



Public Hearing on Conditional Grants 19th May 2010

Spending on the Community Library Services Grant



Department:

**Arts and Culture
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Data on trends in allocations, transfers and actual expenditure.

2007/8

2008/9

2009/10



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2007/08 financial year (100% spent)

- During the 2007/2008 financial year, the department was allocated an amount R13,950 million in respect of the conditional grant, of which R13,967million was spent by the department.



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2008/2009 financial year (94% spent)

- The department was allocated R26,195 million and spent 94% of the conditional grant at year end, i.e. R24,753 million.
- The under expenditure relates to the committed funds in respect of the acquisition of a mobile library bus and the infrastructure project of a new library and regional Depot in Mbazwana. The department was granted a roll-over of unspent funds of R1,442 million in respect of these capital commitments.



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2009/2010 financial year (90% spent)

- During the 2009/10 financial year, the department was allocated R34,147 million in respect of the conditional grant.
- Under-expenditure related again to the infrastructure project – a combined public library/regional library depot in Mbazwana.
- R3,550m was underspent on this project plus the R1,444m rollover from 2009/10. A total of R4,994m.



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Reasons for Under-Expenditure

- The infrastructure project in Mbazwana is a R28 million rand project, it was due for completion at the end of the 2009/2010 financial year.
- The Department has an excellent record for library infrastructure with 54 new libraries built since 1994. It has skilled capacity to administer infrastructure projects.
- The Mbazwana project met major delays due to contractor challenges. This has been closely monitored and although due for completion in January 2010 the new expected date is August this year. It is not unusual for building contracts on this scale to not meet deadline targets.



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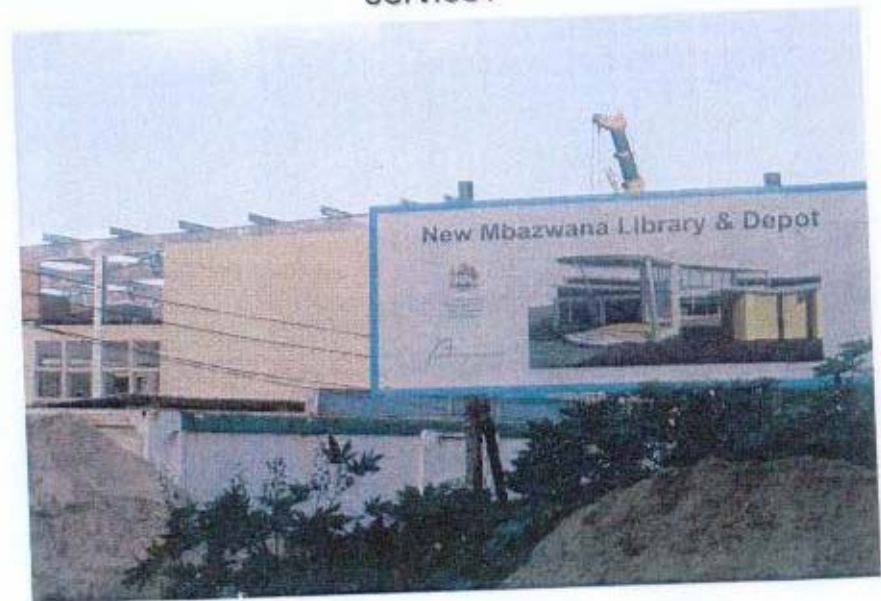
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Mbazwana Education Centre: next to the Mbazwana Depot and Library



Prefabricated structures: to be used for half a service?





Entrance to the Depot and Library



Mbazwana Library and Depot under construction







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Monitoring Capacity on Expenditure 2009/2010



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KZN Grant Transformation Projects

- Internet@yourlibrary project – free access [with skills development] to computer and internet resources.
- Textbooks supporting tertiary distance education learners. Addressing educational needs of library users.
- Specialised permanent collections of material supporting school curriculum (project material).



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KZN Grant Transformation Projects continued....

- Migration to a new automated library management system for all libraries providing equitable access to wider resources.
- A new library and Regional Library Depot for Mbazwana Municipality. Providing services and support in rural areas.
- Mobile services to promote a reading culture in historically disadvantaged communities.



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Expenditure 2009/10

Broad projects	Actual expenditure per project	% of total actual expenditure
Library materials	R6 798, 077	22%
ICT	R7,880,289	26%
Staff capacity in libraries: (employed cyber cadets as skills transfer agents)	R3 091,000	10%
Infrastructure project	R12,448,916	41%
Other (administration of grant)	R378 718	1%



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Monitoring

- Monthly financial data submitted to National Department of Arts and Culture and Provincial Treasury on regular basis.
- Quarterly reports and review meetings with the National Department of Arts and Culture held.
- Internal audit on conditional grant expenditure (August 2009 and ongoing follow-ups).
- Performance management audit by Manto Management Consultants appointed by the National Department of Arts and Culture (29th July 2009).



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Monitoring cont....

- Evaluation Committee meetings.
- Provincial Treasury bi-lateral meetings.
- Inspection of sites by National Department of Arts and Culture's appointed provincial coordinator and monthly visits to Library Services and eThekweni Metro.
- Site inspections of infrastructure project and cyber cafes.



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Monthly reporting by local municipalities.



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Transfers of conditional grant funding in 2009/10

19% of the annual allocation was transferred to municipalities:

- Cyber cadet salaries: R3 091,000
- eThekweni Metro: R2 500 000
- Msunduzi Municipality: R800 000

Reporting:

- Monthly expenditure on cyber cadets is reported on. Feedback on usage by the public provided on monthly reports from cyber cadets.
- eThekweni provide monthly reports on expenditure.
- Msunduzi Municipality provide monthly reports on expenditure.



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Spending Plans 2010/11



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Planned expenditure for 2010/2011 Grant

PROJECT	EXPENDITURE Q1 APRIL – JUNE 2010	EXPENDITURE Q2 JULY – SEPT 2010	EXPENDITURE Q3 OCT – DEC 2010	EXPENDITURE Q4 JAN - MARCH 2011
Library material	R1 000 000	R3 300 000	R1 000 000	R1 500 000
ICT	R2 077 000	R4 186 000	R 91 000	R1 212 000
New buildings	R7 000 000	R5 000 000	R 500 000	R1 475 000
Additional staff	R1 303 000	R1 243 000	R1 296 000	R1 166 000
New services	R 88 000		R2 210 000	
Promotion of services		R 720 000		
Administration of grant	R 629 000	R 227 000	R 831 000	R 229 000
TOTAL	R12 097 000	R14 675 000	R5 928 000	R5 582 000



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Thank you



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