



4TH QUARTER PRELIMINARY PERFORMANCE REPORT ANALYSIS

Committee Details	
Name of Committee	Portfolio Committee on Agriculture and Rural Development
Name of Department	Agriculture and Rural Development
Year/Quarter	4th Quarter 2019/20

ACRONYMS

APP	Annual Performance Plan
DARD	Department of Agriculture and Rural Development
ECM	Electronic Content Management
ICT	Information Communications Technology
IFMS	Integrated Financial Management System
IPPME&E	Integrated, Planning, Policy, Monitoring and Evaluation
KM	Kilometre
MAS	Management Advisory Services
PAJA	Promotion of Administrative Justice Act
SCM	Supply Chain Management

1. BACKGROUND/INTRODUCTION

The purpose of this report is to analyse the Department's quarterly performance report with an aim to track progress made by the Department based on its set targets, targets planned and achieved as well as challenges encountered leading to failure to achieve or meet targets during the 4th Quarter.

2. COMPLIANCE AND QUALITY

The Department submitted its quarterly performance report on time and complied with the set deadline. The report is readable and easy to make sense of.

3. SOURCES OF INFORMATION

The following source documentations were used when analysing the Department's 4th quarter report:

- 2019/20 Annual Performance Plan (APP); and
- 2019/20 Quarter 4 Performance Report

4. LIMITATIONS OF THE ANALYSIS

- Relying on documents submitted by the Department
- Limited time to analyse the report.
- Department uses percentages instead of actual numbers

5. CONTENT ANALYSIS

The Department is structured around three (3) programmes, namely; Programme One: Administration, Programme Two: Agricultural Development Services, and Programme Three: Rural Development.

At the end of the 4th Quarter, the overall achievement on its three (3) programmes was as follows;

- | | |
|----------------------|-----|
| • Achieved on target | 22% |
| • Overachieved | 28% |
| • Underachieved | 50% |

5.1 PROGRAMME ONE: ADMINISTRATION

This programme focuses on the provision of finance, corporate and strategic support services to the Department. These include, but not limited to Financial Management, Human Resource Development, Integrated Planning, Policy, Monitoring and Evaluation (IPPM&E), Information Communications Technology (ICT), Legal Services, Management Advisory Services (MAS), Labour Relations as well as Security and Occupational Health and Safety. It comprises of two (2) Sub-programmes, namely; Corporate Services, and Financial Management.

Corporate Services has seven (7) performance indicators, of which three (3) were achieved on target, two (2) were overachieved and two (2) were underachieved.

Number of business processes automated- The Department has stated that National Treasury has put in place a moratorium out on the implementation of Electronic Content Management (ECM) as a result of the development of the Integrated Financial Management System (IFMS). The Department is now exploring a total solution that covers the full spectrum of automation.

Percentage of approved funded vacant posts filled- The Department has stated that all posts on phase 1 have shortlisted and interviews were already scheduled. Covid-19 had a negative effect on the finalisation thereof. Phase 2 & 3 posts have been advertised.

The Committee Researcher has noted the reasons cited by the Department for the two (2) underachieved performance indicators, and thus recommends the Portfolio Committee to accept them. However, the Committee Researcher also recommends that the Department keeps the Portfolio Committee informed or updated on both performance indicators.

Financial Management has five (5) performance indicators, of which one (1) was achieved on target, two (2) were underachieved and two (2) were not planned for in the 4th quarter because the annual target had already been achieved in the previous quarters.

Approved procurement plan- The Department did not give a reason for variance.

Percentage of valid invoices paid within 30 days- The Department has stated delays by end-users submitting invoices to Finance, thus no orders for recurring services.

The Committee Researcher recommends the Portfolio Committee to enquire from the Department on the reason for variance for the one (1) underachieved performance indicator, more especially because the annual target was targeted for in the 4th quarter. The Committee Researcher also notes the reason cited by the Department for the other underachieved performance indicator, and recommends the Portfolio Committee to enquire from the Department on the reason. What impact does this have on service delivery and on service provider's businesses if payments are not received on time.

5.2 PROGRAMME TWO: AGRICULTURAL DEVELOPMENT SERVICE

The purpose of programme two is to engage, empower and transform our communities to participate in sustainable agriculture and environmental practices to realize economic development and food security in the Province.

This programme comprises of six (6) Sub-programmes, namely; Sustainable Resource Management, Farmer Support and Development, Veterinary Services, Research and Technology Development, Agricultural Economics Services, and Structured Agricultural Training

Sustainable Resource Management has ten (10) performance indicators, of which two (2) were achieved on target even though one (1) was not planned for in the 4th quarter, two (2) were overachieved and six (6) were underachieved.

Number of agricultural infrastructure established- The Department has stated that it cancelled the ZNB 426/18A Bid for Fencing in November 2019 due to the local content non-compliance, which led to delays in the supply of fencing material for infrastructure projects.

Number of agricultural infrastructure rehabilitation- The Department has stated that it cancelled the ZNB 426/18A Bid for Fencing in November 2019 due to the local content non-compliance, which led to delays in the supply of fencing material for infrastructure projects.

Number of kilometre (KM) fenced- The Department has stated that it cancelled the ZNB 426/18A Bid for Fencing in November 2019 due to the local content non-compliance, which led to delays in the supply of fencing material for infrastructure projects.

Number of hectares protected to improve agricultural production- The Department has stated that indicator is determined by the requests received.

Number of farm management plans- The Department has stated that more plans were concluded in preceding quarters to achieve annual output of 11.

Number of disaster relief schemes managed- The Department has stated that it has provided disaster relief support to farmers who have experienced hardships due to drought in the 3rd quarter.

The Committee Researcher has noted that for three (3) of the six (6) underachieved performance indicators the Department has stated delays due to local content non-compliance as reasons. Against this background the Portfolio Committee would need to probe further on what exactly happened around this contract because the cancellation of the contract has impacted on service delivery as stated above. Furthermore, it is recommended that the Portfolio Committee enquires from the Department on their plans to ensure that targets for these performance indicators are achieved in future APP's. Also noted by the Committee Researcher are the reasons cited by the Department for the other three (3)

underachieved performance indicators. Thus, it is recommended that the Portfolio Committee enquires from the Department on the one (1) performance indicator where the Department cited that more plans were concluded in preceding quarters to achieve the annual output of 11 because according to the quarterly reports 8 farm management plans have been achieved and the annual output is 10 and not 11. Also recommended by the Committee Researcher is for the Portfolio Committee to accept the reasons cited for the other two (2) underachieved performance indicator because they were both beyond the Department's control, as one was determined by requests received whilst for the other the annual target had already been achieved in the 3rd quarter as a response to drought.

However, it would be interesting to find out from the Department disaster relief measures, if any, that have been implemented to support farmers with the context of the COVID-19. Although it is not part of this report, maybe the Portfolio Committee might want to ask this question to the Department in future.

Farmer Support and Development has seven (7) performance indicators, of which two (2) were overachieved and five (5) were underachieved.

Number of commercial farmers supported- The Department has stated that there was a higher client demand and sufficient stock of production input, as such more support was provided.

Number of smallholder producers supported with agricultural advice- The Department has stated that more focus was placed on driving the planting season and there were less advices sought during the period especially related to maintenance of crop field.

Number of hectares under irrigation used by smallholder farmers- The Department has stated that rehabilitation of irrigation canal or schemes affected production under irrigation.

Number of jobs created through Departmental interventions- The Department has stated that the Department cancelled the ZNB 426/18A Bid for Fencing in November 2019 due to the local content non-compliance, which led to delays in the supply of fencing material for infrastructure projects.

Number of households supported with agricultural food security initiatives- The Department that annual target already exceeded due to higher achievements in prior quarters.

Farmer Support and Development is amongst the Department's strategic priorities making the sub-programme the core of the Department's service delivery. However, the Committee Researcher has noted with concern the five (5) underachieved performance indicators. The Committee Researcher acknowledges that for two (2) of the five (5) underachieved performance indicators annual targets have already been achieved in the previous quarters. However, this raises concern in terms of how the Department does its planning in the initial

phases of the drafting of the APP. Therefore, it is recommended that the Department gives reasons and how it will ensure that such does not happen in future APP's.

The Committee Researcher has also noted the reasons cited by the Department for the other three (3) of the five (5) underachieved performance indicators, and thus recommends the Portfolio Committee to enquire from the Department on the reason for variance for the one (1) performance indicator because in the previous quarter the Department had stated that it is on-track to achieve annual target. As for the other two (2) performance indicators, the Committee Researcher recommends that the Portfolio Committee accepts the reasons for variance cited as beyond the Department's control.

Veterinary Services has four (4) performance indicators, of which one (1) was achieved on target and three (3) were underachieved.

Number of epidemiological units visited for veterinary interventions- The Department has stated marginal underachievement due to staff shortage within Veterinary services.

Number of export control certificates issued- The Department has stated that the output is dependent on client request.

Number of laboratory tests performed according to prescribed standards- The Department has stated that tests are demand driven and that there were less samples submitted by clients.

The Committee Researcher has noted with concern the one (1) underachieved performance indicator due to capacity constraints within Vet because on the updated situational analysis it is stated that veterinary services have received additional capacity in terms of new personnel, which will boost the fight against disease outbreak. Therefore, the Committee Researcher recommends that the Portfolio Committee enquires from the Department on the contradiction, and as well as how the Department plans on addressing the issue.

Also noted by the Committee Researcher are the reasons cited by the Department for the other two (2) underachieved performance indications. It is thus recommended that the Portfolio Committee accepts these reasons as targets are client based and therefore beyond the Department's control.

Research and Technology Development has five (5) performance indicators, of which two (2) were achieved on target and three (3) were overachieved.

Agri-Business Support and Development has four (4) performance indicators, of which one (1) was achieved on target, two (2) were overachieved, and one (1) was underachieved.

Number of Agri-Businesses supported with production economic services- The Department has stated that fewer requests were received in quarter 4 as workshops, trainings/farmers days were cancelled due to Covid-19.

The Committee Researcher has noted the reason cited for the one (1) underachieved performance indicator, and thus recommends that the Portfolio Committee accepts the reason as targets are request based.

Structured Agricultural Training has three (3) performance indicators, of which two (2) were overachieved and one (1) was underachieved.

Number of interventions in schools programmes- The Department did not give reasons for variance.

The Committee Researcher acknowledges that even though this performance indicator was underachieved for this quarter the annual target had already been achieved in the 2nd quarter. However, it is recommended that the Portfolio Committee requests the Department to report targets as they appear in the APP because the 4th quarter performance report indicates no target for the quarter whilst the APP indicates otherwise.

5.3 PROGRAMME THREE: RURAL DEVELOPMENT

The purpose of programme three is to ensure the continuous improvement of sustainable rural livelihoods through the coordination of integrated rural development services and facilitation of rural enterprises and industry development.

This programme comprises of two (2) Sub-programmes, namely; Integrated Rural Coordination; and Rural Enterprise and Industry Facilitation and Development.

Integrated Rural Coordination has three (3) performance indicators, of which one (1) was not planned for in the 4th quarter because the annual target had already been achieved in the 2nd quarter and two (2) were underachieved.

Number of structures coordinated in line with the CRDP's- The Department stated that when the Outcome 7 was discontinued the coordination responsibility fell away from the Department.

Outcome 7 performance reports submitted for the province- The Department stated that Outcome 7 was discontinued when the new MTSF was introduced and coordination responsibility fell away from the Department.

The Committee Researcher has noted the reasons cited for the two (2) underachieved performance indicators, and thus recommends that the Portfolio Committee accepts the reasons.

Rural Enterprise and Industry Facilitation and Development has one (1) performance indicator and it was underachieved.

Number of projects mentored- The Department stated that the panel of mentors was finally appointed mid-January and the unit immediately submitted request memoranda to SCM for

procurement. Parallel to that the unit requested Districts to confirm their projects to be monitored. The request memos were not processed by SCM because the service level agreements were only signed by the panel members in the middle of March.

The Committee Researcher has noted with concern the reason for variance cited by the Department, and therefore recommends that the Portfolio Committee enquires from the Department on the reasons why the appointment of the panel of mentors was left to the last quarter of the year and why there were delays in the signing of the service level agreements by panel members.

6. CONCLUSION

The Department achieved 50% performance, which is a moderate achievement based on its set targets for the 4th quarter performance indicators and as planned in the Department's annual performance plan. Therefore, noting the Department's moderate achievement of its set targets in this quarter, it is recommended that (a) the Department provides reasons for underachievement (50% underachievement), (b) come up with a turnaround plan to make up for the underachievement in the future (quarterly plans), (c) indicate the impact this will have on service delivery and (d) provide a comprehensive report to the Committee in the next meeting.

Agreed			
	Name	Signed	Date
Compiled by Committee Researcher	Nokulunga Luthuli		
Verified by Manager Research	Zipho Phakathi		
Committee Approvals			
Hon. Chairperson	Hon N Sibhidla-Saphetha		

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