 8 104.76 hectares of agricultural land was rehabilitated creating 276 green jobs.

In support of DALRRD on state land disposal, DRDAR have assessed a total of 43 000 ha of land across the province and provided recommendations on viability of the state land. Assessments have since been concluded and report was produced.

2.2 Service Delivery Improvement Plan

The department has completed a Service Delivery Improvement Plan. The tables below highlight the service delivery plan and the achievements to date.

Main services provided and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Agricultural Infrastructure Development Support.	Commercial Farmers; Smallholder Farmers and; Subsistence farmers.	<ul style="list-style-type: none"> Subsistence, smallholder and commercial farmers supported. Youth and women farmer supported. On-off farm infrastructure provided. Beneficiaries supported with SA GAP certification. Jobs created Beneficiaries of CASP trained on farming methods, and farms receiving mentoring. Unemployed graduates placed on commercial enterprises for potential skills transfer. 	All projects are being implemented by contractors with limited operational delays and thereby meeting the desired standard of construction.	<ul style="list-style-type: none"> A total of 22 Subsistence, 4 069 smallholders and 0 commercial farmers supported through. A total of 3467 Youth and 1727 women farmers supported. 59 On-off farm infrastructure provided A total of 865 were created. A total of 1 115 beneficiaries of CASP trained on farming methods, 210 farm workers trained and 6 farms received mentoring. A total of 102 Unemployed graduates placed on commercial enterprises for potential skills transfer. A total of 526 Extension personnel

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
		<ul style="list-style-type: none"> Beneficiaries of CASP supported with markets access. Extension personnel maintained in the system. 		maintained in the system.

Batho Pele arrangements with beneficiaries (Consultation access)

Current/Actual information tools	Desired information tools	Actual achievement
<p>Information about programmes of the department is placed in community, commercial media including leading news and communication platforms in the province and national media for the purpose of sharing information with the people of the province and stakeholders interested in the work of the department that are based outside the province.</p> <p>The information is distributed from time to time through media platforms such as, the Daily Dispatch, SABC Radio Stations as well as Community Radio Stations and SABC TV News.</p> <p>The Departmental Website is another tool that is utilised to share information about programmes of the department by uploading and constantly updating the website with new and relevant information. Social Media Platforms such as Facebook, Twitter are also instruments employed to reach out to the various stakeholders.</p>	<p>Uphuhliso Publication, social media platforms such as Facebook, local, regional and commercial radio stations will be utilised to share relevant information with all stakeholders about the services offered by the Department.</p> <p>All public documents such as the APP, Policies, Operational Plans, Strategic Plans and Annual Reports will be placed in the public domain for easy access to the public.</p> <p>Translated policies will be placed on the Departmental website.</p>	<p>The Department continues to share information about the services offered through various platforms such as Facebook, Twitter, News Papers, Community and National Radio Stations.</p> <p>The information is also available in the Departmental website.</p> <p>The Department has maintained a permanent slot on Umhlobo Wenene Radio Station to share and also depart knowledge about Departmental offerings.</p> <p>Strategic documents such as policy speeches, APP and Operational Plans were posted on the website.</p>

Service delivery information tool

Current /actual information tools mechanism	Desired information tools mechanism	Actual achievements
<p>Information about programmes of the department is placed in community, commercial media including leading news and communication platforms in the province and national media for the purpose of sharing information with the people of the province and stakeholders interested in the work of the department that are based outside the province.</p> <p>The information is distributed from time to time through media platforms such as, the Daily Dispatch, SABC Radio Stations as well as Community Radio Stations and SABC TV News.</p> <p>The Departmental Website is another tool that is utilised to share information about programmes of the department</p>	<p>Uphuhliso Publication, social media platforms such as Facebook, local, regional and commercial radio stations will be utilised to share relevant information with all stakeholders about the services offered by the Department.</p> <p>All public documents such as the APP, Policies, Operational Plans, Strategic Plans and Annual Reports will be placed in the public domain for easy access to the public.</p> <p>Translated policies will be placed on the Departmental website.</p>	<p>The Department continues to share information about the services offered through various platforms such as Facebook, Twitter, News Papers, Community and National Radio Stations.</p> <p>The information is also available in the Departmental website.</p> <p>The Department has maintained a permanent slot on Umhlobo Wenene Radio Station to share and also depart knowledge about Departmental offerings.</p> <p>Following the outbreak of Covid-19, the Department has consistently disseminated information for purposes of controlling the infections and thereby maintain the</p>

Current /actual information tools mechanism	Desired information tools mechanism	Actual achievements
by uploading and constantly updating the website with new and relevant information. Social Media Platforms such as Facebook, Twitter are also instruments employed to reach out to the various stakeholders.		staff compliment required to deliver on the Departmental Mandate. DRDAR continues to work hard in ensuring the inquiries and complaints from our stakeholders are attended to within the required time frames.

Complaints mechanism

Current /actual complaints mechanism	Desired complaints mechanism	Actual achievements
<p>The Department's Customer Care section receives complaints and queries from customers daily through the Department's toll free number, social media, letters to the department and media queries responding to the information that has been published about the programs of the department. A complaints handling mechanism was published and it was distributed to the offices of the department in the districts for creating awareness as part of the customer care plan of the department. Some of the complaints and queries received by the department come from the presidential hotline and were referred to programme offices and districts for resolution.</p> <p>In pursuit of speeding the resolution of complaints and queries from customers, we will now write letters to programme managers and district directors to remind them about the queries and complaints, obtain updates and measure customers' satisfaction.</p> <p>Failure by managers to respond to complaints and queries, will be elevated to their superiors and further escalating the matter to the HOD in the event that managers in the hierarchy are not assisting the customers.</p> <p>Customer care awareness campaigns conducted to educate employees and the importance of responding to the queries and complaints from the customer to address the current backlog of complaints.</p>	<p>Arrange and conduct roadshows of awareness programmes in the districts, on complaints handling mechanism.</p> <p>All complaints received to be consolidated, analysed and results to inform the strategic documents. Management of the complaints received from the Presidential Hotline.</p> <p>Management of the Complaints Management Framework to ensure the provision of feedback mechanism whereby the citizens can communicate to Government when services are not being delivered in line with the expectations within the eight Batho Pele principles.</p> <p>Promote use of the corporate branding manual, Batho Pele Principles, Service Standards and how to access services, and awareness on services rendered, with a focus on Administration.</p>	<p>Distribution of promotional material posters in the districts was conducted.</p> <p>Received complaints and acknowledge them, referred them to relevant officials in the Department and maintain a register. Follow up on complaints or requests received and give feedback to the clients within the stipulated period. Handle complaints and requests received from the Presidential Hotline and give feedback both to clients and the Planning and Monitoring Department nationally. Provide weekly and monthly reports to the Department.</p> <p>The Customer Care Unit is an integral part of awareness campaigns through establishing a helpdesk whenever there are departmental functions which interface with the farmers and industry stakeholders.</p>

2.3 Organizational Environment

The COVID –19 pandemic had an impact on departmental operations. A total of 263 officials were in isolation, quarantine and on sick leave including capacity reduction in order to adhere to physical distancing protocol. The pandemic also affected the human resource management functions in the department. The redirecting of funds to support the Government’s COVID-19 interventions resulted in budget cuts including the Compensation of Employees (COE) budget. HR Business Processes were drastically adjusted to cope with the demands of the “new normal” in the business and social environment.

The department adopted a Business Operating Model intended to enhance the capacity of the organisation to deliver on its mandate. This resulted in relocation of GIS from program 5 to Program 2 and the establishment of Early Warning and Disaster Management Units.

The staff establishment comprises of 2 793 posts, the decomposition is made of 2 530 filled positions and 263 vacant posts that translates to a vacancy rate of 9% as at 31 March 2021. The annual staff turnover rate is at 11.9, which translate to 302 employees that left public service due to various reasons. The breakdown thereof is 31.6% of 98 employees who opted to retire, 8.7 % of 27 employees resigned, 16.5% of 51 employee’s services were terminated as a result of death and 40% of 124 employees their employment contracts expired.

In the financial year under review, fifty-two (52) appointments including 120 entrepreneurship interns were effected in the areas of Veterinary services, Research, Agricultural Training, Engineering and Agricultural Advisory Services. These these appointments enhanced organisational capacity and efficiency.

DRDAR’s female gender representation at SMS level is at 55.3% and male representation is at 44.7%. This demonstrates commitment of advancement of gender representation in compliance with the Public Service gender requirement of 50/50% at SMS level. At middle management, female gender representation has not yet yielded the expected results, female representation is ratio at 38%, and male representation is at 62%. Concerted efforts are required to address these gender imbalances. Female gender representation below salary level 8 is at 52.8% and male representation is at 47.2%. The overall female gender profile of the department is at 49.1% and male representation is at 50.9%.

The Human Resource Development Plan that is intended to provide coaching, strengthen and develop the knowledge, skills base, and improve human resource capabilities is in place. The department utilised its internal skill to train employees on COVID-19 utilising the digital platform and this resulted in informal training of four hundred and five (405) employees. Employees were also encouraged to utilise the free online courses provided by the National School of Government (NSG). In the regard twenty-eight (28) employees completed the formal online courses.

The Department continues to provide financial assistance to previously disadvantaged students in a form of bursaries in order to address scarce skills shortage in the sector. There are Veterinary Science and Animal Science. Twenty-two (22) students benefited from the department’s bursary scheme, thirteen (11) are males and thirteen (11) females. Out of the twenty-two (22) students, nine (9) exited the programme due to completion of their academic studies. The remaining bursary holders are pursuing their Veterinary Science studies in the University of Pretoria.

The Department enhances knowledge and skills of employees through provision of financial assistance to one hundred and twenty-five (125) employees for them to pursue their studies through Institutions of Higher Learning. This programme assists in improving technical and soft skills of the workforce. Of the total that was funded in the 2020 academic year, seventy-five (75) exited the programme. The department continues to honour its contractual obligation to the remaining fifty (50) employees for the 2021 academic year.

The department has created training and experiential space for youth and unemployed graduates in an effort to contribute towards youth unemployment. A total of forty-two (42) graduate interns and twenty-four (24) TVET learners are currently receiving training. The Department commits in creating a healthy and safe environment for its workforce through the implementation of health and wellness interventions according to the four (4) pillars of the Employee Health and Wellness Framework.

In promoting the wellness of employees, the department managed to educate employees through electronic distribution of information, on various topics that include stress management, substance abuse, financial

management, HIV and TB. In efforts to minimise the risk of transmitting COVID-19 in the workplace, DRDAR conducted a total 5 027 health screenings on COVID-19 symptoms whilst 165 employees participated in screenings on non-communicable diseases, which include cholesterol, hypertension, diabetes and mental health. Investigated 118 cases on COVID-19 whilst 116 employees received psychosocial support.

The department improved its agricultural support application process by implementing the Farmer Support System; this system will enhance data integrity on the compilation, record keeping and maintenance of beneficiary information. In response to COVID-19 government regulations, the department considered various digital alternative platforms to minimise the risks associated with physical document sharing by implementing Online Performance Management tool that offers planning, reporting and auditing of performance information including electronic memo submission that assist in the streamlining approval process workflow of memorandums.

In line with best practice of ensuring business continuity, monitoring of the implementation of disaster recovery protocol is an ongoing process and copies of tested data backups are stored safely on an offsite storage. The department activated its Endpoint Data Protection Licenses, which protect computers against malware and cybercriminals. Upgraded Uninterrupted Power Supply (UPS) system for Head Office and districts assisted in protection of ICT hardware when there are unexpected power disruptions that could lead to business continuity disruption. The Department finalised installation and deployment of WI-FI connectivity and commissioning of Ethernet switches for Head Office, Joe Gqabi, OR Tambo, and Amathole for improved network connectivity.

2.4 Key policy developments and legislative changes

There were no significant changes to department's legislative and other mandates, but internally the Department has reviewed a number of policies to guide its internal operations.

3. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

IMPACT STATEMENT

Table 05: Impact Statement

Impact Statement	A sustainable agriculture sector that drives food security, agro processing and contributes to industrialisation, rural development, and wealth creation.	The achievement of the Impact Statement will be tested after the end of the current electoral cycle. The end of Term Report will contain a tangible progress on achieving the Impact.
-------------------------	---	---

MEASURING OUR OUTCOES

Table 06: Contribution to MTSF Priority One: Capable, Ethical and Developmental State

MTSF PRIORITY	Priority 01: A Capable, Ethical and Developmental State			Report 2020-21 FY
	Outcome	Outcome Indicators	Baseline	
Improved corporate governance	Level of improvement in the audit outcome	Unqualified Financial and pre-determined objectives with emphasis of matters	Clean Audit Outcomes	Unqualified Financial and pre-determined objectives with emphasis of matters

Table 07: Contribution to MTSF Priority 02: Economic Transformation and Job Creation

MTSF PRIORITY	Priority 02: The Economic Transformation and Job Creation			Report 2020-21 FY
Outcome	Outcome Indicators	Baseline	MTSF Targets	
Sustainable agricultural value chains	Level of sector productivity and competitiveness in the Province	R19 Billion Gross Value Production	R21.6 Gross Value Production Billion Gross Value Production (an addition of 2.6 billion to 19 Billion).	158 Cattle sold generating a revenue of R1.5 million. 56 Sheep sold, generating revenue of R70 000. 27 800 Bags of complete ruminant feed were sold and generated a revenue of R3.8 million.
Improved food security	Increased number of households that are food secure.	33 000	250 000	22 809.5

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 PROGRAMME I: ADMINISTRATION

Purpose: To manage and formulate policy directives and priorities and, to ensure there is appropriate support service to all other programmes with regard to finance, personnel information, communication and procurement.

List of Sub-Programmes:

- Sub-Programme 1.1: Office of the MEC.
- Sub-Programme 1.2: Senior Management.
- Sub-Programme 1.3: Corporate Services.
- Sub-Programme 1.4: Financial Management.
- Sub-Programme 1.5: Communication Services.

The MTSF Priority and the Outcome the programme is responding to:

- Priority 01: A Capable, Ethical and Developmental State.
- Improved corporate governance.

Sub-Programme: I.1: Office of the MEC

Purpose: To set priorities and political directives in order to meet the needs of clients. (For the efficient running of the MECs office).

Sub-Programme I.1: Office of the MEC										
Outcome	Output	Output Indicator		Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Reasons for deviation	Reasons for revisions to the annual targets
Improved corporate governance	Political oversight provided	1.1	Number of meetings or sessions held with senior management	New OI	New OI	12	11	(1)	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
		1.2	Number of MEC's engagements with Stakeholders to ensure optimum Alignment of the Department	New OI	New OI	40	35	(5)	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.

Sub-Programme I.1 : Office of the MEC										
Outcome	Output	Output Indicator		Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation	
Improved corporate governance	Political oversight provided	1.1	Number of meetings or sessions held with senior management	New OI	New OI	10	11	1	Over performance	
		1.2	Number of MEC's engagements with Stakeholders to ensure optimum Alignment of the Department	New OI	New OI	30	35	5	Over performance	

Sub-Programme I.1 : Office of the MEC									
Outcome	Output	Output Indicator		Audited	Audited	Planned	Actual	Deviations from	Comment on deviation
				Actual	Actual				
				Performance	Performance	Targets	2020/21	to Actual	
				2018/19	2019/20	2020/21		achievement	
		1.3	Percentage of queries or questions resolved	New OI	New OI	80%	80%	-	No deviation
		1.4	Number of MEC's special programmes' interventions implemented to cater for rural development priorities.	8	9	8	8	-	No deviation

Reasons for all deviations

I.1 The over-achievement is attributed to revision of the APP due to Covid-19 pandemic.

I.2 The over performance is due to Covid-19 interventions and awareness that the Office of the MEC was engaged on.

Strategy to overcome areas of under performance

- None

Sub-Programme 1.2: Senior Management

Purpose: To translate policies and priorities into strategies and programmes for effective service delivery and to manage, monitor and control performance.

Sub-Programme 1.2: Senior Management									
Outcome	Output	Output Indicator		Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation
Improved corporate governance	Effective oversight by governance structures	2.1	Number of strategic leadership and management sessions held to enhance efficiency in the Department.	12	14	12	21	9	Over performance
		2.2	Number of organizational performance review sessions concluded.	4	4	4	4	-	No deviation
		2.3	Number of governance sessions concluded.	8	10	12	12	-	No deviation
		2.4	Number of Reports on mainstreaming Programmes pertaining to designated groups	-	4	4	5	1	Over performance

Reasons for all deviations

2.1 The AHOD has initiated weekly performance monitoring meetings with Top Management to ensure recovery of quarterly underperformance as well as meeting annual targets.

2.4 Due to the covid-19 pandemic, the Department could not launch the Youth in Agriculture and Rural Development Structure in the second quarter as the peak of infections was high and regulations was strict. Upon the easing of the Covid- 19 regulations the Unit together with the Office of the MEC and affected stakeholders, launched both structures (women and youth) in the ensuing quarters, hence over performance.

Sub-Programme I.3: Corporate Services

Purpose: To provide support service to the other programmes with regard to human resources management and development, Information Technology and Communication service.

Sub-Programme I.3: Corporate Services									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation	
									Improved corporate governance
Improved corporate governance	Effective facilities' management system	3.2 Number of interventions implemented on auxiliary services as per legislative framework to ensure conducive working environment.	4	4	4	4	-	No deviation	
	Improved information management services	3.3 Number of ICT interventions implemented in accordance with the ICT Governance Framework to enhance technological efficiencies.	4	2	3	3	-	No deviation	
	Operations management framework implemented	3.4 Number of service delivery improvement intervention implemented	15	5	5	5	-	No deviation	

Sub-Programme 1.3: Corporate Services									
Outcome	Output	Output Indicator		Audited	Audited	Planned	Actual	Deviations from	Comment on deviation
				Actual	Actual				
			as per the Public Service Regulations, 2016	Performance	Performance	Annual	Performance	Actual achievement	
				2018/19	2019/20	Targets	2020/21	2020/21	
	Policy and regulatory environment enabled	3.5	Number of evidence based Policies developed/reviewed.	5	2	5	6	1	Over performance

Reasons for all deviations

3.5 The over performance is as a result of completed policy review that was not planned in the year under review.

Strategy to overcome areas of under performance

- None.

Sub-Programme 1.4: Financial Management

Purpose: To provide effective support service (including monitoring and control) with regard to Budgeting, Provisioning and Procurement.

Sub-Programme 1.4: Financial Management									
Outcome	Output	Output Indicator		Audited	Audited	Planned	Actual	Deviations from	Comment on deviation
				Actual	Actual				
				Performance	Performance	Annual	Performance	Actual achievement	
				2018/19	2019/20	Targets	2020/21	2020/21	
	Effective financial management	4.1	Number of days taken to pay suppliers in terms of the PFMA.	16	15	30	15	-	No deviation

Sub-Programme 1.4: Financial Management									
Outcome	Output	Output Indicator		Audited	Audited	Planned	Actual	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation
				Actual Performance 2018/19	Actual Performance 2019/20	Annual Targets 2020/21	Achievement 2020/21		
Improved Corporate Governance	systems implemented	4.2	Number of credible Interim and Annual Financial Statements submitted on due date in accordance with the modified cash accounting guidelines.	4	4	4	4	-	No deviation
		4.3	Number of MTEF budget documents, In year Monitoring reports submitted to Provincial Treasury by the due date.	14	14	14	14	-	No deviation
		4.4	Number of reports compiled on management of contracts to assess supplier performance.	12	12	12	12	-	No deviation

Reasons for all deviations

- None.

Strategy to overcome areas of under performance

- None.

Sub-Programme 1.5: Communication Services

Purpose: To focus on internal and external communications of the department through written, verbal, visual and electronic media as well as marketing and advertising of the departmental services.

Sub-Programme 1.5: Communication Services									
Outcome	Output	Output Indicator		Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation
Improved Corporate Governance	Communication Plan	5.1	Number of projects implemented in accordance with the Communication Plan.	6.5m	4	4	4	-	No deviation
	Customer Care Plan	5.2	Number of reports on the implementation of the Customer Care Plan.	4	4	4	4	-	No deviation

Reasons for all deviations

- None.

Strategy to overcome areas of under performance

- None.

LINKING PERFORMANCE WITH BUDGETS

The Program has achieved 100% of all its targets of a total of nineteen (19) Output Indicators. The Program has spent 100% of its total annual budget.

ADMINISTRATION		2020/2021			2019/2020		
		Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
1.1	Office of the MEC	11 674	11 545	129	18 918	18 690	228
1.2	Senior Management	39 141	39 1109	32	49 329	48 749	580
1.3	Corporate services	241 208	240 939	269	252 764	252 307	457
1.4	Financial Management	153 934	155 925	-1 990	172 564	173 152	(588)
1.5	Communication services	8 580	8 357	223	8 823	8 555	268
TOTAL		454 537	455 875	-1 338	502 398	501 453	945

4.2 PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

Purpose: To provide agricultural support services to farmers in order to ensure sustainable development and management of agricultural resources.

List of Sub programmes

- Sub-Programme 2.1: Engineering Services.
- Sub-Programme 2.2: Land Care.
- Sub-Programme 2.3: Land Use Management.
- Sub-Programme 2.4: Disaster Management.

The MTSF Priority and the Outcome the programme is responding to:

- Priority 02: The Economic Transformation and Job Creation.
- The outcomes applicable for this programme:
 - Sustainable Agricultural Value Chains.
 - Improved food security.

Sub-Programme 2.1: Engineering Services

Purpose: To provide engineering support (planning, development, monitoring and evaluation) with regard to irrigation technology, on-farm mechanization, value adding infrastructure, farm structures and resource conservation management.

Sub-Programme2.1: Engineering Services										
Outcome	Output	Output Indicator		Audited	Audited	Planned	Actual	Deviations	Reasons for deviation	Reasons for revisions to the annual targets
				Actual Performance 2018/19	Actual Performance 2019/20	Annual Targets 2020/21	Achievement 2020/21	from planned targets to Actual achievement 2020/21		
Sustainable agricultural value chains	Increased agricultural production and efficiencies	1.1	Number of agricultural infrastructure established.	82	116	95	103	8	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
	Effective use and extended service period of agricultural infrastructure and machinery	1.2	Number of clients provided with engineering advice during official visits to enable clients to operate and maintain infrastructure machinery or equipment.	902	1 007	970	774	196	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.

Sub-Programme 2.1: Engineering Services									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation	
Sustainable agricultural value chains	Increased agricultural production and efficiencies	1.1 Number of agricultural infrastructure established.	82	116	118	103	(15)	Under performance	
	Effective use and extended service period of agricultural infrastructure and machinery	1.2 Number of clients provided with engineering advice during official visits to enable clients to operate and maintain infrastructure machinery or equipment.	902	1 007	866	774	(92)	Under performance	

Reasons for all deviations

- 1.1 The under achievement is as a result of the fact that Construction of infrastructure projects could only take place later in the financial year due to the Covid 19 Pandemic restrictions. Furthermore, we experienced problems with the supply of materials at the construction sites, mostly steel products and cement which contributed to the delays of the completion of the projects. There were also few Contractors who did not perform according to the Work Programmes and letters of default were issued to them.
- 1.2 Less advisory services could take place as a result of the National Lockdown due to the Covid 19 Pandemic.

Strategy to overcome areas of under performance

- 1.1 Proper contract management to ensure the completion of the delayed projects in the 1st Quarter of 2021/22 Financial year.
- 1.2 Changes to work procedures to accommodate Covid -19 risk mitigation will enable increased performance in remaining quarters and ensuing financial years.

Sub-Programme 2.2: Land Care

Purpose: To promote the sustainable use and management of natural agricultural resources by engaging in community based initiatives that support sustainability (social, economic and environmental), leading to greater productivity, food security, job creation and better well-being for all.

Sub-programme 2.2: Land Care										
Outcome	Output	Output Indicator		Audited	Audited	Planned	Actual	Deviations from planned targets to Actual achievement 2020/21	Reasons for deviation	Reasons for revisions to the annual targets
				Actual Performance 2018/19	Actual Performance 2019/20	Annual Targets 2020/21	Achievement 2020/21			
Sustainable agricultural value chains	Informed land users on sustainable land use practices and regulations	2.1	Number of awareness campaigns conducted on Land Care to promote conservation of natural resources.	9	18	13	37	24	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
	Increased capacity of communities/ land users on Landcare sustainable land use practices	2.2	Number of capacity building exercises conducted within approved Land Care projects.	44	11	17	16	(1)	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
	Land users practicing sustainable land use practices.	2.4	Number of beneficiaries adopting /practicing sustainable production technologies and practices for improved livelihoods	5 585	1 066	1 419	599	(820)	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
	Increased employment in rural agricultural land use areas	2.5	Number of green jobs created	1 012	383	196	276	80	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.

Sub-Programme 2.2: Land Care									
Outcome	Output	Output Indicator	Audited	Audited	Planned	Actual	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation	
			Actual Performance 2018/19	Actual Performance 2019/20	Annual Targets 2020/21	Achievement 2020/21			
Sustainable agricultural value chains	Informed land users on sustainable land use practices and regulations	2.1	Number of awareness campaigns conducted on Land Care to promote conservation of natural resources.	9	18	06	37	31	Over performance
	Increased capacity of communities/ land users on Landcare sustainable land use practices	2.2	Number of capacity building exercises conducted within approved Land Care projects.	44	11	14	16	2	Over performance
	Rehabilitated grazing and arable land areas for sustainable agricultural land use.	2.3	Number of hectares of agricultural land rehabilitated	10 573	5 491.09	4 739	8104.76	3365.76	Over performance
	Land users practicing sustainable land use practices.	2.4	Number of beneficiaries adopting /practicing sustainable production technologies and practices for improved livelihoods	5 585	1 066	619	599	(20)	Under performance
	Increased employment in rural agricultural land use areas	2.5	Number of green jobs created	1 012	383	174	276	102	Over performance

Reasons for all deviations

- 2.1 The Conference was cancelled due to COVID-19, the budgets were moved to awareness and employment of casual workers.
- 2.2 Due to COVID-19 regulations not all project participants could be accommodated within one training session.
- 2.3 The Conference being cancelled due to COVID-19 and the budget redirected to increase casual workers.
- 2.4 Due to the COVID-19 regulations 20 schools could not adopt sustainable technologies in the Sara Baartman District.

Strategy to overcome areas of under performance

2.4 Changes to work procedures to accommodate Covid -19 risk mitigation will enable increased performance in ensuing financial years.

Sub-Programme 2.3: Land Use Management

Purpose: To promote the preservation and sustainable use of agricultural land through the administration of the Subdivision of Agricultural Land Act (SALA) and the Conservation of Agricultural Resources Act (CARA).

Sub-Programme 2.3: Land Use Management										
Outcome	Output	Output Indicator		Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Reasons for deviation	Reasons for revisions to the annual targets
Sustainable agricultural value chains	Informed retention of Agricultural land and production feasibility.	1.2	Number of hectares of agricultural land protected through guiding subdivision/ rezoning/ change of agricultural land use	1,005	457	1 355	1 253	(102)	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
	Farm management based on credible farm management plans	1.3	Number of farm management plans developed	199	55	26	26	-	None	Covid-19 pandemic.
	Natural resource management based on credible natural resource management plans	1.4	Number of natural/agricultural resources maps produced for planning and decision making purposes.	438	509	323	483	160	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
	Informed decisions on natural resource management and spatial planning.	1.5	Number of natural resource management plans developed	438	509	56	98	42	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.

Sub-Programme 2.3: Land Use Management									
Outcome	Output	Output Indicator		Audited	Audited	Planned	Actual	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation
				Actual Performance 2018/19	Actual Performance 2019/20	Annual Targets 2020/21	Achievement 2020/21		
Sustainable agricultural value chains	Sustainable agricultural land use management plan for respective Districts	1.1	Number of agro-ecosystem management plans developed.	5	6	6	6	-	No deviation
	Informed retention of Agricultural land and production feasibility.	1.2	Number of hectares of agricultural land protected through guiding subdivision/ rezoning/ change of agricultural land use	1,005	457	795	1253	458	Over performance
	Farm management based on credible farm management plans	1.3	Number of farm management plans developed	199	55	18	26	8	Over performance
	Natural resource management based on credible natural resource management plans	1.4	Number of natural/agricultural resources maps produced for planning and decision making purposes.	438	509	205	483	278	Over performance
	Informed decisions on natural resource management and spatial planning.	1.5	Number of natural resource management plans developed	438	509	33	98	65	Over performance

Reasons for all deviations

1.2 – 1.5 More requests were received, than what was planned.

Strategy to overcome areas of under performance

- None

Sub-Programme 2.4: Disaster Risk Management

Purpose: To provide agricultural disaster risk management support services to clients / farmers.

Sub-Programme 2.4: Disaster Risk Management									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation	
Sustainable agricultural value chains Improved Food Security	Mitigation of natural disaster risks	4.1	Number of disaster risk reduction services managed	1	2	2	2	-	No deviation
	Effective management of Disaster Relief schemes	4.2	Number of disaster relief schemes managed	1	1	1	1	-	No deviation
	Agriculture Disaster Management Centre established	4.3	Number of agriculture Early Warning and Disaster Management Centre established	New OI	New OI	1	1	-	No deviation

Reasons for all deviations

- None

Strategy to overcome areas of under performance

- None

LINKING PERFORMANCE WITH BUDGETS

The Programme has achieved fourteen (13) of its targets from a total of fifteen (15) output indicators. The Program has spent 100% of its total annual budget.

Sustainable Resource Management		2020/2021			2019/2020		
		Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
2.1	Engineering Services	53 248	53 398	(150)	59 539	58 927	612
2.2	Land Care	13 634	13 248	386	21 191	21 191	-
2.3	land Use management	47 662	48 178	(516)	56 697	56 022	675
2.4	Disaster Risk Management	-	-	-	91	-	91
TOTAL		114 544	114 824	(280)	137 518	136 140	1 378

4.3 Programme 3: Farmer Support And Development

Purpose: To provide support to all farmers through agricultural development programmes.

List of sub programmes

- Sub-Programme 3.1: Farmer Settlement and Development.
- Sub-Programme 3.2: Extension and Advisory Services.
- Sub-Programme 3.3: Food Security.

Priority and the Outcome that the programme is responding to:

- Priority 02: The Economic Transformation and Job Creation.
- Improved food security.
- Sustainable Agricultural Value Chains.

Sub-Programme 3.1: Farmer Settlement and Development

Purpose: To provide support to smallholder and commercial producers for sustainable agricultural development.

Sub-programme 3.1: Farmer Settlement and Development										
Outcome	Output	Output Indicator		Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Reasons for deviation	Reasons for revisions to the annual targets
Sustainable agricultural value chains	Agricultural Infrastructure provided in support of sustainable Value Chains	1.1	Number of smallholder producers supported	1 837	4 878	13 349	13 065	(284)	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
	Increased agricultural production efficiency	1.2	Number of livestock commodity infrastructure completed to contribute increasing the GDP and employment	167	234	264	254	(10)	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
		1.3	Number of horticultural commodity infrastructure completed to contribute increasing the GDP and employment	New OI	New OI	16	2	(14)	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
		1.4	Number of Grain commodity infrastructure completed to contribute	New OI	New OI	39	12	(27)	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.

Sub-programme 3.1: Farmer Settlement and Development										
Outcome	Output	Output Indicator		Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Reasons for deviation	Reasons for revisions to the annual targets
			increasing the GDP and employment							
	Increased employment in rural agricultural areas	1.5	Number of jobs created through infrastructure projects in support of sustainable agricultural development.	863	908	1 393	1 385	(8)	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.

Sub-programme 3.1: Farmer Settlement and Development									
Outcome	Output	Output Indicator		Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation
Sustainable agricultural value chains	Agricultural Infrastructure provided in support of sustainable Value Chains	1.1	Number of smallholder producers supported.	1 837	4 878	13 052	13 065	13	Over performance
	Increased agricultural production efficiency	1.2	Number of livestock commodity infrastructure completed to contribute increasing the GDP and employment.	167	234	204	254	50	Over performance
		1.3	Number of horticultural commodity infrastructure	New OI	New OI	7	2	(5)	Under performance

Sub-programme 3.1: Farmer Settlement and Development									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation	
			completed to contribute increasing the GDP and employment.						
		1.4	Number of Grain commodity infrastructure completed to contribute increasing the GDP and employment.	New OI	New OI	36	12	(24)	Under performance
	Increased employment in rural agricultural areas	1.5	Number of jobs created through infrastructure projects in support of sustainable agricultural development.	863	908	1 276	1 385	109	Over performance

Reasons for all deviations

- 1.1 The over performance is due to Covid-19 agriculture support that targeted smallholder producers.
- 1.2 As part of long term mitigation for drought, additional drought relief programme, funding dam scooping and boreholes establishments were allocated and their successful completion resulted in over performance.
- 1.3 The under performance in the indicator was due to poor performance of contractors for fencing and hard financial climate that led to withdrawal of an implementing partner for citrus projects.
- 1.4 Underperformance is as a result of national shortage of steel, that is the primary component of fencing material that resulted in the price escalation thus withdrawal of suppliers that could not deliver on tendered prices. Also, resulted in the serious shortage of the material from suppliers.
- 1.5 The over performance was mainly caused by more EPWP workers that were employed to accelerate the implementation of community works programmes.

Strategy to overcome areas of under performance

- 1.3 The department, farmers and commercial partner to get into binding contractual agreement before embarking into a project where farmers are coming with commercial partner.
- 1.4 Extension of time will be granted to deserving projects, especially due to scarcity of raw materials required for the completion of the projects.

Sub-Programme 3.2: Extension and Advisory Services

Purpose: To provide extension and advisory services to farmers.

Sub-Programme 3.2: Extension and Advisory Services										
Outcome	Output	Output Indicator		Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Reasons for deviation	Reasons for revisions to the annual targets
Sustainable agricultural value chains	Smallholder producers linked to value chain	1.2	Number of extension practitioners capacitated on selected areas pertaining to priority commodities	New OI	New OI	450	514	64	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.

Sub-Programme 3.2: Extension and Advisory Services									
Outcome	Output	Output Indicator		Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation
Sustainable agricultural value chains	Smallholder producers linked to value chain	1.1	Number of smallholder producers supported with agricultural advice	1 846	1 890	8 574	15 260	6 686	Over performance
		1.2	Number of extension practitioners capacitated on selected areas pertaining to priority commodities	New OI	New OI	298	514	216	Over performance

Reasons for all deviations

- I.1** During the financial year the government was registering farmers according to their categories. This activity increased the interaction with number of farmers on an individual basis to ensure the Province meets that targeted farmers to be registered, hence the over performance.
- I.2** Government interventions, due to Covid-19, resulted in many training sessions for extension practitioners.

Strategy to overcome areas of under performance

None.

Sub-Programme 3.3: Food Security

Purpose: To support, advise and coordinate the implementation of National policy on Food and Nutrition Security.

Sub-Programme 3.3: Food Security										
Outcome	Output	Output Indicator		Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement	Reasons for deviation	Reasons for revisions to the annual targets
Improved food security	Smallholder producers participating in Agricultural Value Chains	1.2	Number of hectares planted for production of field crops.	18 946	19 839.05	27 117	28 808	1 691	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
		1.3	Number of hectares supported on horticultural crops supported	New PI	New PI	900	-	-	Discarded	-
		1.3	Number of Livestock enterprises supported in support of sustainable Agriculture Value Chains	93	120	100	206	106	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
		1.4	Number of monogastric enterprises supported to improve production	New PI	New PI	12	-	-	Discarded	-

Sub-Programme 3.3: Food Security									
Outcome	Output	Output Indicator		Audited	Audited	Planned	Actual	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation
				Actual Performance 2018/19	Actual Performance 2019/20	Annual Targets 2020/21	Achievement 2020/21		
Improved food security	Households with access to nutritious food supported	1.1	Number of households supported with agricultural food production initiatives	18 288	25 230	20 000	20 123	123	Over performance
	Smallholder producers participating in Agricultural Value Chains	1.2	Number of hectares planted for production of field crops.	18 946	19 839.05	28 785	28 808	23	Over performance
		1.3	Number of Livestock enterprises supported in support of sustainable Agriculture Value Chains	93	120	112	244	132	Over performance

Reasons for all deviations

- 1.1** Over performance is a result of various food security initiatives that supported households to food production.
- 1.2** Over performance in the area under cropping is due to fodder production supported through drought funding.
- 1.3** Over performance is due to more beneficiaries being supported with small stock.

LINKING PERFORMANCE WITH BUDGETS

The Programme has achieved eight (8) of its targets from a total of ten (10) output indicators. The Programme has spent 98.43% of its total annual budget.

FARMER SUPPORT DEVELOPMENT		2020/2021			2019/2020		
		Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
3.1	Farmer Settlement	167 309	160 589	6 720	164 711	159 209	5 502
3.2	Extension and Advisory services	394 298	393 216	1 082	446 178	445 795	383
3.3	Food Security	250 342	245 391	4 951	192 056	183 265	8 791
TOTAL		811 949	799 196	12 753	802 945	788 269	14 676

4.4 PROGRAMME 4: VETERINARY SERVICES

Purpose: To provide veterinary services to clients in order to ensure healthy animals, safe animal products and wellbeing of animals and the public.

List of Sub-Programme

- Sub-Programme 4.1: Animal Health.
- Sub-Programme 4.2: Export Control.
- Sub-Programme 4.3: Veterinary Public Health.
- Sub-Programme 4.4: Veterinary Laboratory Services.

Priority and the Outcome that the programme is responding to:

- Priority 02: The Economic Transformation and Job Creation.
- Improved food security
- Sustainable Agricultural Value Chains

Sub-Programme 4.1: Animal Health

Purpose: To facilitate and provide animal health services, in order to protect the animals and public against identified zoonotic and diseases of economic importance, and primary animal health and welfare programme / projects; and to allow for the export of animals and animal products.

Sub-Programme 4.1: Animal Health									
Outcome	Output	Output Indicator		Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation
Improved food security	Commercialization of livestock production	1.1	Number of visits to epidemiological units for veterinary interventions	13 859	14 025	11 483	14 450	2967	Over performance
		1.2	Number of animals vaccinated against controlled animal diseases according to Animal Disease Act (Act 35 of 1984)	1 474 138	1 262 345	1 408 953	1 391 325	(17 628)	Under performance
		1.3	Number of treatments applied to sheep for the control of sheep scab to improve the quality and quantity of the wool clip	8 698 636	8 746 211	7 918 768	8 879 904	961 136	Over performance
		1.4	Number of treatments applied to animals for external parasites control	4 418 235	4 654 838	3 885 501	3 820 393	(65 108)	Under performance

Reasons for all deviations

- I.1** The epidemiological visits exceeded the targets due to rabies outbreaks, that necessitated revaccination of pets.
- I.2** Due to COVID 19 restrictions, which did not allow large groups of people to be gathered in one site, caused less animals brought for vaccination.
- I.3** More treatments were done because of sheep scab outbreaks in some communities, which needed sheep to be treated more than twice.
- I.4** Less treatments done for external parasite control due to COVID 19 restrictions, which did not allow large groups of people to be gathered in one site to bring animals for dipping.

Strategy to overcome areas of under performance

- I.2** The situation is improving with the relaxation of hard lockdown and decreasing infections due to COVID 19.
- I.4** The situation is improving with the relaxation of hard lockdown and decreasing infections due to COVID 19.

Sub-Programme 4.2: Export Control

Purpose: To facilitate the export of animals and animal products through certification of health status

Sub-Programme 4.2: Export Control								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation
Sustainable agricultural value chains	Commercialization of livestock production	1.1 Number of export control certificates issued.	4 213	5 629	3 900	5 582	1 682	Over Performance
Improved food security	Veterinary services awareness campaigns	1.2 Number of outreach events supported to capacitate the communities, public and staff.	28	25	24	24	-	No Deviation

Reasons for all deviations

1.1 Over performance is because of demand on exports of greasy wool to China.

Strategy to overcome areas of under performance

None.

Sub-Programme 4.3: Veterinary Public Health

Purpose: To promote the safety of meat and meat products.

Sub-Programme 4.3: Veterinary Public Health									
Outcome	Output	Output Indicator		Audited	Audited	Planned	Actual	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation
				Actual Performance 2018/19	Actual Performance 2019/20	Annual Targets 2020/21	Achievement 2020/21		
Sustainable agricultural value chains	Safe meat produce	1.1	Number of compliant abattoirs registered and monitored (to support livestock value chain)	99	99	95	95	-	No Deviation
		1.2	Number of abattoir inspection visits conducted as per Meat Safety Act (Act 40 of 2000)	958	787	950	951	1	Over Performance
		1.3	Number of interactions to respond to the Provisions of the Meat Safety Act (Act 40 of 2000).	1 551	1 621	1 300	1 317	17	Over Performance
		1.4	Average percentage of compliance of all operating abattoirs in the Province to the meat safety legislation	94,5%	94,5%	80%	93,9%	13,9%	Over Performance

Reasons for all deviations

1.2 Slight over performance due to recovery process after 1st quarter underperformance because of COVID 19 pandemic.

1.3 Catch up plans after lockdown resulted in more interactions to respond to illegal slaughters caused over performance.

1.4 Continued compliance checks to ensure compliance during lockdown resulted in over performance.

Strategy to overcome areas of under performance

None.

Sub-Programme 4.4: Veterinary Laboratory Services

Purpose: To provide veterinary diagnostic laboratory and investigative services that support and promote animal health and production towards the provision of safe food.

Sub-Programme 4.4: Veterinary Laboratory Services									
Outcome	Output	Output Indicator		Audited	Audited	Planned	Actual	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation
				Actual Performance 2018/19	Actual Performance 2019/20	Annual Targets 2020/21	Achievement 2020/21		
Improved food security	Confirmation of disease occurrence to support and promote animal health and production towards provision of safe food	1.1	Number of specimen tested for diagnostic purposes.	40 377	82 391	90 377	94 680	4 303	Over Performance
		1.2	Number of laboratory tests performed according to prescribed standards.	-	61 124	56 624	72 889	16 265	Over Performance
		A healthy productive provincial livestock	1.3	Number of primary animal health care (PAHC) interactions held to minimize the impact of disease occurrence.	6,125	8 017	6 125	8 908	2 783

Reasons for all deviations

- 1.1 Recovery plan on back-log caused by COVID-19 outbreak from Quarters 1 & 2 targets resulted in more samples submitted for diagnostic purposes.
- 1.2 Recovery plan on back-log caused by COVID-19 outbreak from Quarters 1, 2 & 3 targets resulted in more laboratory tests performed.
- 1.3 The Compulsory Community Service program enabled more communities to served by veterinarians.

Strategy to overcome areas of under performance

None.

LINK PERFORMANCE INDICATORS WITH THE BUDGETS

The Programme has achieved 11 out of 13 performance indicators and has spent 99.88% of its budget.

VETERINARY SERVICES		2020 / 2021			2019 / 2020		
		Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
4.1	Animal Health	250 940	251 062	(122)	282 603	282 051	552
4.2	Export Control	9 908	10 082	(174)	10 533	10 442	91
4.3	Veterinary Public Health	16 157	16 045	112	16 568	16 410	158
4.4	Veterinary Laboratories	19 879	19 360	519	21 942	21 733	209
TOTAL		296 884	296 549	335	331 646	330 636	1 010

4.5 PROGRAMME 5: RESEARCH AND TECHNOLOGY DEVELOPMENT

Purpose: To provide expert and needs based research, development and technology transfer impacting on development objectives.

List sub programmes

- Sub- Programme 5.1: Research.
- Sub-Programme 5.2: Technology Transfer Services.
- Sub-Programme 5.3: Infrastructure Services.

Priority and the Outcome that the programme is responding to:

- Priority 02: The Economic Transformation and Job Creation.
 - Outcome: Improved food security.
 - Outcome: Sustainable Agricultural Value Chains.

Sub Programme 5.1: Research

Purpose: To improve the agricultural production through conducting, facilitating and coordinating medium to long term research and technology development.

Sub Programme 5.1: Research									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Reasons for deviation	Reasons for revisions to the annual targets

Sub Programme 5.1: Research									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation	
									Sustainable agricultural value chains. Improved food security.
	Reliable resource data for planning and decision making.	1.2 Number of profiling reports conducted for promotion of sustainable rural livelihoods in identified areas.	7	7	7	7	-	No deviation	
		1.3 Number of integrated data baseline reports developed on agriculture	New OI	New OI	1	1	-	No deviation	

Sub Programme 5.1: Research								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation
		resource potential to support commercialisation of commodities and policy development						
		1.4 Number of samples (Soils, Plants, Feed and Water) analysed to support decision making of clients	New OI	5 588	2 100	3938	1838	Over performance
		1.5 Number of spatial data disseminated to end users for planning purposes	211	311	210	305	95	Over performance

Reasons for all deviations

- 1.4** Due to favourable rainy seasons during the summer, more farmers capitalised and expanded on other crops.
1.5 Request for data increased after the 2019/20 drought season to advise farmers on weather patterns.

Strategy to overcome areas of under performance

- None

Sub-Programme 5.2: Technology Transfer Services

Purpose: To disseminate information on research and technology developed to clients, peers and scientific community.

Sub-Programme 5.2: Technology Transfer Services										
Outcome	Output	Output Indicator		Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Reasons for deviation	Reasons for revisions to the annual targets
Sustainable agricultural value chains	Knowledge innovation and appropriate technologies	1.1	Number of scientific papers published.	16	6	6	4	(2)	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
		1.2	Number of research presentations made at peer reviewed events.	57	55	40	13	(27)	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
		1.3	Number of research presentations made at technology transfer events in order to impart knowledge to stakeholders.	35	57	40	19	(21)	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.

Sub-Programme 5.2: Technology Transfer Services									
Outcome	Output	Output Indicator		Audited	Audited	Planned	Actual	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation
				Actual Performance 2018/19	Actual Performance 2019/20	Annual Targets 2020/21	Achievement 2020/21		
Sustainable agricultural value chains	Knowledge innovation and appropriate technologies	1.1	Number of scientific papers published.	16	6	3	4	1	Over performance
		1.2	Number of research presentations made at peer reviewed events.	57	55	15	13	(2)	Under performance
		1.3	Number of research presentations made at technology transfer events in order to impart knowledge to stakeholders.	35	57	15	19	4	Over performance
		1.4	Number of demonstration trials conducted with farmers in order to impart knowledge and skills on farming practices.	8	10	12	14	2	Over performance
		1.5	Number of information packs developed for dissemination to farmers and the general public.	10	29	12	12	-	No deviation

Reasons for all deviations

- I.1** The peer review of articles was done sooner than expected and could be published earlier.
- I.2** The targeted congresses where Officials intended to present their research results were cancelled due to Covid – 19.
- I.3** Over performance on presentations made at technology transfer events was caused by the ability of Program 5 to host seminars virtually.
- I.4** Linkage between DRDAR and ARC to conduct Water Efficient Maize for Africa (WEMA) maize demonstrations resulted to more demonstration trials being done.

Strategy to overcome areas of under performance

- I.2** Targets for 2021/22 have already been set based on the number and types of Conferences / Congresses that are conducted via virtual platforms, i.e. Microsoft Teams, Zoom, etc.

Sub-Programme 5.3: Infrastructure Support Services

Purpose: To manage and maintain research infrastructure facilities for the line function to perform research and technology transfer functions, i.e. experimental farms.

Sub-Programme 5.3: Infrastructure Support Services									
Outcome	Output	Output Indicator		Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation
Sustainable agricultural value chains Improved food security	Functional and reliable research infrastructure	I.1	Number of research infrastructure managed.	7	7	7	7	-	No deviation

Reasons for all deviations

- None.

Strategy to overcome areas of under performance

- None.

LINKING PERFORMANCE WITH BUDGETS

The Programme has achieved ten (10) of its targets from a total of eleven (11) output indicators. The Programme has spent 99.56% of its total annual budget.

RESEARCH AND TECHNOLOGY DEVELOPMENT SERVICES		2020 / 2021			2019 / 2020		
		Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
5.1	Research	121 678	121 187	491	130 379	130 269	110
5.2	Technology Transfer Services	4 687	4 648	39	6 236	6 001	235
5.3	Infrastructure Support Services	800	765	35	1 336	1 260	76
TOTAL		127 165	126 600	565	137 951	137 530	421

4.6 PROGRAMME 6: AGRICULTURAL ECONOMIC SERVICES

Purpose: To provide timely and relevant agricultural economic services to ensure equitable participation in the economy.

List of sub programmes

- Sub-Programme 6.1: Production Economics and Marketing Support
- Sub-Programme 6.2: Agro-Processing Support
- Sub-Programme 6.3: Macroeconomics Support

Priority and the Outcome that the programme is responding to:

- Priority 02: The Economic Transformation and Job Creation.
- Outcome: Sustainable Agricultural Value Chains.

Sub-Programme 6.1: Agri-Business Support And Development

Purpose: To provide production economics and marketing services to agri-businesses.

Sub-Programme 6.1: Agri-Business Support and Development										
Outcome	Output	Output Indicator		Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Reasons for deviation	Reasons for revisions to the annual targets
Sustainable agricultural value chains	Commercialised Agricultural Sector	1.1	Number of Agri Businesses supported with marketing services	412	2 785	1 855	2 564	709	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
		1.2	Number of Agri Businesses supported with production economic services	3 236	1 640	1 376	3 186	1 810	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
		1.3	Number of producers with SA Gap certification	New OI	New OI	5	-	(5)	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
		1.3	Number of smallholder producers commercialised	New OI	New OI	6	-	Discarded	Discarded	Discarded

Sub-Programme 6.1: Agri-Business Support and Development									
Outcome	Output	Output Indicator		Audited	Audited	Planned	Actual	Deviations from	Comment on
				Actual	Actual				
				Performance	Performance	Targets	2020/21	to Actual	
				2018/19	2019/20	2020/21		achievement	
								2020/21	
Sustainable agricultural value chains	Commercialised Agricultural Sector	1.1	Number of Agri Businesses supported with marketing services	412	2 785	928	2 564	1 636	Over performance
		1.2	Number of Agri Businesses supported with production economic services	3 236	1 640	598	3 186	2 588	Over performance
		1.3	Number of producers with SA Gap certification	New OI	New OI	2	-	(2)	Under performance
		1.4	Number of commercially viable partnerships to drive productivity and competitiveness	New OI	New OI	2	14	12	Over performance

Reasons for all deviations

- 1.1 Over performance emanated from the increased number of enterprise seeking market information, especially due to the local demand for fresh produce during lockdown.
- 1.2 The over performance was a result of the easing of lockdown restrictions, more so in the movement of people. This enabled the Program to assist more clients with business plan development than before, since feasibility, studies and BP development require physical/on sight assessments of the agri-businesses.
- 1.3 Perishable Product Export Control Board (PPECB) officials were not able to travel to other provinces due to lockdown measures.
- 1.4 More requests for partnerships has caused over achievement in this financial year.

Strategy to overcome areas of under performance

- 1.3 The target for the 2021/22 financial year has increased to four projects to accommodate the projects that were not completed in the 2020/21 financial year.

Sub-Programme 6.2: Agro-Processing Support

Purpose: To facilitate agro-processing initiatives to ensure participation in the value chain.

Sub-Programme 6.2: Agro-Processing Support									
Outcome	Output	Output Indicator		Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation
Sustainable agricultural value chains	Agro processing infrastructure supported	1.1	Number of agro-processing initiatives supported.	10	8	12	5	(7)	Under performance.

Reasons for all deviations

1.1 Three Districts, Alfred Nzo, O R Tambo and Sarah Baartman Did not perform as required. The Covid 19 and lockdown has caused challenges in Agro-processing initiatives as these include different stakeholders.

Corrective measures on underperformance:

1.1 Weekly reports will be prepared in order to monitor possible under achievement.

Sub-Programme 6.3: Macroeconomics Support

Purpose: To provide economic and statistical information on the performance of the agricultural sector in order to inform planning and decision making.

Sub-programme 6.3: Macroeconomics Support									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation	
Sustainable agricultural value chains	Dissemination of economic information	I.1 Number of economic reports compiled.	New PI	46	30	92	62	Over performance.	

Reasons for all deviations

I.1 Over performance resulted from a special request from DSD to do due diligence on projects for funding, specifically in Chris Hani District; Sakhisizwe LM (Siyalima food project in Lower Lufuta village -Cala); and Ngcobo LM (Umthi wobom Agriculture Co-op in Nkwenkwana village Ngcobo).

Strategy to overcome areas of under performance

- None

LINKING PERFORMANCE WITH BUDGETS

The Programme has achieved four (4) of its targets from a total of six (6) output indicators. The Programme has spent 100% of its total annual budget.

AGRICULTURAL ECONOMIC SERVICES		2020/2021			2019/2020		
		Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
6.1	Agri-Business Support and Development	2 886	2 859	27	3 426	3 226	200
6.2	Macroeconomics Support	-	-	-	-	-	-
6.3	Macro-Economics & Statistics	30 785	30 899	(114)	30 896	30 878	18
TOTAL		33 671	33 758	(87)	34 322	34 104	218

4.7 PROGRAMME 7: STRUCTURED EDUCATION AND TRAINING

Purpose: To facilitate and provide structured and vocational agriculture forestry and fisheries education and training in line with the National Education and Training Strategy for Agriculture, Forestry and Fisheries (NETSAFF) in order to establish a knowledgeable, prosperous and competitive sector.

List Sub-Programmes

- Sub-Programme 7.1: Higher Education and Training.
- Sub-Programme 7.2: Agricultural Skills Development.

Priority that the programme is responding to

- Priority 02: The Economic Transformation and Job Creation.

SUB-PROGRAMME 7.1: HIGHER EDUCATION AND TRAINING

Purpose: To provide tertiary Agriculture, Forestry and Fisheries education and training from NQF levels 5 to applicants who meet minimum requirements.

Sub-Programme 7.1: Higher Education and Training									
Outcome	Output	Output Indicator		Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation
Sustainable agricultural value chains	Efficiently trained agricultural graduates	1.1	Number of students enrolled to complete accredited Higher Education and Training (HET) qualifications.	578	578	400	464	64	Over performance
		1.2	Number of students graduated from Agricultural Training Institutes.	129	126	125	101	(24)	Under performance
		1.3	Number of youth supported towards agri-business services.	New OI	New OI	75	-	(75)	Under performance

Reasons for all deviations

- 1.1 More students were given opportunity to access to e-learning.
- 1.2 There were drop outs and deregistration during the pandemic.
- 1.3 The program was a pilot and later discontinued.

Strategy to overcome areas of under performance

- 1.2 Procurement of laptops so that the students can have access to learning material all the time, this constant access of information will increase changes of passing and thereby reduce dropout rates.
- 1.3 The program will improve the support to Entrepreneurial Internship graduates by identifying opportunities amongst Agriculture Network Information Collaborative sector stakeholders

Sub-Programme 7.2: Agricultural Skills Development

Purpose: To provide formal and non-formal training on NQF levels 1 to 4 through structured vocational education and training programmes.

Sub-Programme 7.2: Agricultural Skills Development										
Outcome	Output	Output Indicator		Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Reasons for deviation	Reasons for revisions to the annual targets
Sustainable agricultural value chains	Efficiently capacitated farmers/sector beneficiaries	1.1	Number of participants trained in skills development programmes in the sector.	2 832	2 772	2 000	1 115	(885)	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
		1.2	Number of Educators capacitated in agricultural science related fields to improve their understanding of the sector needs.	80	40	40	7	(33)	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
		1.3	Number of school going learners exposed to various fields in the agriculture and rural development sector in order to attract new entrants to the sectors.	243	1 661	200	62	(138)	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
		1.4	Number of out of school youth participated /trained in learnership programme.	542	209	170	335	165	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
	Efficiently capacitated farmers / sector beneficiaries	1.6	Number of Farm-Workers completing accredited and/ or non-accredited training to develop skilled Farm-Workers.	220	353	210	210	-	None	Covid-19 pandemic.

Sub-Programme 7.2: Agricultural Skills Development									
Outcome	Output	Output Indicator		Audited	Audited	Planned	Actual	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation
				Actual Performance 2018/19	Actual Performance 2019/20	Annual Targets 2020/21	Achievement 2020/21		
Sustainable agricultural value chains	Efficiently capacitated farmers/sector beneficiaries	1.1	Number of participants trained in skills development programmes in the sector.	2 832	2 772	1 000	1 115	115	Over performance
		1.2	Number of Educators capacitated in agricultural science related fields to improve their understanding of the sector needs.	80	40	7	7	-	No deviation
		1.3	Number of school going learners exposed to various fields in the agriculture and rural development sector in order to attract new entrants to the sectors.	243	1 661	40	62	22	Over performance
		1.4	Number of out of school youth participated /trained in learnership programme.	542	209	40	335	295	Over performance
	Enhanced Farming Business acumen	1.5	Number of farms/projects mentored according to different commodities in order to make them profitable.	154	-	20	6	(14)	Under performance
	Efficiently capacitated farmers / sector beneficiaries	1.6	Number of Farm-Workers completing accredited and/ or non-accredited training to develop skilled Farm-Workers.	220	353	60	210	150	Over performance
	Efficiently trained graduates	1.7	Number of infrastructure programmes implemented in Agricultural Colleges developed to improve the farmer training capacity.	2	4	2	0	(2)	Under performance

Reasons for all deviations

- I.1** More producers requested training and budget adjustment /reprioritisation enabled more producers to be capacitated.
- I.3** Hosting of demonstration and handing over/delivery of equipment resulted to high number of attendees including learners and educators during the said events.
- I.4** Additional funding from Agriseta to TARDI for implementation of Learnerships increased the number of targets.
- I.5** The scarcity of suitable mentors caused less farm projects supported.
- I.6** More farm workers were given opportunity and they also shown interest.
- I.7** The target was for both TARDI and Fort Cox AFTI, the non-completion of the Fort Cox AFTI construction of Outfall Sewer and Wastewater Treatment works in the 2019/20 resulted in reprioritisation of targets and the budget diverted from TARDI to FC AFTI, the project was not completed due to the delays with the hard rock encountered during digging of the trenches for piping.

Corrective measures on underperformance:

- I.5** The programme resorted to a single source way of attracting the relevant commodities.
- I.7** Procurement of mechanisation equipment.

LINKING PERFORMANCE WITH BUDGETS

The Programme has achieved six (6) of its targets from a total of ten (10) output indicators. The Programme has spent 98.41% of its total annual budget

STRUCTURED AGRICULTURAL EDUCATION AND TRAINING		2020/2021			2019/2020		
		Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
7.1	Higher Education and Training.	59 801	59 801	-	58 704	58 704	-
7.2	Agricultural Skills Development.	107 505	104 849	2 656	116 167	110 078	6 089
TOTAL		167 306	164 650	2 656	174 871	168 782	6 089

4.8 PROGRAMME 8: RURAL DEVELOPMENT

Purpose: To coordinate the development programmes by stakeholders in rural areas

List of sub-programs

- Sub-programme 8.1: Rural Development Coordination.
- Sub-programme 8.2: Social Facilitation.

Priority that the programme is responding to

- Priority 05: Spatial Integration, Human Settlements and Local Government.
- Outcome: Integrated rural development.

Sub-Programme 8.1: Rural Development Coordination

Purpose: To initiate, plan and monitor development in specific rural areas (CRDP sites) across the three spheres of government in order to address needs that have been identified.

Sub-Programme 8.1: Rural Development Coordination										
Outcome	Output	Output Indicator		Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Reasons for deviation	Reasons for revisions to the annual targets
				New OI	New OI	6	1	(5)	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
Integrated rural development	Integrated development plans	1.1	Number of District Planning Model supported	New OI	New OI	6	1	(5)	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.

Sub-Programme 8.1: Rural Development Coordination										
Outcome	Output	Output Indicator		Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation	
				New OI	New OI	1	1	-	No deviation	
Integrated rural development	Integrated development plans	1.1	Number of District Planning Model supported	New OI	New OI	1	1	-	No deviation	
	Oversight Reports	1.2	Number of oversight reports consolidated on rural development projects implemented through ECRDA	4	4	4	4	-	No deviation	

Reasons for all deviations

- None.

Strategy to overcome areas of under performance

- None.

Sub- Programme 8.2 Social Facilitation

Purpose: To engage communities on priorities and to institutionalise and support community organisational structures (NGOs etc.)

Sub- Programme 8.2 Social Facilitation										
Outcome	Output	Output Indicator	Audited	Audited	Planned	Actual	Deviations from planned targets to Actual achievement 2020/21	Reasons for deviation	Reasons for revisions to the annual targets	
			Actual Performance 2018/19	Actual Performance 2019/20	Annual Targets 2020/21	Achievement 2020/21				
Integrated rural development	Spatial integrated rural development.	1.1	Number of basic infrastructure projects implemented using innovations and appropriate technologies.	8	4	12	9	(3)	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
		1.2	Number of rural development enterprises supported	100	102	110	3	(107)	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
		1.3	Number of Rural Development interventions implemented in response to Covid 19 pandemic to support rural communities	New OI	New OI	New OI	1	1	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.
		1.4	Number of IGR sessions conducted	4	3	4	3	(1)	Change of plans due to Covid-19 pandemic.	Covid-19 pandemic.

Sub- Programme 8.2 Social Facilitation									
Outcome	Output	Output Indicator	Audited Actual Performance e 2018/19	Audited Actual Performance e 2019/20	Planned Annual Targets 2020/21	Actual Achievement 2020/21	Deviations from planned targets to Actual achievement 2020/21	Comment on deviation	
Integrated rural development	Spatial integrated rural development.	1.1	Number of basic infrastructure projects implemented using innovations and appropriate technologies.	8	4	6	9	3	Over performance
		1.2	Number of rural development enterprises supported	100	102	104	3	-101	Under performance
		1.3	Number of Rural Development interventions implemented in response to Covid 19 pandemic to support rural communities	New OI	New OI	1	1	-	No deviation
		1.4	Number of IGR sessions conducted	4	3	3	3	-	No deviation

Reasons for all deviations

- 1.1** A project that was planned for the following financial year was delivered in the year under review utilising the savings gained.
- 1.2** The tender was advertised and closed on the 13th of July 2020 and unfortunately the bidders quoted far above the budgeted amount and had to be re-advertised however it was subsequently cancelled for implementation in the 2021-22 financial year.

Corrective measures on underperformance:

- 1.3** In the future the program will ensure that the advert is done in the first quarter to avoid delays and give space to unpredicted circumstances.

LINKING PERFORMANCE WITH BUDGETS

The Programme has achieved five (5) of its targets from a total of six (6) output indicators. The Programme has spent 99.75% of its total annual budget.

RURAL DEVELOPMENT COORDINATION		2020/2021			2019/2020		
		Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
8.1	Development planning and monitoring	237 557	237 508	49	266 118	267 028	-910
8.2	Social Facilitation	16 106	15 524	582	19 523	18 263	1 260
TOTAL		253 663	253 032	631	285 641	285 291	350

Progress on Institutional Response to the Covid-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/ District/local municipality) (Where Possible)	No. beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Programme 1	Screenings on COVID-19 symptoms.	All Districts (Departmental)	5 027	DRDAR Employees and Clients	-	-	Healthy workforce to deliver on DRDAR mandate.	Minimising high infection rate.
Programme 5	Production and provision of sanitizers to farm workers and DRDAR officials.	All Districts	More than 1 605.	-Farmers. -Government officials. -Old age. -Hospital	290 000	290 000	Not applicable.	Reduction in the number of Covid affected individuals.

5. TRANSFER PAYMENTS

5.1 Transfer payments to Public Entities

Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
ECRDA	ECRDA Operations & Programmes	207 743	207 743	<ul style="list-style-type: none"> • ECRDA supported 5 RED Hubs (Tshabo, Mbizana, Mqanduli, Ncora and Emalahleni) • 5 Community forestry projects were supported • The Elundini Mechanisation centre was established • Through various projects the ECRDA created 204 jobs (full time equivalent) • ECRDA facilitated infrastructure development at Tshabo (Office with ablution and irrigation system installed)
	Magwa Tea Estate	47 263	47 263	<ul style="list-style-type: none"> • Magwa maintained 1195 jobs through the year • Magwa tea was marketed and is now available in 50 retail stores across the Province • Magwa has been certified as a Rain Forest Sustainable Agriculture producer

Total project expenditure by the ECRDA amounted to R33.693 million and included R1.241 million on yellow fleet, R5.488 million on Forestry Development, R9.271 million on Tshabo Flora Hub, R1.533 million on Aquaculture development. The ECRDA also rendered support for the Maize RED Hubs, Wool and Mohair Development and completing livestock projects initiated in the prior financial year.

In addition to the above, ECRDA assisted DRDAR with the EPWP payroll administration, resulting in pay-outs of R5.668 million. ECRDA expenditure, excluding project expenses and transfer payments amounted to R158.812 million and was funded by own revenue generated and funding received from DRDAR.

5.2 Transfer payments to all organizations other than public entities

The table below reflects the transfer payments made for the period 1 April 2020 to 31 March 2021.

Name of transferee	Type of organisation	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds spent by the entity
Port Cox College	Agricultural College	Agricultural College	Yes	59 801	59 801	n/a

The table below reflects the transfer payments which were budgeted for in the period 1 April 2020 to 31 March 2021 but no transfer payments were made.

Name of transferee	Type of organisation	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
None	None	None	None	None	None

6. CONDITIONAL GRANTS

6.1 Conditional grants and earmarked funds paid

None

6.2 Conditional grants and earmarked funds received

The table below details the conditional grants and ear marked funds received for the period 1 April 2020 to 31 March 2021.

COMPREHENSIVE AGRICULTURAL SUPPORT PROGRAMME GRANT:

Department who transferred the grant	Department of Agriculture, Forestry and Fisheries
Purpose of the grant	<ul style="list-style-type: none"> To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land restitution and redistribution, and other previously disadvantaged producers who have acquired land through private means, and are engaged in value-adding enterprises domestically, or involved in export. To address damage to infrastructure caused by floods.
Expected outputs of the grant	<ul style="list-style-type: none"> Number of subsistence, smallholder and commercial farmers supported through CASP. Number of youth and women farmers supported through CASP. Number of black commercial farmers supported. Number of on-off farm infrastructure provided Number of beneficiaries of CASP supported with SA GAP certification. Number of beneficiaries of CASP trained on farming methods. Number of beneficiaries of CASP with markets identified. Number of extension personnel recruited and maintained in the system. Number extension officers upgrading qualifications in various institutions. Agricultural colleges upgrading infrastructure. Agricultural Information Management System (AIMS) implemented in all 9 provinces.
Actual outputs achieved	<ul style="list-style-type: none"> 18 Subsistence, 3419 Smallholder and 0 Commercial farmers supported through CASP. 257 Youth and 1484 women farmers supported through CASP. 59 On-off farm infrastructure provided. 5 Beneficiary of CASP supported with SA GAP certification. 360 Jobs created. Beneficiaries of 1 115 CASP trained on farming methods, 210 farm workers trained and 6 farms receiving mentoring. 102 Unemployed graduates placed on commercial enterprises for potential skills transfer. 526 Extension personnel maintained in the system. Implementation KyD Projects 3 Interns employed. 1 877 Farmers trained. 1 375 Farmers captured on Integrated Geographic Information System.
Amount per amended DORA	<ul style="list-style-type: none"> R 182 317 000
Amount received	<ul style="list-style-type: none"> R 182 317 000
Reasons if amount as per DORA not received	<ul style="list-style-type: none"> Not applicable as all amounts are per DORA was received.
Amount spent by the department	R176 861.
Reasons for the funds unspent	<ul style="list-style-type: none"> Senqu, Engcobo, Enoch Mgijima and Matatiele could not be completed in the 2020/21 financial year due to technical and financial capability of contractors. This resulted in Sonwabile (Matatiele) shearing shed being cancelled and others given letters of

Department who transferred the grant	Department of Agriculture, Forestry and Fisheries
	<p>demand for poor performance being issued to contractors. This resulted into delays on both physical and financial progress thereby causing under-expenditure.</p> <ul style="list-style-type: none"> • The delay in completion of Krila and Craighead fences for Amathole Citrus resulted in under-expenditure. Fences were delayed due to the contractor that did not observe OHS in terms of supplying casual workers with protective clothing and resulted in a strike that lasted for two weeks together with poor workmanship that has seen the project work being redone. • Land Preparation for Krila and Craighead project could not be completed due to the delays in the installation of the irrigation systems. The project had to be put on hold until an irrigation system is installed and the trees are close to delivery. The delays were as a result of the partner that was responsible for installation of the irrigation system and buying of trees that pulled out due to the shortage of funds. • Due to delays in implementation of all construction work due to COVID 19, retention fees for dipping tanks from Alfred Nzo and OR Tambo could not be paid as not all the liability matters were met at year end. • The scarcity of steel in the country due to COVID-19 lockdown resulted into the fencing materials being delivered late in the year, as a result the erection of fences could not be completed and will be completed in the 2021/22 financial year. • The Entrepreneurial Internship graduates drop out from 120 at the start of the program to 102 at completion.
<p>Reasons for deviation on performance</p>	<ul style="list-style-type: none"> • Senqu, Engcobo, Enoch Mgjijima and Matatiele could not be completed in the 2020/21 financial year due to technical and financial capability of contractors. This resulted in Sonwabile (Matatiele) shearing shed being cancelled and others with the letters of demand for performance being issued to contractors. This resulted into delays on both physical and financial progress thereby causing under-expenditure. • The delay in completion of Krila and Craighead fences for Amathole Citrus resulted to under-expenditure. Fences were delayed due to the contractor that did not observe OHS in terms of supplying casual workers with protective clothing and resulted in a strike that lasted for two weeks together with poor workmanship that has seen the project work being redone. These projects are projected to be completed in May 2021. • Land Preparation for Krila and Craighead project could not be completed due to the delays in the installation of the irrigation systems. The project had to be put on hold until an irrigation system is installed and the trees are close to delivery. The delays were as a result of the partner that was responsible for installation of the irrigation system and buying of trees that pulled out due to the shortage of funds. • Due to delays in implementation, retention fees for dipping tanks from Alfred Nzo and OR Tambo could not be paid as not all the liability matters were met at year end. • The scarcity of steel in the country due to COVID-19 lockdown resulted into the fencing materials being delivered late in the year, as a result the erection of fences could not be completed and will be completed in the 2021/22 financial year. • In-depth analysis and improvement of the departmental LED policy to accommodate reasonable service provider demands. Conduct road shows in order to orientate service providers on departmental policies and relevant legislation. • Enforce smarter tracking of contractor progress by enforcing work schedules and tighter contract management and in-turn timely replacement of contractors. • Conducting proper evaluation of the entire infrastructure delivery value chain to identify bottlenecks, and weaknesses in the system. The evaluation will also include identification of risks and mitigation measures. • Delays relating to controlled movement enacted by the Disaster Management Act during the significant part of Quarter 1. • Further delays were experienced in the discovery of impervious rock during the construction of the Outfall Sewer Waste Water Treatment works at Fort Cox • Non-compliance to Health Risk Management is causing further delays in the roll out of the construction.
<p>Measures taken to improve performance</p>	<ul style="list-style-type: none"> • In-depth analysis and improvement of the departmental LED policy to accommodate reasonable service provider demands. Conduct road shows in order to orientate service providers on departmental policies and relevant legislation. • Enforce smarter tracking of contractor progress by enforcing work schedules and tighter contract management and in-turn timely replacement of contractors.

Department who transferred the grant	Department of Agriculture, Forestry and Fisheries
	<ul style="list-style-type: none"> Conducting proper evaluation of the entire infrastructure delivery value chain to identify bottlenecks, and weaknesses in the system. The evaluation will also include identification of risks and mitigation measures.
Monitoring mechanism by the receiving department	<ul style="list-style-type: none"> Physical site visits are conducted quarterly by the transferring officer and Quarterly reporting meetings are also held.

EXPANDED PUBLIC WORKS PROGRAMME GRANT

The table below details the conditional grants and earmarked funds received during the period 1 April 2020 to 31 March 2021.

Department who transferred the grant	Department roads and Public Works
Purpose of the grant	<ul style="list-style-type: none"> To incentivise Provincial Departments to expand work creation efforts through the use of labour incentive delivery methods in compliance with the Expanded Public Works Programme (EPWP) guidelines.
Expected outputs of the grant	<ul style="list-style-type: none"> People Employed and receiving income through the EPWP Target. 112 Full Time Equivalents (FTE- Person Work Days/230).
Actual outputs achieved	<ul style="list-style-type: none"> 158 Full time equivalents (FTE's) achieved.
Amount per amended DORA (R'000)	R 2 410 000.
Amount received (R'000)	R 2 410 000.
Reasons if amount as per DORA was not received	None.
Amount spent by the Department (R'000)	R 2 410 000.
Reasons for the funds unspent by the entity	R 0.00.
Reasons for deviations on performance	None.
Measures taken to improve performance	None.
Monitoring mechanism by the receiving department	Monthly visits and Quarterly reports.

ILIMA / LETSEMA CONDITIONAL GRANT

Department who transferred the grant	Department of Agriculture, Forestry and Fisheries
Purpose of the grant	To assist vulnerable South African farming communities to achieve and increase in agricultural production and invest in infrastructure that unlocks agricultural production within strategically identified grain, livestock, horticulture and aquaculture.
Expected outputs of the grant	<ul style="list-style-type: none"> • Land under agriculture production. • Yield per unit area. • Superior breeding animals acquired and distributed to farmers. • Job Created. • Beneficiaries/farmers supported by the grant per category. • Hectares of rehabilitated and expanded irrigation scheme. • Number of farmers who are women, youth and people living with disabilities supported per category.
Actual outputs	<ul style="list-style-type: none"> • 20 123 Households supported for household food production. • 28 808 Ha were planted with grain, vegetables and fodders
Amount per amended DORA (R'000)	R 50 360.
Amount received (R'000)	R 50 360.
Reasons if amount as per DORA was not received	None
Amount spent by the Department (R'000)	R49 756.
Reasons for the funds unspent by the entity	<ul style="list-style-type: none"> • Household Production was not fully spent due to the services provider that could not deliver full production pack orders per household in Amathole and OR Tambo. These service providers struggled to secure dual-purpose chickens and LAN fertiliser due to shortages in the country. • The mechanisation contractors on grain production struggled to finish all operations in Alfred Nzo, Amathole, and OR Tambo due to rainfall and flooded croplands. In Joe Gqabi farmers withdrew in the program after mechanisation contractors have been contracted.
Reasons for deviations on performance	<ul style="list-style-type: none"> • The household production support was not achieved due to delayed delivery of dual-purpose chicken and LAN. • Grain hectares were not met due to farmers withdrawing late in the programme and the interment rainfall in the coastal and high altitudes that led into some mechanisation operations not done in other cases other lands not cropped at all.
Measures taken to improve performance	<ul style="list-style-type: none"> • The procurement process and strategy have been changed to ensure that all orders are issued before the start of the production season. • The suppliers will be limited in the number of districts that they can supply with the requisite inputs.
Monitoring mechanism by the receiving department	<ul style="list-style-type: none"> • Monthly and Quarterly reporting. • Conduct site visits during production season.

LAND CARE GRANT

Department who transferred the grant	Department of Agriculture Forestry and Fisheries
Purpose of the grant	To promote sustainable use and management of natural resources by engaging in community based initiatives that support the pillars of sustainability (social, economic and environmental), leading to greater productivity, food security, job creation and better well-being for all.
Expected outputs of the grant	5964 Hectares of arable land protected and rehabilitated. 10 Capacity building initiatives conducted for land care. 30 Awareness campaigns conducted and attended through land care. 608 Number of beneficiaries adopting /practicing sustainable production technologies and practices. 294 Number of hectares of cultivated land under conservation agriculture. 500 Green jobs created.
Actual outputs achieved	<ul style="list-style-type: none"> • Number of awareness campaigns conducted on Land Care to promote conservation of natural resources = 37. • Number of capacity building exercises = 16. • Number of hectares rehabilitated = 8104.76. • Number of beneficiaries adopting sustainable technologies = 599. • Number of green jobs created = 276.
Amount per amended DORA (R'000)	R12 309.
Amount received (R'000)	R12 309.
Reasons if amount as per DORA was not received	N/A
Amount spent by the Department (R'000)	R 11 838.
Reasons for the funds unspent by the entity	There were delays in procuring due to lockdown.
Reasons for deviations on performance	The over-performance is as a result of the cancellation of the conference and those funds were redirected to perform indicators of the sub-programme including casual farm workers.
Measures taken to improve performance	N/A.
Monitoring mechanism by the receiving department	Site visits, monthly and quarterly reports.

CONDITIONAL GRANT DISASTER RISK MANAGEMENT

Department who transferred the grant	Cooperative Governance
Purpose of the grant	To provide immediate release of funds for disaster response.
Expected outputs of the grant	<ul style="list-style-type: none"> •Repair of Critical Infrastructure. •Provision of Goods and Services.
Actual outputs achieved	49 Boreholes sited, drilled, tested and 36 equipped.
Amount per amended DORA (R'000)	R 35 000 000.
Amount received (R'000)	R 35 000 000.
Reasons if amount as per DORA was not received	None.
Amount spent by the Department (R'000)	R 33 773 000.
Reasons for the funds unspent by the entity	<ul style="list-style-type: none"> • Delays in the registration of Amathole Boreholes with Water Affairs resulted to the related budget not being spent by the financial year end.

Department who transferred the grant	Cooperative Governance
	<ul style="list-style-type: none"> • There were savings from OR Tambo, Sarah Baartman and Alfred Nzo Boreholes due to unsuccessful site despite having looked for two replacement sites as per contract conditions. • There were delays in the implementation of Engcobo, Sakhisizwe, Intsika Yethu and Inxuba Yethemba boreholes with Sakhisizwe delayed owing to inclement weather and the rest to the financial capability of the contractor. These projects will be completed in the 2021/22 financial year.
Reasons for deviations on performance	Same as above.
Monitoring mechanism by the receiving department	Physical site visits, monthly and quarterly reports submitted presented in meetings.

7. DONOR FUNDS

7.1 Donor funds received

No donor funds were received for the year under review.

8. CAPITAL INVESTMENTS

8.1 Capital Investment, maintenance and asset management plan

Infrastructure Projects	2020/21			2019/20		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
New and replacement assets	130 126	118 236	11 890	128 773	89 720	39 053
Existing infrastructure assets	18 940	33 818	-14 878	22 320	15 238	7 082
- Upgrades and additions	73	7 206	-7 133	19 320	7 991	11 329
- Rehabilitation, renovations and refurbishments	18 528	26 273	-7 745	3 000	2 983	17
- Maintenance and repairs	339	339	0	0	4 264	(4 264)
Infrastructure transfer	7 991	7 981	10	16 360	16 360	0
- Current	0	0	0	16 360	16 360	0
- Capital	7 991	7 981	10	0	0	0
Total	157 057	160 035	-2 978	167 453	121 318	46 135

PART C : GOVERNANCE

I. INTRODUCTION

Commitment by the department to maintain the highest standards of governance is fundamental to the management of public finances and resources. Users want assurance that the department has good governance structures in place to effectively, efficiently and economically utilise the state resources, which is funded by the tax payer.

2. RISK MANAGEMENT

Risk Assessment and Development of Risk Registers

The department conducted Risk Assessments for the programmes to identify the key risks. The risks were prioritised and consolidated into a Risk Registers, which was approved. The department developed the following registers: Strategic Risk Register and Operational Risk Register. The approved Risk Register was forwarded to Internal Audit to develop their risk based Internal Audit Plan for 2020/2021.

The Risk Management Committee (RMC)

The cross-functional nature of the RMC is central to its effectiveness. Chaired by an independent specialist, the RMC reflects the various matters that relate to risk and deliberates on the department's operational activities, including potential improvements to the ERM Strategy and mitigating plans. The fact that the department has reached a level of maturity where risk treatment plan reports are deliberated on, is evident based on the value added by this committee.

For the year under review the Committee held four meetings and approved the following Risk Management Strategic documents: Enterprise Risk Management Framework and Policy, Enterprise Risk Management Methodology and Strategy, Enterprise Risk Management Implementation Plan, Strategic and Operational Risk Registers. The documents were taken through a rigorous process of review within various functional components of the Department. The Department has submitted quarterly activity reports to the Provincial Treasury.

A collaborative Approach to Risk Management

A collaborative approach has been established between Risk Management and Internal Audit to share information and reports to enable us to identify new or emerging risks. The Chairperson of the Risk Management Committee, as regulated by the ERM Framework has submitted reports on a quarterly basis to the Accounting Officer and also presented reports to the Audit Committee, regarding the implementation of risk activities in the department.

Meetings are held on a quarterly basis regarding the implementation of risk activities in the department.

3. FRAUD AND CORRUPTION

TYPES OF ANTI CORRUPTION CASES INVESTIGATED

Type	Number
Corruption	1
Fraud	3
Financial Misconducts	1
Maladministration	6
Total	11

Nature of offences as per the total number of cases reported.

Nature of Cases	Number
Fraud & Corruption	4
Forged Signature	-
Tender Irregularities	-
Nepotism	-
Payroll Fraud	-
Procurement Fraud	-
Travel Claims	-
Financial Misconduct	1
Maladministration	6
TOTAL	11

Status of cases:

Type	Status	Number
SAPS Anti-corruption unit	Cases still under investigation and the other one is being heard in the MT. Ayliff court	2
Departmental Anti-corruption unit	5 cases have been finalised , 3 are still under investigation	8
Closed files		-
Pending cases still need to be finalized and closed	3 are under investigation	3
Recommended cases for finalisation to the Accounting Officer	5 are awaiting implementation of recommendations.	5
Total		18

Pending cases still not finalised:

Type	Year	Number
Fraud and Corruption investigated by the Department's Crime Prevention Unit and Special Investigation Unit	2020/2021	Nil

CHALLENGES FACED REGARDING THE CASES REPORTED (HOTLINE / DEPARTMENT)

The Department has a Fraud Prevention Policy in place. The policy consists of four elements or components including Prevention, Detection, Investigation and Resolution. There is also an Annual Implementation Plan of the policy, which encompasses awareness, ethics and whistleblowing or reporting

4. MINIMISING CONFLICT OF INTEREST

The circular issued by provincial treasury on managing conflict of interest is being rigorously implemented by the department.

5. CODE OF CONDUCT

The code of conduct and code of ethics are presented to the departmental employees quarterly and an improvement in the performance and behaviour by employees is noticeable.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The department strives to ensure compliance with all Health and Safety legislation through implementation of various interventions that include, conducting of risk assessments, health and safety audits, establishment of Health and Safety governance structures and further capacitating employees on health and safety legislation and policies.

The nature of work in DRDAR poses many threats to the health and safety of personnel for many reasons including the manual requirements of the job, exposure to the weather, noise or vibration, contact with animals and the possibility of contracting zoonotic diseases and exposure to hazardous chemicals or substances.

The department has made significant improvement in increasing the level of compliance with the Occupational Health and Safety Act (OHSA) requirements through establishment of functional OHS Governance Committee structures at provincial and district level. Each district and /or institution has an appointed Compliance Officer who has the responsibility of monitoring the compliance of the department with OHS Act and policies.

Having OHS governance structures in the department assisted in developing a responsive COVID-19 management plan that ensured full compliance with COVID-19 Directives. This resulted in the review of the Safety, Health, Environment, Risk and Quality (SHERQ) Policy. The rate of COVID -19 contamination in the workplace was decreased through the implementation of housekeeping rules including provisioning of appropriate PPE for employees.

A total of 5027 health screenings on COVID-19 symptoms were conducted as a control to minimise transmission rate at work. The working conditions and operations were also reviewed which resulted in instituting rotational work, shift work and remote work for vulnerable employees as per the DPSA directives. At the end of the financial year, the department had a cumulative number of 260 infections, 24 COVID-19 related deaths and 236 recoveries. The department maintained a recovery rate of 91%.

The department has also managed to conduct health and safety audits for OHSA compliance in various sites that include 89 buildings on ventilation, 22 buildings on hygiene standards, 52 buildings on general health and safety, 20 Construction sites and five (5) Veterinary Clinics and Laboratories.

In fulfilling the legal obligation to manage health and safety in the workplace, the department conducted a Risk Assessment with the aim of identifying health and safety hazards, evaluate risks presented within the workplace and evaluate the effectiveness and suitability of existing control measures.

7. PORTFOLIO COMMITTEES

The Department met with the Portfolio Committee to consider the mid-term financial oversight report on 27 November 2020. The Committee met on 19 January 2021 to finalise and adopt the report. The report was adopted on 19 January 2021.

RESOLUTIONS / RECOMMENDATIONS OF PORTFOLIO COMMITTEE ON DRDAR'S HALF YEAR FINANCIAL AND PERFORMANCE OVERSIGHT REPORT FOR 2020

8. SCOPA RESOLUTIONS

Resolution No.	Subject (Finding)	Details (Recommendation)	Response by the department	Resolved (Yes/No)
Underspending of vote	The department materially underspent on the vote by R25,1 million, due to material underspending in programme 1: administration (R0,9 million); programme 2: sustainable resource management (R1,4 million); programme 3: farmer support and development (R14,7 million); programme 4: veterinary services (R1 million); programme 5: research and technology development (R0,4 million); programme 6: agricultural economic services (R0,2 million); programme 7: structured agricultural education and training (R6,1 million); and programme 8: rural development coordination (R0,4 million).		<ul style="list-style-type: none"> ○ The Department improved its performance from 73% (2018/19) to 80% in 2019/20. Furthermore, it also improved expenditure 97% in 2018/19 to 99% in 2019/20. The Department implemented the Audit Intervention Plan to improve governance and efficiencies in order to achieve the desired outcomes and departmental sustainability. ○ The department continues to strengthen the implementation and monitoring of the departmental planning and budget calendar and ensure that it is aligned to the departmental processes. The department is also focusing on developing a coordinated reporting approach which aligns all the planning documents i.e. APP (planned vs actual targets), budget (Projections vs actual spending), procurement plan (planned procurement vs actual). ○ The department will focus on improving the effectiveness of the monthly Budget Advisory Committee sessions by extending beyond the historical information. Effectiveness of the BAC meetings at district level will be strengthened. Accountability by programme managers and district directors on spending trends will be tightened. Engineering services and Farmer Support Development will work closely with project management to improve planning for 	Yes

Resolution No.	Subject (Finding)	Details (Recommendation)	Response by the department	Resolved (Yes/No)
			<p>infrastructure and cropping projects and ensure that procurement processes start before financial year-end.</p> <ul style="list-style-type: none"> The department assures the committee that there is no intention to underspend to offset over expenditure. The department implemented an action plan in the previous financial year and the improvement from 97% to 99% expenditure compared to the previous financial year is an indication of the ongoing commitment by the department to improve its spending trends. 	
<p>Fruitless and wasteful expenditure</p>	<p>Effective steps were not taken to prevent irregular expenditure amounting to R4, 6 million as disclosed in note 26 of annual financial statements, as required by section 38 (1) (c) (ii) of the PFMA and Treasury Regulations 9.1.1. The majority of irregular expenditure was made by payments not in line with the PFMA and Treasury Regulations on contractual obligations.</p> <p>Effective steps were not taken to prevent fruitless and wasteful expenditure amounting to R1, 3 million as disclosed in note 26 of annual financial statements, as required by section 38 (1) (c) (ii) of the PFMA and Treasury Regulations 9.1.1. The majority of fruitless and wasteful expenditure was made by interests on late payments and goods not received.</p>	<p>The Accounting Officer should take proactive steps to prevent fruitless and wasteful expenditure as required by the provisions of Section 38 (1) (c) of the PFMA and disciplinary action must be taken against officials responsible for fruitless and wasteful expenditure. Evidence of such action must be presented to the Committee. The MEC must be made aware of these transgressions as he/she is accountable to Legislature by law.</p>	<p>Irregular Expenditure:</p> <ul style="list-style-type: none"> The department does implement effective internal control systems to prevent the occurrence of irregular expenditure through its fully-fledged Internal Control Unit and pre-audit. The system is effective, as it has assisted the department to reduce irregular transactions significantly. The case at hand relates to partnerships with commodity groups. As part of its Agricultural Transformation Strategy, DRDAR works with commodity groups through partnerships with commodity partners. This culminated in a signing of SLA between the department and GRAIN SA and funding was allocated under transfer payments. However, the introduction of National Treasury Classification Circular 21 of 2018 revealed that payments made to commodity partners should be classified as goods and services and 	<p>Yes</p>

Resolution No.	Subject (Finding)	Details (Recommendation)	Response by the department	Resolved (Yes/No)
			<p>not transfer payments. The SLA was signed in 24 July 2018, therefore, giving rise to a contractual obligation to pay which gave rise to the irregular expenditure.</p> <ul style="list-style-type: none"> • Yes, the department (including districts) has a dedicated Internal Control Unit led by a director. The unit conducts awareness workshops to all relevant staff including districts on compliance issues. • Consequence management was implemented in line with the recommendations of the independent/external report and written warnings were subsequently issued to the affected employees. • There were no losses recorded because of the transgression. All the requirements of the SLA were complied with. All work done was verified and confirmed by the relevant programme manager. • Subsequent to the communication and understanding of National Treasury Circular 21 of 2018, the department issued an expression of interest through an open tender process and developed an engagement model for commodity partnerships. Currently the budget for partnerships with the commercial farming sector is correctly budgeted for under goods and services. The relevant programme manager makes payments on submission of valid invoices and signed delivery notes and verification reports 	

Resolution No.	Subject (Finding)	Details (Recommendation)	Response by the department	Resolved (Yes/No)
<p>Internal control deficiencies</p>	<ul style="list-style-type: none"> • There was prolonged vacancy in the key position of accounting officer, which resulted in leadership instability and undermined accountability. The absence of this leadership resulted in inadequate direction within the department to guide its strategies and operations such as ensuring compliance with all laws and regulations. • Management did not implement all the processes and controls required to ensure compliance with all laws and regulations. Non-compliance with legislation could have been prevented had compliance been properly reviewed and monitored. 	<p>The Accounting Officer must take measures to ensure that the Department has adequate capacity to integrate and manage compliance with existing controls as per the legislative prescripts.</p>	<ul style="list-style-type: none"> • Yes, the position of an Accounting Officer is still vacant. The department is waiting for OTP to conclude the process. • The department does implement effective internal control systems to prevent the occurrence of irregular expenditure through its fully-fledged Internal Control Unit and pre-audit. The system is effective, as it has assisted the department to reduce irregular and fruitless expenditure transactions significantly. • Irregular Expenditure – consequence management was implemented and written warnings were subsequently issued. • Fruitless expenditure – Traffic fines and vehicle damages are recouped from affected officials, no-show transactions are investigated and recovered where appropriate. Consequence management is also implemented where necessary. • Irregular expenditure – the department now complies with NT Classification Circular number 21 of 2018. • Fruitless & Wasteful - the department implements consequence management and recovers the funds from affected employees where appropriate. Furthermore, the department has implemented the cost recovery on traffic fines, vehicle damages, interests charged on late payments, no-show charges on accommodation. 	<p>Yes</p>

Resolution No.	Subject (Finding)	Details (Recommendation)	Response by the department	Resolved (Yes/No)
Investigations	<p>The President through Proclamation no R36 of 2019 (GG 4257 dated 12 July 2019) has referred matters for investigation by Special Investigating Unit. The matters relate to the following:</p> <ul style="list-style-type: none"> • Maladministration in the affairs of Department of Agriculture, Forestry and Fisheries related to the mismanagement of the comprehensive agriculture support programme grant. • Unauthorised, irregular and fruitless and wasteful expenditure. • Irregularities in Supply Chain Management processes. 	<p>The Accounting Officer must ensure that the Department is fully capacitated to ensure the management of conditional grants, no irregular, fruitless and wasteful expenditure and irregularities in SCM processes.</p>	<ul style="list-style-type: none"> • The proclamation from the President was directed to National Office of the SIU and the National Department. The Provincial Department of Rural Development and Agrarian Reform is currently not aware of the progress of this investigation. The Anti-Corruption Unit of the department has tried and will continue trying to source the information from the National Department about the status of the investigation. • The Department does have the capacity to manage conditional grants in that there is a Chief Director: Farmer Support assisted by Director: Food Security and Director: Infrastructure who manage conditional grants. 	Yes

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
None	None	None

10. INTERNAL CONTROL UNIT

During the year under review (2020-21 financial year), Internal Control Unit reviewed and monitored the implementation of audit action plans to address internal control deficiencies that were identified by the Office of Auditor-General. The Unit is assisting The Chief Financial Officer by co-ordinating the external audit processes for the department (Office of Auditor General audit) by submitting all requested information on RFIs and COAFs timely by the given deadlines.

Successful implementation of the Audit Intervention Plan submitted and reviewed monthly by Provincial Treasury resulted with completed action plans as at 31 March 2021. Audit Intervention Plans were also submitted to the Audit committee and Risk Management Committee quarterly. The Audit Intervention Plan is also a standing item in the agenda on the monthly Top Management meetings held by the department. Enforcement of compliance with relevant prescripts, laws & Treasury regulations and the periodical review of internal controls and maintenance of Financial BAS systems are always an on-going process.

Due to the stringent controls introduced and bi-monthly awareness programmes provided to all district offices by The Directorate, the irregular, fruitless and wasteful expenditures of the department is always minimal. The departmental Irregular Committee is functioning effectively at all times as its recommendations and decisions are implemented timeously. Monthly irregular, fruitless & wasteful expenditure registers are presented and discussed in the BAS Advisory Committees (BAC).

11. INTERNAL AUDIT AND AUDIT COMMITTEES

Internal Audit provides management with independent, objective assurance and consulting services designed to add value and continuously improve the operations of the Department. It assists the Department to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of Governance, Risk Management and Control processes.

The following key activities are performed in this regards:

- Assess and make recommendations for improving the governance processes in achieving the department's objectives;
- Evaluate the adequacy and effectiveness and contribute to the improvement of the risk management process;
- Assist the Accounting Officer in maintaining efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement.

Internal Audit activities were carried out in line with the approved internal audit plan as approved by the Audit Committee. The development of the approved plan has taken into account the risk profile of the Department to ensure that the work of internal audit is addressing the Department's operations in line with the set objectives.

The Audit Committee is established as a statutory and oversight committee in terms of section 38(1)(a)(ii) of the PFMA and Treasury Regulation, providing independent oversight over governance, risk management and control processes in the Department, which includes oversight and review of the following:

Internal Audit function;

External Audit function (Auditor General of South Africa – AGSA);

Departmental Accounting and reporting;

Departmental Accounting policies;
 AGSA management and audit report;
 Departmental In-year Monitoring;
 Departmental Risk Management;
 Internal Control;
 Pre-determined objectives;
 Ethics and Forensic Investigations.

12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2021.

Background

The Audit Committee is established as a statutory committee in terms of section 38(1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The committee has adopted an audit committee charter and has fulfilled its responsibilities in line with its charter.

Membership and attendance

The Audit Committee consists of the members listed hereunder and meets at least four times per annum as per its approved terms of reference. During the current year eight meetings were held. The members and their attendance of the meetings held are as follows:

Name	Qualifications	Internal or external	Chairperson/ Ordinary member	Date appointed	Expiry Date	No. of Meetings attended
Ms T Cumming	CA (SA)	External	Chairperson	01 August 2017	31 July 2020	3
Ms L Smith	CA (SA), RA	External	Chairperson	01 February 2021	N/A	2
Adv Gugwini - Peter	Bachelor of Laws degree (LLB)	External	Ordinary member	01 August 2017	N/A	8
Mr M Baza	B.Juris (Private and Criminal Law)	External	Ordinary member	21 November 2018	N/A	8
Mr L Mabombo	B.Comm (Accounting)	External	Ordinary member	21 November 2018	N/A	8

Audit Committee Responsibility

The Audit Committee reports that it has complied with the responsibilities arising from **Section 38 (1) (a) (ii)** of the **Public Finance Management Act and Treasury Regulation 3.1**. The Committee also reports that it has adopted an appropriate formal Terms of Reference as its Audit Committee charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

In line with PFMA and King Report on best Corporate Governance's practices requirements, Internal Audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the Internal Auditors, it was noted that matters were reported indicating deficiencies in the system of internal control or deviations there from. Accordingly, we can report that the system of internal control was not entirely effective for the year under review.

The quality of in year management and monthly/quarterly reports submitted in terms of the PFMA and the Division of Revenue Act

The Audit Committee is satisfied with the content and quality of the quarterly financial reports prepared and issued by the Accounting Officer of the Department during the year under review.

Evaluation of Financial Statements and Annual Performance Report

The Audit Committee has:

- Reviewed and discussed the unaudited annual financial statements to be included in the annual report with management;
- Reviewed and discussed the unaudited information on pre-determined objectives to be included in the annual report with management;
- Reviewed for changes in accounting policies and practices;
- Advised management that the financial statements and performance report may not be free from material misstatements due to the failure of internal controls during the preparation process;
- Reviewed the Department’s compliance with legal and regulatory provisions; and
- Received and considered reports from the internal auditors.

Internal Audit

The Audit Committee evaluated the Internal Audit Activity’s performance with an overall scoring percentage result as good. The Internal Audit Activity has continued to strengthen the department’s control environment and assisted in the achievement of objectives.

The Committee approved a risk-based three year rolling strategic internal audit plan and an annual audit coverage plan for the period 1 April 2020 to 31 March 2021 covering the following key audit activities:

Type	Total Planned Audits	Total Completed
Regularity and Compliance Audits	4	4
Risk Based Audits	7	7
Information Technology Audits	1	1
Ad hoc audits	-	-
Follow ups	5	5
TOTAL	17	17

The table below depicts the total completed audit projects as defined in the revised audit plan

<p>Finance</p> <p>Annual Financial Statements Revenue Management PPE Procurement Process</p>	<p>Core Business</p> <p>Crop Production Indigent Household African Armyworm Livestock Improvement Scheme</p>
<p>Administration</p> <p>Performance Information Annual Report Occupational Health Review</p>	<p>Follow ups</p> <ul style="list-style-type: none"> • Laboratory Diagnostic Services • Asset Management • Performance Information • Financial Management • Salary Administration

The outbreak of COVID-19 that resulted to national lockdown severely affected internal audit operations of the department. This resulted in 4 regulatory/compliance audits and 6 risk based audit be deferred to the next financial year and reprioritization of 5 risk based audits due to high risk exposers. Internal Audit resources were reassigned to perform follow ups to avoid idle time during lockdown.

Management has been slow in implementing the findings that have been raised by internal audit, resulting in non-implementations and weak control environment.

Risk Management

The Head of Department established the Risk Management Committee (RMC) to exercise certain responsibilities, as set out in the approved RMC Charter.

The RMC is chaired by an external Chairperson who brings a lot of valuable experience in Governance matters. The RMC reviewed risk management processes during the year. The following policy related documents on Risk Management were reviewed and approved, such as, Risk Management Policy and Framework; Risk Management Strategy, Risk Management Committee Charter and Risk Management Implementation Plan.

The Risk Appetite Framework and Business Continuity Plan are yet to be completed and approved. Appointment of a CRO under the umbrella of Risk Management; Anti-Fraud and corruption and Integrity Management will assist the Department in the elevation of investigation of anti-fraud corruption that had stagnated and elevate the integrity management as guided by DPMA.

The Acting Head of Department committed management of the Department to comply with all relevant Corporate Governance processes.

The Audit Committee is concerned that there has not been a permanent Head of Department since September 2018. Based on our observation, this has affected optimal performance and governance in the department and this needs to be resolved with a matter of urgency.

Risk management and Internal Audit of the department reports at an appropriate level (administratively report to the Head of Department and functionally to the Audit Committee). All governance structures were established, such as Risk Management and IT Governance Committees.

There is a noticeable increase in risk management awareness in the Department, however the status of implementation of action plans, demonstrates that risk management activities are not consistently applied by management and relevant employees in key functions. For risk management maturity of the Department to improve, it is critical that recommendation made by the RMC are implemented timely by management and effective monitoring of implementation take place.

Some risks were unassured due to inherent nature to business, transversal nature and ineffective controls to reduce the risks. The following serve as examples: (some risks here have moved from high to medium in past financial year.)

- Disintegrated rural development planning and implementation;
- Inability to respond to the strategy through ICT interventions due to non-responsive ICT infrastructure;
- Low adoption of research results;
- Inadequate processes to administer leave credits and service terminations;
- Failure to meet the accreditation requirements;
- Destruction of research infrastructure by the surrounding communities
- Low participation of farmers on cannabis farming
- Inability to effectively & efficiently provide analytical services to clients
- Ineffective interpretation and utilisation of weather data
- Failure of agri-businesses (Smallholders/Agri-Entrepreneurs)
- Lack of access to markets

Investigations/ Fraud management

Efforts were noted by the Audit Committee to deal with fraud and corruption reported matters were investigated and reported accordingly to the Accounting Officer and Audit Committee. However, the Committee was concerned with regards to the delay on the implementations of the recommendations emanating from the investigations reports which undermined the Department's efforts.

The delays were chiefly as a result of lack of presiding officers within the Department, management has provided training to the senior management members to be able to actively preside over the matters with a view of expediting the process. (appointment of Director Anti-fraud and corruption and integrity management to coordinate the movement of cases in this area)

ICT Governance

Significant progress has been made over strengthening internal controls in respect of the ICT control environment. There is a low level of residual risk exposure due to effective and efficient operation of controls, which provides management with reasonable assurance that risks will be mitigated and that process objectives will be achieved.

Although, most components of the Corporate Governance of ICT Policy Framework (CGICT) have been addressed, the Audit Committee highlighted the risks of not having the Business Continuity Management Program in place and a tested Disaster Recovery Plan. The Committee further noted that, although the IT Steering committee is in place, it is not yet fully effective due to non-attendance by some of the key stakeholders in the Department and this needs urgent management intervention.

Other than matters stated above, there is nothing of significance that has come to the attention of the committee indicating any material breakdown in the functioning and controls within the department. Low participation or attendance of the ICT steering committee may hamper the progress made in this area which has proven to be a high dependency business support area during the COVID 19 time.

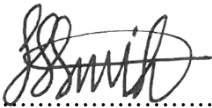
Auditor-General South Africa

The Audit Committee has met with the Auditor General of South Africa to discuss the Audit Strategy at the commencement of the audit and has met at the end of the audit to ensure that there are no unresolved issues.

The Committee concurs and accepts the findings of the Auditor General South Africa.

Appreciation

The Committee would like to take this opportunity to express its sincere appreciation to the Member of Executive Council, Head of Department, the management of the Department, Internal Audit, Provincial Treasury and the AG (SA) for their support and co-operation during the year under review.



.....
Ms L. Smith
Audit Committee Chairperson
Eastern Cape Department of Rural Development and Agrarian Reform
31 July 2021

13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade and Industry.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	The department is not on economic activity. The department support beneficiaries to be economically viable but does not issue authorisations for economic activity.
Developing and implementing a preferential procurement policy?	Yes	The department has incorporated the Preferential Procurement Policy into the SCM Policy.
Determining qualification criteria for the sale of state-owned enterprises?	No	The department has not had sale of state owned enterprises and there are no state owned properties within the department asset register which would require the department to determine qualification criteria for sale of such.
Developing criteria for entering into partnerships with the private sector?	Yes	The department has set up a database reviewed annually for private partners and appointment is through the database. There is an approved engagement model for entering into partnerships.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	The department is not on economic activity. The department support beneficiaries to be economically viable but does not issue authorisations for economic activity.

PART D: HUMAN RESOURCE MANAGEMENT

I. INTRODUCTION

The role of department's human resource chief directorate is to ensure that its most important asset, that is, its human capital is being nurtured and supported through the creation and management of programs, policies, and procedures, and by fostering a positive work environment through effective employee-employer relations.

OVERVIEW OF HUMAN RESOURCES

Employees are a key pillar in achieving the strategic objectives of the Department. Therefore, human resource planning aims to ensure that the Department has the right people, with the right skills, at the right place at the right time, all the time.

HR planning is currently being utilised to identify optimal strategies for HR management functions, such as recruitment, retention, learning, development, employment relations and employment equity, amongst others.

Set HR priorities for the year under review and the impact of these priorities

To ensure implementation of sound human resource practices and promote a healthy environment in the organisation and ensuring that department's future human resource needs are met. The following HR priorities were identified and implemented to address the recognised gaps in current and future human resource requirements:

No	HR Priority	Impact
1.	To build an appropriately sized, adequately competent and sufficiently skilled human capital that will enhance service delivery.	Skilled workforce to improve departmental performance
2.	Implement a planned approach to reduce the level of skills gaps and shortages that are being experienced in the following occupational classifications i.e. Specialist Agricultural Scientists, Veterinarians, Agricultural Engineers etc.	Increase the supply of critical and scarce skills to the department
3.	To design and implement Diversity Management strategies to address gaps identified	Fair representation of people with disability in the workplace.
4.	Implementation of Health and Safety policies and processes to promote safety of employees in the department.	Reduce the risk of transmission of disease including occupational hazards in the department.

Challenges faced by the Department

1. Review Service Delivery Model and align to the Organizational Structure
2. Critical shortage in the identified scarce skills in the following disciplines Veterinary Science, Agricultural Engineering and Specialized Agricultural Sciences
3. ICT is not being fully leveraged to fully automate HR processes such as Recruitment, PMDS, Labour Relations and Training and Development
4. The Department has not met its equity target of 50% for women below the senior management level at all levels including 2% on people with disability.

Future HR plans / goals

The role of department's human resource chief directorate is to ensure that its most important asset, that is, its human capital is being nurtured and supported through the creation and management of programs, policies, and procedures, and by fostering a positive work environment through effective employee-employer relations.

1. To design an organisational structure that is aligned to the service delivery model that provides framework that clearly determines the nature, scope, extent and level of work that constitute the manner in which the agriculture and rural development services must be provided.
2. To build an appropriately sized, adequately competent and sufficiently skilled human capital that will enhance service delivery.
3. Implement a planned approach to reduce the level of skills gaps and shortages that are being experienced in the following occupational classifications i.e. Specialist Agricultural Scientists, Veterinarians, and Agricultural Engineers etc.
4. To design and implement Diversity Management strategies to address gaps identified
5. Implementation of Health and Safety policies and processes to promote safety of employees in the department.

2. HUMAN RESOURCES OVERSIGHT STATISTICS

2.1 Personnel related expenditure

The following tables summarise the final audited personnel related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

- amount spent on personnel; and
- Amount spent on salaries, overtime, homeowner's allowances and medical aid.

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2020 and 31 March 2021

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services Expenditure (R'000)	Personnel Expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	455 874	314 542	7 893	-	69	442
Sustainable resource manage	1 14 824	90 706	-	-	79	597
Farmer support & development	799 196	359 816	-	-	45	565
Veterinary services	296 549	239 170	-	-	80	472
Research & techno development services	126 600	107 570	-	-	85	403
Agricultural economics services	33 758	30 500	-	-	90.3	744
Structured agriculture education & train	164 650	73 363	-	-	44.6	408
Rural development coordination	253 032	18 660	-	-	7.4	533
TOTAL	2 244 483	1 234 327	7 893	-	55	488

Table 3.1.2 Personnel costs by salary band for the period 1 April 2020 and 31 March 2021

Salary band	Personnel Expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	53 050	3.2	293	181 058
Skilled (level 3-5)	95 434	5.7	406	235 059
Highly skilled production (levels 6-8)	533 893	31.9	1 147	465 469
Highly skilled supervision (levels 9-12)	477 134	28.5	624	764 638
Senior and Top management (levels 13-16)	65 174	3.9	48	1 357 792

Salary band	Personnel Expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Other	9 642	0.6	12	803 500
TOTAL	1 234 327	73.7	2 530	487 876

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2020 and 31 March 2021

Programme	Basic Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	268 704	85.4	570	0.2	11 523	3.7	17 611	5.6
Sustainable Resource Management	78 644	86.7	15	-	2 448	2.7	3 651	4
Farmer Support & Development	307 144	85.4	131	-	10 570	2.9	18 515	5.1
Veterinary Services	203 570	85.1	94	-	7 781	3.3	12 120	5.1
Technology Research & Development Services	91 545	85.1	1 998	1.9	5 796	5.4	6 926	6.4
Agricultural Economics	26 412	86.6	-	-	725	2.4	1 157	3.8
Structured Agricultural Education & Training	64 042	87.3	1 207	1.6	2 940	4	3 512	4.8
Rural Development Coordination	16 497	88.4	-	-	423	2.3	688	3.7
TOTAL	1 056 558	85.6	4 015	0.3	42 206	3.4	64 180	5.2

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2020 and 31 March 2021

Salary Band	Salaries (R'000)	Salaries as a % of Personnel Costs	Overtime (R'000)	Overtime as a % of Personnel Costs	HOA (R'000)	HOA as a % of Personnel Costs	Medical Aid (R'000)	Medical Aid as a % of Personnel Costs
Lower skilled (Levels 1-2)	35 808	67,5	1 480	2,8	4 863	9,2	6 179	11,6
Skilled (Levels 3-5)	76 621	80,3	1 489	1,6	6 981	7,3	9 045	9,5
Highly skilled production (Levels 6-8)	446 218	83,6	527	0,1	19 066	3,6	33 146	6,2
Highly skilled supervision (Levels 9-12)	417 164	87,4	519	0,1	9 896	2,1	14 727	3,1

Salary Band	Salaries (R'000)	Salaries as a % of Personnel Costs	Overtime (R'000)	Overtime as a % of Personnel Costs	HOA (R'000)	HOA as a % of Personnel Costs	Medical Aid (R'000)	Medical Aid as a % of Personnel Costs
Senior management (Levels >= 13)	71 111	109,1	-	-	1 400	2,1	1 083	1,7
Other	9 635	99,9	-	-	-	-	-	-
TOTAL	1 056 558	85,6	4 015	0,3	42 206	3,4	64 180	5,2

2.2 Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies.

Table 3.2.1 Employment and vacancies by programme as on 31 March 2021

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Programme 1	825	716	3.9	46
Programme 2	177	152	0.9	1
Programme 3	671	637	1.2	-
Programme 4	505	491	0.5	-
Programme 5	296	280	0.6	-
Programme 6	45	41	0.1	-
Programme 7	240	180	2.1	1
Programme 8	34	33	0.0	-
TOTAL	2793	2 530	9.4	48

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2021

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	308	293	0.5	
Skilled (3-5)	598	406	6.9	
Highly skilled production (6-8)	1161	1147	0.5	33
Highly skilled supervision (9-12)	652	624	1.0	3
Senior management (13-16)	62	48	0.5	1
Other	12	12	0.0	11
TOTAL	2793	2 530	9.4	48

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2021

Critical Occupations	Number of Posts on approved establishment	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Artisans	36	32	11.1	-
Agriculture advisors	537	513	4.5	-
Animal Health Technicians	291	278	4.5	-
Engineering Technicians	21	12	42.9	-
Engineers	12	7	41.7	-
Veterinary Health Officials	25	22	12	-
Scientist	27	26	3.7	-
Scientific Technicians	32	31	3.1	-
State Veterinarian Technologist	12	9	25	-
State Veterinarians	37	32	13.5	-
TOTAL	1 030	962	6.6	-

2.3 Filling of SMS Posts

Table 3.3.1 SMS post information as on 31 March 2021

SMS Level	Total number of funded SMS Posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Executing Authority	1	1	2	-	-
Head of Department	1	-	-	1	7.2
Salary Level 15	3	3	6	-	-
Salary Level 14	13	10	21	3	21.4
Salary Level 13	44	34	71	10	71.4
TOTAL	62	48	100	14	100

Table 3.3.2 SMS post information as on SEPT 2020

SMS Level	Total number of funded SMS Posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Executive Authority	1	1	2.1	-	-
Salary Level 16	1	-	-	1	3
Salary Level 15	3	3	6.4	-	-
Salary Level 14	13	10	21.3	3	9.1
Salary Level 13	62	34	70.2	29	87.9
TOTAL	80	48	100	33	100

Table 3.3.3: Advertising and filling of SMS posts for the period 1 April 2020 and 31 March 2021

SMS Level	Advertising	Filling of posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Executive Authority	-	-	-
Salary Level 16 (Head of Department)	-	-	-
Salary Level 15	-	-	-
Salary Level 14	2	-	-
Salary Level 13	2	-	-
TOTAL	4	-	-

Table 3.3.4: Reasons for not having complied with the filling of funded vacant SMS - Advertised posts within six months and filled within 12 months after becoming vacant for the period 1 April 2020 and 31 March 2021

Reasons for vacancies not advertised within six months
- Nationwide Lockdown due to Covid-19 pandemic.

Reasons for vacancies not filled within twelve months
-Funded posts were subjected to reprioritisation process due to CoE budget reduction. - Poor response on the advert. -Six (6) posts were de-activated on PERSAL system as they were not funded -Four (4) posts were advertised within six(6) months of being vacant

Table 3.3.5: Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2020 and 31 March 2021

Reasons for vacancies not advertised within six months
Funded posts were subjected to reprioritisation process as a result of reduction of CoE budget.
Reasons for vacancies not filled within six months
Nationwide Lockdown due to Covid-19 pandemic.
No suitable candidate could be identified.

2.4 Job Evaluation

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in their organisation. In terms of the Regulations, all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.4.1: Job Evaluations by Salary band for the period 1 April 2020 and 31 March 2021

Salary Band	Number of Posts on approved establishment	Number of Jobs Evaluated	% of Posts Evaluated by Salary Bands	Posts upgraded		Posts downgraded	
				Number	% of posts Evaluated	Number	% of posts Evaluated
Lower skilled (level 1-2)	315	-	-	-	-	-	-
Skilled (level 3-5)	645	-	-	-	-	-	-
Highly skilled production (level 6-8)	1221	-	-	-	-	-	-
Highly skilled supervision (level 9-12)	676	-	-	-	-	-	-
Senior management (level 13-16)	66	-	-	-	-	-	-
Abnormal Appointments	12	-	-	-	-	-	-
TOTAL	2935	-	-	-	-	-	-

Table 3.4.2 provides a summary of the number of employees whose positions were upgraded due to their posts being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could be vacant.

Table 3.4.2: Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2020 and 31 March 2021

Gender	African	Asian	Coloured	White	Total
Female	-	-	-	-	-
Male	-	-	-	-	-
TOTAL	-	-	-	-	-
Employees with a disability					-

Table 3.4.3 summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviations are provided in each case.

Table 3.4.3: Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2020 and 31 March 2021

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
	-	-	-	-
Total number of employees whose salaries exceeded the level determined by job evaluation				-
Percentage of total employed				-

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2020 and 31 March 2021

Gender	African	Asian	Coloured	White	Total
Female	-	-	-	-	-
Male	-	-	-	-	-
Total	-	-	-	-	-

Employees with a disability	-	-	-	-	-
------------------------------------	---	---	---	---	---

Total number of Employees whose salaries exceeded the grades determined by job evaluation	-
---	---

2.5 Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the Department. The following tables provide a summary of turnover rates by salary band and critical occupations.

Table 3.5.1: Annual turnover rates by salary band for the period 1 April 2020 and 31 March 2021

Salary Band	Number of employees at beginning of period (1 April 2020)	Appointments & transfers into the Department	Terminations & transfers out of the Department	Turnover rate
Lower skilled (Levels 1-2)	438	-	7	1,6
Skilled (Levels 3-5)	340	14	51	15
Highly skilled production (Levels 6-8)	1 317	14	72	5,5
Highly skilled supervision (Levels 9-12)	469	23	55	11,7
Senior Management (13-16)	50	4	5	10
Other	122	126	120	98,4
TOTAL	2 736	181	310	11,3

Table 3.5.2: Annual turnover rates by critical occupation for the period 1 April 2020 and 31 March 2021

Critical Occupation	Number of employees at beginning of period (1 April 2020)	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Artisans	38	-	8	21,1
Agriculture advisors	538	-	29	5,4
Animal Health Technicians	285	6	11	3,9
Engineering Technicians	13	4	7	53,8
Engineers	6	4	1	16,7
Veterinary Health Officers	24	-	2	8,3
Scientist	27	-	2	7,4
Scientific Technicians	32	-	1	3,1
State Veterinarian Technologist	11	1	2	18,2

Critical Occupation	Number of employees at beginning of period (1 April 2020)	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
State Veterinarians	33	2	3	9,1
TOTAL	1007	17	66	6,6

Table 3.5.3 below identifies the major reasons why staff left the Department.

Table 3.5.3: Reasons why staff left the Department for the period 1 April 2020 and 31 March 2021

Termination Type	Number	% of Total Terminations
Death	51	16.5
Resignation	27	8,7
Expiry of contract	124	40
Dismissal – operational changes	-	-
Dismissal – misconduct	-	-
Dismissal – inefficiency	-	-
Discharged due to ill health	2	0,6
Retirement	98	31.6
Transfers to other Public Service Departments	8	2.6
TOTAL	310	100
Total number of employees who left as a % of total employment	11.9%	

Table 3.5.4 provide a summary of promotions by critical occupation and salary band.

Table 3.5.4: Promotions by critical occupation for the period 1 April 2020 and 31 March 2021

Occupation	Employees (1 April 2020)	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Artisans	38	-	-	6	15.8
Agriculture advisors	538	1	0.18	369	68.6
Animal Health Technicians	285	1	0.35	47	16.5
Engineering Technicians	13	1	7.69	13	100
Engineers	6	-	-	4	66.7
Veterinary Health Officials	24	-	-	7	29.2
Scientist	27	-	-	27	100
Scientific Technicians	32	-	-	5	15.6
State Veterinarian Technologist	11	-	-	4	36.4
State Veterinarians	33	-	-	11	33.3
TOTAL	1 007	3	0.29	493	48.95

Table 3.5.5: Promotions by salary band for the period 1 April 2020 and 31 March 2021

Salary Band	Employees (1 April 2020)	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary band
Lower skilled (Levels 1-2)	438	-	-	146	33.3
Skilled (Levels 3-5)	340	1	0.3	310	91.2
Highly skilled production (Levels 6-8)	1 317	1	0.1	706	53.6
Highly skilled supervision (Levels 9-12)	469	4	0.9	433	92.3
Senior management (Levels 13-16)	50	-	0.0	-	0.0
TOTAL	2 614	6	0,2	1 595	61

Table 3.6.3: Recruitment for the period 1 April 2020 to 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	1	-	-	-	1
Professionally qualified and experienced specialists and mid-management	13	1	-	-	3	-	-	-	17
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	4	-	-	-	-	-	-	-	7
Semi-skilled and discretionary decision making	9	-	-	-	1	-	-	-	10
Unskilled and defined decision making	4	-	-	-	6	-	-	-	10
Total	30	1	-	-	14	-	-	-	45
Employees with Disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.4: Promotions for the period 1 April 2020 and 31 March 2021

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	-	-	-	-	-	-	-	-	-
Professionally qualified, experienced specialists & mid-management	-	-	-	-	3	-	-	-	3
Skilled technical & academically qualified workers, junior management, supervisors, foremen	1	-	-	-	-	-	-	-	1
Semi-skilled and discretionary decision making	1	-	-	-	-	-	-	-	1
Unskilled and defined decision making	1	-	-	-	-	-	-	-	1
TOTAL	3	-	-	-	3	-	-	-	6
Employees with disabilities	-	-	-	-	-	-	-	-	0

Table 3.6.5: Terminations for the period 1 April 2020 and 31 March 2021

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	2	-	-	1	1	-	-	-	4
Professionally qualified and experienced specialists and mid-management	37	-	1	2	9	-	-	-	49
Skilled technical, academically qualified workers, junior management, supervisors, foremen	39	-	-	-	31	1	-	2	73

2.7 Signing of Performance Agreements by SMS Members

All members of the SMS conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken is as follows:

Table 3.7.1: Signing of Performance Agreements by SMS members as on 31 May 2020

SMS Level	Total number of funded SMS posts	Total number of SMS members	Signed agreements	Signed performance agreements as a %
Head of Department	1	-	-	-
Salary level 15	3	3	3	100
Salary level 14	13	12	12	100
Salary level 13	44	34	33	97
Total	61	49	48	97

Table 3.7.2: Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2020

Reasons
Submission date is 31 May 2020. One SMS member exited the service on 30 April 2020.

Table 3.7.3: Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2020

Reasons
None.

2.8 Performance Rewards

Table 3.8.1: Performance Rewards by race, gender and disability for the period 1 April 2020 and 31 March 2021

Race and Gender	Beneficiary Profile			Cost	
	Number of Beneficiaries	Number of employees	% of total within groups	Cost (R'000)	Average Cost per employee
African, Female	544	1 180	46.1	5 151	9 469
African, Male	412	1 229	33.5	3 906	94 681
Asian, Female	2	4	50	39	19 435
Asian, Male	-	1	-	-	-
Coloured, Female	9	19	47.3	167	18 575
Coloured, Male	12	21	57.1	57	4 713
White, Female	16	35	45.7	172	10 756
White, Male	13	29	44.8	178	13 726
Employees with a disability	3	12	25	38	12 298
TOTAL	1 011	2 530	40	9 707	9 602

The total number of beneficiaries is 2 530 of which 12 are employees living with disabilities

Table 3.8.2: Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2020 and 31 March 2021

Salary Band	Beneficiary Profile			Costs		Total cost as a % of the total personnel expenditure
	Number of Beneficiaries	Number of employees	% of Total within salary bands	Cost (R'000)	Average Cost per employees (R)	
Lower Skilled (Levels 1-2)	111	293	37,9	359	3 236	111
Skilled (Levels 3-5)	188	406	46,3	970	5 160	188
Highly Skilled Production (Levels 6-8)	496	1 147	43,2	5 287	10 661	496
Highly Skilled Supervision (Levels 9-12)	214	624	34,3	3 014	14 084	214
Other	0	12	0,00	0,00	0,00	0,00
TOTAL	1 009	2 482	40,7	9 630	9 545	1 009

Table 3.8.3: Performance Rewards by critical occupation for the period 1 April 2020 and 31 March 2021.

Critical Occupations	Beneficiary Profile			Cost	
	Number of Beneficiaries	Number of employees	% of Total within occupation	Cost (R'000)	Average Cost per employee
Artisans	12	32	37.5	95 528	7 960,65
Agriculture advisors	206	513	40.2	25 859	12 552,74
Animal Health Technicians	98	278	35.3	1 195 405	12 198,01
Engineering Technicians	12	12	100	136 918	11 409,80
Engineers	-	7	-	-	-
Veterinary Health Inspectors	8	22	36.4	118 453	14 806,66
Scientist	26	26	100	338 904	13 034,78
Scientific Technicians	20	31	64.5	185 578	9 278,90
State Veterinarian Technologist	2	9	22.2	49 094	24 547,18
State Veterinarians	7	32	21.9	153 937	21 990,93
TOTAL	391	962	40.6	2 299 675	14 198,74

Table 3.8.4: Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2020 and 31 March 2021

Salary Band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of Beneficiaries	Number of employees	% of total within salary bands	Total cost (R'000)	Average Cost per employee	
Band A	2	34	5.9	77.2	38 599	0.2
Band B	-	10	0.0	0.0	-	0.0
Band C	-	3	0.0	0.0	-	0.0
Band D	-	1	0.0	0.0	-	0.0
TOTAL	2	48	4.2	77.2	38 599	0.1

2.9 Foreign Workers

The tables below summarise the employment of foreign nationals in the Department in terms of salary band and major occupation.

Table 3.9.1: Foreign workers by salary band for the period 1 April 2020 and 31 March 2021

Salary Band	1 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
Highly skilled production (Levels 6-8)	1	5	1	5	-	-
Highly skilled supervision (Levels 9-12)	17	85	19	95	2	10
Senior management (Levels 13-16)	-	-	-	-	-	-
TOTAL	18	90	20	100	2	10

Table 3.9.2: Foreign workers by major occupation for the period 1 April 2020 and 31 March 2021

Major Occupation	01 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
Professionals and managers	17	94	19	95	2	10
Technicians and associated professionals	1	6	1	5	-	-
TOTAL	18	100	20	100	2	10

2.10 Leave utilisation

The Public Service Commission has identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 3.10.1: Sick leave for the period 1 January 2020 to 31 December 2021

Salary Band	Total Days	% Days with Medical certification	Number of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	1 185	91.1	160	18.3	7	692
Skilled (Levels 3-5)	1 055	88.8	158	18.1	7	898
Highly skilled production (Levels 6-8)	2 379	90	349	39.9	7	3 987
Highly skilled supervision (Levels 9-12)	1 274	89.5	186	21.3	7	3 806
Top and Senior management (Levels 13-16)	126	84.9	19	2.2	7	607
Contract other	12	91.7	2	0.2	6	5
TOTAL	6 031	89.8	874	100	7	9 995

Table 3.10.2: Disability leave (temporary and permanent) for the period 1 January 2020 to 31 December 2020

Salary Band	Total days	% Days with Medical certification	Number of employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	321	100	5	16.1	64	197
Skilled (Levels 3-5)	360	100	9	29.0	40	273
Highly skilled production (Levels 6-8)	776	100	13	41.9	60	1 195
Highly skilled supervision (Levels 9-12)	239	100	4	12.9	60	545
Senior management (Levels 13-16)	-	-	-	-	-	-
TOTAL	1696	100	31	100.0	55	2 210

Table 3.10.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 3.10.3: Annual Leave for the period 1 January 2020 to 31 December 2020

Salary Band	Total days taken	No of Employees using annual leave	Average per employee
Lower Skilled (Levels 1-2)	4 829	1 120	4.31
Skilled (levels 3- 5)	10 512	1 117	9.41
Highly skilled production(levels 6-8)	22 015	2 304	9.56
Highly skilled (Levels 9-12)	14 140	1 475	9.59
Senior management (Levels 13-16)	1 352	161	8.40
Interns (Abnormal)	356	70	5.08
Total	53 203	6 247	8.52

Table 3.10.4: Capped leave for the period 1 January 2020 to 31 December 2020

Salary band	Total days of capped leave taken	No of employees using capped leave	Av no of days taken per employee	Av capped leave per employee as on (31 December 2016)
Lower Skilled (Levels 1-2)	-	-	-	0,00
Skilled (Levels 3-5)	3460.1	46	23.7	75
Highly skilled production (Levels 6-8)	5611.45	140	37.2	40
Highly skilled supervision (Levels 9-12)	5208.47	37	22.3	141
Senior Management (Level 13-16)	204.49	3	14.6	68
TOTAL	14484.51	226	26.6	64

The following table summarise payments made to employees because of leave that was not taken.

Table 3.10.5: Leave pay-outs for the period 1 April 2020 and 31 March 2021

Reason	Total Amount (R'000)	Number of Employees	Average per Employee (R'000)
Annual Discounting with resignation (workdays)	500	18	27 778
Gratuity: Death/Retirements/Medical Retirements (Work days)	6 696	123	54 439
Capped - Gratuity: Death/Retirement/Medical Retirement (Work days)	18 351	107	171 505
TOTAL	25 547	248	103 012

2.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1: Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV-related diseases (if any)	Key steps taken to reduce the risk
All employees are regarded to be at risk.	<ul style="list-style-type: none"> Implementation of year round screening sessions on HCT and any related Wellness for the benefit of the employees. Offered educational training, counselling services to employees as part of preventative approach in managing HIV and AIDS, including distribution of condoms.

Table 3.11.2: Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Director: Ms. Nosivatho Mkalipi
2. Does the Department have a dedicated unit or have you designated specific staff members to promote health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		The Department does have an Employee Health and Wellness Unit with a total of nine (9) employees; eight (8) EHW Practitioners and one (1) Admin Support. Budget allocated for the year under review amounts to R253 800.
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme.	X		The implementation of the Employee Assistance Programmes is in accordance to the 4 pillars focussing on the following interventions: - Awareness and Screenings on HIV and Non-Communicable and communicable diseases workshops

Question	Yes	No	Details, if yes
			on Gender Based Violence, Multiple and Concurrent Partners, Promotion of Healthy Lifestyle.
4. Has the Department established (a) committee(s) as contemplated in Public Service Regulations as amended? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X		All Programme Managers
5. Has the Department reviewed the employment policies and practices of your department to ensure that these do not unfairly discriminate against employees based on their HIV status? If so, list the employment policies/practices so reviewed.	X		The department is currently implementing the following policies; Health and Productivity Management Policy HIV, TB and STIs Management Policy Safety, Health, Environment, Risk and Quality Management Policy Wellness Management Policy
6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		Conducted employee awareness sessions on HIV focusing on stigmatisation, dignity and non-discrimination of infected and affected people including key issues relating to Human Rights. Other key elements that were addressed are anti HIV&AIDS discrimination issues relating to health screenings, distribution of communication material (posters and pamphlets). The policy on HIV, TB and STIs Management has a clause on non-discrimination of infected and affected employees.
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	X		84 employees tested and screened for HIV.
8. Has the Department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so.	X		The impact of health promotion programmes are indicated through information provided by the Health Risk manager including GEMES Report. Monitoring of EHWP utilising quarterly and annually reporting including SMT tool that is used to measure impact. PERSAL Reports on utilisation of sick and disability leave benefit.

2.12 Labour Relations

Table 3.12.1: Collective agreements for the period 1 April 2020 and 31 March 2021

Subject matter	Date
NIL	NIL

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 3.12.2: Misconduct and disciplinary hearings finalised for the period 1 April 2020 and 31 March 2021

Outcomes of disciplinary hearings	Number	Percentage % of Total
Correctional counselling	-	-
Verbal warning	-	-
Written warning	17	70,8
Final written warning	4	16,7
Suspended without pay	3	12,5
Fine	-	-
Demotion	-	-
Dismissal	-	-
Not guilty	-	-
Case withdrawn	-	-
Total	24	100

Total number of disciplinary hearing finalised in 2020/21 financial year is 5

Table 3.12.3: Types of misconduct addressed at disciplinary hearings for the period 1 April 2020 and 31 March 2021

Type of misconduct	Number	Percentage % of Total
Alleged Fraud	-	-
Absence Without Authority	7	53.8
Alleged poor work performance	-	-
Misuse of Govt. vehicles	-	-
Wilful damage or negligence of government property	-	-
Alleged Financial Mismanagement	4	30.7
Alleged Assault	1	7.6
Alleged Insubordination	1	7.6
Alleged under influence of alcohol	-	-
TOTAL	13	100

Table 3.12.4: Grievances logged for the period 1 April 2020 and 31 March 2021

Grievances	Number	% of Total
Number of grievances resolved	6	90
Number of grievances not resolved	4	40
Total number of grievances lodged	10	100

Table 3.12.5: Disputes logged with Councils for the period 1 April 2020 and 31 March 2021

Disputes	Number	% of total
Number of disputes upheld	-	-
Number of disputes dismissed	1	100
Total number of disputes lodged	1	100

Table 3.12.6: Strike actions for the period 1 April 2020 and 31 March 2021

Total number of persons working days lost	-
Total costs working days lost	-
mount recovered as a result of no work no pay (R'000)	-

Table 3.12.7: Precautionary suspensions for the period 1 April 2020 and 31 March 2021

Number of people suspended	1
Number of people whose suspension exceeded 30 days	-
Average number of days suspended	-
Cost (R'000) of suspensions	64 433,12

2.13 Skills development

This section highlights the efforts of the Department with regard to skills development.

Table 3.13.1: Training needs identified for the period 1 April 2020 and 31 March 2021

Occupational category	Gender	Number of employees as at 1 April 2020	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	21	-	23	-	23
	Male	15	-	14	-	14
Professionals	Female	253	-	87	-	87
	Male	282	-	105	-	105
Technicians and associate professionals	Female	436	-	69	-	69
	Male	592	-	75	-	75
Clerks	Female	309	-	27	-	27
	Male	92	-	26	-	26
Service and sales workers	Female	43	-	-	-	-
	Male	61	-	-	-	-
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	1	-	-	-	-
	Male	37	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	68	-	68
	Male	29	-	57	-	57
Elementary occupations	Female	194	-	274	-	274
	Male	249	-	277	-	277
TOTAL		2614	-	1 102	-	1 102

Table 3.13.2: Training provided for the period 1 April 2020 and 31 March 2021

Occupational Categories	Gender	Number of employees as at 1 April 2019	Training provided within the reporting period			Total
			Learnerships	Skills Programmes & other short courses	Other forms of training	
Legislators, senior officials and managers	Female	21	-	3	7	10
	Male	15	-	1	-	1
Professionals	Female	253	-	18	48	66
	Male	282	-	5	66	71
Technicians and associate professionals	Female	436	-	-	54	54
	Male	592	-	-	66	66
Clerks	Female	309	-	-	34	34

Occupational Categories	Gender	Number of employees as at 1 April 2019	Training provided within the reporting period			Total
			Learnerships	Skills Programmes & other short courses	Other forms of training	
	Male	92	-	1	14	15
Service and sales workers	Female	43	-	-	-	-
	Male	61	-	-	-	-
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	1	-	-	-	-
	Male	37	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	29	-	-	-	-
Elementary occupations	Female	194	-	-	94	94
	Male	249	-	-	50	50
Sub Gender Totals	Female	1257	-	21	237	258
	Male	1357	-	7	196	203
Total		2614	-	28	433	461

2.14 Injury on duty

Table 3.14.1 provide basic information on injury on duty.

Table 3.14.1: Injury on duty for the period 1 April 2020 and 31 March 2021

Nature of injury on duty	Number	% of total
Required basic medical attention only	-	-
Temporary Total Disablement	-	-
Permanent Disablement	-	-
Fatal	1	100
Total	1	100

2.15 Utilisation of Consultants

The following tables relate information on the utilisation of consultants in the Department.

In terms of the Public Service Regulations “consultant” means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a department against remuneration received from any source:

- The rendering of expert advice;
- The drafting of proposals for the execution of specific tasks; and
- The execution of a specific task, which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2020 and 31 March 2021

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
-	-	-	-

Total number of projects	Total individual consultants	Total duration work days	Total contract value in Rand
-	-	-	-

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2020 and 31 March 2021

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
-	-	-	-

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2020 and 31 March 2021

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
	-	-	-

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
None	-	-	-

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2020 and 31 March 2021

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
	-	-	-

2.16. Severance Packages

Table 3.16.1: Granting of employee initiated severance packages for the period 1 April 2020 and 31 March 2021

Salary Band	No of applications received	No of applications referred to the MPSA	No of applications supported by MPSA	No of Packages approved by department
Lower Skilled (Salary Level 1-2)	-	-	-	-
Skilled (Salary Level 3-5)	-	-	-	-
Highly Skilled Production (Salary Level 6-8)	-	-	-	-
Highly Skilled Production (Salary Level 9-12)	-	-	-	-
Senior Management (Salary Level 13 and higher)	-	-	-	-
Total	-	-	-	-

PART E: FINANCIAL INFORMATION

I. REPORT OF THE AUDITOR GENERAL

Report of the auditor-general to Eastern Cape Provincial Legislature on vote no. 08: Department of Rural Development and Agrarian Reform

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Rural Development and Agrarian Reform set out on pages 166 to 232, which comprise the appropriation statement, statement of financial position as at 31 March 2021, the statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Rural Development and Agrarian Reform as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standard prescribed by the National Treasury, and the requirements of the Public Finance Management Act of South Africa 1 of 1999 (PFMA) and the Division of Revenue Act of South Africa 4 of 2020 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other matter

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary schedules

7. The supplementary information set out on pages 233 to 246 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

8. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Modified Cash Standard and the requirements of the PFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
9. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit

conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

12. In accordance with the Public Audit Act of South Africa 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
13. My procedures address the usefulness and reliability of the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
14. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the annual performance report of the department for the year ended 31 March 2021:

Programme	Pages in the annual performance report
Programme 3 – Farmer support and development	58-66

15. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
16. I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme.

Other matters

17. I draw attention to the matters below.

Achievement of planned targets

18. Refer to the annual performance report on pages 38 to 107 for information on the achievement of planned targets for the year and explanations provided for the under-/ overachievement of a number of targets.

Adjustment of material misstatements

19. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of Programme 3 – Farmer Support and Development. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

Report on the audit of compliance with legislation

Introduction and scope

20. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the department's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
21. The material finding on compliance with specific matters in key legislation are as follows:

Expenditure management

22. Effective steps were not taken to prevent fruitless and wasteful expenditure amounting to R541 000 as disclosed in note 25 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the fruitless and wasteful expenditure was caused by interest on late payments.

Other information

23. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
24. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
25. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
26. If, based on the work I have performed, I conclude that there is a material misstatement in this other information I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

27. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the finding on compliance with legislation included in this report.
 - The key position of accounting officer has been vacant for a long time, which resulted in leadership instability that undermined accountability. The absence of this leadership resulted in inadequate direction in the department to direct and guide its strategies and operations such as ensuring compliance with all laws and regulations.
 - Management did not implement all the processes and controls required to ensure compliance with all laws and regulations. Non-compliance with legislation could have been prevented had compliance been properly reviewed and monitored.

Other reports

28. I draw attention to the following engagements conducted by various parties, which had, or could have, an impact on the matters reported in the department's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
29. Through Proclamation R36 of 2019 (GG 42577 dated 12 July 2019), the president referred matters for investigation to the Special Investigating Unit. The matters related to the following:

- Maladministration in the affairs of the Department of Agriculture, Forestry and Fisheries related to the mismanagement of the comprehensive agriculture support programme grant
- Unauthorised, irregular and fruitless and wasteful expenditure
- Irregularities in supply chain management processes

30. The above investigations were still in progress at the date of signing this report.

Auditor - General.

East London
28 July 2021



A U D I T O R - G E N E R A L
S O U T H A F R I C A

Auditing to build public confidence

Annexure – Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programme and on the department's compliance with respect to the selected subject matters.

Financial statements

2. **In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:**
 - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
 - conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Department of Rural Development and Agrarian Reform to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

2. ANNUAL FINANCIAL STATEMENTS

Appropriation per programme									
2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Programme	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration	442 461	-	9 868	452 329	453 858	(1 529)	100,3%	500 030	499 351
2. Sustainable resource management	122 773	-	(8 229)	114 544	114 824	(280)	100,2%	137 518	136 140
3. Farmer support and development	807 737	-	4 212	811 949	799 196	12 753	98,4%	802 945	788 269
4. Veterinary services	303 939	-	(7055)	296 884	296 549	335	99,9%	331 646	330 636
5. Research and technology development services	130 735	-	(3 570)	127 165	126 600	565	99,6%	137 951	137 530
6. Agricultural economics services	32 767	-	904	33 671	33 758	(87)	100,3%	34 322	34 104
7. Structured agriculture education and training	164 279	-	3 027	167 306	164 650	2 656	98,4%	174 871	168 782
8. Rural development coordination	252 820	-	843	253 663	253 032	631	99,8%	285 641	285 291
Subtotal	2 257 511	-	-	2 257 511	2 242 467	15 044	99,3%	2 404 924	2 380 103
Statutory appropriation	2 208	-	-	2 208	2 016	192	91,3%	2 368	2 102
Provincial MEC	2 208	-	-	2 208	2 016	192	91,3%	2 368	2 102
TOTAL	2 259 719	-	-	2 259 719	2 244 483	15 236	99,3%	2 407 292	2 382 205

	2020/21		2019/20	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
TOTAL (brought forward)	2 259 719		2 407 292	
Reconciliation with statement of financial performance				
ADD				
Departmental receipts	11 800		32 961	
Actual amounts per statement of financial performance (total revenue)	2 271 519		2 440 253	
Actual amounts per statement of financial performance (total expenditure)		2 244 483		2 382 205

Appropriation per economic classification									
2020/21							2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	1 701 785	-	(18 792)	1 682 993	1 674 603	8 390	99,5%	1 841 486	1 849 634
Compensation of employees	1 254 602	-	(18 210)	1 236 392	1 234 327	2 065	99,8%	1 269 513	1 269 494
Salaries and wages	1 066 145	-	(8 349)	1 057 796	1 056 558	1 238	99,9%	1 094 261	1 093 012
Social contributions	188 457	-	(9 861)	178 596	177 769	827	99,5%	175 252	176 482
Goods and services	447 183	-	(582)	446 601	439 777	6 824	98,5%	571 973	580 122
Administrative fees	551	-	(270)	281	202	79	71,9%	1 931	1 593
Advertising	1 507	-	-	1 507	1 377	130	91,4%	5 373	5 403
Minor assets	13 864	-	(2 344)	11 520	6 041	5 479	52,4%	2 046	966
Audit costs: External	6 769	-	(1 756)	5 013	5 013	-	100,0%	6 857	6 857
Bursaries: Employees	3 493	-	461	3 954	4 050	(96)	102,4%	1 377	1 179
Catering: Departmental activities	5 149	-	705	5 854	5 778	76	98,7%	9 422	8 742
Communication	12 703	-	2 298	15 001	15 025	(24)	100,2%	15 824	15 779
Computer services	22 142	-	626	22 768	22 590	178	99,2%	29 831	29 617
Consultants: Business and advisory services	1 733	-	(521)	1 212	1 193	19	98,4%	1 355	1 348
Infrastructure and planning services	11 190	-	(1 715)	9 475	7 689	1 786	81,2%	2 248	1 479
Laboratory services	2 313	-	217	2 530	2 526	4	99,8%	499	468
Scientific and technological services		-	-	-	-	-	-	-	-
Legal services	1 651	-	(446)	1 205	1 205		100,0%	3 499	3 498
Contractors	4 298	-	(717)	3 581	2 331	1 250	65,1%	15 777	16 001
Agency and support / outsourced services	67 149	-	(791)	66 358	65 211	1 147	98,3%	48 264	45 707
Entertainment	71	-	(2)	69	57	12	82,6%	139	117
Fleet services	17 302	-	1 075	18 377	17 493	476	97,4%	23 543	23 477

Appropriation per economic classification									
2020/21							2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Housing	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	128 335	-	244	128 579	129 697	(1 118)	100,9%	160 517	166 935
Inventory: Food and food supplies	77	-	-	77	75	2	97,4%	103	126
Inventory: Fuel, oil and gas	3 042	-	(277)	2 765	2 752	13	99,5%	2 306	2 156
Inventory: Learner and teacher support material	326	-	(1)	325	293	32	90,2%	404	378
Inventory: Materials and supplies	5 218	-	294	5 512	5 072	440	92,0%	12 672	12 957
Inventory: Medical supplies	1 158	-	(114)	1 044	1 028	16	98,5%	3 023	2 567
Inventory: Medicine	30 600	-	(1 425)	29 175	29 123	52	99,8%	32 844	32 753
Inventory: Other supplies	4 778	-	850	5 628	5 168	460	91,8%	9 035	16 078
Consumable supplies	10 329	-	(1 449)	8 880	8 375	505	94,3%	8 427	9 167
Consumable: Stationery, printing and office supplies	4 479	-	(476)	4 003	3 923	80	98,0%	5 587	5 199
Operating leases	16 349	-	(1 121)	15 228	14 609	619	95,9%	15 534	15 212
Property payments	22 502	-	2 387	24 889	25 092	(203)	100,8%	21 523	21 522
Travel and subsistence	37 962	-	5 117	43 079	47 966	(4 887)	111,3%	96 329	97 934
Training and development	5 063	-	(1 383)	3 680	3 611	69	98,1%	20 074	19 536
Operating payments	4 013	-	111	4 124	4 308	(184)	104,5%	4 818	4 968
Venues and facilities	1 047	-	(524)	523	521	2	99,6%	8 796	8 541
Rental and hiring	20	-	365	385	383	2	99,5%	1 986	1 862
Interest and rent on land	-	-	-	-	499	(499)	-	-	18
Interest	-	-	-	-	499	(499)	-	-	18
	-	-	-	-	-	-	-	-	-
Transfers and subsidies	337 127	-	9 867	346 994	347 033	(39)	100,0%	358 569	358 569
Departmental agencies and accounts	256 505			256 505	256 481	24	100,0%	271 101	271 101

Appropriation per economic classification									
2020/21							2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Departmental agencies and accounts	256 505	-	-	256 505	256 481	24	100,0%	271 101	271 101
Higher education institutions	59 801	-	-	59 801	59 801	-	100,0%	58 704	58 704
Households	20 821	-	9 867	30 688	30 751	(63)	100,2%	28 764	28 764
Other transfers to households	20 821	-	9 867	30 688	30 751	(63)	100,2%	28 764	28 764
Payments for capital assets	220 807	-	8 925	229 732	222 847	6 885	97,0%	206 442	173 207
Buildings and other fixed structures	149 065	-	(5 372)	143 693	137 344	6 349	95,6%	105 808	99 981
Buildings	50 725	-	(6 123)	44 602	41 631	2 971	93,3%	35 983	33 877
Other fixed structures	98 340	-	751	99 091	95 713	3 378	96,6%	69 825	66 104
Machinery and equipment	58 501	-	14 584	73 085	70 252	2 833	96,1%	86 611	73 111
Transport equipment	30 041	-	4 083	34 124	35 198	(1 074)	103,1%	28 160	27 628
Other machinery and equipment	28 460	-	10 501	38 961	35 054	3 907	90,0%	58 451	45 482
Biological assets	13 241	-	(287)	12 954	15 251	(2 297)	117,7%	13 558	115
Intangible assets	-	-	-	-	-	-	-	465	-
	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	795	795
TOTAL	2 259 719	-	-	2 259 719	2 244 483	15 236	99,3%	2 407 292	2 382 205

Statutory Appropriation per economic classification									
2020/21							2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	2 208	-	-	2 208	2 016	192	91,3%	2 368	2 102
Compensation of employees	2 208	-	-	2 208	2 016	192	91,3%	2 368	2 102
Total	2 208	-	-	2 208	2 016	192	91,3%	2 368	2 102

Programme I: ADMINISTRATIN									
2020/21							2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. OFFICE OF THE MEC	9 776	-	(310)	9 466	9 529	(63)	100,7%	16 550	16 588
2. SENIOR MANAGEMENT	45 355	-	(6 214)	39 141	39 109	32	99,9%	49 329	48 749
3. CORPORATE SERVICES	225 707	-	15 501	241 208	240 939	269	99,9%	252 764	252 307
4. FINANCIAL MANAGEMENT	153 335	-	599	153 934	155 924	(1 990)	101,3%	172 564	173 152
5. COMMUNICATION SERVICES	8 288	-	292	8 580	8 357	223	97,4%	8 823	8 555
Total for sub programmes	442 461	-	9 868	452 329	453 858	(1 529)	100,3%	500 030	499 351
Economic classification									
Current payments	415 508	-	(3 760)	411 748	411 600	148	100,0%	454 146	453 990
Compensation of employees	319 255	-	(6 800)	312 455	312 526	(71)	100,0%	320 033	320 070
Salaries and wages	271 054	-	(4 607)	266 447	266 955	(508)	100,2%	275 186	275 509
Social contributions	48 201	-	(2 193)	46 008	45 571	437	99,1%	44 847	44 561
Goods and services	96 253	-	3 040	99 293	99 074	219	99,8%	134 113	133 920
Administrative fees	58	-	(11)	47	51	(4)	108,5%	175	167
Advertising	1 448	-	(136)	1 312	1 298	14	98,9%	3 806	3 934
Minor assets	88	-	26	114	89	25	78,1%	291	141
Audit costs: External	6 769	-	(1 756)	5 013	5 013	-	100,0%	6 857	6 857

Programme I: ADMINISTRATIN									
2020/21							2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Bursaries: Employees	3 454	-	484	3 938	3 959	(21)	100,5%	1 238	1 179
Catering: Departmental activities	48	-	28	76	61	15	80,3%	265	229
Communication	12 643	-	2 306	14 949	14 989	(40)	100,3%	14 524	14 506
Computer services	20 147	-	67	20 214	20 211	3	100,0%	26 330	26 303
Consultants: Business and advisory services	1 733	-	(521)	1 212	1 193	19	98,4%	1 355	1 348
Legal services	1 651	-	(446)	1 205	1 205		100,00%	3 499	3 498
Contractors	441	-	(57)	384	367	17	95,6%	759	1 203
Entertainment	36		(2)	34	33	1	97,1%	81	70
Fleet services	177		2 066	2 243	2242	1	100,0%	5 897	5 897
Inventory: Farming supplies	-	-	-	-	-	-	-	91	91
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	1	1
Inventory: Materials and supplies	59	-	233	292	283	9	96,6%	40	37
Consumable supplies	4 110	-	(933)	3 177	3 015	162	94,9%	1 793	1 704
Consumable: Stationery, printing and office supplies	1 197	-	99	1 296	1 220	76	94,1%	2 071	1 910
Operating leases	13 938	-	(1 140)	12 798	12 779	19	99,9%	12 977	12 851
Property payments	20 966	-	1 986	22 952	23 039	(87)	100,4%	19 065	19 360
Travel and subsistence	5 824	-	977	6 801	6 714	87	98,7%	22 509	22 439
Training and development	8	-	-	8	8		100,0%	4 521	4 516
Operating payments	588	-	133	721	801	(80)	111,1%	1 739	1 655
Venues and facilities	870	-	(383)	487	485	2	99,6%	3 913	3723
Rental and hiring	-	-	20	20	19	1	95,0%	316	301
Interest and rent on land	-	-	-	-	-	-	-	-	18
Interest	-	-	-	-	-	-	-	-	18
Transfers and subsidies	19 210	-	9 130	28 340	28 403	(63)	100,2%	25 272	25 272

Programme I: ADMINISTRATIN									
2020/21							2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Households	19 210	-	9 130	28 340	28 403	(63)	100,2%	25 272	25 272
Other transfers to households	19 210	-	9 130	28 340	28 403	(63)	100,2%	25 272	25 272
Payments for capital assets	7 743	-	4 498	12 241	13 855	(1 614)	113,2%	20 607	20 084
Machinery and equipment	7 743	-	4 498	12 241	13 855	(1 614)	113,2%	20 142	20 084
Transport equipment	2 046	-	2 232	4 278	6 337	(2 059)	148,1%	8 138	8 205
Other machinery and equipment	5 697	-	2 266	7 963	7 518	445	94,4%	12 004	11 879
Intangible assets	-	-	-	-	-	-	-	465	-
Payments for financial assets	-	-	-	-	-	-	-	5	5
TOTAL	442 461	-	9 868	452 329	453 858	(1 529)	100,3%	500 030	499 351

I.1 OFFICE OF THE MEC									
2020/21							2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	9 625	-	(321)	9 304	9 397	(93)	101,0%	16 520	16 588
Compensation of employees	7 065	-	(79)	6 986	7 172	(186)	102,7%	6 470	6 477
Goods and services	2 560	-	(242)	2 318	2 225	93	96,0%	10 050	10 111
Payments for capital assets	151	-	11	162	132	30	81,5%	30	-
Machinery and equipment	151	-	11	162	132	30	81,5%	30	-
TOTAL	9 776	-	(310)	9 466	9 529	(63)	100,7%	16 550	16 588

I.2 SENIOR MANAGEMENT									
2020/21								2019/20	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	45 297	-	(6 286)	39 011	38 943	68	99,8%	48 498	48 386
Compensation of employees	40 191	-	(5 895)	34 296	34 172	124	99,6%	37 167	37 153
Goods and services	5 106	-	(391)	4 715	4 771	(56)	101,2%	11 331	11 233
Payments for capital assets	58	-	72	130	166	(36)	127,7%	831	363
Machinery and equipment	58	-	72	130	166	(36)	127,7%	366	363
Intangible assets	-	-	-	-	-	-	-	465	-
TOTAL	45 355	-	(6 214)	39 141	39 109	32	99,9%	49 329	48 749

I.3 CORPORATE SERVICES									
2020/21								2019/20	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	201 159	-	5 265	206 424	206 324	100	100,0%	216 776	216 430
Compensation of employees	123 829	-	1 889	125 718	125 729	(11)	100,0%	125 709	125 612
Goods and services	77 330	-	3 376	80 706	80 595	111	99,9%	91 067	90 800
Interest and rent on land	-	-	-	-	-	-	-	-	18
	-	-	-	-	-	-	-	-	-
Transfers and subsidies	19 210	-	9 130	28 340	28 403	(63)	100,2%	25 251	25 251
Non-profit institutions	19 210	-	9 130	28 340	28 403	(63)	100,2%	25 251	25 251
	-	-	-	-	-	-	-	-	-
Payments for capital assets	5 338	-	1 106	6 444	6 212	232	96,4%	10 737	10 626
Machinery and equipment	5 338	-	1 106	6 444	6 212	232	96,4%	10 737	10 626
	-	-	-	-	-	-	-	-	-
TOTAL	225 707	-	15 501	241 208	240 939	269	99,9%	252 764	252 307

I.4 FINANCIAL MANAGEMENT									
2020/21								2019/20	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	151 289	-	(2 396)	148 893	148 828	65	100,0%	163 784	164 282
Compensation of employees	141 923	-	(3 007)	138 916	138 915	1	100,0%	144 532	144 720
Goods and services	9 366	-	611	9 977	9 913	64	99,4%	19 252	19 562
Transfers and subsidies	-	-	-	-	-	-	-	21	21
Households	-	-	-	-	-	-	-	21	21
Payments for capital assets	2 046	-	2 995	5 041	7 096	(2 055)	140,8%	8 754	8 844
Machinery and equipment	2 046	-	2 995	5 041	7 096	(2 055)	140,8%	8 754	8 844
Payments for financial assets	-	-	-	-	-	-	-	5	5
TOTAL	153 335	-	599	153 934	155 924	(1 990)	101,3%	172 564	173 152

1.5 COMMUNICATION SERVICES									
2020/21								2019/20	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	8 138	-	(22)	8 116	8 108	8	99,9%	8 568	8 304
Compensation of employees	6 247	-	292	6 539	6 538	1	100,0%	6 155	6 108
Goods and services	1 891	-	(314)	1 577	1 570	7	99,6%	2 413	2 196
Payments for capital assets	150	-	314	464	249	215	53,7%	255	251
Machinery and equipment	150	-	314	464	249	215	53,7%	255	251
TOTAL	8 288	-	292	8 580	8 357	223	97,4%	8 823	8 555

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT									
2020/21								2019/20	
Sub programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. ENGINEERING SERVICES	60 542	-	(7 294)	53 248	53 398	(150)	100,3%	59 539	58 927
2. LAND CARE	13 634	-	-	13 634	13 248	386	97,2%	21 191	21 191
3. LAND USE MANAGEMENT	48 597	-	(935)	47 662	48 178	(516)	101,1%	56 697	56 022
4. DISASTER RISK MANAGEMENT	-	-	-	-	-	-	-	91	-
Total for sub programmes	122 773	-	(8 229)	114 544	114 824	(280)	100,2%	137 518	136 140
Economic classification	-	-	-	-	-	-	-	-	-
Current payments	115 438	-	(9 198)	106 240	106 632	(392)	100,4%	123 617	128 767
Compensation of employees	98 935	-	(8 231)	90 704	90 706	(2)	100,0%	94 750	94 121
Salaries and wages	84 741	-	(6 095)	78 646	78 644	2	100,0%	82 376	81 904

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT									
Sub programme	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Social contributions	14 194	-	(2 136)	12 058	12 062	(4)	100,0%	12 374	12 217
Goods and services	16 503	-	(967)	15 536	15 926	(390)	102,5%	28 867	34 646
Administrative fees	151	-	(150)	1	1	1	-	182	174
Advertising	8	-	97	105	7	98	6,7%	500	490
Minor assets	-	-	30	30	29	1	96,7%	81	41
Bursaries: Employees	-	-	16	16	23	(7)	143,8%	-	-
Catering: Departmental activities	567	-	(76)	491	463	28	94,3%	718	707
Communication	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	35	(35)	-	622	623
Infrastructure and planning services	1 498	-	(1 000)	498	497	1	99,8%	302	302
Contractors	788	-	(184)	604	603	1	99,8%	3 323	3 619
Agency and support / outsourced services	110	-	(35)	75	74	1	98,7%	-	-
Entertainment	-	-	-	-	-	-	-	2	1
Fleet services	3 246	-	-	3 246	3 245	1	100,0%	3 083	3 077
Inventory: Farming supplies	3 537	-	232	3 769	3 686	83	97,8%	2 758	2 647
Inventory: Fuel, oil and gas	616	-	(40)	576	567	9	98,4%	346	336
Inventory: Materials and supplies	1 584	-	135	1 719	1 674	45	97,4%	2 440	2 439
Inventory: Medical supplies	-	-	-	-	-	-	-	3	2
Inventory: Other supplies	-	-	-	-	-	-	-	1 274	7 286
Consumable supplies	364	-	48	412	413	(1)	100,2%	633	658
Consumable: Stationery, printing and office supplies	518	-	(131)	387	373	14	96,4%	650	641
Operating leases	298	-	(71)	227	162	65	71,4%	293	243
Property payments	-	-	-	-	-	-	-	6	6
Travel and subsistence	2 351	-	199	2 550	3 330	(780)	130,6%	10 453	10 207

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT									
Sub programme	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Training and development	491	-	(82)	409	340	69	83,1%	685	683
Operating payments	364	-	50	414	398	16	96,1%	268	224
Venues and facilities	12	-	(5)	7	7	-	100,0%	170	165
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	75	75
Transfers and subsidies	2 301			2 301	2 301	-	100,0%		
Departmental agencies and accounts	2 301	-	-	2 301	2 301	-	100,0%	-	-
Departmental agencies	2 301			2 301	2 301	-	100,0%	-	-
Payments for capital assets	5 034		969	6 003	5 891	112	98,1%	13 901	7 373
Buildings and other fixed structures	-	-	-	-	-		-	346	346
Other fixed structures	-	-	-	-	-	-	-	346	346
Machinery and equipment	5 034	-	969	6 003	5 891	112	98,1%	13 555	7 027
Transport equipment	2 349	-	1	2 350	2 350	-	100,0%	2 258	2 178
Other machinery and equipment	2 685	-	968	3 653	3 541	112	96,9%	11 297	4 849
Total	122 773		(8 229)	114 544	114 824	(280)	100,2%	137 518	136 140

2.1 ENGINEERING SERVICES									
2020/21								2019/20	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	58 076	-	(7295)	50 781	50 963	(182)	100,4%	56 112	55 651
Compensation of employees	53 752	-	(7 294)	46 458	46 460	(2)	100,0%	48 002	47 768
Goods and services	4 324	-	(1)	4 323	4 503	(180)	104,2%	8 110	7 883
Payments for capital assets	2 466	-	1	2 467	2 435	32	98,7%	3 427	3276
Machinery and equipment	2 466	-	1	2 467	2 435	32	98,7%	3 427	3276
TOTAL	60 542	-	(7 294)	53 248	53 398	(150)	100,3%	59 539	58 927

2.2 LAND CARE									
2020/21								2019/20	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	9 773	-	(970)	8 803	8 462	341	96,1%	12 212	18 407
Goods and services	9 773	-	(970)	8 803	8 462	341	96,1%	12 212	18 407
Transfers and subsidies	2 301	-	-	2 301	2 301	-	100,0%	-	-
Departmental agencies and accounts	2 301	-	-	2 301	2 301	-	100,0%	-	-
Payments for capital assets	1 560	-	970	2 530	2 485	45	98,2%	8 979	2 784
Buildings and other fixed structures	-	-	-	-	-	-	-	346	346
Machinery and equipment	1 560	-	970	2 530	2 485	45	98,2%	8 633	2 438
TOTAL	13 634	-	-	13 634	13 248	386	97,2%	21 191	21 191

2.3 LAND USE MANAGEMENT									
2020/21								2019/20	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	47 589	-	(933)	46 656	47 207	(551)	101,2%	55 247	54 709
Compensation of employees	45 183	-	(937)	44 246	44 246	-	100,0%	46 748	46 353
Goods and services	2 406	-	4	2 410	2 961	(551)	122,9%	8 499	8 356
Payments for capital assets	1 008	-	(2)	1 006	971	35	96,5%	1 450	1 313
Machinery and equipment	1 008	-	(2)	1 006	971	35	96,5%	1 450	1 313
TOTAL	48 597	-	(935)	47 662	48 178	(516)	101.1%	56 697	56 022

2.4 DISASTER RISK MANAGEMENT									
2020/21								2019/20	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	-	-	-	-	-	-	-	46	-
Goods and services	-	-	-	-	-	-	-	46	-
Payments for capital assets	-	-	-	-	-	-	-	45	-
TOTAL	-	-	-	-	-	-	-	91	-

Programme 3 : FARMER SUPPORT AND DEVELOPMENT									
2020/21							2019/20		
Sub programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. FARMER SETTLEMENT	171 873	-	(4 564)	167 309	160 589	6 720	96,0%	164 711	159 209
2. EXTENSION AND ADVISORY SERVICES	384 126	-	10 172	394 298	393 216	1 082	99,7%	446 178	445 795
3. FOOD SECURITY	251 738	-	(1 396)	250 342	245 391	4 951	98,0%	192 056	183 265
Total for sub programmes	807 737	-	4 212	811 949	799 196	12 753	98,4%	802 945	788 269
Economic classification									
Current payments	602 340	-	754	603 094	596 799	6 295	99,0%	649 299	654 232
Compensation of employees	356 507	-	3 311	359 818	359 816	2	100,0%	377 172	378 889
Salaries and wages	300 116	-	6 663	306 779	307 144	(365)	100,1%	326 037	326 008
Social contributions	56 391	-	(3 352)	53 039	52 672	367	99,3%	51 135	52 881
Goods and services	245 833	-	(2 557)	243 276	236 983	6 293	97,4%	272 127	275 343
Administrative fees	100	-	(100)	-	-	-	-	244	226
Advertising			59	59	59	-	100,0%	874	816
Minor assets	13 619	-	(2 358)	11 261	5 813	5 448	51,6%	794	150
Audit costs: External			-	-	-	-	-	-	-
Bursaries: Employees	39	-	(39)	-	39	(39)	-	139	-
Catering: Departmental activities	135	-	40	175	175	-	100,0%	1 135	1 126
Communication	10	-	(10)	-	-	-	-	1 210	1 209
Computer services	794	-	268	1 062	1 062	-	100,0%	1 724	1 723
Infrastructure and planning services	9 492	-	(715)	8 777	7 061	1 716	80,4%	1 359	872
Contractors	539	-	(14)	525	349	176	66,5%	7 186	7 097
Agency and support / outsourced services	67 039	-	(756)	66 283	65 137	1 146	98,3%	48 264	45 707
Entertainment	10	-	-	10	10	-	100,0%	10	11
Fleet services	7 809	-	(908)	6 901	6 517	384	94,4%	7 286	7 257

Programme 3 : FARMER SUPPORT AND DEVELOPMENT									
2020/21							2019/20		
Sub programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Farming supplies	121 874	-	12	121 886	123 444	(1 558)	101,3%	150 364	157 378
Inventory: Food and food supplies	-	-	-	-	-	-	-	63	63
Inventory: Fuel, oil and gas	1 600	-	(212)	1 388	1 388	-	100,0%	1 051	1 052
Inventory: Materials and supplies	246	-	(35)	211	212	(1)	100,5%	4 829	5 390
Inventory: Medical supplies	-	-	-	-	-	-	-	390	-
Inventory: Medicine	-	-	77	77	77	-	100,0%	-	-
Inventory: Other supplies	410	-	552	962	963	(1)	100,1%	3 201	3 619
Consumable supplies	2 104	-	(179)	1 925	1 908	17	99,1%	4 446	4 448
Consumable: Stationery, printing and office supplies	1 152	-	(169)	983	1 167	(184)	118,7%	1 173	1 125
Operating leases	672	-	(62)	610	434	176	71,1%	230	195
Property payments	-	-	-	-	-	-	-	113	79
Travel and subsistence	16 399	-	1 701	18 100	18 990	(890)	104,9%	27 376	27 184
Training and development	-	-	-	-	-	-	-	2 197	2 197
Operating payments	1 778	-	(57)	1 721	1 818	(97)	105,6%	1 675	1 683
Venues and facilities	-	-	-	-	-	-	-	3 676	3 621
Rental and hiring	12	-	348	360	360	-	100,0%	1 118	1 115
Transfers and subsidies	28 153	-	-	28 153	28 129	24	99,9%	17 597	17 597
Departmental agencies and accounts	28 153	-	-	28 153	28 129	24	99,9%	17 597	17 597
Departmental agencies	28 153	-	-	28 153	28 129	24	99,9%	17 597	17 597
Payments for capital assets	177 244	-	3 458	180 702	174 268	6 434	96,4%	136 049	116 440
Buildings and other fixed structures	138 222	-	(5 372)	132 850	126 632	6 218	95,3%	96 522	91 912
Buildings	50 725	-	(6 123)	44 602	41 631	2 971	93,3%	33 376	31 679

Programme 3 : FARMER SUPPORT AND DEVELOPMENT									
2020/21								2019/20	
Sub programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Other fixed structures	87 497	-	751	88 248	85 001	3 247	96.3%	63 146	60 233
Machinery and equipment	25 923	-	9 118	35 041	32 527	2 514	92.8%	26 086	24 528
Transport equipment	16 213	-	1 851	18 064	17 080	984	94,6%	10 202	10 046
Other machinery and equipment	9 710	-	7 267	16 977	15 447	1 530	91,0%	15 884	14 482
Biological assets	13 099	-	(288)	12 811	15 109	(2 298)	117,9%	13 441	-
Total	807 737	-	4 212	811 949	799 196	12 753	98,4%	802 945	788 269

Programme 3.1: FARMER SETTLEMENT									
2020/21								2019/20	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	26 211		(2 456)	23 735	23 674	61	99,7%	43 999	43 653
Compensation of employees	19 852		(2 775)	17 077	17 072	5	100,0%	17 462	17 453
Goods and services	6 359		299	6 658	6 602	56	99,2%	26 537	26 200
Transfers and subsidies	7 174		-	7 174	7 174	-	100,0%	16 360	16 360
Departmental agencies and accounts	7 174		-	7 174	7 174	-	100,0%	16 360	16 360
Payments for capital assets	138 488		(2 088)	136 400	129 741	6 659	95,1%	104 352	99 196
Buildings and other fixed structures	138 222		(5 748)	132 474	126 391	6 083	96,4%	96 522	91 912
Machinery and equipment	266		3 660	3 926	3 350	576	85,3%	7 830	7 284
TOTAL	171 873		(4 564)	167 309	160 589	6 720	96,0%	164 711	159 209

3.2: EXTENSION AND ADVISORY SERVICES									
2020/21								2019/20	

Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	359 431	-	8 072	367 503	367 780	(277)	100,1%	429 651	429 881
Compensation of employees	333 612	-	7 284	340 896	340 901	(5)	100,0%	357 104	358 864
Goods and services	25 819	-	788	26 607	26 879	(272)	101,0%	72 547	71 017
Payments for capital assets	24 695	-	2 100	26 795	25 436	1 359	94,9%	16 527	15 914
Machinery and equipment	24 695	-	2 100	26 795	25 436	1 359	97,9%	16 527	15 914
TOTAL	384 126	-	10 172	394 298	393 216	1 082	99,7%	446 178	445 795

3.3: FOOD SECURITY									
Economic classification	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	216 698	-	(4 842)	211 856	205 345	6 511	96,9%	175 649	180 698
Compensation of employees	3 043	-	(1 198)	1 845	1 843	2	99,9%	2 606	2 572
Goods and services	213 655	-	(3 644)	210 011	203 502	6 509	96,9%	173 043	178 126
Transfers and subsidies	20 979	-	-	20 979	20 955	24	99,9%	1 237	1 237
Departmental agencies and accounts	20 979	-	-	20 979	20 955	24	99,9%	1 237	1 237
Higher education institutions	-	-	-	-	-	-	-	-	-
Payments for capital assets	14 061	-	3 446	17 507	19 091	(1 584)	109,0%	15 170	13 30
Buildings and other fixed structures	-	-	376	376	241	135	64,1%	-	-
Machinery and equipment	962	-	3 358	4 320	3 741	579	86,6%	1 729	1 330
Biological assets	13 099	-	(288)	12 811	15 109	(2 298)	117,9%	13 441	-
TOTAL	251 738	-	(1 396)	250 342	245 391	4 951	98,0%	192 056	183 265

PROGRAMME 4 : VETERINARY SERVICES									
2020/21							2019/20		
Sub programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. ANIMAL HEALTH	256 940	-	(6 000)	250 940	251 062	(122)	100,0%	282 603	282 051
2. EXPORT CONTROL	9 828	-	80	9 908	10 082	(174)	101,8%	10 533	10 442
3. VETERINARY PUBLIC HEALTH	16 568	-	(411)	16 157	16 045	112	99,3%	16 568	16 410
4. VETERINARY LABORATORY SERVICES	20 603	-	(724)	19 879	19 360	519	97,4%	21 942	21 733
Total for sub programmes	303 939	-	(7 055)	296 884	296 549	335	99,9%	331 646	330 636
Economic classification	-	-	-	-	-	-	-	-	-
Current payments	295 377		(7 054)	288 323	288 587	(264)	100,1%	321 196	320 796
Compensation of employees	246 370		(7 123)	239 247	239 170	77	100,0%	248 307	248 219
Salaries and wages	209 938		(6 130)	203 808	203 570	238	99,9%	213 089	212 973
Social contributions	36 432		(993)	35 439	35 600	(161)	100,5%	35 218	35 246
Goods and services	49 007		69	49 076	49 417	(341)	100,7%	72 889	72 577
Administrative fees	31		(9)	22	12	10	54,5%	399	360
Advertising	20		(20)	-	-	-	-	199	161
Minor assets	137		(41)	96	96	-	100,0%	611	498
Bursaries: Employees	-	-	-	-	9	(9)	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	258	252
Communication	18		3	21	19	2	90,5%	66	64
Computer services	46			46	46	-	100,0%	70	70
Laboratory services	2 313		217	2 530	2 526	4	99,8%	499	468
Contractors	-	-	10	10	-	10	-	531	525
Entertainment	-	-	-	-	-	-	-	6	6
Fleet services	3 426		(47)	3 379	3 380	(1)	100,0%	5 195	5 193
Inventory: Farming supplies	-	-	-	-	-	-	-	3 800	3 800
Inventory: Fuel, oil and gas	146		(25)	121	119	2	98,3%	113	110

PROGRAMME 4 : VETERINARY SERVICES									
2020/21							2019/20		
Sub programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Materials and supplies	10	-	(3)	7	7	-	100,0%	279	263
Inventory: Medical supplies	1 158	-	(114)	1 044	1 028	16	98,5%	2 614	2 550
Inventory: Medicine	30 069	-	(1 501)	28 568	28 519	49	99,8%	32 288	32 215
Inventory: Other supplies	768	-	(188)	580	548	32	94,5%	537	496
Consumable supplies	293	-	17	310	284	26	91,6%	477	549
Consumable: Stationery, printing and office supplies	768	-	(91)	677	657	20	97,0%	782	755
Operating leases	484	-	21	505	435	70	86,1%	987	983
Property payments	365	-	14	379	379	-	100,0%	983	957
Travel and subsistence	7 963	-	1 912	9 875	10 515	(640)	106,5%	20 913	20 921
Operating payments	969	-	(83)	886	820	66	92,6%	817	920
Venues and facilities	15	-		15	14	1	93,3%	387	385
Rental and hiring	8		(3)	5	4	1	80,0%	78	76
		-							
Transfers and subsidies	-	-	-	-	-	-	-	1 000	1 000
Households	-	-	-	-	-	-	-	1 000	1 000
Other transfers to households	-	-	-	-	-	-	-	1 000	1 000
Payments for capital assets	8 562	-	(1)	8 561	7 962	599	93,0%	8 660	8 050
Machinery and equipment	8 562	-	(1)	8 561	7 962	599	93,0%	8 660	8 050
Transport equipment	5 031	-	(1)	5 030	5 030	-	100,0%	2 709	2 451
Other machinery and equipment	3 531	-		3 531	2 932	599	83,0%	5 951	5 599
Payments for financial assets	-	-	-	-	-	-	-	790	790
Total	303 939	-	(7 055)	296 884	296 549	335	99,9%	331 646	330 636

4.1: ANIMAL HEALTH									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	250 005	-	(5 999)	244 006	244 217	(211)	100,1%	274 480	274 385
Compensation of employees	206 826	-	(5 977)	200 849	200 567	282	99,9%	209 480	209 469
Goods and services	43 179	-	(22)	43 157	43 650	(493)	101,1%	65 000	64 916
Transfers and subsidies	-	-	-	-	-	-	-	1 000	1 000
Departmental agencies and accounts	-	-	-	-	-	-	-	1 000	1 000
Households	-	-	-	-	-	-	-	1 000	1 000
Payments for capital assets	6 935	-	(1)	6 934	6 845	89	98,7%	7 123	6 666
Machinery and equipment	6 935	-	(1)	6 934	6 845	89	98,7%	7 123	6 666
Total	256 940	-	(6000)	250 940	251 062	(122)	100,0%	282 603	282 051

4.2: EXPORT CONTROL									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	9 757	-	80	9 837	10 044	(207)	102,1%	10 317	10 343
Compensation of employees	9 170	-	97	9 267	9 530	(263)	102,8%	8 972	8 971
Goods and services	587	-	(17)	570	514	56	90,2%	1 345	1 372
		-	-	-	-	-	-	-	-
Payments for capital assets	71	-	-	71	38	33	53,5%	216	99
Machinery and equipment	71	-	-	71	38	33	53,5%	216	99
Total	9 828	-	80	9 908	10 082	(174)	101,8%	10 533	10 442

4.3: VETERINARY PUBLIC HEALTH									
2020/21								2019/20	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	16 459	-	(411)	16 048	15 965	83	99,5%	16 260	16 124
Compensation of employees	14 811	-	(458)	14 353	14 298	55	99,6%	13 724	13 651
Goods and services	1 648	-	47	1 695	1 667	28	98,3%	2 536	2 473
Payments for capital assets	109	-	-	109	80	29	73,4%	308	286
Machinery and equipment	109	-	-	109	80	29	73,4%	308	286
Total	16 568	-	(411)	16 157	16 045	112	99,3%	16 568	16 410

4.4: VETERINARY LABORATORY SERVICES									
2020/21								2019/20	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	19 156	-	(724)	18 432	18 361	71	99,6%	20 139	19 944
Compensation of employees	15 563	-	(785)	14 778	14 775	3	100,0%	16 131	16 128
Goods and services	3 593	-	61	3 654	3 586	68	98,1%	4 008	3 816
Payments for capital assets	1 447	-	-	1 447	999	448	69,0%	1 013	999
Machinery and equipment	1 447	-	-	1 447	999	448	69,0%	1 013	999
Payments for financial assets	-	-	-	-	-	-	-	790	790
Total	20 603	-	(724)	19 879	19 360	519	97,4%	21 942	21 733

Programme 5 : RESEARCH AND TECHNOLOGY DEVELOPMENT									
2020/21								2019/20	
Sub programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. RESEARCH	125 095	-	(3 417)	121 678	121 187	491	99,6%	130 379	130 269
2. TECHNOLOGY TRANSFER SERVICES	4 640	-	47	4 687	4 648	39	99,2%	6 236	6 001

Programme 5 : RESEARCH AND TECHNOLOGY DEVELOPMENT									
2020/21							2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3. INFRASTRUCTURE SUPPORT SERVICES	1 000	-	(200)	800	765	35	95,6%	1 336	1 260
Total for sub programmes	130 735	-	(3 570)	127 165	126 600	565	99,6%	137 951	137 530
Economic classification									
Current payments	126 185	-	(3 571)	122 614	122 540	74	99,9%	130 910	131 046
Compensation of employees	111 231	-	(3 621)	107 610	107 570	40	100,0%	110 878	110 851
Salaries and wages	94 063	-	(2 517)	91 546	91 545	1	100,0%	94 959	94 872
Social contributions	17 168	-	(1 104)	16 064	16 025	39	99,8%	15 919	15 979
Goods and services	14 954	-	50	15 004	14 970	34	99,8%	20 032	20 195
Administrative fees	191	-	-	191	120	71	62,8%	662	633
Minor assets	5	-	-	5	5	-	100,0%	204	111
Bursaries: Employees	-	-	-	-	9	(9)	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	190	177
Communication	24	-	-	24	16	8	66,7%	23	17
Computer services	897	-	291	1 188	978	210	82,3%	1 085	898
Infrastructure and planning services	200	-	-	200	131	69	65,5%	500	218
Contractors	2 162	-	(467)	1 695	723	972	42,7%	1 330	972
Entertainment	12	-	-	12	1	11	8,3%	17	11
Fleet services	580	-	(36)	544	544	-	100,0%	557	528
Inventory: Farming supplies	2 901	-	-	2 901	2 547	354	87,8%	3 403	2 920
Inventory: Fuel, oil and gas	669	-	-	669	667	2	99,7%	795	657
Inventory: Learner and teacher support material	40	-	-	40	8	32	20,0%	38	18
Inventory: Materials and supplies	1 377	-	(17)	1 360	972	388	71,5%	910	682
Inventory: Medicine	528	-	-	528	526	2	99,6%	500	498
Inventory: Other supplies	21	-	-	21	15	6	71,4%	59	228

Programme 5 : RESEARCH AND TECHNOLOGY DEVELOPMENT									
2020/21							2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable supplies	1 567	-	-	1 567	1 396	171	89,1%	839	623
Consumable: Stationery, printing and office supplies	425	-	(71)	354	274	80	77,4%	424	380
Operating leases	626	-	-	626	469	157	74,9%	747	669
Property payments	418	-	-	418	539	(121)	128,9%	789	566
Travel and subsistence	2 145	-	350	2 495	4 855	(2 360)	194,6%	6 566	8 970
Operating payments	166	-	-	166	175	(9)	105,4%	59	84
Venues and facilities	-	-	-	-	-	-	-	335	335
Transfers and subsidies	-	-	-	-	-	-	-	2 492	2 492
Households	-	-	-	-	-	-	-	2 492	2 492
Other transfers to households	-	-	-	-	-	-	-	2 492	2 492
Payments for capital assets	4 550	-	1	4 551	4 060	491	89,2%	4 549	3 992
Machinery and equipment	4 408	-	-	4 408	3 918	490	88,9%	4 432	3 877
Transport equipment	869	-	-	869	869	-	100,0%	825	790
Other machinery and equipment	3 539	-	-	3 539	3 049	490	86,2%	3 607	3 087
Biological assets	142	-	1	143	142	1	99,3%	117	115
Total	130 735	-	(3 570)	127 165	126 600	565	99,6%	137 951	137 530

5.1 RESEARCH									
2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	120 545	-	(3 418)	117 127	117 127	-	100,0%	123 338	123 785
Compensation of employees	108 474	-	(3 739)	104 735	104 734	1	100,0%	108 058	108 009
Goods and services	12 071	-	321	12 392	12 393	(1)	100,0%	15 280	15 776
Transfers and subsidies	-	-	-	-	-	-	-	2 492	2 492
Households	-	-	-	-	-	-	-	2 492	2 492
Payments for capital assets	4 550	-	1	4 551	4 060	491	89,2%	4 549	3 992
Machinery and equipment	4 408	-	-	4 408	3 918	490	88,9%	4 432	3 877
Biological assets	142	-	1	143	142	1	99,3%	117	115
TOTAL	125 095	-	(3 417)	121 678	121 187	491	99,6%	130 379	130 269

5.2 TECHNOLOGY TRANSFER SERVICES									
2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	4 640	-	47	4 687	4 648	39	99,2%	6 236	6 001
Compensation of employees	2 757	-	118	2 875	2 836	39	98,6%	2 820	2 842
Goods and services	1 883	-	(71)	1 812	1 812	-	100,0%	3 416	3 159
Total	4 640	-	47	4 687	4 648	39	99,2%	6 236	6 001

5.3 INFRASTRUCTURE SUPPORT SERVICES									
2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	1 000	-	(200)	800	765	35	95,6%	1 336	1 260
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	1 000	-	(200)	800	765	35	95,6%	1 336	1 260
TOTAL	1 000	-	(200)	800	765	35	95,6%	1 336	1 260

PROGRAMME 6 : AGRICULTURAL ECONOMICS SERVICES									
2020/21							2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. PRODUCTION	3 132	-	(246)	2 886	2 859	27	99,1%	3 426	3 226
2. MACROECONOMICS SUPPORT	29 635	-	1 150	30 785	30 899	(114)	100,4%	30 896	30 878
Total for sub programmes	32 767	-	904	33 671	33 758	(87)	100,3%	34 322	34 104
Economic classification									
Current payments	31 776	-	167	31 943	32 079	(136)	100,4%	33 712	33 610
Compensation of employees	30 343	-	167	30 510	30 500	10	100,0%	30 602	30 483
Salaries and wages	26 263	-	154	26 417	26 412	5	100,0%	26 621	26 537
Social contributions	4 080	-	13	4 093	4 088	5	99,9%	3 981	3 946
Goods and services	1 433	-	-	1 433	1 579	(146)	110,2%	3 110	3 127
Administrative fees	-	-	-	-	-	-	-	16	16
Advertising	31	-	-	31	13	18	41,9%	-	-
Minor assets	-	-	-	-	-	-	-	8	-
Catering: Departmental activities	7	-	(3)	4	4	-	100,0%	87	78
Computer services	258	-	-	258	258	-	100,0%	-	-
Entertainment	-	-	-	-	-	-	-	7	4
Fleet services	118	-	-	118	118	-	100,0%	112	112
Consumable: Stationery, printing and office supplies	100	-	(12)	88	55	33	62,5%	95	85
Travel and subsistence	866	-	15	881	1 078	(197)	122,4%	2 535	2 522
Operating payments	53	-	-	53	53	-	100,0%	250	310
Transfers and subsidies	516	-	737	1 253	1 253	-	100,0%	-	-
Households	516	-	737	1 253	1 253	-	100,0%	-	-
Other transfers to households	516	-	737	1 253	1 253	-	100,0%	-	-
Payments for capital assets	475	-	-	475	426	49	89,7%	610	494

PROGRAMME 6 : AGRICULTURAL ECONOMICS SERVICES									
2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Machinery and equipment	475	-	-	475	426	49	89,7%	610	494
Transport equipment	296	-	-	296	296	-	100,0%	340	323
Other machinery and equipment	179	-	-	179	130	49	72,6%	270	171
Total	32 767	-	904	33 671	33 758	(87)	100,3%	34 322	34 104

6.1 PRODUCTUION ECONOMICS & MARKETING SUPPORT

2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	3 132	-	(246)	2 886	2 859	27	99,1%	3 336	3 167
Compensation of employees	2 922	-	(246)	2 676	2 665	11	99,6%	2 937	2 872
Goods and services	210	-	-	210	194	16	92,4%	399	295
Payments for capital assets	-	-	-	-	-	-	-	90	59
Machinery and equipment	-	-	-	-	-	-	-	90	59
TOTAL	3 132	-	(246)	2 886	2 859	27	99,1%	3 426	3 226

6.2 MACROECONOMICS SUPPORT

2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	28 644	-	413	29 057	29 220	(163)	100,6%	30 376	30 443
Compensation of employees	27 421	-	413	27 834	27 835	(1)	100,0%	27 665	27 611
Goods and services	1 223	-	-	1 223	1 385	(162)	113,2%	2 711	2 832
Transfers and subsidies	516	-	737	1 253	1 253	-	100,0%	-	-
Households	516	-	737	1 253	1 253	-	100,0%	-	-
Payments for capital assets	475	-	-	475	426	49	89,7%	520	435

6.2 MACROECONOMICS SUPPORT									
2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Machinery and equipment	475	-	-	475	426	49	89,7%	520	435
Total	29 635	-	1 150	30 785	30 899	(114)	100,4%	30 896	30 878

Programme 7 : STRUCTURED AGRICULTURAL EDUCATION AND TRAINING									
2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. HIGHER EDUCATION AND TRAINING	59 801	-	-	59 801	59 801	-	100,0%	58 704	58 704
2. FURTHER EDUCATION & TRAINING (FET)	104 478	-	3 027	107 505	104 849	2 656	97,5%	116 167	110 078
Total for sub programmes	164 279	-	3 027	167 306	164 650	2 656	98,4%	174 871	168 782
Economic classification									
Current payments	86 358	-	3 027	89 385	87 492	1 893	97,9%	94 494	93 628
Compensation of employees	72 155	-	3 026	75 181	73 363	1 818	97,6%	67 810	67 674
Salaries and wages	62 429	-	3 226	65 655	64 042	1 613	97,5%	58 250	58 131
Social contributions	9 726	-	(200)	9 526	9 321	205	97,8%	9 560	9 543
Goods and services	14 203	-	1	14 204	13 630	574	96,8%	26 684	25 954
Administrative fees	20	-	-	20	19	1	95,0%	229	-
Advertising	-	-	-	-	-	-	-	4	2
Minor assets	5	-	4	9	5	4	55,6%	47	23
Bursaries: Employees	-	-	-	-	11	(11)	-	-	-
Catering: Departmental activities	4 390	-	718	5 108	5 075	33	99,4%	6 709	6 115
Communication	7	-	(1)	6	-	6	-	-	-

Programme 7 : STRUCTURED AGRICULTURAL EDUCATION AND TRAINING									
2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Infrastructure and planning services	-	-	-	-	-	-	-	87	87
Contractors	368	-	(5)	363	289	74	79,6%	456	400
Entertainment	3	-	-	3	3	-	100,0%	4	3
Fleet services	1 946	-	-	1 946	1 447	499	74,4%	1 413	1 413
Inventory: Farming supplies	23	-	-	23	20	3	87,0%	101	99
Inventory: Food and food supplies	77	-	-	77	75	2	97,4%	40	63
Inventory: Fuel, oil and gas	11	-	-	11	11	-	100,0%		
Inventory: Learner and teacher support material	286	-	(1)	285	285	-	100,0%	366	360
Inventory: Materials and supplies	38	-	(1)	37	37	-	100,0%	53	51
Inventory: Medical supplies	-	-	-	-	-	-	-	16	15
Inventory: Medicine	3	-	(1)	2	1	1	50,0%	56	40
Inventory: Other supplies	155	-	(65)	90	89	1	98,9%	213	702
Consumable supplies	716	-	(141)	575	446	129	77,6%	214	283
Consumable: Stationery, printing and office supplies	135	-	(21)	114	81	33	71,1%	137	117
Operating leases	321	-	141	462	330	132	71,4%	300	271
Property payments	277	-	388	665	673	(8)	101,2%	111	101
Travel and subsistence	763	-	205	968	1 212	(244)	125,2%	2 898	3 131
Training and development	4 564	-	(1 301)	3 263	3 263	-	100,0%	12 671	12 140
Operating payments	95	-	68	163	243	(80)	149,1%	10	92
Venues and facilities	-	-	14	14	15	(1)	107,1%	176	175
Rental and hiring	-	-	-	-	-	-	-	373	271
Interest and rent on land	-	-	-	-	499	(499)	-	-	-
Interest and rent on land	-	-	-	-	499	(499)	-	-	-
Transfers and subsidies	60 896	-	-	60 896	60 896	-	100,0%	58 704	58 704

Programme 7 : STRUCTURED AGRICULTURAL EDUCATION AND TRAINING									
2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Higher education institutions	59 801	-	-	59 801	59 801	-	100,0%	58 704	58 704
Households	1 095	-	-	1 095	1 095	-	100,0%	-	-
Other transfers to households	1 095	-	-	1 095	1 095	-	100,0%	-	-
Payments for capital assets	17 025	-	-	17 025	16 262	763	95,5%	21 673	16 450
Buildings and other fixed structures	10 843	-	-	10 843	10 712	131	98,8%	8 748	7 533
Buildings	-	-	-	-	-	-	-	2 415	2 008
Other fixed structures	10 843	-	-	10 843	10 712	131	98,8%	6 333	5 525
Machinery and equipment	6 182	-	-	6 182	5 550	632	89,8%	12 925	8 917
Transport equipment	3 237	-	-	3 237	3 236	1	100,0%	3 638	3 635
Other machinery and equipment	2 945	-	-	2 945	2 314	631	78,6%	9 287	5 282
Total	164 279	-	3 027	167 306	164 650	2 656	98,4%	174 871	168 782

7.1 HIGHER EDUCATION AND TRAINING									
2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	59 801	-	-	59 801	59 801	-	100,0%	58 704	58 704
Higher education institutions	59 801	-	-	59 801	59 801	-	100,0%	58 704	58 704
TOTAL	59 801	-	-	59 801	59 801	-	100,0%	58 704	58 704

7.2 FURTHER EDUCATION & TRAINING (FET)									
2020/21							2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	86 358	-	3 027	89 385	87 492	1 893	97,9%	94 494	93 628
Compensation of employees	72 155	-	3 026	75 181	73 363	1 818	97,6%	67 810	67 674
Goods and services	14 203	-	1	14 204	13 630	574	96,0%	26 684	25 954
Interest and rent on land	-	-	-	-	499	(499)	-	-	-
Transfers and subsidies	1 095	-	-	1 095	1 095	-	100,0%	-	-
Households	1 095	-	-	1 095	1 095	-	100,0%	-	-
Payments for capital assets	17 025	-	-	17 025	16 262	763	95,5%	21 673	16 450
Buildings and other fixed structures	10 843	-	-	10 843	10 712	131	98,8%	8 748	7 533
Machinery and equipment	6 182	-	-	6 182	5 550	632	89,8%	12 925	8 917
Total	104 478	-	3 027	107 505	104 849	2 656	97,5%	116 167	110 078

Programme 8 : RURAL DEVELOPMENT COORDINATION									
2020/21							2019/20		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Sub programme	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. DEVELOPMENT PLANNING AND MONITORING	235 350	-	2 207	237 557	237 508	49	100,0%	266 118	267 028
2. SOCIAL FACILITATION	17 470	-	(1 364)	16 106	15 524	582	96,4%	19 523	18 263
Total for sub programmes	252 820	-	843	253 663	253 032	631	99,8%	285 641	285 291
Economic classification									
Current payments	26 595	-	843	27 438	26 858	580	97,9%	31 744	31 463
Compensation of employees	17 598	-	1 061	18 659	18 660	(1)	100,0%	17 593	17 085
Salaries and wages	15 560	-	957	16 517	16 497	20	99,9%	15 672	15 253
Social contributions	2 038	-	104	2 142	2 163	(21)	101,0%	1 921	1 832

Programme 8 : RURAL DEVELOPMENT COORDINATION									
2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Goods and services	8 997	-	(218)	8 779	8 198	581	93,4%	14 151	14 378
Administrative fees								24	17
Minor assets	10	-	(5)	5	4	1	80,0%	10	2
Catering: Departmental activities	2	-	(2)	-	-	-	-	60	58
Communication	1	-	-	1	1	-	100,0%	1	1
Agency and support / outsourced services	-	-	-	-	-	-	-	2 192	2 185
Entertainment	10	-	-	10	10	-	100,0%	12	11
Inventory: Materials and supplies	1 904	-	(18)	1 886	1 887	(1)	100,1%	4 121	4 095
Inventory: Other supplies	3 424	-	551	3 975	3 553	422	89,4%	3 751	3 747
Consumable supplies	1 175	-	(261)	914	913	1	99,9%	25	902
Consumable: Stationery, printing and office supplies	184	-	(80)	104	96	8	92,3%	255	186
Operating leases	10	-	(10)	-	-	-	-		
Property payments	476	-	(1)	475	462	13	97,3%	456	453
Travel and subsistence	1 651	-	(242)	1 409	1 272	137	90,3%	3 079	2 560
Venues and facilities	150	-	(150)	-	-	-	-	139	137
Rental and hiring	-	-	-	-	-	-	-	26	24
Transfers and subsidies	226 051	-	-	226 051	226 051	-	100,0%	253 504	253 504
Departmental agencies and accounts	226 051	-	-	226 051	226 051	-	100,0%	253 504	253 504
Departmental agencies	226 051	-	-	226 051	226 051	-	100,0%	253 504	253 504
Payments for capital assets	174	-	-	174	123	51	70,7%	393	324
Buildings and other fixed structures	-	-	-	-	-	-	-	192	190
Buildings	-	-	-	-	-	-	-	192	190
Machinery and equipment	174	-	-	174	123	51	70,7%	201	134

Programme 8 : RURAL DEVELOPMENT COORDINATION									
2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transport equipment								50	
Other machinery and equipment	174	-	-	174	123	51	70,7%	151	134
Total	252 820	-	843	253 663	253 032	631	99,8%	285 641	285 291

8.1 DEVELOPMENT PLANNING AND MONITORING									
2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	10 380	-	2 207	12 587	12 584	3	100,0%	12 372	13 300
Compensation of employees	6 116	-	2 652	8 768	8 769	(1)	100,0%	7 143	7 043
Goods and services	4 264	-	(445)	3 819	3 815	4	99,9%	5 229	6 257
Transfers and subsidies	224 886	-	-	224 886	224 886	-	100,0%	253 504	253 504
Departmental agencies and accounts	224 886	-	-	224 886	224 886	-	100,0%	253 504	253 504
Payments for capital assets	84	-	-	84	38	46	45,2%	242	224
Buildings and other fixed structures	-	-	-	-	-	-	-	192	190
Machinery and equipment	84	-	-	84	38	46	45,2%	50	34
Total	235 350	-	2 207	237 557	237 508	49	100,0%	266 118	267 028

8.2 SOCIAL FACILITATION									
2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	16 215	-	(1 364)	14 851	14 272	577	96,1%	19 372	18 163
Compensation of employees	11 482	-	(1 591)	9 891	9 891	-	100,0%	10 450	10 042
Goods and services	4 733	-	227	4 960	4 381	577	88,4%	8 922	8 121

8.2 SOCIAL FACILITATION									
Economic classification	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	1 165	-	-	1 165	1 165	-	100,0%	-	-
Departmental agencies and accounts	1 165	-	-	1 165	1 165	-	100,0%	-	-
Payments for capital assets	90	-	-	90	85	5	94,4%	151	100
Machinery and equipment	90	-	-	90	85	5	94,4%	151	100
Total	17 470	-	(1 364)	16 106	15 524	582	96,4%	19 523	18 263

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure I (A-H) to the Annual Financial Statements.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note I (Annual Appropriation) to the Annual Financial Statements.

3. Detail on payments for financial assets

Detail of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

4. Material variances

An explanation will be provided for all variances above the threshold of R1 million. All variances below R3 million will be considered immaterial.

5. Explanations of material variances from Amounts Voted (after Virement):

5.1 Per programme	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation R'000
Administration	454 537	455 874	(1 337)	-0,29%
Sustainable Resource Management	114 544	114 824	(280)	-0,24%
Farmer Support and Development	811 949	799 196	12 753	1,57%
Veterinary Services	296 884	296 549	335	0,11%
Research and Technology	127 165	126 600	565	0,44%
Agricultural Economics Services	33 671	33 758	(87)	-0,26%
Structure Education and Training	167 306	164 650	2 656	1,59%
Rural Development	253 663	253 032	631	0,25%
Totals	2 259 719	2 244 483	15 236	0,67%

5.2 Per economic classification	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation R'000
Current payments	1 682 993	1 674 603	8 390	0,50%
Compensation of employees	1 236 392	1 234 327	2 065	0,17%
Goods and services	446 601	439 777	6 824	1,53%
Interest and rent on land		499	(499)	0,00%
Transfers and subsidies	346 994	347 033	(39)	-0,01%
Departmental agencies and accounts	256 505	256 481	24	0,01%
Higher education institutions	59 801	59 801	-	0%
Households	30 688	30 751	(63)	-0,21%
Payments for capital assets	229 732	222 847	6 885	3,00%
Buildings and other fixed structures	143 693	137 344	6 349	4,42%
Machinery and equipment	73 085	70 252	2 833	3,88%
Biological assets	12 954	15 251	(2 297)	-17,73%

I. Programme 3: Farmer Support**Goods and Services R6.5 million:**

The under expenditure on Goods & Services is mainly caused by reclassification of expenditure from minor assets under Goods & Services to major assets under biological assets.

Buildings and other fixed structures 6.2 million:

- Senqu, Engcobo, Enoch Mjijima and Matatiele could not be completed in the 2020.21 financial year due to technical and financial capability of contractors. This resulted to Sonwabile (Matatiele) shearing shed being cancelled and others with the letters of demand for performance being issued to contractors. This resulted into delays on both physical and financial progress thereby causing under-expenditure.
- The delay in completion of Krila and Craighead fences for Amathole Citrus resulted to under-expenditure. Fences were delayed due to the contractor that did not observe OHS in terms of supplying casual workers with protective clothing and resulted in a strike that lasted for two weeks together with poor workmanship that has seen the project work being redone. These projects are projected to be completed in May 2021.
- Land Preparation for Krila and Craighead project could not be completed due to the delays in the installation of the irrigation systems. The project had to be put on hold until and irrigation system is installed and the trees are close to delivery. The delays were as a result of the partner that was responsible for installation of the irrigation system and buying of trees that pulled out due to the shortage of funds.
- Due to delays in implementation, retention fees for dipping tanks from Alfred Nzo and OR Tambo could not be paid on time as the projects had not reached final completion as planned at financial year end.
- The scarcity of steel in the country due to COVID-19 lockdown resulted into the fencing materials being delivered late in the year, as a result the erection of fences could not be completed and will be completed in the 2021/22 financial year. Delays in the registration of Amathole Boreholes with Water Affairs resulted to the related budget not being spent by financial year end.
- There were savings from OR Tambo, Sarah Baartman and Alfred Nzo Boreholes due to unsuccessful site despite having looked for two replacement sites as per contract condition.
- There were delays in the implementation of Engcobo, Sakhisizwe, Intsika Yethu and Inxuba Yethemba boreholes with Sakhisizwe delayed owing to inclement weather and the rest to the financial capability of the contractor. These projects will be completed in the 2021/22 financial year.

Machinery and Equipment R2.5 million:

Invoices for computers worth R1.8 million and Transport entity worth R1 million were received after the year end and they will be paid in the next financial year.

2. Programme 7:

Compensation of Employees R1.8 million:

The underspending resulted from a high number of attritions during the year and there were delays in filling vacant post. The reprioritisation of posts also had an adverse impact.

3. Programme 1: (R1.5 million)

The over expenditure is a result of payments made to Department of Transport for fleet leases.

5.3 Per conditional grant	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Comprehensive Agricultural Support Grant	182 317	176 861	5 456	2,99%
Land care	12 224	11 838	386	3,16%
Lima/Letsema	50 360	49 756	604	1,20%
Extended Public Works Programme	2 410	2 410	-	0,00%
Disaster Drought Relief	35 000	33 773	1 227	3,51%
	282 311	274 638	7 673	2,72%

	Note	2020/21 R'000	2019/20 R'000
REVENUE			
Annual appropriation	1	2 257 511	2 404 924
Statutory appropriation	2	2 208	2 368
Departmental revenue	3	11 800	32 961
TOTAL REVENUE		2 271 519	2 440 253
EXPENDITURE			
Current expenditure			
Compensation of employees	4	1 234 327	1 269 494
Goods and services	5	439 777	580 122
Interest and rent on land	6	499	18
Total current expenditure		1 674 603	1 849 634
Transfers and subsidies			
Transfers and subsidies	8	347 033	358 569
Total transfers and subsidies		347 033	358 569
Expenditure for capital assets			
Tangible assets	9	222 847	173 207
Total expenditure for capital assets		222 847	173 207
Payments for financial assets	7	-	795
TOTAL EXPENDITURE		2 244 483	2 382 205
SURPLUS/(DEFICIT) FOR THE YEAR		27 036	58 048
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		15 236	25 087
Annual appropriation		7 563	12 275
Conditional grants		7 673	12 812
Departmental revenue and NRF Receipts	14	11 800	32 961
SURPLUS/(DEFICIT) FOR THE YEAR		27 036	58 048

	<i>Note</i>	2020/21 R'000	2019/20 R'000
ASSETS			
Current assets		19 326	29 282
Cash and cash equivalents	<i>17</i>	13 144	24 333
Prepayments and advances	<i>11</i>	3 454	3 454
Receivables	<i>12</i>	2 728	1 495
Non-current assets		4 655	4 655
Receivables	<i>12</i>	4 655	4 655
TOTAL ASSETS		23 981	33 937
LIABILITIES			
Current liabilities		23 981	33 937
Voted funds to be surrendered to the Revenue Fund	<i>13</i>	15 236	25 087
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	<i>14</i>	268	166
Payables	<i>15</i>	8 477	8 684
TOTAL LIABILITIES		23 981	33 937
NET ASSETS			

	Note	2020/21 R'000	2019/20 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		2 272 858	2 445 472
Annual appropriated funds received	1.1	2 257 511	2 404 924
Statutory appropriated funds received	2	2 208	2 368
Departmental revenue received	3	13 137	38 172
Interest received	3.3	2	8
Net (increase)/decrease in working capital		(1 440)	7 861
Surrendered to Revenue Fund		(39 054)	(124 164)
Current payments		(1 674 102)	(1 849 616)
Interest paid	6	(499)	(18)
Payments for financial assets		-	(795)
Transfers and subsidies paid		(347 033)	(358 569)
Net cash flow available from operating activities	16	210 728	120 171
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	9	(222 847)	(173 207)
Proceeds from sale of capital assets	3.4	930	1 614
Net cash flows from investing activities		(221 917)	(171 593)
Net increase/(decrease) in cash and cash equivalents		(11 189)	(51 422)
Cash and cash equivalents at beginning of period		24 333	75 755
Cash and cash equivalents at end of period	17	13 144	24 333

Summary of significant accounting policies	
<p>The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.</p> <p>The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.</p> <p>Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.</p>	
1	<p>Basis of preparation</p> <p>The financial statements have been prepared in accordance with the Modified Cash Standard.</p>
2	<p>Going concern</p> <p>The financial statements have been prepared on a going concern basis.</p>
3	<p>Presentation currency</p> <p>Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.</p>
4	<p>Rounding</p> <p>Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).</p>
5	<p>Foreign currency translation</p> <p>Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.</p>
6	<p>Comparative information</p>
6.1	<p>Prior period comparative information</p> <p>Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.</p>
6.2	<p>Current year comparison with budget</p> <p>A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.</p>
7	<p>Revenue</p>
7.1	<p>Appropriated funds</p> <p>Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).</p> <p>Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.</p> <p>The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.</p>
7.2	<p>Departmental revenue</p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
7.3	<p>Accrued departmental revenue</p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> • it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and • the amount of revenue can be measured reliably. <p>The accrued revenue is measured at the fair value of the consideration receivable.</p> <p>Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p>

	Write-offs are made according to the department's debt write-off policy
8	Expenditure
8.1	Compensation of employees
8.1.1	Salaries and wages Salaries and wages are recognised in the statement of financial performance on the date of payment.
8.1.2	Social contributions Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.
8.2	Other expenditure Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.
8.3	Accruals and payables not recognised Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.
8.4	Leases
8.4.1	Operating leases Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue. The operating lease commitments are recorded in the notes to the financial statements. Operating lease payments received are recognised as departmental revenue.
8.4.2	Finance leases Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: <ul style="list-style-type: none"> • cost, being the fair value of the asset; or • the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest. Finance lease payments received are recognised as departmental revenue.
9	Cash and cash equivalents Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.
10	Prepayments and advances Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost. <Indicate when prepayments and advances are expensed and under what circumstances.>
11	Loans and receivables Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.
12	Financial assets
12.1	Financial assets (not covered elsewhere) A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

	At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
12.2	Impairment of financial assets Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
13	Payables Payables recognised in the statement of financial position are recognised at cost.
14	Capital Assets
14.1	Immovable capital assets Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.
14.2	Movable capital assets Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Biological assets are subsequently carried at fair value. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.
14.3	Intangible assets Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project. Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.
14.4	Project Costs: Work-in-progress Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid. Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register. Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.
15	Provisions and Contingents
15.1	Provisions Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.
15.2	Contingent liabilities Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence

	of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.
15.3	Contingent assets Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.
15.4	Capital commitments Capital commitments are recorded at cost in the notes to the financial statements.
16	Fruitless and wasteful expenditure Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred. Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off. Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.
17	Irregular expenditure Irregular expenditure is recorded in the notes to the financial statements when confirmed after its assessment. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note. Irregular expenditure is reduced from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off. Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.
18	Changes in accounting estimates and errors Changes in accounting estimates are applied prospectively in accordance with MCS requirements. Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.
19	Events after the reporting date Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.
20	Principal-Agent arrangements The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.
21	Capitalisation reserve The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.
22	Recoverable revenue Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
23	Related party transactions Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.
24	Inventories <i>(Effective from date determined in a Treasury Instruction)</i>

	<p>At the date of acquisition, inventories are recognised at cost in the statement of financial performance.</p> <p>Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.</p> <p>Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.</p> <p>The cost of inventories is assigned by using the weighted average cost basis.</p>
25	<p>Public-Private Partnerships</p> <p>Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.</p> <p>A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.</p>
26	<p>Employee benefits</p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.</p>

I. Annual Appropriation

I.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

	Final Appropriation	2020/21 Actual Funds Received	Funds not requested/not received	Final Appropriation	2019/20 Appropriation received	Funds not requested /not received
	R'000	R'000	R'000	R'000	R'000	
ADMINISTRATION	452 329	452 329	-	-	500 030	500 030
SUSTANABLE RESOURCE MANAGEMENT	114 544	114 544	-	-	137 518	137 518
FARMER SUPPORT AND DEVELOPMENT	811 949	811 949	-	-	802 945	802 945
VERTERINARY SERVICES	296 884	296 884	-	-	331 646	331 646
RESEARCH AND TECHNOLOGY DEVELOPMENT	127 165	127 165	-	-	137 951	137 951
AGRICULTURAL ECONOMICS SERVICES	33 671	33 671	-	-	34 322	34 322
STRUCTURED AGRICULTURE EDUCATION AND TRAINING	167 306	167 306	-	-	174 871	174 871
RURAL DEVELOPMENT	253 663	253 663	-	-	285 641	285 641
Total	2 257 511	2 257 511	-	-	2 404 924	2 404 924

I.2 Conditional grants

Note

	2020/21 R'000	2019/20 R'000
Total grants received	282 396	344 314

2. Statutory Appropriation

	2020/21 R'000	2019/20 R'000
Members' remuneration	2 208	2 368
Total	2 208	2 368
Actual Statutory Appropriation received	2 208	2 368

3. Departmental revenue

Note

	2020/21 R'000	2019/20 R'000
Sales of goods and services other than capital assets	4 396	5 691
Fines, penalties and forfeits	-	1
Interest, dividends and rent on land	2	8
Sales of capital assets	930	1 614
Transactions in financial assets and liabilities	8 741	32 480
Total revenue collected	14 069	39 794
Less: Own revenue included in appropriation	(2 269)	(6 833)
Departmental revenue collected	11 800	32 961

3.1 Sales of goods and services other than capital assets

	Note 3	2020/21 R'000	2019/20 R'000
Sales of goods and services produced by the department		4 281	5 565
Sales by market establishment		163	164
Administrative fees		161	79
Other sales		3 957	5 322
Sales of scrap, waste and other used current goods		115	126
Total		4 396	5 691

3.2 Fines, penalties and forfeits

	Note 3	2020/21 R'000	2019/20 R'000
Fines		-	1
Total		-	1

3.3 Interest, dividends and rent on land

	Note 3	2020/21 R'000	2019/20 R'000
Interest		2	8
Total		2	8

3.4 Sale of capital assets

	Note 3	2020/21 R'000	2019/20 R'000
Tangible assets		930	1 614
Biological assets	30	930	1 614
Total		930	1 614

3.5 Transactions in financial assets and liabilities

	Note 3	2020/21 R'000	2019/20 R'000
Receivables		202	-
Other Receipts including Recoverable Revenue		8 539	32 480
Total		8 741	32 480

1. The department received voted funds to be surrendered from ECRDA, which were significantly lower than the previous financial year.

4. Compensation of employees

4.1 Salaries and Wages

	Note	2020/21 R'000	2019/20 R'000
Basic salary		873 633	903 189
Performance award		9 707	18 452
Service Based		2 914	3 084
Compensative/circumstantial		7 030	6 101
Other non-pensionable allowances		163 274	162 187
Total		1 056 558	1 093 013

4.2 Social contributions

	Note	2020/21 R'000	2019/20 R'000
Employer contributions			
Pension		111 471	115 111
Medical		64 180	60 789
Bargaining council		267	264
Official unions and associations		1 851	317
Total		177 769	176 481
Total compensation of employees			
		1 234 327	1 269 494
Average number of employees			
		2 530	2 736

The decrease in the average number of employees is a result of attritions, retirements, deaths and resignations. The reprioritisation of posts and delays in filling vacant post has an adverse impact.

5. Goods and services

	Note	2020/21 R'000	2019/20 R'000
Administrative fees		202	1 593
Advertising		1 377	5 403
Minor assets	5.1	6 041	966
Bursaries (employees)		4 050	1 179
Catering		5 778	8 742
Communication		15 025	15 779
Computer services	5.2	22 590	29 617
Consultants: Business and advisory services		1 193	1 348
Infrastructure and planning services		7 689	1 479
Laboratory services		2 526	468
Legal services		1 205	3 498
Contractors		2 331*	16 001
Agency and support / outsourced services		65 211	45 707
Entertainment		57*	117
Audit cost – external	5.3	5 013	6 857
Fleet services		17 493	23 477
Inventory	5.4	173 208	233 950
Consumables	5.5	12 298	14 366
Operating leases		14 609	15 212
Property payments	5.6	25 092	21 522
Rental and hiring		383*	1 862
Travel and subsistence	5.7	47 966*	97 934
Venues and facilities		521*	8 541
Training and development		3 611*	19 536
Other operating expenditure	5.8	4 308	4 968
Total		439 777	580 122

1. Expenditure reduction on most items was a result of budget cut which departments were required to go through to fund COVID-19 interventions. *
2. **Minor Assets:** The expenditure on biological assets was very minimal in 2019/20 resulting in a backlog on the small livestock improvement programme, hence an increase in the expenditure for 2021.
3. **Bursaries (Employees):** There was a huge intake of extension officers doing a diploma and master degrees in sustainable agriculture in the Free State University, hence the increase in the spending.
4. **Infrastructure and planning services:** The expenditure increase resulted from feasibility studies undertaken in Gubenxa Apple project, Matatiele Silosand Uster Ranger.
5. **Laboratory Services:** The increase in expenditure is a result of the purchase of incinerators for Queenstown Lab, increased support on Primary Health Care through Compulsory Community Service and automation of laboratory services to comply with the SANAS accreditation requirements. Most of the work was performed in the current year.
6. **Travelling and Subsistence:** Compliance to COVID-19 protocols demanded minimum travelling from one area to another. This resulted in most meetings held virtually thereby cutting expenditure drastically.
7. **Agency and support / outsourced services:** The weather condition was more favourable in 2020/21 financial year compared to 2019/20 which was affected by drought. As a result of that more mechanisation activities were undertaken in the year under review as opposed to the comparative year

8. **Training and development:** The budget was reprioritised to colleges due to reduction in contact training resulting from COVID-19 pandemic

5.1 Minor assets

	Note 5	2020/21 R'000	2019/20 R'000
Tangible assets		6 041	966
Biological assets		5 747	61
Machinery and equipment		294	905
Total		6 041	966

The increase in the expenditure for minor assets in the year under review is a result of biological assets that were not bought in 2019/20. This created a backlog in the livestock programme and more purchases were done in the current.

5.2 Computer services

	Note 5	2020/21 R'000	2019/20 R'000
SITA computer services		4 784	4 974
External computer service providers		17 806	24 643
Total		22 590	29 617

5.3 Audit cost – External

	Note 5	2020/21 R'000	2019/20 R'000
Regularity audits		5 013	6 857
Total		5 013	6 857

5.4 Inventory

	Note 5	2020/21 R'000	2019/20 R'000
Farming supplies		129 696	166 935
Food and food supplies		75	126
Fuel, oil and gas		2 752	2 156
Learning, teaching and support material		293	378
Materials and supplies		5 074	12 956
Medical supplies		1 028	2 568
Medicine		29 123	32 753
Other supplies	5.4.1	5 168	16 078
Total		173 208	233 950

5.4.1 Other supplies

	Note 5.4	2020/21 R'000	2019/20 R'000
Ammunition and security supplies		4 292	15 425
Assets for distribution			
Machinery and equipment		3 571	14 004
Other assets for distribution		721	1 421
Other		875	653
Total		5 167	16 078

Machinery and equipment: Budget cut for COVID-19 considerations resulted in the budget cut for this item being affected as well

5.5 Consumables

	Note 5	2020/21 R'000	2019/20 R'000
Consumable supplies		8 377	9 167
Uniform and clothing		1 730	3 211
Household supplies		1 741	2 580
IT consumables		65	69
Other consumables		4 841	3 307
Stationery, printing and office supplies		3 921	5 199
Total		12 298	14 366

Uniform and clothing: The National Department required that the uniform for extension officers be purchased from the national contract and not from individual provincial contract. This delayed the procurement process, hence less was spent

5.6 Property payments

Note	2020/21	2019/20
------	---------	---------

	5	R'000	R'000
Municipal services		6 481	6 731
Property management fees		16 366	13 274
Property maintenance and repairs		2 245	1 517
Total		25 092	21 522

5.7 Travel and subsistence

	Note	2020/21	2019/20
	5	R'000	R'000
Local		47 797	93 923
Foreign		169	4 011
Total		47 966	97 934

COVID-19 protocols demanded less staff movement and most meetings had to be conducted virtually. This resulted in this huge reduction the travelling and subsistence expenditure. This was the same also for the overseas trips.

5.8 Other operating expenditure

	Note	2020/21	2019/20
	5	R'000	R'000
Professional bodies, membership and subscription fees		125	263
Resettlement costs		836	607
Other		3 347	4 098
Total		4 308	4 968

6. Interest and rent on land

	Note	2020/21	2019/20
		R'000	R'000
Interest paid		499	18
Total		499	18

The interest was incurred on overdue invoices for fleet services.

7. Payments for financial assets

	Note	2020/21	2019/20
		R'000	R'000
Debt take overs		-	795
Total		-	795

8. Transfers and subsidies

		2020/21	2019/20
		R'000	R'000
Departmental agencies and accounts	Note	256 481	271 101
Higher education institutions	Annexure 1A	59 801	58 704
Households	Annexure 1B	30 751	28 764
Total	Annexure 1C	347 033	358 569

9. Expenditure for capital assets

	Note	2020/21	2019/20
		R'000	R'000
Tangible assets		222 847	173 207
Buildings and other fixed structures	31	137 344	99 981
Machinery and equipment	29	70 252	73 111
Biological assets	29	15 251	115
Total		222 847	173 207

9.1 Analysis of funds utilised to acquire capital assets – 2020/21

	Voted funds	Total
	R'000	R'000
Tangible assets	222 847	222 847
Buildings and other fixed structures	137 344	137 344
Machinery and equipment	70 252	70 252
Biological assets	15 251	15 251
Total	222 847	222 847

9.2 Analysis of funds utilised to acquire capital assets – 2019/20

Voted funds **Total**

	R'000	R'000
Tangible assets		
Buildings and other fixed structures	99 981	99 981
Machinery and equipment	73 111	73 111
Biological assets	115	115
Total	173 207	173 207

9.3 Finance lease expenditure included in Expenditure for capital assets

	Note	2020/21 R'000	2019/20 R'000
Tangible assets			
Machinery and equipment		42 730	44 974
Total		42 730	44 974

10. Cash and cash equivalents

	Note	2020/21 R'000	2019/20 R'000
Consolidated Paymaster General Account		13 144	24 333
Total		13 144	24 333

11. Prepayments and advances

	Note	2020/21 R'000	2019/20 R'000
Prepayments (Not expensed)	11.2	896	896
Advances paid (Not expensed)	11.1	2 558	2 558
Total		3 454	3 454

11.1 Advances paid (Not expensed)

	Note	Balance as at 1 April 2020	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year advances	Balance as at 31 March 2021
		R'000	R'000	R'000	R'000	R'000
Public entities	11	2 558	-	-	-	2 558
Total		2 558	-	-	-	2 558

	Note	Balance as at 1 April 2019	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year advances	Balance as at 31 March 2020
		R'000	R'000	R'000	R'000	R'000
Public entities	11	3 371	(12 068)	3 837	7 418	2 558
Total		3 371	(12 068)	3 837	7 418	2 558

11.2 Prepayments (Not expensed)

	Note	Balance as at 1 April 2020	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year prepayments	Balance as at 31 March 2021
		R'000	R'000	R'000	R'000	R'000
Capital assets	11	896	-	-	-	896
Total		896	-	-	-	896

	Note	Balance as at 1 April 2019	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year prepayments	Balance as at 31 March 2020
		R'000	R'000	R'000	R'000	R'000
Capital assets	11	-	-	-	896	896
Total		-	-	-	896	896

12. Receivables

	Current	2020/21 Non- current	Total	Current	2019/20 Non- current	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	118		118	1		1

Note
12.1

Recoverable expenditure	12.2	1 272	4 655	5 927	177	4 655	4 832
Staff debt	12.3	1 164		1 164	1 143	-	1 143
Fruitless and wasteful expenditure	12.4	174		174	174	-	174
Total		2 728	4 655	7 383	1 495	4 655	6 150

12.1 Claims recoverable

	Note 12 and Annex 4	2020/21 R'000	2019/20 R'000
National departments		-	1
Provincial departments		118	-
Total		118	1

12.2 Recoverable expenditure (disallowance accounts)

	Note 12	2020/21 R'000	2019/20 R'000
(Group major categories, but list material items)		1 272	177
Total		4 655	4 655
		5 927	4 832

12.3 Staff debt

	Note 12	2020/21 R'000	2019/20 R'000
(Group major categories, but list material items)		1 164	1 143
Total		1 164	1 143

12.4 Fruitless and wasteful expenditure

	Note 12	2020/21 R'000	2019/20 R'000
Opening balance		174	174
Total		174	174

13. Voted funds to be surrendered to the Revenue Fund

	Note	2020/21 R'000	2019/20 R'000
Opening balance		25 087	84 047
Transfer from statement of financial performance (as restated)		15 236	25 087
Voted funds not requested/not received	1.1	-	-
Paid during the year		(25 087)	(84 047)
Closing balance		15 236	25 087

14. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

	Note	2020/21 R'000	2019/20 R'000
Opening balance		166	489
Transfer from Statement of Financial Performance (as restated)		11 800	32 961
Own revenue included in appropriation		2 269	6 833
Paid during the year		(13 967)	(40 117)
Closing balance		268	166

15. Payables – current

	Note	2020/21 R'000	2019/20 R'000
Amounts owing to other entities		2 786	7 981
Clearing accounts	15.1	5 691	703
Total		8 477	8 684

15.1 Clearing accounts

	Note 15	2020/21 R'000	2019/20 R'000
Salary related clearing accounts		5 691	703
Total		5 691	703

The clearing accounts include funds from HWSETA and pay over to SARS.

16. Net cash flow available from operating activities

	Note	2020/21 R'000	2019/20 R'000
Net surplus/(deficit) as per Statement of Financial Performance		27 036	58 048
Add back non cash/cash movements not deemed operating activities		183 692	62 123
(Increase)/decrease in receivables		(1 233)	3 287
(Increase)/decrease in prepayments and advances		-	(83)
Increase/(decrease) in payables – current		(207)	4 657

Proceeds from sale of capital assets	(930)	(1 614)
Expenditure on capital assets	222 847	173 207
Surrenders to Revenue Fund	(39 054)	(124 164)
Voted funds not requested/not received	-	-
Own revenue included in appropriation	2 269	6 833
Net cash flow generated by operating activities	210 728	120 171

17. Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2020/21 R'000	2019/20 R'000
Consolidated Paymaster General account		13 144	24 333
Total		13 144	24 333

18. Contingent liabilities and contingent assets

18.1 Contingent liabilities

	Note	2020/21 R'000	2019/20 R'000
Liable to			
Nature			
Housing loan guarantees	Annex 3A	286	334
Claims against the department	Annex 3B	32 453	26 854
Total		32 739	27 188

- During the year, there was a new claim against the department amounting to R5 million.
- The Labour Appeal Court (LAC) declared the salary increases for the 2020/2021 financial year unlawful and invalid. The LAC ruling has been appealed and referred to the Constitutional Court. The ruling by the Constitutional Court will confirm if the department will be obligated to pay the salary increases in dispute.

18.2 Contingent assets

	Note	2020/21 R'000	2019/20 R'000
Nature of contingent asset			
Guadrisk Insurance		989	989
SARS TAX		11 976	11 976
Total		12 965	12 965

19. Capital commitments

	Note	2020/21 R'000	2019/20 R'000
<i>Specify class of asset</i>			
Building and other fixed structures		11 379	44 576
Other machinery and equipment		2 389	1 831
Other furniture and fittings		-	453
Biological		-	69
Total		13 768	46 929

There were fewer multi-year projects during the financial year which reduced the commitments.

20. Accruals and payables not recognised

20.1 Accruals

		2020/21 R'000	2019/20 R'000
Listed by economic classification			
	30 Days	30+ Days	Total
Goods and services	6 565	39	6 604
Capital assets	30	-	30
Total	6 595	39	6 634

	Note	2020/21 R'000	2019/20 R'000
Listed by programme level			
Administration		5 300	6 160
Sustainable Resource Management		3	16
Farmer support & Development		773	291
Veterinary Service		-	38
Technology Research & Dev Service		-	9
Agricultural Economics		-	54
Structured Agriculture Training		467	99
Rural Development		91	88
Total		6 634	6 755

20.2 Payables not recognised

			2020/21 R'000	2019/20 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	293	36	329	1 485
Capital assets	659	13	672	41
Total	952	49	1 001	1 526

	Note	2020/21 R'000	2019/20 R'000
Listed by programme level			
Administration		285	604
Sustainable Resource Management		-	14
Farmer support & Development		659	717
Veterinary Service		41	33
Technology Research & Dev Service		-	31
Agricultural Economics		-	106
Structured Agriculture Training		16	21
Rural Development		-	-
Total		1 001	1 526

Included in the above totals are the following:

	Note	2020/21 R'000	2019/20 R'000
Confirmed balances with other departments	Annex 5	174	67
Confirmed balances with other government entities	Annex 5	2 613	7 947
Total		2 787	8 014

21. Employee benefits

	Note	2020/21 R'000	2019/20 R'000
Leave entitlement		109 742	89 136
Service bonus		35 643	37 442
Performance awards		705	6 348
Capped leave		110 829	132 978
Other		17 084	7 683
Total		274 003	273 587

22. Lease commitments

22.1 Operating leases

2020/21

Not later than 1 year	5 163	-	5 163
Later than 1 year and not later than 5 years	8 852	-	8 852
Later than five years	-	-	-
Total lease commitments	14 015	-	14 015

Buildings and other fixed structures	Machinery and equipment	Total
R'000	R'000	R'000
5 163	-	5 163
8 852	-	8 852
-	-	-
14 015	-	14 015

2019/20

Not later than 1 year	7 143	-	7 143
Later than 1 year and not later than 5 years	2 915	-	2 915
Later than five years	-	-	-
Total lease commitments	10 058	-	10 058

Buildings and other fixed structures	Machinery and equipment	Total
R'000	R'000	R'000
7 143	-	7 143
2 915	-	2 915
-	-	-
10 058	-	10 058

22.2 Finance leases **

2020/21

Not later than 1 year	12 079	7 740	19 820
Later than 1 year and not later than 5 years	14 409	3 709	18 119
Later than five years	-	-	-
Total lease commitments	26 489	11 449	37 939

Motor Vehicles	Machinery and equipment	Total
R'000	R'000	R'000
12 079	7 740	19 820
14 409	3 709	18 119
-	-	-
26 489	11 449	37 939

2019/20

Not later than 1 year	13 867	11 347	25 214
Later than 1 year and not later than 5 years	11 293	3 912	15 205
Later than five years	-	-	-
Total lease commitments	25 160	15 259	40 419

Motor Vehicles	Machinery and equipment	Total
R'000	R'000	R'000
13 867	11 347	25 214
11 293	3 912	15 205
-	-	-
25 160	15 259	40 419

23. Accrued departmental revenue

Sales of goods and services other than capital assets	260	43
Sales of capital assets	8	86
Transactions in financial assets and liabilities	-	37
Total	268	166

Note	2020/21 R'000	2019/20 R'000
	260	43
	8	86
	-	37
	268	166

23.1 Analysis of accrued departmental revenue

Opening balance	-	-
Add: amounts recorded	268	166
Closing balance	268	166

Note	2020/21 R'000	2019/20 R'000
	-	-
	268	166
	268	166

24. Irregular expenditure

24.1 Reconciliation of irregular expenditure

	Note	2020/21 R'000	2019/20 R'000
Opening balance		21	6 935
Add: Irregular expenditure – relating to prior year		-	26 569
Add: Irregular expenditure – relating to current year		-	4 557
Less: Prior year amounts condoned		-	(24 599)
Less: Current year amounts condoned		-	(13 441)
Less: Prior year amounts not condoned and removed		-	-
Less: Current year amounts not condoned and removed		-	-
Less: Amounts recoverable (current and prior year)	12	-	-
Less: Amounts written off		-	-
Closing balance		21	21
Analysis of closing balance			
Current year		-	21
Prior years		21	-
Total		21	21

25. Fruitless and wasteful expenditure

25.1 Reconciliation of fruitless and wasteful expenditure

	Note	2020/21 R'000	2019/20 R'000
Opening balance		1 293	90
Fruitless and wasteful expenditure – relating to prior year		895	-
Fruitless and wasteful expenditure – relating to current year		541	1 250
Less: Amounts recoverable		(898)	(47)
Less: Amounts written off		(978)	-
Closing balance		853	1 293

25.2 Details of current and prior year fruitless and wasteful expenditure – added current year (under determination and investigation)

Incident	Disciplinary steps taken/criminal proceedings	2020/21 R'000
Interest charged		499
No show accommodation		9
Vehicle damage		33
Lost asset		895
Total		1 436

25.3 Details of fruitless and wasteful expenditure recoverable

Incident	2020/21 R'000
Vehicle damage	3
Lost asset	895
Total	898

25.4 Details of fruitless and wasteful expenditure written off

Incident	2020/21 R'000
No show	80
Additional cost	898
Total	978

26. Related party transactions

Related parties of the department are all Government departments and entities.
 Related party relationships also include ECRDA subsidiaries such as Kangela Citrus Farm (Pty) Ltd
 The department holds 100% interest in Magwa Enterprise Tea.
 The department is utilising properties from the Department of Public Works free of charge.

27. Key management personnel

	No. of Individuals	2020/21 R'000	2019/20 R'000
Political office bearers (provide detail below)			
Officials:	1	1 978	1 812
Level 15to 16	2	4 774	4 704
Level 14(incl. CFO at a lower level)	12	14 459	15 285
Acting allowance	2	165	478
Family members of Key management personnel	4	1 961	1 909
Total		23 337	24 188

28. Provisions

	Note	2020/21 R'000	2019//20 R'000
Retention		2 411	1 785
Total		2 411	1 785

28.1 Reconciliation of movement in provisions – 2020/21

	Retention R'000	Total provisions R'000
Opening balance	1 785	1 785
Increase in provision	2 411	2 411
Settlement of provision	(1 785)	(1 785)
Closing balance	2 411	2 411

Reconciliation of movement in provisions – 2019/20

	Retention R'000	Total provisions R'000
Opening balance	-	-
Increase in provision	1 785	1 785
Settlement of provision	-	-
Closing balance	1 785	1 785

1) Retention is a percentage of the contract value held by the department when it enters into a contract for services to be rendered. The timing of the outflow of economic benefits is 3 – 6 months after the completion of the project.

29. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	237 616	-	27 899	(10 618)	254 897
Transport assets	13 952	-	7 857		21 809
Computer equipment	65 020	-	4 184	(738)	68 466
Furniture and office equipment	21 171	-	426	(42)	21 555
Other machinery and equipment	137 473	-	15 432	(9 838)	143 067
BIOLOGICAL ASSETS	4 556	-	17 689	(16 202)	6 043
Biological assets	4 556	-	17 689	(16 202)	6 043
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	242 172	-	45 588	(26 820)	260 940

29.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Cash	Non-cash	(Finance lease payments)	Received current, not paid	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	70 253	-	(42 730)	-	27 899
Transport assets	35 198	-	(27 341)	-	7 857
Computer equipment	3 808	-	-	376	4 184
Furniture and office equipment	426	-	-	-	426
Other machinery and equipment	30 821	-	(15 389)	-	15 432
BIOLOGICAL ASSETS	15 251	2 438			17 689
Biological assets	15 251	2 438	-	-	17 689
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	85 504	2 438	(42 730)	376	45 588

29.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	1 045	9 573	10 618	
Transport assets	-	-	-	-
Computer equipment	511	227	738	-
Furniture and office equipment	27	15	42	-
Other machinery and equipment	507	9 331	9 838	115
BIOLOGICAL ASSETS	648	15 554	16 202	930
Biological assets	648	15 554	16 202	930
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	1 693	25 127	26 820	1 045

29.3 Movement for 2019/20

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	214 556	-	37 727	(14 667)	237 616
Transport assets	13 984	-	-	(32)	13 952
Computer equipment	57 198	-	9 645	(1 823)	65 020
Furniture and office equipment	20 229	-	1 062	(120)	21 171
Other machinery and equipment	123 145	-	27 020	(120 692)	137 473
BIOLOGICAL ASSETS	5 222	6	1 439	(2 112)	4 556
Biological assets	5 222	6	1 439	(2 112)	4 556
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	219 778	6	39 166	16 779	242 172

29.3.1 Prior period error

	Note	2019/20 R'000
Nature of prior period error		
Relating to 2020/21 [affecting the opening balance]		6
Biological asset		6
Total prior period errors		6

29.4 Minor assets

	Intangible assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	48	38 480	3 407	41 935
Value adjustments	-	-	-	-
Additions	-	293	6 400	6 693
Disposals	-	(284)	(6 729)	(7 013)
TOTAL MINOR ASSETS	48	38 489	3 078	41 615

	Intangible assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	18	8	-	26
Number of minor assets at cost	15	26	3	44
TOTAL NUMBER OF MINOR ASSETS	33	34	3	70

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2020

	Intangible assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	48	38 128	3 315	41 491
Prior period error	-	-	(4)	(4)
Additions	-	905	1 475	2 380
Disposals	-	(553)	(1 379)	1 932
TOTAL MINOR ASSETS	48	38 480	3 407	41 935

	Intangible assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	18	-	-	18
Number of minor assets at cost	15	576	3	594

TOTAL NUMBER OF MINOR ASSETS	33	576	3	612
-------------------------------------	-----------	------------	----------	------------

29.4.1 Prior period error

	Note	2019/20 R'000
Nature of prior period error		
Relating to 2019/20 [affecting the opening balance]		
Biological asset		(4)
Total prior period errors		(4)

30. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	9 063	-	-	(421)	8 642
TOTAL INTANGIBLE CAPITAL ASSETS	9 063	-	-	(421)	8 642

30.1 Disposals

DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash Received Actual R'000
SOFTWARE	189	232	421	-
TOTAL DISPOSALS OF INTANGIBLE CAPITAL ASSETS	189	232	421	-

30.2 Movement for 2019/20

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	9 063	-	-	-	9 063
TOTAL INTANGIBLE CAPITAL ASSETS	9 063	-	-	-	9 063

31. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Value adjustments	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	21 997	-	113 410	(112 903)	22 504
Non-residential buildings	-	-	52 755	(52 755)	-
Other fixed structures	21 997	-	60 655	(60 148)	22 504
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	21 997	-	113 410	(112 903)	22 504

31.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Cash R'000	Non-cash R'000	(Capital Work in Progress current cost) R'000	Received current, not paid R'000	Total R'000
BUILDING AND OTHER FIXED STRUCTURES	137 344	61 918	(85 852)	-	113 410
Non-residential buildings	41 631	17 812	(6 688)	-	52 755
Other fixed structures	95 713	44 106	(79 164)	-	60 655
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	137 344	61 918	(85 852)	-	113 410

31.2 Disposals

DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash Received Actual R'000
BUILDINGS AND OTHER FIXED STRUCTURES	-	112 903	(112 903)	-
Non-residential buildings	-	52 755	(52 755)	-
Other fixed structures	-	60 148	(60 148)	-
TOTAL DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS	-	112 903	(112 903)	-

31.3 Movement for 2019/20

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	2 447	-	90 051	(70 501)	2 1997
Non-residential buildings	-	-	17 842	(17 842))	-
Other fixed structures	2 447	-	72 209	(52 659)	21 997
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	2 447	-	90 051	(70 501)	21 997

31.4 Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2021

	Note Annexure 7	Opening balance 1 April 2020 R'000	Current Year WIP R'000	Ready for use (Assets to the AR) / Contracts terminated R'000	Closing balance 31 March 2021 R'000
Buildings and other fixed structures		61 918	137 344	(113 569)	85 693
TOTAL		61 918	137 344	(113 569)	85 693

Number of projects 2020/21

Age analysis on ongoing projects

	Planned, Construction not started	Planned, Construction started	Total R'000
0 to 1 Year	-	-	-
1 to 3 Years	-	-	-
3 to 5 Years	13	19	85 693
Longer than 5 Years	-	-	-
Total	13	19	85 693

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2020

	Note Annexure 7	Opening balance 1 April 2019 R'000	Prior period error R'000	Current Year WIP R'000	Ready for use (Assets to the AR) / Contracts terminated R'000	Closing balance 31 March 2020 R'000
Buildings and other fixed structures		52 171	-	99 798	(90 051)	61 918
TOTAL		52 171	-	99 798	(90 051)	61 918

Number of projects 2019/20

Age analysis on ongoing projects

	Planned, Construction not started	Planned, Construction started	Total R'000
0 to 1 Year	-	-	-
1 to 3 Years	13	19	61 918
3 to 5 Years	-	-	-
Longer than 5 Years	-	-	-
Total	13	19	61 918

S42 Immovable assets

Assets to be transferred in terms of S42 of the PFMA – 2020/21

	Number of assets	Value of assets R'000
BUILDINGS AND OTHER FIXED STRUCTURES		

Other fixed structures		22 504
TOTAL	 	22 504

The department has completed projects at TARDI. The transfer of the assets to the Department of Public Works will be completed in the next financial year.

32. Prior period errors

Correction of prior period errors

<i>Note</i>	Amount bef. error correction 2020/21 R'000	Prior period error 2020/21 R'000	Restated Amount 2020/21 R'000
Assets:			
Biological assets: minor	3 315	-4	3 311
Biological assets: major	5 223	6	5 229
Net effect	8 538	2	8 540

33. Inventories (Effective from date determined in a Treasury Instruction)

33.1

Inventories for the year ended 31

March 2021

	Farming Supplies R'000	Materials & supplies	Food & food supplies	Fuel, oil, gas	Learn & teach material	Medical supplies R'000	Medicine R'000	Other supplies R'000	TOTAL R'000
Opening balance									
Add: Additions/Purchases – Cash	129 697	5 074	75	2 752	293	1 028	29 122	5 167	173 208
(Less): Issues	(129 697)	(5 074)	(75)	(2 752)	(293)	(1 028)	(29 122)	(5 167)	-173 208
Closing balance	-	-	-	-	-	-	-	-	-

Inventories for the year ended 31

March 2020

	Farming Supplies R'000	Materials & supplies	Food & food supplies	Fuel, oil, gas	Learn & teach material	Medical supplies R'000	Medicine R'000	Other supplies R'000	TOTAL R'000
Opening balance									
Add: Additions/Purchases – Cash	166 935	12 956	126	2 156	378	2 568	32 753	16 077	233 950
(Less): Issues	(166 935)	(12 956)	(126)	(2 156)	(378)	(2 568)	(32 753)	(16 077)	(233 950)
Closing balance	-	-	-	-	-	-	-	-	-

34. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION					SPENT				2019/20	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjust- ments	Other Adjust- ments	Total Available	Amount received by department	Amount spent by depart- ment	Under / (Overspend ing)	% of available funds spent by depart- ment	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
CASP	239 838	4 481	(59 696)	(2 306)	182 317	182 317	176 861	5 456	97%	255 496	244 075
OLIMA/LETSEMA	67 955	-	(16 989)	(606)	50 360	50 360	49 756	604	99%	66 627	65 236
LAND CARE	12 371	-	-	(147)	12 224	12 309	11 838	386	0%	19 863	19 863
EPWP	2 410	-	-	-	2 410	2 410	2 410	-	100%	2 328	2 328
Disaster Drought Relief	-	-	-	35 000	35 000	35 000	33 773	1 227	96%	-	-
	322 574	4 481	(76 685)	31 941	282 311	282 311	274 638	7 673	-	344 314	331 502

Departments are reminded of the requirement to certify that all transfers in terms of this Act were deposited into the primary bank account of the province or, where appropriate, into the CPD account of the province.

35. BROAD BASED BLACK ECONOMIC EMPOWERMENT PERFORMANCE

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

36. COVID 19 Response Expenditure

	Note <i>Annexure 11</i>	2020/21 R'000	2019/20 R'000
Goods and services		45 208	179
Total		45 208	179

ANNEXURE 1A

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION 2020/21				TRANSFER 2020/21		2019/20
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
ECRDA	156 911	-	(2 075)	154 836	154 836	100,0%	168 566
Macadamia Nuts	-	-	-	-	-	-	16 360
Magwa Rescue programme	47 263	-	-	47 263	47 263	100%	84 938
Chris Hani Development Agency(Irrigation scheme)	1 589	-	-	1 589	1 565	98%	1 237
RED HUB	11 200	-	-	11 200	11 200	100%	-
MECHANISATION	8 190	-	-	8 190	8 190	100%	-
Casual Laboures	10 640	-	-	10 640	10 640	100%	-
Cannabis	9 700	-	-	9 700	9 700	100%	-
KSD Mech Centre	4 112	-	2 165	6 277	6 277	100%	-
Yellow Fleet	4 000	-	-	4 000	4 000	100%	-
Economic Stimulus	910	-	-	910	910	100%	-
Forestry & Fisheries	1 900	-	-	1 900	1 900	100%	-
TOTAL	256 415	-	90	256 505	256 481		271 101

ANNEXURE 1B

STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS

NAME OF HIGHER EDUCATION INSTITUTION	TRANSFER ALLOCATION				TRANSFER			2019/20
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	Amount not transferred	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Fort Cox(Subsidiary)	59 801	-	-	59 801	59 801	-	-	58 704
TOTAL	59 801	-	-	59 801	59 801	-	-	58 704

ANNEXURE 1C

STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2019/20
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
HOUSEHOLDS							
Transfers							
Leave Gratuity	19 210	-	6 273	25 483	25 547	100%	21 942
Claim Against the State: Arbitration award	1 610	-	3 594	5 204	5 204	100%	5 821
University of Fort Hare	-	-	-	-	-	-	1 000
EMPLS/BEN:INJURY ON DUTY	-	-	-	-	-	-	1
TOTAL	20 820	-	9 867	30 687	30 751	100%	28 764

ANNEXURE ID

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2020/21	2019/20
	R'000	R'000
Made in kind		
Donation Improvement	156	100
Livestock improvement	-	182
TOTAL	156	282

ANNEXURE 2

STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO ENTITIES (CONTINUED)

Name of Public Entity	Nature of business	Cost of investment		Net Asset value of Investment		Amounts owing to Entities		Amounts owing by Entities	
		R'000		R'000		R'000		R'000	
		2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Controlled entities									
Magwa Tea Estate				86 051	18 576				
TOTAL				86 051	18 576				

ANNEXURE 3A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2021 – LOCAL

	Original guaranteed capital amount	Opening balance 1 April 2020	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2021	Revaluations due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2021
Guarantor institution	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Housing								
Standard Bank	-	163	-	(48)	-	115	-	115
Nedbank	-	21	-	-	-	21	-	21
First National Bank	-	19	-	-	-	19	-	19
ABSA	-	124	-	-	-	124	-	124
Unique Finance	-	7	-	-	-	7	-	7
TOTAL	-	334		(48)		286		286

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2021

Nature of Liability	Opening Balance 1 April 2020	Liabilities incurred during the year	Liabilities paid/cancelled/reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2021
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
MTHATHA					-
JM Ngxiya	102		102		-
Gungwana Notyhanga	5		5		-
Zimasile Ncamiso	50		50		-
Thomas Construction	95		95		-
Ntuli Flora Novusile	50		50		-
Ntuli Mphakamisi / Minister of Dept of Agriculture	5		5		-
Ningiza Horner Inc/ ECATU& Premier EC	749				749
Nokwanda Ndlebe/ MEC for DRDAR	350				350
Robet Boakye Yiadom / MEC for DRDAR	50				50
Manelisi Zukile Somhlahlo/ MEC for DRDAR & Ather	100				100
Manengele Kholekile	50				50
Luphawu Constraction	-				-
Ncora irrigation	100				100
Mzwabantu Mbana	116			-	116
Davies Jongikhaya Dondolo		191			191
Lungiswa Nomkopo		100			100
Mongezi Jozana		100			100
EAST LONDON					-
L. Sibanyoni	50				50
Eagles Multi-purpose Primary Co-operative	4 983				4 983
Lukhanyo Fesi	100		100		-
Umuhle Development	100				100
Zimele Sandi & 3 others	100				100
Nozipho Hlongwane	12 200				12 200
Ayabulela Ngoqo	58				58
Easten Cape Development Corporation	565				565
Siphindlela Majojobela	100				100
TM Ngalwa	773				773

Neliswa Manuqalaza	50				50
Nonceba Princess Goniwe	50				50
Zanele Mpondlana	50				50
Mfusi Maria Mapekula/ Director & MEC for DRDAR	100				100
Tulile Ntombozuko Gege/ MEC for DRDAR	850				850
Mncedisi Dike & 7 others		50			50
Emthonjeni Agricultural irrigation systems		100			100
Mavuvela Trading		248			248
Fikile Black		100			100
PORT ELIZABETH					-
Xplosive Investments 902cc	50		50		-
Azile Ndaba	200				200
Malibongwe Mayekiso	100				100
Sizwe Mayekiso	100				100
TO Molefe	100				100
Beta Advussory	3 953				3 953
Sanisiwe Matola	100			-	100
N Jim& 8 Others/DRDAR	100				100
NCSPCA/AI Mawashi& 9 Others		100			100
Qwathi-Tolo Property Farm Holdings/DRDAR		5 067			5 067
Simpiwe Diki/ECDARAR		100	100		-
PRETORIA					
SM SKOTO	200				200
Subtotal	26 854	6 156	(557)	-	32 453
TOTAL	26 854	6 156	(557)	-	32 453

ANNEXURE 3B (continued)

Nature of Liabilities recoverable	Opening Balance 1 April 2020		Details of Liability and Recoverability	Movement during year	Closing Balance 31 March 2021
	R'000			R'000	R'000
Gotshana & Nehawu	655	4	The claim relates to a job evaluation that was implemented incorrectly and subsequently reversed. The department has won the case on Junly 2020 and the recovery process will be resumed.		4 655
TOTAL	4 655				4 655

ANNEXURE 4

CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2020/21	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
Dep of Correctional Service	1	1	-	-	1	1		
Gauteng Department of Health	6	-	-	-	6	-		
Office of the Premier	111	-	-	-	111	-		
	118	1	-	-	118	1		
Other Government Entities								
Microsoft	-	5 316	-	-	-	5 316		
TOTAL	118	5 317	-	-	118	5 317		

*

ANNEXURE 5

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2020/21	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
Department of Health	34	33	-	-	34	33		
National Department of Agriculture Land Reform	85	34	-	-	85	34		
Department of Sport	21	-	-	-	21	-		
DAFF	34	-	-	-	34	-		
TOTAL	174	67	-	-	174	67		
OTHER GOVERNMENT ENTITY								
Current								
Agriseta	279	68	-	-	279	68		
HWSETA	2 371	7 861	-	-	2 371	7 861		
Mhlontlo Municipality	12	15	-	-	12	15		
OR TAMBO	3	3	-	-	3	3		
Subtotal	2 613	7 947	-	-	2 613	7 947		
TOTAL INTERGOVERNMENT PAYABLES	2 787	8 014	-	-	2 787	8 014		

*

ANNEXURE 6

INVENTORIES

Inventories for the year ended 31 March 2021	Farming Supplies R'000	Materials & supplies	Food & food supplies	Fuel, oil, gas	Learn & teach material	Medical supplies R'000	Medicine R'000	Other supplies R'000	TOTAL R'000
Opening balance									
Add: Additions/Purchases – Cash	129 697	5 074	75	2 752	293	1 028	29 122	5 167	173 208
(Less): Issues	(129 697)	(5 074)	(75)	(2 752)	(293)	(1 028)	(29 122)	(5 167)	(173 208)
Closing balance	-								

Inventories for the year ended 31 March 2020	Farming Supplies R'000	Materials & supplies	Food & food supplies	Fuel, oil, gas	Learn & teach material	Medical supplies R'000	Medicine R'000	Other supplies R'000	TOTAL R'000
Opening balance									
Add: Additions/Purchases – Cash	166 935	12 956	126	2 156	378	2 568	32 753	16 077	233 950
(Less): Issues	(166 935)	(12 956)	(126)	(2 156)	(378)	(2 568)	(32 753)	(16 077)	(233 950)
Closing balance	-								

ANNEXURE 7

MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	61 918	137 344	(113 569)	85 693
Dwellings				
Non-residential buildings	6 464	41 631	(52 755)	6 688
Other fixed structures	55 454	95 713	(60 814)	79 005
TOTAL	61 918	137 344	(113 569)	85 693

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance	Prior period error	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	52 171	-	99 798	(90 051)	61 918
Dwellings					
Non-residential buildings	16 445	11 348	7 861	(17 842)	17 812
Other fixed structures	35 726	(11 348)	91 937	(72 209)	44 106
TOTAL	52 171	-	99 798	(90 051)	61 918

ANNEXURE 8**INTER-ENTITY ADVANCES PAID**

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2021	31/03/2020	31/03/2021	31/03/2019	31/03/2021	31/03/2019
	R'000	R'000	R'000	R'000	R'000	R'000
PUBLIC ENTITIES						
Post Office			2 558	3 371	2 558	3 371
TOTAL			2 558	3 371	2 558	3 371

ANNEXURE 9

COVID 19 RESPONSE EXPENDITURE

Per quarter and in total

Expenditure per economic classification	2020/21					2019/20
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Goods and services						
DOMESTIC Equipment<R 5000	-	-	-	29	29	-
Cons Supp: Medical Supliers	1 383	1 280	959	827	4 449	179
Consu Hous Sup:Lin& Soft Furnsh	-	48	-	-	48	-
P/P: Pest Cntrl/Fumigation Ser	-	-	190	72	262	-
INV: Faming supplies	337	59	721	39 303	40 420	
TOTAL COVID 19 RESPONSE EXPENDITURE	1 720	1 387	1 870	40 231	45 208	179