CHAPTER 6
LAND REDISTRIBUTION FOR AGRICULTURAL DEVELOPMENT IN THE NORTH WEST PROVINCE

6.1 INTRODUCTION

The previous chapter gave an overview of the origins, the nature and institutional context of land reform policy in South Africa since democratisation in 1994. The chapter laid the foundation for understanding the broader context in which the LRAD programme was being administered, but also for interpreting the findings in terms of LRAD programme administration in the North West Province.

The purpose of this chapter is, firstly, to present the findings based on oral and documentary evidence gathered. An analysis is provided as well as conclusions based on the interpretation of the findings.

6.2 BRIEF DESCRIPTION OF THE NORTH WEST PROVINCE

The brief background information to the North West Province given below has been adapted from a paper presented by De Brouwer (2004) at the North West Provincial Beef Conference. The climatic and vegetation information in particular has relevance in terms of explaining some of the constraints towards achievement of land redistribution targets in the North West Province.

6.2.1 Geographical location

The North West Province is situated in the north-west corner of the Republic of South Africa. The total surface area of the Province is approximately 11,6 million hectares (10% of total area of South Africa). The province is divided into four district municipalities namely Bojanala Platinum in the eastern part, Ngaka Modiri Molema in the central part of the province, Dr. Kenneth Kaunda in the south eastern part and Dr. Ruth Segomotsi Mompati in the western part. It borders Botswana in the north-west with the Molopo River forming the international boundary, Northern Cape (Province) in the west and south, the Free State (Province) in the south-east with the Vaal river forming the
provincial boundary, Gauteng (Province) in the east and Limpopo (Province) in the north. It is situated between 24°38’10”S and 28°6’44”S latitude and 22°37’44”E and 28°57’20”E longitude.

6.2.2 Agricultural production systems

The average annual rainfall for the province varies between 720 mm in the east of the province (i.e. Bojanala Platinum District Municipality) to less than 300 mm in the west of the province (i.e. Dr. Ruth Segomotsi Mompati District Municipality). The vegetation changes from temperate grasslands in the eastern part of the province to semi-arid bush and shrub veld in the western parts of the province. In accordance with the climate (rainfall distribution), the primary agricultural production systems in the province consist of:

- Mixed crop farming and livestock farming in the eastern parts of the province. Arable land with an effective depth in excess of 450 mm and long-term average annual rainfall in excess of 450 mm covers an area of approximately 1.2 million hectares or 10.3% of the provincial area but a greater area than that is regularly cultivated. In the more eastern parts of the province, crop production is usually the primary enterprise, as rainfall is generally higher. The cropping enterprise can, and often does, serve as an important source of feed or feed components for various livestock enterprises in the mixed farming.

- Almost exclusively extensive livestock farming towards the western parts of the province (Manstrat, 2008:32). The western regions of the province almost exclusively rely on extensive livestock production systems. This is mainly due to climatic constraints.

- Irrigation is limited to particular areas of Taung (Dr. Ruth Segomotsi Mompati District Municipality), Molopo (Ngaka Modiri Molema District Municipality) and Brits (Bojanala Platinum District Municipality), adjoining river systems, as well as isolated areas where irrigation from subterranean water sources is practised such as in Ventersdorp (Dr. Kenneth Kaunda District Municipality) and Louwna (Dr. Ruth Segomotsi Mompati District Municipality).
6.3 INSTITUTIONS ADMINISTERING THE LRAD PROGRAMME

The research was not about the study of the network responsible for LRAD programme administration in the North West Province. However, literature on network management has been used to describe the institutional arrangements for administration of the programme. According to Laumann, Mardsen and Prensky (in Foster-Fishman et al., 2001:882) and Provan et al. (2005:605), when research is undertaken on programmes that are administered jointly, a decision has to be made on which organisations to include in the network for data collection (i.e. those that are bound together by collective ties).

The LRAD Policy Framework prescribes that the NWPLRO, the DACE and municipalities should collectively administer the programme. In addition to the above-mentioned institutions as prescribed by policy, the respondents mentioned that the Land Bank and commercial banks were also involved in the decision-making structures for LRAD programme administration in the North West Province. It has been mentioned in the previous chapter that the Land Bank was from the 2001/02 financial year up until the 2003/04 financial year, directly involved in the administration of the programme through an agency agreement with the DLA. According to the minutes of the Provincial Grants Committee (PGC) for the period February 2006 to December 2006, the following institutions participated in the decision-making processes of the PGC:

- The NWPLRO, which convened the PGC meetings, chaired the proceedings of the meetings, provided the secretariat support services, and was overwhelmingly represented in terms of number of officials participating in the PGC.
- The DACE, which was in all instances represented by one official at a time. Other staff members of the DACE from the agricultural extension services were from time to time requested to accompany the NWPLRO planners to PGC meetings to provide technical backup to planners when they make presentations of LRAD projects, which have been recommended by the District Land Reform Committee (DLRC).
- The Land Bank branches in the province.
- The DOA, through its staff that is monitoring the CASP administration in the province, in terms of deconcentration of administrative authority.
• commercial banks (i.e. those that provide mortgage and production loan finance in the agriculture sector).

The manner by which these institutions were collectively tied together will be discussed in later sections of this chapter. The respondents also identified institutions (and the reasons for their potential involvement) that were not part of the formal institutional arrangements at the PGC level as described above, and which they think could be playing a crucial role in the integrated administration of the LRAD programme. The following institutions were identified:

- Land Restitution Commission: Its participation is crucial because before an application for land purchase can be processed further, it must first be verified whether a land claim has been lodged against the said property or not.
- ESKOM (a parastatal institution responsible for generating and providing electricity within the country): Its participation is crucial because electricity is an integral part of each and every agricultural project, as such adequacy of supply must be guaranteed.
- Department of Water Affairs and Forestry: It has to provide advice on the availability of agricultural water, as well as water rights as they impact on the viability and sustainability of farms with irrigable land.
- Department of Social Services: Its participation is important because in some farms that are being purchased, farm-workers are affected not only because of the land purchase transaction involved, which introduces new owners of property, but also that they live under adverse conditions, which require intervention in a form of social grants.
- Department of Health: It has to take care of the health needs of farm-workers, as well as those of beneficiaries of the LRAD programme.
- Department of Education: Depending on the needs of a specific project, schooling facilities may have to be provided.
- Organised farmer associations: They should be involved since they are closer to the land in question, understand the land dynamics much better, and should be partnered with to assist in securing land purchase offers as well as mentoring newly settled beneficiaries.
In accordance with the minutes of the PGC, the municipalities as well as the above-mentioned institutions did, up until the end of the 2006/07 financial year, not take part in PGC activities. By suggesting the inclusion of the above-mentioned institutions in the processes for the administration of the LRAD programme, the respondents rather proposed an integrated approach towards the administration of the LRAD programme, and not necessarily that all these institutions should serve in the decision-making structures for LRAD administration. Given the fact that the LRAD programme was designed to be administered jointly by the departments of Agriculture and Land Affairs, the following section will outline the specific roles that each institution plays as defined by policy, shaped by practical experience and based on suppositions.

6.4 Roles in terms of LRAD programme administration

The LRAD Policy Framework (2001:14) outlines the responsibilities of the different role players in the implementation of the LRAD programme. These are summarised in Table 6.1.

### Table 6.1: LRAD programme administration roles as prescribed by policy

<table>
<thead>
<tr>
<th>Department of Agriculture</th>
<th>Department of Land Affairs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>National sphere</strong></td>
<td></td>
</tr>
<tr>
<td>- Design LRAD</td>
<td>- Design LRAD</td>
</tr>
<tr>
<td>- Provide training to participants, agents and local land and agricultural officers</td>
<td>- Budget for capital transfers under LRAD</td>
</tr>
<tr>
<td>- Co-ordinate policy issues and interdepartmental activities</td>
<td>- Monitor the flow of funds to the provincial sphere</td>
</tr>
<tr>
<td>- Monitor and evaluate outcomes of LRAD</td>
<td>- Co-ordinate policy issues and interdepartmental activities</td>
</tr>
<tr>
<td></td>
<td>- Monitor and evaluate outcomes of LRAD</td>
</tr>
<tr>
<td><strong>Provincial sphere</strong></td>
<td></td>
</tr>
<tr>
<td>- Is accountable for LRAD in the province</td>
<td>- Is accountable for LRAD in the province</td>
</tr>
<tr>
<td>- Participate in various provincial committees</td>
<td>- Participate in various provincial committees</td>
</tr>
<tr>
<td>Convene the grant approval committee and provide the secretariat</td>
<td>Responsible for approving release of grants</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>• Responsible for land survey, title registration and transfer</td>
<td></td>
</tr>
</tbody>
</table>

**Local sphere**

<table>
<thead>
<tr>
<th>• Provide technical opinion on the proposed farm plan, land use and environmental assessment</th>
<th>• Provide information and training for participants and agents (clarifying technical and legal aspects of LRAD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Work with district council counterparts to ensure project congruence with IDPs/LDOs</td>
<td>• Work with district council counterparts to ensure project congruence with IDPs/LDOs</td>
</tr>
<tr>
<td>• Provide agricultural support services</td>
<td></td>
</tr>
</tbody>
</table>

Source: LRAD Policy Framework (2001:14)

The arrangement in Table 6.1 has resulted in the creation of a mandatory relationship between the DOA and DLA, which is common within public service organisations (Isett & Provan, 2005:150-151). It is the kind of interorganisational relationship that is derived from the legal or regulatory authority of government and is political in nature (Rodriguez et al., 2007:154). In this arrangement, the governing authority mandates the DOA and the DLA to co-operate with each other. The Government has convened these institutions (who out of their own accord may not have seen the necessity of co-operating), by formally giving them the mandate to intervene in the social problem concerning land redistribution, and the manner in which the intervention takes place (i.e. mechanisms for initiating and sustaining the interorganisational relationships) is prescribed and performance monitored within the hierarchy of the government bureaucracy (Benson in Rodriguez et al., 2007:156).

Though the official reasons could not be established as to why a mandatory relationship was created between the DOA and the DLA, the reasons could be inferred as follows:

- Shermerhorn (1975:850), in simplifying Merret’s (in Shermerhorn, 1975:849) four-level analysis, suggests that in conducting an analysis of the manner in which interactions take place between organisations, characteristics (which render them either compatible or incompatible to co-operate) of potentially co-
operating organisations should be considered as a predictor of predisposition to co-operate. The two institutions belonged to one Ministry for Agriculture and Land Affairs. Agriculture and land reform policy formulation and implementation issues were already co-ordinated through the ITCAL and MINMEC committees by the time the LRAD programme was launched, thus it made sense for the joint administration of the LRAD programme to be assigned to these institutions.

- Relationships may be formed when organisations operate within a similar domain, such as the agrarian and land reform policy domain. In this context, co-operating organisations could be:
  - servicing the same clients;
  - providing the same services;
  - be requiring the same skills in order to carry out their functional responsibilities; and
  - having to respond to the same needs from society.

Organisational action by members participating in goal-directed networks based on policy domain similarity or goal consensus is not only driven by narrow individual organisational goals but also by network-level goals (e.g. the need to reduce competition and conflict among members, improve client service, attract network-wide funding and other critical resources) (Provan & Kenis, 2007:239). The two institutions operate within the same policy domain of agrarian reform where they share a common clientele, namely farmers.

Within a goal-directed network, which is similar to the institutional arrangements created for LRAD programme administration, organisations constituting the network share a common purpose and an understanding of the need to work together to achieve multi-organisational objectives of government (Provan & Kenis, 2007:231). In the context of the LRAD programme, the shared purpose was prescribed by policy and lead organisations were created by policy prescripts. These organisations enjoy more positional power in relation to others within the network. In terms of Table 6.1, positional power pertaining to LRAD programme administration is enjoyed by both the DACE and the NWPLRO, whose primary source of positional power is derived from the legislative mandate, which also grants them control over resources.
Lead organisations also command more resources. The tangible resource that the DACE had was in terms of control of CASP grant funds, which were made available to provinces since the 2004/05 financial year. Other than the CASP grant funds, the DACE was also allocated a limited amount of development funds by the provincial legislature, some of which were used to support land reform beneficiaries. Since the financial year 2001/02, the NWPLRO has been annually allocated the LRAD planning grant funds and the LRAD grant funds (i.e. for land acquisition), which it used to support beneficiaries of the LRAD programme.

Lead organisations enjoy legitimacy to play a lead role. The institutional theory perspective suggests that the external loci of power lies with the shapers and enforcers of institutional rules and beliefs (i.e. organisations are perceived as powerless to influence the institutional environment in which they render public services), hence the motive for organisations is to achieve legitimacy (i.e. being socially and politically accepted as worthy to continue existing for the purpose of rendering public services) and stability (i.e. ensuring survival of the organisation, as well as continuous flow of financial resources to the organisation) by conforming to the dictates of enforcers of institutional rules, such as political-office bearers and the legislature (Oliver, 1991:149). The legitimacy for the NWPLRO and the DACE to play a leading role in LRAD programme administration is derived from government rules. For the management of both institutions to maintain legitimacy, they had to be accountable internally within their respective administrative hierarchies, and collectively to the technical structure of Intergovernmental Technical Committee on Agriculture and Land (ITCAL) and political structures of the Provincial Land Reform Co-ordinating Committee and MINMEC for the efficient and effective administration of the LRAD programme.

Decision-making within the network gets co-ordinated through a lead organisation, irrespective of whether network members may be interacting independently between them. The DACE was granted the responsibility to convene the meetings of the PGC by interacting with stakeholders who form part of the PGC, and to keep a record of the proceedings of PGC meetings. The NWPLRO was given the authority to approve the release of the LRAD grants, a task which they could not accomplish unless they ensured that the proceedings and decisions of the PGC were in compliance with rules and regulations governing the LRAD programme. In spite of the roles and responsibilities
being clarified in the LRAD Policy Framework (2001), the NWPLRO has been convening PGC meetings and providing secretariat services (PGC Minutes, February 2006 to December 2006) and approving the LRAD grants. By assuming the roles and responsibilities of the DACE in terms of PGC activities, the NWPLRO was asserting its authority and centrality in terms of LRAD programme administration. The DACE continued to participate in the activities of the PGC in a lesser role of providing technical support, which demonstrates firstly, the commitment of the DACE towards the administration of the LRAD programme albeit in a lesser role and secondly, an acknowledgement of the lead role assumed by the NWPLRO in the administration of land reform programmes. These changes in terms of roles and responsibilities did not invalidate the decisions of the PGC, but ensured that the administration of the LRAD programme and other land reform programmes continued to be undertaken as planned.

Lead organisations assume responsibility for maintaining internal relationships within the network as well as developing new external relationships. McGuire (2002:601-607) and Agranoff and McGuire (in Berry et al., 2004:546) suggest four tasks that a network manager need to perform in order to establish and maintain the activities of a network. They have to identify potential and necessary participants and make them interested in participating in the activities of the network. This task also involves obtaining resources for the network to get started and becoming functional. It has been indicated above that the number of institutions participating in the activities of the PGC extended beyond those that were prescribed by policy, to additionally include those that can play an important role in ensuring effective LRAD programme administration.

A network manager has to develop a framework of rules and values that will inform the context under which participation will take place. In the section on work methods and procedures, a description will be provided of the institutional arrangements developed by the PGC to ensure that it remains functional. Participants in a network have to be mobilised by a network manager towards a common and holistic purpose, as well as strategies for achieving the end. The common and holistic purpose pertains to redistribution of 30% of White-owned agricultural land by 2014, and which was the primary mandate of the NWPLRO. However, inherent in the redistribution of land is the issue of livelihood and sustainable development, which falls within the ambit of the
mandate of the DACE. In the section below on strategic planning, these mandates will be fully discussed.

A network manager also has to facilitate effective and sustained interaction among participants with a view of achieving a common purpose. A perusal of the minutes of the PGC during the period February 2006 to December 2006 shows that monthly meetings were held regularly. In certain instances, special meetings were also held. The NWPLRO database of land reform projects (which does not include applications that were declined) dealt with the decision-making structures (i.e. LLRC, DLRC and PGC) of the LRAD in the province. This is further evidence that there were sustained activities of interaction in terms of LRAD administration, as spearheaded by the NWPLRO.

6.5 RESPONSIBILITIES CREATED BY THE LRAD PROGRAMME

Administration entails putting into effect the policy decisions taken during the decision stage (Thornhill, 2005:180), and involves change from both organisational and policy perspectives (Slack, 2005:3). A new programme of government such as the LRAD creates new and/or additional responsibilities to the institutions administering it. Policy instruments structure public policies, and represent the different dimensions through which the policy problem of land redistribution can be dealt with (Lascoumes & Le Gales, 2007:5). The LRAD programme uses capacity instruments to address the policy problems identified in the White Paper on Land Policy (1995). According to Lascoumes and Le Gales (2007:5), capacity instruments have as their basic assumption the fact that there are certain constraints such as:

- lack of policy-related and agricultural production related information;
- lack of farming skills;
- poor education of land redistribution beneficiaries; and
- lack of resources which prevents targeted beneficiaries of the LRAD programme from making decisions or taking action that will lead to the realisation of the land redistribution policy goals, which in the case of the LRAD programme, the policy goals are the acquisition of agricultural land as well as sustainable production on the acquired land.
Respondents were asked to identify new and/or additional responsibilities or obligations created by the LRAD programme (see appendix 4). The respondents, who have been with their respective institutions when the SLAG programme (pre-cursor to the LRAD programme) was still being administered, and have been with their respective institutions since inception of the LRAD programme, were expected to identify the new and/or additional responsibilities imposed by the LRAD programme. The responses were coded into relevant themes and are presented in Table 6.2.

Table 6.2: Perceptions by respondents (n=8) of responsibilities created by the LRAD programme

<table>
<thead>
<tr>
<th>NWPLRO</th>
<th></th>
<th>DACE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Programme co-ordination</strong></td>
<td></td>
<td><strong>Post-transfer support</strong></td>
</tr>
<tr>
<td>To set up institutional relations</td>
<td></td>
<td>To ensure that LRAD projects remain productive</td>
</tr>
<tr>
<td>To do liaison and co-ordination with regard to institutional relations</td>
<td></td>
<td><strong>Programme co-ordination</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>To plan together for the funding of projects</td>
</tr>
<tr>
<td><strong>Post-transfer support</strong></td>
<td></td>
<td><strong>Project design</strong></td>
</tr>
<tr>
<td>To give the necessary advice and link applicants to possible markets through the assistance of DACE</td>
<td></td>
<td>To play a supporting role in terms of doing feasibility studies</td>
</tr>
<tr>
<td><strong>Processing of LRAD applications</strong></td>
<td></td>
<td>To assist with business plans</td>
</tr>
<tr>
<td>To ensure that applicants are assisted to get loans where there is a need for additional funding</td>
<td></td>
<td></td>
</tr>
<tr>
<td>To do selection of beneficiaries since the LRAD programme was initially geared to lead people to commercial agriculture</td>
<td></td>
<td></td>
</tr>
<tr>
<td>To approve planning grant at district level by District Managers (initially the provincial director had to do that)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>During SLAG time, submissions were being approved by the Minister, but later (with introduction of the LRAD) these delegations were brought down to provincial directors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Had more applications of LRAD to process than during SLAG programme</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The responsibilities created by the LRAD programme, as perceived by respondents and presented in Table 6.2, can be summarised as follows:

**Programme co-ordination:** The respondents identified the following responsibilities:

- setting up of institutional structures for decision-making, which structures were not in place during the time of the SLAG programme;
- keeping institutional structures for decision-making functional, by, among others, assigning personnel to serve in them; and
- liaising with other institutions, with regard to the sharing of human and financial resources.

**Processing of applications:** The respondents identified the following responsibilities:

- **Project design:** This includes developing feasibility studies and business plans for projects, and ensuring that where there are shortfalls between grant funds and land purchase price, loan finance is facilitated. Though food security projects can be undertaken through the LRAD programme, its main emphasis, which is a main point of departure from the SLAG programme, is the creation of a new generation of black commercial farmers, hence the significance of concepts such as feasibility study, business plan and loan finance in the LRAD programme. The selection of beneficiaries could have been valid had the LRAD programme been designed to be supply led, in which instance the state would have had much more authority in terms of identifying farms to be purchased as well as selecting beneficiaries who qualify for the LRAD grants.
- **Delegated authority to approve the planning and LRAD grants.** Other than the views of the respondents, it could not be independently verified that the authority to approve grants was, during the time of the SLAG programme, vested in the national Minister. With the introduction of the LRAD programme, PLRO directors were delegated the authority to approve LRAD grants (LRAD Policy Framework, 2001:11), of which it could be inferred that before then they did not have authority to approve grants for the SLAG programme. Given that the mode of implementation adopted for the LRAD programme was “...in the interest of maximum participation of beneficiaries, speed of approval and quality of
outcomes” (LRAD Policy Framework, 2001:11), decentralisation of administrative authority had to be done if these ideals were to be realised.

- **Increase in volume of work.** The respondents indicated that they had more applications of the LRAD programme to process than during the SLAG programme. The NWPLRO database was used to compile information on LRAD projects approved in the North West Province, as presented in Table 6.3.

<table>
<thead>
<tr>
<th>Municipality</th>
<th>Bojanala Platinum District Municipality</th>
<th>Dr. Kenneth Kaunda District Municipality</th>
<th>Ngaka Modiri Molema District Municipality</th>
<th>Dr. Ruth Segomotsi Mompati District Municipality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of LRAD projects</td>
<td>31</td>
<td>34</td>
<td>60</td>
<td>92</td>
</tr>
<tr>
<td>Number of projects processed through the NWPLRO systems</td>
<td>27</td>
<td>28</td>
<td>39</td>
<td>89</td>
</tr>
<tr>
<td>Number of projects processed through the Land Bank systems</td>
<td>4</td>
<td>6</td>
<td>21</td>
<td>3</td>
</tr>
<tr>
<td>Total number of projects processed in North West Province for all land reform programmes</td>
<td>52</td>
<td>46</td>
<td>67</td>
<td>106</td>
</tr>
</tbody>
</table>

In terms of the NWPLRO database of land reform projects, 43 SLAG projects were processed and transferred between the period of March 1997 and June 2006. The projects that were transferred well within the period of LRAD programme administration are those that, due to a variety of problems, could not be finalised much quicker. In relation to the LRAD programme, 183 projects were approved through the NWPLRO administrative systems alone during the period 2001/02 to 2006/07, which represents a
326% increase as compared with the number of SLAG projects approved by the NWPLRO.

The increase in the number of projects for the LRAD programme can be explained by the fact that other than also providing for the food security categories, which were previously catered for by the SLAG programme, the new category of beneficiaries who were previously excluded by the SLAG programme means test of less than R1 500/household/month, and the majority of which qualify to apply for loan funding from banks, were catered for in the LRAD programme. In addition to the number of projects which the NWPLRO handled (i.e. both categories of projects that were approved as well as rejected) during the period 2001/02 to 2006/07, the volume of work undertaken through the LRAD programme includes other responsibilities which the respondents have identified as well (e.g. establishing and sustaining institutional structures for decision-making), and which also required more commitment in terms of effort and resources.

**Post-transfer support**: The main issue identified by respondents is ensuring that LRAD projects are sustainable, remain productive and are linked to markets so as to dispose of surplus produce. These are also features of the LRAD programme, which caters for new beneficiaries who buy agricultural land in commercial farming enterprises.

**6.6 ROLES OF LRAD ADMINISTERING INSTITUTIONS AS PERCEIVED BY RESPONDENTS**

The meaning attached to objects (i.e. an event with which to organise social action, such as the LRAD programme) and the social structures that people create (e.g. administrative systems), is constructed in a group or interactional perspective (such as in government departments). In the process of creating social meaning, people develop a social structure, which is composed of the “…generalizable procedures applied in the enactment/reproduction of social life” (Giddens in Sewell, 1992:8), which can be applied in a variety of contexts, of which, in administering the LRAD programme, can refer to the beliefs, knowledge and practices shared by all staff in terms of how the programme should be administered.
The LRAD Policy Framework (2001) was developed in the formative years of the programme. In the process of creating social meaning in terms of how the LRAD programme should be administered, a shared and institutionalised meaning of the roles played by the LRAD administering institutions developed and which shared meaning:

- could have emerged as those administering the LRAD programme grapple with the meaning of the content of the programme (Hill, 2003:267) as it relates to their institutional context;
- could be informed by the practical challenges (Pressman & Wildavsky, Van Horn & Van Meter in Hill, 2003:267), as identified by those charged with the responsibility of administering the LRAD programme, and the necessity of institutions administering the programme to make adjustments to the roles that they were designed to play so as to fit new realities; and
- informs the practices undertaken by the LRAD administering institutions (i.e. the activities that each institution does to administer the LRAD programme).

It was therefore important to establish from respondents how they perceive the roles performed by their institutions during the period under review. The responses were coded in terms of relevant concepts and are presented in Table 6.4.
Table 6.4: Actual roles played by LRAD administering institutions as perceived by respondents: n=8

<table>
<thead>
<tr>
<th>NWPLRO</th>
<th>DACE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Lead organisation</strong>&lt;br&gt;Assumed a leadership role in terms of facilitating, interpreting and operationalising strategic objectives pertaining to acquisition of land</td>
<td><strong>Dissemination of programme information</strong>&lt;br&gt;Assistance with regard to the steps to access the land</td>
</tr>
<tr>
<td><strong>Programme implementation</strong>&lt;br&gt;Ensuring that the programme gets implemented to the fullest, such as making sure that projects that get implemented are sustainable</td>
<td><strong>Project design</strong>&lt;br&gt;Providing technical inputs in terms of the sustainability of projects</td>
</tr>
<tr>
<td></td>
<td>Assisting with development of project business plans</td>
</tr>
<tr>
<td></td>
<td>Development of farm assessments and feasibility studies.</td>
</tr>
<tr>
<td></td>
<td><strong>Resourcing the programme</strong>&lt;br&gt;Providing funding for projects from CASP</td>
</tr>
<tr>
<td>Mainly to acquire and transfer land to black people</td>
<td><strong>Resourcing the programme</strong>&lt;br&gt;Providing budget for implementation of the programme</td>
</tr>
<tr>
<td>Protecting the rights of certain beneficiaries</td>
<td><strong>Programme Accountability</strong>&lt;br&gt;Acting as custodians of the programme thus accounting for the success and failure of the programme, even though it was a dual mandate with DACE to implement it</td>
</tr>
<tr>
<td><strong>Project design</strong>&lt;br&gt;Providing technical inputs in terms of the sustainability of projects</td>
<td><strong>Programme Accountability</strong>&lt;br&gt;Acting as custodians of the programme thus accounting for the success and failure of the programme, even though it was a dual mandate with DACE to implement it</td>
</tr>
<tr>
<td><strong>Dissemination of programme information</strong>&lt;br&gt;Assistance with regard to the steps to access the land</td>
<td><strong>Resourcing the programme</strong>&lt;br&gt;Providing funding for projects from CASP</td>
</tr>
</tbody>
</table>

According to Table 6.4, the respondents from the NWPLRO articulated the dominance of the implementation space occupied by their institution, which they perceived to be the lead organisation pertaining to LRAD programme administration in the North West Province, as qualified by phrases such as “...assumed the leadership role”, “...acted as custodians of the programme”, as such “...accounting for the success and failure of the LRAD programme”. The NWPLRO’s primary responsibility is to extend land rights to previously disadvantaged individuals to meet the national targets for land redistribution, which they perform by way of providing strategic direction as well as provision of financial and other resources. The strategic objectives of the NWPLRO shall be discussed below in the sub-section on strategic planning.
The notion of accountability by the NWPLRO is not only confined to the functional responsibilities as outlined in the Land and Assistance Act (126/1993) and subsequently delegated to the chief director for the NWPLRO. It is being perceived to extend beyond the project transfer stage to be responsible for the success of the whole project including its sustainability, hence the perception that the NWPLRO is also involved in “…making sure that projects that get implemented are sustainable”.

This could be construed as an encroachment by the NWPLRO onto the functional responsibilities of the DACE as outlined in Schedule 4 of the Constitution of the Republic of South Africa, 1996. It can also be seen as an evolution from the original thinking of perceiving the role of the NWPLRO as that of simply facilitating land purchase, towards one that recognises the fact that land redistribution is not just about statistics in terms of hectares distributed, but that it also has a developmental imperative, which must be factored in as a risk element that can retard progress towards achieving land redistribution targets.

The respondents from the DACE identified the role of their institution as being that of providing support in the administration of the LRAD programme. The support provided by DACE is in terms of:

- technical assistance to both the NWPLRO and LRAD programme beneficiaries in accordance with its functional responsibilities; and
- providing CASP funding.

The actual roles played by both institutions will become clear when the strategic objectives are discussed. The strategic objectives provide a clear interpretation by the management of how they plan to achieve the land redistribution targets.

6.7 STRATEGIC PLANNING FOR THE LRAD PROGRAMME

It was demonstrated above that most of the administrative measures adopted in the Republic of South Africa since 1995 have commonalities with the reforms undertaken in many countries, which are referred to as the New Public Management approach. The New Public Management approach, for example, defines the role that the administrative
executives of public institutions should play in the implementation of government programmes as:

- the development of strategies for the efficient and effective achievement of the LRAD programme;
- building political support internally and externally for the strategic directions they intend to take; and
- ensuring that institutions have the necessary administrative capacity to function (Kettle in Rosenbloom et al., 1994:42).

Before outlining the strategic goals, objectives and performance measures of institutions that administered the LRAD programme, the perceptions of respondents in terms of the role the public managers should play in LRAD programme administration will be presented.

### 6.7.1 Perceived role of public managers

The respondents, who had a role to play in terms of the administration of the programmes of their respective institutions, were also responsible for LRAD programme administration. By outlining their expectations of the roles public managers should play in terms of LRAD programme administration, they indirectly described some of the roles they were expected to perform. The actual role that the respondents said they played in LRAD programme administration is contrasted with their expectations of the role of the public managers. The responses were coded into relevant concepts and are presented in Table 6.5.
Table 6.5: LRAD programme strategic planning and operational management roles as perceived by respondents (n=8)

<table>
<thead>
<tr>
<th>Roles expected of the public managers by the respondents</th>
<th>Roles that respondents say they play</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operational support</strong></td>
<td><strong>Strategic management</strong></td>
</tr>
<tr>
<td>Interpretation of strategic objectives and targets and defining exactly what Land Affairs should be doing</td>
<td>Strategic management of the programme</td>
</tr>
<tr>
<td>Operationalising strategic objectives and targets by coming up with a brief in terms of how LRAD is to be implemented.</td>
<td><strong>Operational support</strong></td>
</tr>
<tr>
<td>Removing obstacles, and providing guidance with implementation including where problems are being experienced</td>
<td>Providing technical and policy support to ensure compliance to policies and procedures</td>
</tr>
<tr>
<td><strong>Policy feedback and review</strong></td>
<td><strong>Policy feedback and review</strong></td>
</tr>
<tr>
<td>Serve as the mouthpiece of implementers by escalating policy-related problems to political principals to influence policy review</td>
<td>Providing feedback to policy-makers and implementers on how the policy can be improved</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Responses by the DACE</th>
<th>Responses by the DACE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Programme design</strong></td>
<td><strong>Post-transfer support</strong></td>
</tr>
<tr>
<td>To know the needs of applicants and design/realign the programme in such a way that it satisfies the needs of clients</td>
<td>Providing agricultural extension support to approved and transferred LRAD projects</td>
</tr>
<tr>
<td><strong>Post-transfer support</strong></td>
<td>Development of business plans for DACE grant funding for projects where properties were registered and transferred to beneficiaries</td>
</tr>
<tr>
<td>Assist beneficiaries by giving advice on how to produce</td>
<td></td>
</tr>
</tbody>
</table>

According to Table 6.5, the NWPLRO respondents expected the public managers in their institution to adapt the organisation to the demands of the external environment, by removing:

- cognitive constraints (e.g. interpretation of the strategic goals and objectives of the DLA);
- political constraints (e.g. escalating to political principals constraints emanating from the content of the land redistribution policy with a view of reviewing the policy); and
any other constraints they may encounter when executing their mandated functions (Kettl in Rosenbloom et al., 1994:42).

Their responses in terms of the role that they perceived to actually play seem to be consistent with the expectations as described above. The respondents from the DACE expected the public managers to:

- play a role in reviewing the LRAD programme to ensure that it was aligned to the needs of beneficiaries, and
- ensure that the LRAD programme beneficiaries were assisted on how to produce.

The respondents from the DACE identified their role as that of ensuring that LRAD programme beneficiaries adapt to a new life as producers on the land that they have acquired through the programme. Land reform, among others, entails “…a redistribution of productive assets that would in turn result in a redistribution of income and an improvement in the living standards of the poor, particularly in terms of their food security, while not reducing aggregate output over the long term” (Liamzon, 1996:318). The Government must thus make provision for post-settlement or post-transfer support to ensure that the ideals of food security, poverty reduction, income redistribution and sustainable production, as described by Liamzon (1996:318) above, are achieved. LRAD programme beneficiaries who do not have access to markets, credit, technology and training from agricultural extension staff, will soon find themselves in a deepened state of poverty and indebtedness, which will force them to sell their land, where in most instances such land reverts back to the landed elites (Tilley, 2007:2).

6.7.2 Strategic goals and objectives

In the broader sense of understanding different levels of policy, a goal (derived from the political policy of the ruling party) provides the broad policy direction which serves to orientate the activities of government (Thornhill in Hanekom & Thornhill, 1995:229). In the narrow sense of the NWPLRO and the DACE, the land redistribution goal is essential for measuring the overall effectiveness of these organisations. The LRAD programme provides detailed guidelines for achievement of land redistribution goals by managers (Botes et al., 1992:311), as it outlines key results (outputs) to be achieved, the
administrative means for achieving the results, specific and much more detailed actions to be undertaken by managers, and thus serves as a parameter to exercise control in terms of achievement of policy goals (Thornhill in Hanekom & Thornhill, 1995:229).

The NWPLRO was managed by the same administrative officials during the period 2001/02 to 2006/07 financial years. The NWPLRO has since its establishment in 1996 (NWPLRO progress report, June 1996 to December 2007), not engaged in a separate strategic planning process of its own, but participated in and contributed to the strategic planning processes of the DLA. What the NWPLRO did, was to develop operational plans, which informed their targets for each financial year (NWPLRO Strategic report, 2008). The NWPLRO is not an autonomous government department, but an implementation unit of the DLA. It thus does not engage in a separate strategic planning process of its own, but in the strategic planning processes of the DLA. This arrangement is consistent with the definition of deconcentration of administrative authority, which refers to the transfer of administrative powers, and sometimes administrative personnel, from higher to lower levels in political systems (Manor, 2003:1).

A number of performance measures were developed since inception of the LRAD programme in the financial year 2001/02, but those that are directly related to realising the land redistribution target of 30% of White-owned agricultural land by 2014 are the following:

- number of projects approved (by PGC); and
- number of projects transferred.

These performance measures appeared in the operational plans of the NWPLRO up until the 2005/06 financial year. The concept of a project connotes firstly, purposive action undertaken with a view of achieving a particular objective, secondly, implementation of multiple activities and thirdly, a process which has a beginning and an end, and is designed to guide, integrate and co-ordinate planning and implementation. Linked to the number of projects approved and transferred are complementary indicators, namely:

- the number of hectares approved for transfer; and
- number of hectares transferred.
These complementary indicators relate directly to the land redistribution performance measure of number of hectares transferred, and are what the political principals would prefer at the completion of the programme.

The second batch of indicators indirectly relate to realising the above-mentioned land redistribution performance measures since they deal with post-transfer sustainability of projects. These are:

- number of projects with balance of grant;
- increase in jobs created and income earned after five years of receiving land; and
- increase in crop yields and livestock production after five years of receiving land.

The latter two do not appear in the operational plans, but were reported on in the quarterly reports starting from April to June 2006. They deal with the issues of sustainability of projects after transfer, which impact on the land redistribution target in terms of the number of transferred projects retained by beneficiaries. Project retention can assume the character of three dimensions, namely:

- surrendered i.e. where the whole farm is lost by beneficiaries through either selling it, or being repossessed by creditors;
- full retention i.e. where beneficiaries enjoy full ownership, are responsible for production and the full benefits thereof accrue to them; and
- partial retention i.e. where:
  - a portion of the farm is sold, or
  - ownership of the whole farm vests with the beneficiaries, but production (full or a part thereof) is undertaken by a third party and the beneficiaries enjoy a portion of what they would have received had they themselves been responsible for the full production on the farm.

The third batch of indicators were introduced in the operational plan of 2006/07, and appear to have been influenced more by the need to ensure that policy and programme changes emerging from the 2005 Land Summit are understood, embraced and incorporated into government plans by government institutions administering land reform programmes. These indicators contributed towards achievement of the performance
output on “development of an integrated provincial implementation strategy that is in line with the new land reform implementation models”. They are:

- number of consultative workshops conducted; and
- development of final implementation strategy.

The performance indicators as reflected in the strategic plan documents, operational plans and quarterly reports are listed below:

- number of projects completed/approved (the NWPLRO strategic plan document, 2003);
- number of farms transferred (the NWPLRO strategic plan document, 2003; the NWPLRO quarterly reports 2004/05, 2005/06);
- percentage of marginalised beneficiaries (the NWPLRO quarterly reports 2005/06);
- number of hectares transferred through LRAD (the NWPLRO strategic plan document, 2003; the NWPLRO quarterly reports 2004/05, 2005/06, 2006/07; the NWPLRO operational plan, 2006/07);
- number of hectares transferred to marginalised groups (the NWPLRO strategic plan document, 2003);
- number of hectares transferred through commonage (the NWPLRO operational plan, 2006/07);
- number of individual/beneficiaries (the NWPLRO strategic plan document, 2003; the NWPLRO quarterly reports 2004/05, 2005/06, 2006/07; the NWPLRO operational plan, 2006/07);
- all relevant stakeholders in a district consulted and strategy in accordance with the post Land Summit processes developed (the NWPLRO quarterly reports 2006/07);
- increase in jobs created and incomes earned after five years of receiving land (the NWPLRO quarterly reports 2006/07);
- increase in crop yields and livestock production after five years of receiving land (the NWPLRO quarterly reports 2006/07); and
- implementable and aligned systems and procedures for redistribution (the NWPLRO quarterly reports 2006/07).
With regard to the DACE, during the period 2001/02 to 2006/07, the Department had three different political heads of department (MECs) and four different administrative heads of department (HODs) (the DACE annual reports, 2001/02 to 2006/07). With each MEC assuming office, the Department had to undertake a strategic plan review exercise for the new incumbent to incorporate his/her political vision into the plans of the department. As an example, one political head left the Department at the end of August 2005, and his replacement assumed duties in September 2005. Before leaving office, the outgoing MEC had concluded the strategic planning process and the strategic plan document titled: Department of Agriculture, Conservation, Environment, & Tourism Strategic Plan April 2005 to March 2010 was in place. The mission of the Department was coined as:

- “creating a conducive climate for sustainable development in agriculture, environment and tourism”.

The incoming MEC also embarked on a strategic planning process of his own, of which the outcome was a strategic plan document titled ‘Five Year Strategic Plan and Annual Performance Plan 2005/2010: Department of Agriculture, Conservation and Environment’. The mission of the Department was defined as:

- “to be the leading partner in the provision of equitable, effective and efficient agriculture, conservation and environmental services to the people of the North West Province”.

Though both strategic plan documents are grounded in sustainable development, the difference between them lies in the following:

- the first mission statement positions the Department as a facilitator in development;
- the second mission statement recognises that while the Department needs other partners in order to deliver services, the Department positions itself as a catalyst for change and a lead organisation in the delivery of these services (the DACE Strategic Plan Document, 2005); and
- the first strategic plan document is vague in terms of measurable objectives and performance measure indicators that refer directly to the LRAD programme.
The DACE has, since the financial year 2001/02, been constituted as an amalgamation of functions. In the 2001/02 financial year, the core functions of the Department were agriculture, conservation and environment (the DACE annual report, 2001/02). The mission of the Department, which was phrased to accommodate the three functions, was coined as:

- “to provide services towards sustainable natural resource management in support of a better life for all in the North West Province” (the DACE annual report, 2001/02).

The mission statements for the subsequent financial years were also an attempt to accommodate all the functions into one mission statement, with the only difference being a matter of emphasis on certain issues as follows:

- emphasis on creating a conducive climate for sustainable development in the 2003/04, 2004/05 and 2005/06 financial years (the DACE annual report, 2003/04; the DACE annual report, 2005/06; the DACE strategic plan document 2004/05 to 2006/07); and
- emphasis on equity, effectiveness and efficiency in the provision of services, during the 2006/07 financial year (the DACE annual report, 2006/07).

During the 2003/04 financial year, the tourism function was added to the DACE, making four the number of functions that the Department had to execute and co-ordinate internally. The tourism function was with effect from the 2005/06 financial year no longer a part of the Department’s responsibilities (the DACE Five Year Strategic Plan and Annual Performance Plan, 2005/2010).

The performance measures for the DACE were discerned from the annual reports (in the case of strategic plan documents not being available), and from the strategic plan documents themselves. The 2002/03 annual report puts emphasis on farmer settlement in partnership with other stakeholders, where agricultural production would be involved. This performance measure deals with the second batch of performance measures by the NWPLRO as described above. In the 2003/04 annual report, focus was on identifying, surveying, planning and disposal of land in support of the LRAD programme. This strategic objective deals with the first batch of performance measures by the NWPLRO.
The 2005/2010 strategic plan puts as the strategic objective provision of training and co-ordination of the LRAD programme, and the following performance measures:

- number of LLRC and PGC reports; and
- number of LRAD projects established.

The training aspect deals with the second batch of performance measures by the NWPLRO. The co-ordination aspect deals with all sets of performance measures by the NWPLRO, while the number of LRAD projects established seems to be more about post-transfer support of approved projects.

The DACE had a directorate dealing with all aspects of land administration. The broad responsibilities of this directorate in terms of support to land reform beneficiaries are listed below:

- pre- and post-settlement support for land reform beneficiaries; and
- implementation of the LRAD programme.

It was only with effect from the 2004/05 financial year that the DACE provided strategic objectives in the strategic plans, which responded directly to the LRAD programme as exemplified by the following:

- implement LRAD to land disposal beneficiaries (the DACE annual report, 2004/05);
- number of applications facilitated to the PGC for processing (the DACE annual report, 2004/05);
- number of applications facilitated to the Provincial State Land Disposal Committee (the DACE annual report, 2004/05);
- facilitate the provision of business and farm planning support to LRAD and other land disposal beneficiaries (the DACE annual report, 2004/05);
- pre-feasibility assessment of LRAD applications received (the DACE annual report, 2004/05);
- number of LRAD projects established (the DACE annual reports, 2005/06, 2006/07);
- number of projects assisted (the DACE annual report, 2005/06);
- number of farming communities supported (the DACE annual report, 2005/06);
In the majority of the strategic objectives, the DACE had planned to play a supporting role, in the processing of LRAD applications as well as in the provision of post-transfer support to the beneficiaries of the programme. Some of the strategic objectives targeted the actual number of projects established as well as hectares of agricultural land redistributed, which is the same as what the NWPLRO had planned to do as reflected in its strategic objectives. In the main, the DACE was clear about its role pertaining to the administration of the LRAD programme. However, the fact that there sometimes was duplication of functional responsibilities between the DACE and the NWPLRO implies that the DACE management was not entirely certain of its roles and responsibilities with regard to the administration of the LRAD programme.

6.8 PERFORMANCE OUTPUTS IN TERMS OF THE LRAD PROGRAMME

Effectiveness is when “…the agency performs well in discharging its administrative and operational functions pursuant to the mission” (Rainey & Steinbauer, 1999:13). The relevance of the definition by Rainey and Steinbauer (1999:13) to LRAD programme administration is in terms of:

- whether the NWPLRO and the DACE performed well what they were supposed to do;
- whether employees performed their duties well; and
whether the processes, procedures and actions of the NWPLRO and the DACE supported the attainment of the strategic goals and objectives for LRAD programme administration.

One of the models used for conceptualising organisational effectiveness is the internal process model, which perceives effectiveness in terms of the extent to which internal processes and procedures support the achievement of organisational goals (Daft & Rainey in Rainey & Steinbauer, 1999:13). Performance in terms of achievement of LRAD programme targets is an indirect measure of the effectiveness of administrative systems put in place to effect programme administration. The three measures that will be considered below are project turnaround, number of hectares transferred and number of projects approved.

6.8.1 Projects approved by the Provincial Grant Committee but not transferred

A number of projects were approved by the NWPLRO in the preceding financial year but not transferred. These were transferred in the following financial year. This delay impacts negatively on the achievement of the NWPLRO strategic objective of the number of hectares transferred, and on the effectiveness of LRAD programme administration. To demonstrate this fact, data from the 2004/05 and 2005/06 financial years was used, where of the 46 projects transferred in the 2005/06 financial year and totalling 38 853 hectares, 30 of them, totalling 25 813 hectares or 66,4% of total area transferred, emanated from projects that were approved in the 2004/05 financial year but were not transferred.

The above situation could have been caused by a number of factors, which will be outlined below, but it is argued that the preferred situation is to have approximately 75% of projects transferred in a given financial year emanating from projects approved by the PGC in that financial year, with the remaining 25% emanating from projects approved during January and March of each financial year. However, given that the LRAD programme is demand driven, the number and time of submission of projects to the PGC for approval cannot be pre-determined with accuracy.
Information on the number of projects approved by the PGC, and not transferred, was only obtainable for the financial years 2004/05 till 2006/07, and appears as follows:

- 44 projects were approved in the 2004/05 financial year, but not transferred, totalling 39,669 hectares;
- 18 projects were approved in the 2005/06 financial year, but not transferred, totalling 431 hectares; and
- 16 projects were approved in the 2006/07 financial year, but not transferred, totalling 5,137 hectares.

The above information indicates the following:

- that some LRAD projects approved in one financial year are carried over to the next financial year;
- that some of these projects were approved during the January to March period, which is towards the end of the financial year, as such they will be transferred in the next financial year;
- that other projects are transferred in the next financial year due to the fact that it takes a long time (i.e. more than the benchmark period of three months as set by the NWPLRO) to get them approved, which is an indication of the inefficiency and ineffectiveness of the administrative systems; and
- the effectiveness of the North West Province in terms of LRAD administration is, among others, affected by the number of projects approved and transferred within a given financial year, i.e. the more projects are transferred within the financial year in which they were approved, the more effective is the administration of the LRAD programme.

6.8.2 Project turnaround time

Project turnaround time refers to the time it takes for an application to be either approved by the PGC or transferred to the beneficiaries. The NWPLRO database of projects was used to select projects for inclusion in the analysis. Projects that were used in the analysis were those which had all the correct information pertaining to:

- date of submission of application by applicant;
- date when the PGC approved the application; and
- date when transfer took effect.
Due to the fact that quite a number of projects in the database had either incomplete or incorrect information, this reduced the number of projects that could be used in the analysis as well as the possibility of doing sampling. The following criterion was used to select projects to be used to compile information as indicated in Table 6.6. A distinction has been made between projects that were processed through the Land Bank administration route, and those processed through the NWPLRO administration route.

Two phases for processing applications were used instead of three. Phase 1 starts when an applicant lodges an application with the District Land Reform Office (DLRO), and ends at the stage where a recommendation is made by the DLRC to the PGC. Phase 2 is the stage after recommendation of an application by the DLRC and its approval by the PGC. Phases 1 and 2 were combined into one phase broadly called the project approval phase, to determine whether there was adherence to the standard set by the NWPLRO of approving applications within 90 calendar days. The last phase is the period between approval of an application by the PGC, and transfer of the property at deeds office. From the list of projects that met the criteria, the average project turnaround is as reflected in Table 6.6.

**Table 6.6: Average project turnaround time (calendar days) for LRAD projects in the North West Province**

<table>
<thead>
<tr>
<th>LRAD programme administration route</th>
<th>No. of projects</th>
<th>Average turnaround time (calendar days)</th>
<th>No. of projects</th>
<th>Average turnaround time (calendar days)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Approval phase</td>
<td></td>
<td>Transfer phase</td>
</tr>
<tr>
<td>Projects approved through the LAND Bank administration route</td>
<td>n=25</td>
<td>68</td>
<td>n=27</td>
<td>188</td>
</tr>
<tr>
<td>Projects approved through the NWPLRO administration route</td>
<td>n=47</td>
<td>192</td>
<td>n=108</td>
<td>135</td>
</tr>
<tr>
<td>Total number of projects analysed</td>
<td>72</td>
<td>-</td>
<td>135</td>
<td>-</td>
</tr>
<tr>
<td>Average turnaround (calendar days) for all projects sampled</td>
<td>-</td>
<td>130</td>
<td>-</td>
<td>162</td>
</tr>
</tbody>
</table>
According to the information in Table 6.6, the period between approval by PGC and transfer of the project is the longest. The average turnaround time was to some extent influenced by extreme figures of one or two projects that took a long time before they could be transferred. However, due to the big size of the sample (33% in the case of project approval phase, and 62% in the case of the project transfer phase), the effect of extreme figures has been minimised.

Project turnaround time can be impacted by the following factors:

- state of readiness of the applicant in terms of having identified a suitable farm to purchase;
- negotiation process between the buyer and seller;
- availability of own contribution, e.g. loan funding (this is subject to a separate screening process by financial institutions over which the NWPLRO does not have control);
- group dynamics between applicants within a group or legal entity;
- support from other institutions in terms of farm assessment, feasibility report and business plan development;
- administrative capacity in terms of:
  - number of technical staff;
  - ability of planners to negotiate with land owners on land price; and
  - technical ability of planners to prepare and present project submissions in line with official procedure;
- availability of planning grant (which determines how soon a valuation report can be made available to use as a tool during the farm price negotiation process, but also to fund the formation of legal entities).

6.8.3 Number of hectares of land transferred

The number of hectares of land transferred gives an indication of how far the NWPLRO is from reaching the target of transferring 30% of White-owned agricultural land. It also indicates how fast it should move, in the event where it is behind target. The information on hectares targeted for transfer, actually transferred, number of projects transferred and budget performance was obtained from the operational plans and annual reports of the NWPLRO. In addition to information provided by the NWPLRO, the DLA annual reports
were also referred to, to ensure that there is agreement between the NWPLRO reports and national reports published by the DLA.

The NWPLRO could not furnish the operational plans for the financial years 2001/02 and 2002/03, hence no information could be provided in terms of land redistribution targets for these financial years. The information on land redistribution as provided in Table 6.7 was obtained from extracts of the NWPLRO annual reports prepared by the PISU.

**Table 6.7: Number of hectares of land transferred by the North West Province through the LRAD programme - 2001/02 to 2006/07**

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Number of hectares planned for transfer</th>
<th>Total number of hectares transferred for all programmes (i.e. LRAD, ESTA, SLAG, Commonage, PLAS)</th>
<th>Total number of hectares of agricultural land transferred under LRAD, SLAG, PLAS, Commonage (i.e. excluding tenure security or ESTA programme)</th>
<th>Number of hectares of agricultural land transferred under the LRAD programme</th>
<th>Hectares of agricultural land transferred through LRAD as a % of agricultural land transferred through all redistribution programmes (i.e. value in column 5/value in column 4X100)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001/02</td>
<td>-</td>
<td>7761.7953</td>
<td>7512.8474</td>
<td>947.8992</td>
<td>13</td>
</tr>
<tr>
<td>2002/03</td>
<td>-</td>
<td>30 440.2818</td>
<td>30 440.2818</td>
<td>25 692.0162</td>
<td>84</td>
</tr>
<tr>
<td>2003/04</td>
<td>10325.0000</td>
<td>26973.9986</td>
<td>26 365.1416</td>
<td>26 365.1416</td>
<td>100</td>
</tr>
<tr>
<td>2004/05</td>
<td>16700.0000</td>
<td>26 589.0000</td>
<td>26 589.0000</td>
<td>24 445.0000</td>
<td>92</td>
</tr>
<tr>
<td>2005/06</td>
<td>30245.0000</td>
<td>41 334.3710</td>
<td>40 617.5410</td>
<td>38 853.5996</td>
<td>96</td>
</tr>
<tr>
<td>2006/07</td>
<td>32970.8263</td>
<td>41 137.1823</td>
<td>40 755.9738</td>
<td>14 531.3729</td>
<td>36</td>
</tr>
<tr>
<td>TOTAL</td>
<td>-</td>
<td>174 236.6290</td>
<td>172 655.9941</td>
<td>130 835.0295</td>
<td>76</td>
</tr>
</tbody>
</table>

The number of hectares planned for transfer as reflected in Table 6.7, does not represent the actual number to be transferred by the North West Province, if its
contribution to the national target of 30% of White-owned agricultural land transferred is
to be achieved by March 2014. In the NWPLRO operational plan of 2006/07 financial
year, it was remarked that these are “realistic figures as given by District offices”. It will
become clearer in the discussion that follows whether targets for the NWPLRO were
realistic, or that they should have gone for higher targets.

The NWPLRO provides the following information in the implementation strategy
document for the 2003/04 financial year:

- The estimated size of White-owned land in the North West Province is
  6 785 600 hectares, 30% of which is 2 035 680 hectares.
- From the above figure, 172 656 hectares of agricultural land already transferred
  through land redistribution programmes (i.e. total for column 4 in Table 6.7) up
  until March 2007 is deducted, and 1 863 024 hectares had to be delivered over
  the remaining seven financial years up until March 2014.
- When compared with the average annual transfer of 28 776 hectares between
  the 2001/02 and 2006/07 financial years, this translates into an annual target
  increase of 825%, or additional 237 370 hectares of agricultural land to be
  transferred annually (i.e. additional to the 28 776 hectares the province has on
  average transferred annually since 2001) by the North West Province in order to
  reach the target of 2 035 680 hectares transferred by March 2014.
- The transfer of agricultural land through the LRAD programme gained
  momentum from the 2002/03 financial year. Since the financial year 2002/03, the
  LRAD programme has been the main programme through which agricultural land
  was transferred, where it accounted on average for 76% of all agricultural land
  redistributed. It was only in the 2006/07 financial year that there was a reduction
  in the number of hectares of agricultural land transferred through the LRAD
  programme. The reason for this is that the Government introduced in the 2006/07
  financial year a state-led land redistribution programme called Proactive Land
  Acquisition Strategy (PLAS).
The fact that the PLAS programme contributed 63% of all agricultural land (including game farming) redistributed by the North West Province in the financial year 2006/07, signifies:

- a shift in land reform policy and allocation of resources towards the land reform programme; and
- a focus by the Government on both market- and state-led programmes as was the case in Brazil and the Philippines.

The data in Table 6.7 indicate that even though the NWPLRO seems to have been performing well in terms of achieving annual land redistribution targets, it will not be in a position to reach the 30% target by March 2014. Given the foregoing statement about the performance of the NWPLRO, cognisance should be taken of the following factors which can and will impact on the overall performance of the NWPLRO, namely:

- project turnaround;
- administrative capacity in terms of availability of capital funds; and
- the capacity of the institutional structures for decision-making structures to function as planned (this is influenced by support provided by other organisations, in terms of making staff available to provide technical opinion on feasibility and viability of projects, as well as adjudicate projects based on LRAD programme criteria)

6.8.4 Defining features of an effectively administered LRAD programme

A feature refers to a distinct part or quality, a significant phenomenon that attracts attention (The World Book Dictionary: 1993). Cloete (1994:57) identified a variety of administrative functions that functionaries in the executive institutions perform when they give effect to administration of government policy. These functions are classified as generic administrative and managerial, auxiliary, instrumental, and functional. The respondents, who are responsible for policy implementation, were requested to articulate what they themselves perceive to be the key defining features of a well-administered LRAD programme in its broadest sense. A follow-up question was to narrow their views to the North West Province situation, by identifying critical factors for effective administration of the LRAD programme in the North West Province, thus what were those that must be in place in order for the broad goals and objectives of the LRAD
programme to be realised by the North West Province, but are in short supply or could not be provided.

**Table 6.8: Critical factors for effective LRAD programme administration as perceived by respondents (n=8)**

<table>
<thead>
<tr>
<th>Key defining features of a well-administered LRAD programme</th>
<th>Critical factors for effective administration of the LRAD programme in the North West Province</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Responses from the NWPLRO</strong></td>
<td><strong>Responses from the NWPLRO</strong></td>
</tr>
<tr>
<td><strong>Dissemination of policy information</strong></td>
<td>Resourcing the programme</td>
</tr>
<tr>
<td>Better understanding by applicants of the programme as well as their responsibilities (marketing the policy).</td>
<td>Proper funding of the programme</td>
</tr>
<tr>
<td><strong>Policy content</strong></td>
<td><strong>Policy content</strong></td>
</tr>
<tr>
<td>Clear selection criteria being in place (policy review).</td>
<td>Selection of participants is dealt with (through policy review).</td>
</tr>
<tr>
<td><strong>Project design</strong></td>
<td><strong>Programme co-ordination</strong></td>
</tr>
<tr>
<td>Proper planning to be in place</td>
<td>Involvement of key stakeholders both with regard to human resources as well as financially</td>
</tr>
<tr>
<td><strong>Programme co-ordination</strong></td>
<td>Alignment of systems between implementing government institutions</td>
</tr>
<tr>
<td>Key stakeholders being involved.</td>
<td><strong>Project design</strong></td>
</tr>
<tr>
<td><strong>Programme effectiveness</strong></td>
<td>Proper designing of projects.</td>
</tr>
<tr>
<td>Implementation complies with policy.</td>
<td><strong>Post-transfer support</strong></td>
</tr>
<tr>
<td>Targets being met in terms of hectares transferred and budget spent.</td>
<td>Improved post-settlement/transfer support</td>
</tr>
<tr>
<td><strong>Post-transfer support</strong></td>
<td>The marketing aspect of projects is dealt with</td>
</tr>
<tr>
<td>Sustainable projects in place where beneficiaries are able to stand on their own.</td>
<td>Sustainability of projects is dealt with</td>
</tr>
<tr>
<td></td>
<td>On-going training of beneficiaries</td>
</tr>
<tr>
<td></td>
<td><strong>Participation by clients</strong></td>
</tr>
<tr>
<td></td>
<td>Beneficiaries demonstrating passion for their projects.</td>
</tr>
<tr>
<td><strong>Responses from the DACE</strong></td>
<td><strong>Responses from the DACE</strong></td>
</tr>
<tr>
<td><strong>Participation by clients</strong></td>
<td>Project design</td>
</tr>
<tr>
<td>Good participation of beneficiaries.</td>
<td>Resolving the composition and size of beneficiary groups as these impact on project sustainability.</td>
</tr>
<tr>
<td><strong>Post-transfer support</strong></td>
<td></td>
</tr>
<tr>
<td>Sustainability of projects.</td>
<td></td>
</tr>
</tbody>
</table>
Policy content
Resolving the LRAD grant structure so as to minimise the amount of loan component required to leverage grant funds.

Programme co-ordination
Having better co-ordination of planning and implementation with the PLRO.

According to Table 6.8, the common themes emerging from respondents of both the NWPLRO and DACE, and which were identified for both the defining features and critical factors for LRAD programme administration, are as follows:

Policy content:
- resolving the LRAD grant structure to minimise the amount of the loan component required to supplement grant funds, which entails increasing the budget for land redistribution, an issue that has been raised by respondents and coded under resourcing the programme, and
- having clearly defined selection criteria in place, which may not be a valid request due to the fact that in demand-led land reform programmes, beneficiaries are not selected by government officials.

Programme co-ordination:
- having better co-ordination of LRAD administration between the DACE and the NWPLRO;
- involvement of key stakeholders, to ensure provision of human and financial resources; and
- alignment of administrative systems between government institutions.

Participation by clients:
- effective participation of beneficiaries, who are co-designers of LRAD projects; and
- beneficiaries demonstrating passion for their projects, once these have been transferred to them.
Project design:
- the composition and size of beneficiary groups are resolved, as these impact on project sustainability;
- proper designing of projects to be done; and
- proper planning of projects is in place.

Post-transfer support:
- sustainability of projects is improved, to ensure that beneficiaries become self-reliant;
- improved post-settlement/transfer support;
- the marketing aspect of projects is dealt with; and
- on-going training of beneficiaries is dealt with.

Thus it could be deduced that for effective administration of the LRAD programme to take place, the Government must provide a conducive policy environment. Government as well as non-government institutions must also effectively co-ordinate their implementation efforts to ensure effective pre- and post-transfer support to beneficiaries of the programme.

6.8.5 Policy-related constraints towards LRAD programme administration

The respondents from the NWPLRO cited the following problems pertaining to the content of the programme:

a) Targets set
Targets set for land redistribution seem to be overambitious, given the problems encountered during administering the LRAD programme, hence the perception that the NWPLRO annual land redistribution targets were realistic. The administrative challenges are discussed below, as well as in other sections dealing with organising, financing, staffing, work methods and procedures, and control.

In their discussion of the psychological and cognitive processes involved when public officials interpret public policy (i.e. perceived as an external stimulus to
which they must respond), Spillane et al. (2002:392-421) maintain that officials can give selective attention or modify policies to make them fit with the agendas and interests of organisations that they manage. In the above context the NWPLRO respondents are of the view that the 30% land redistribution target does not relate to the realities of the administrative challenges they encountered as officials. The discussion above on the actual performance of the NWPLRO shows that the 30% land redistribution target set for March 2014 may not be realised if these administrative challenges were not dealt with.

b) Land redistribution sustainability

Land redistribution targets are not only about purchasing and distributing land, but also about creating sustainable projects. According to the White Paper on Land Policy (1995), projects planned at local sphere must be economically viable, but the economic benefits should not be pursued at the expense of environmental degradation.

The challenge as articulated by respondents and raised in the land policy is for institutions that are administering the LRAD programme to reconcile and integrate policy objectives. This specifically entails reconciling the primary mandate of the NWPLRO pertaining to area of agricultural land transferred, and number of beneficiaries assisted, with the primary mandate of the DACE, which entails creating sustainable agricultural projects.

The importance of integrating land provision and post-transfer support strategic objectives is recognised in the explanatory notes on Division of Revenue Act (National Treasury, 2004:268). These notes state with regard to CASP, that “increasing access to agricultural services (i.e. support rendered by the DACE) to these farmers (i.e. land reform beneficiaries) is critical for the performance of the land reform programme, especially LRAD”.

The pursuit of the targets, of merely the number of hectares transferred and the number of beneficiaries assisted, which the NWPLRO can achieve with or
without the input of the DACE, if done without integrating the sustainable development factors can result in the following unintended consequences:

- some LRAD projects not receiving adequate post-transfer funding;
- some LRAD projects not receiving CASP funding from the DACE;
- the DACE having to deal with some LRAD projects that are unsustainable, and which they must fund in subsequent financial years to make them sustainable or to revive after they had collapsed, of which, given the fact that primary agricultural production is one of the core functions of the DACE, LRAD projects that collapse or are unsustainable do not only reflect negatively on the land redistribution programme, but also on the capacity of the DACE to execute its core functions; and
- the relegation of the strategic objective of sustainable development (which is core to the DACE mission) to a lower and insignificant level, which has a potential to result in a lack of co-operation between the DACE and the NWPLRO if not managed properly through intergovernmental structures for policy co-ordination.

Some of the problems associated with establishing and sustaining policy administration networks are:

- perceptions of erosion of managerial or decision-making autonomy (Shermerhorn, 1975:849);
- conflicting stakeholder interests; and
- corrosion of organisational identity and strategic role and position (Shermerhorn, 1975:849).

c) Grant structure

The grant structure benefits people who can make a greater own contribution. The greater the own contribution, the more the grant funds received per individual, up to a maximum of R100 000 per person. Poor people do not have sufficient resources to contribute in cash and in kind. They are sometimes compelled by circumstances to constitute themselves into big groups of somewhat less homogenous nature in order to pool resources required to access the LRAD grant, or loan funding used to supplement grant funding.
The respondents suggested that the policy is not pro-poor as it is expected, and that it does not adequately support people who are poor and vulnerable. Though a socio-economic assessment of the LRAD programme beneficiaries was not conducted, what sets poor people on an unequal footing to those who are financially well off is the fact that they do not have sufficient financial and physical assets making it:

- difficult for them to qualify for the maximum LRAD grant (i.e. R100 000/individual) since qualification for the grant is linked to own contribution (LRAD Policy Framework, 2001:7);
- difficult for them to secure loan funding; and
- difficult for their projects to become sustainable during the post-transfer stage unless they receive post-settlement grant funding.

The respondents questioned the validity of the basic assumptions underlying the design of policy instruments for the LRAD programme, which are informed by capacity constraints perceived to impede potential LRAD programme beneficiaries, as Lascoumes & Le Gales (2007:5) and Runhaar et al. (2006:37) have argued earlier. Respondents also proposed a policy review in the light of their experience of how a lack of resources prevent individuals, groups and organisations from making decisions or taking action that will lead to the realisation of the LRAD programme goals, namely purchasing of farms and sustaining them.

d) Managerial support

Less skilled officials were sometimes left to their own devices, and this at times resulted in inconsistent interpretation of policy during implementation. It was discussed in table 6.5 that the NWPLRO respondents expect management to remove cognitive obstacles pertaining to interpretation of policy, especially when a policy was new and had not been institutionalised. This expectation of the role of management is consistent with the Weberian bureaucratic mode which, when grappling with the perceptions of too loose an interpretation of policy, relies on the logic of a bureaucratic structure, whereby those in authority of organisations are assumed to have the knowledge to develop the means to carry out the mandate of the political principals, as well as the authority to ensure uniform administration of the directives from above (Ryan, 1999:38-39).
Managers are expected to develop a sound and structured policy administration process, which serves as a link between LRAD programme expectations and outcomes, and through which the probability of achieving the outputs and outcomes as conceptualised in the policy content will be increased (Ethridge & Percy, 1993:343). Though the above expectation of the role of management as described by respondents is justified in the context of the LRAD programme, the conception of public policy as an external stimulus which must be responded to, consistent with the expectations of the political as well as administrative executives, fails to take into account the complex environment that public officials operate in as described by Lipsky (in Dicke, 2004:233), which cannot be reduced to programmed decisions all the time, especially where they administer development oriented policies such as the LRAD programme. Where procedures must be developed to ensure that legality and legitimacy is given to the actions undertaken by public servants, that members of the public receive equal treatment and that there is co-ordination of work towards a common goal (Botes et al., 1992:332; Cloete, 1994:194-195), they cannot anticipate all possible situations which the public servants will encounter pertaining to the policy.

In spite of how well structured the process of LRAD programme administration can be, there will always be what is perceived to be loose interpretation of policy. This is a result of the inability by management to develop failure-proof administrative procedures, and of public officials exercising their will and using their interpretive abilities to define what the policy and the procedures mean to them in the context of their organisational environment, thus in the process creating policy (i.e. through their practices) as it is implemented.

e) Commitment

There is a lack of commitment higher up in the hierarchy (from the political to the administrative level). Commitment has been defined before to mean “an ability to maintain the focus on an initiative from its inception through to its delivery” (Brynard, 2009:561). In the opinion of respondents, lack of commitment is manifested by management and political incumbents taking their own time to deal with issues and challenges raised by lower-level staff, thus impacting negatively on the work of
implementers. An example is the constraint reported by the NWPLRO of lack of integration between CASP of the DACE and the LRAD programme, which has remained un-resolved.

The respondents from the DACE identified the following constraints:

i. **Communication**

Communication is poor within the organisation. At the operational level, communication plays a critical role in every activity that is undertaken by the management of an institution. At the strategic level, it plays an instrumental role in the administration of government policies.

ii. **Commitment**

Management lacks commitment to the land reform initiatives of the Government. One respondent from the DACE remarked as follows with regard commitment: “There is no proper commitment from the DACE towards land reform in terms of perceiving it also as a mandate for the department. It has always been seen as DLA mandate, and there is not much effort to contribute towards the 2014 targets. There are so many challenges with land reform, but there is no commitment from DACE towards land reform. It is only now that district managers are referring to land reform now that there are going to be Land and Agrarian Committees but all these years it was somebody else’s responsibility, land is not their mandate, their mandate is agriculture. But once someone in a leadership position can argue convincingly to say that this is our government, this is land affairs, we are dealing with agricultural land, we have to ensure that there is production on that land, maybe they can become more committed. Management of the department has never been committed.”

Another respondent when asked to identify constraints, also emphasised the fact that land reform is being seen as a mandate of other departments with the following remark “it comes back to it [LRAD] being seen as a programme of other departments. If the policy could be redrafted where the NWPLRO, DACE, and Land Bank could be seen as equal players in LRAD implementation, the turn-around time could be faster”. According to the respondents from the DACE, the problem of lack of
commitment is due to the failure by management to fully appreciate the role played by their institution in the land reform programmes of the Government, which they manifest in their narrow interpretation that the role of their institution is agriculture and not land reform.

Ineffective administration of the LRAD programme can be due to failure by public officials to notice (i.e. ineffective interpretation of policy) the relationship between the programme and their organisation’s mission (Spillane et al., 2002:392-421). Provincial departments of agriculture were consulted in the design of the LRAD programme (LRAD Policy Framework, 2001:6), and the heads of department of the DACE participated regularly in the ITCAL committees of the Ministry for Agriculture and Land Affairs where agriculture and land policies were discussed. However, these consultative efforts do not mean that the LRAD programme will be incorporated into the mission of government departments tasked with the responsibility of administering the programme.

Officials can give selective attention or modify policies to make them fit with the agendas and interests of organisations that they manage (Spillane et al., 2002:392-421). In line with the New Public Management approach (Christensen & Laegreid, 2001:79), the tenure of office as well as performance management of government’s senior management of the Government is contract based, and is informed by the underlying assumptions behind the principal-agent theory as described by Box (1999:28).

One of the strategic performance indicators by which DACE management’s performance is measured is in terms of the ability of the Department to spend the conditional and equitable share grant funds allocated to the Department by the DOA and provincial legislature. Given the views by Spillane et al. (2002:392-421) above, DACE management should, when committing resources towards the LRAD programme, be mindful of the current and potential interests of the Department, one of which is its ability to spend grant funds allocated to it for the execution of its functions.
Performance contracts can promote the check-list’ mentality (i.e. the attitude whereby managers feel that if certain responsibilities do not form part of their performance targets they will not perform them even though such responsibilities are critical for promoting the general welfare of society). Senior management of the DACE can put less effort into the LRAD programme if joint administration of the programme does not form a part of the performance targets. Performance contracts can also promote the pursuit of self-interest (i.e. pursuit of individual or organisational performance targets which are incentive based) at the expense of collective interest (e.g. failure to co-operate with other officials or organisations for the joint achievement of collective objectives of government) thus senior management of the DACE could pursue the expenditure targets in respect of the CASP programme and other conditional grants, as well as equitable share grant funds, because performance in this regard is directly associated with performance incentives that are a part of their performance contracts (Christensen & Laegreid, 2001:86).

Ineffective administration can also result due to public officials ignoring the LRAD programme (Firestone in Spillane et al., 2002:390-391). Ignoring the LRAD programme could be explained by reasons of self-interest as described above. It could also be due to other reasons such as where public officials allow their political beliefs to cloud their judgement, as well as compromise their ethics as public servants with specific reference to loyalty to the land reform policies of the government of the day. Ignoring the LRAD programme can be glaringly visible, but can also be done in a subtle manner whereby an organisation assumes symbolic postures (i.e. pretending that it fully co-operates with other institutions) as a way of seeking legitimacy and acceptance from external constituents (e.g. providers of funds such as national Government or the legislature), by behaving in a manner that shows that they are in agreement with their norms, rules, and expectations (Oliver in Broom et al., 1997:90-91)  

Officials can also inhibit the flow of political, financial, managerial and technical resources, resulting in ineffective administration of the LRAD programme (Brynard, 2007:36). Delaying the flow of resources for the LRAD programme could also arise out of necessity by management to ensure that the organisation uses whatever meagre resources at its disposal to ensure that the primary mandate of the
organisation receives first priority above mandates that must be executed in collaboration with other institutions. Characteristics or factors within an organisation (e.g. the administrative capacity of an organisation to execute its core functions) can be used as a predictor variable to determine its predisposition to co-operate with others (Shermerhorn, 1975:850). However, organisational action by members participating in goal-directed networks based on policy domain similarity or goal consensus (such as is the case with the LRAD programme) is not only driven by narrow individual organisational goals, but also by network-level goals (e.g. the need to reduce competition and conflict among members, improved client service, attracting network-wide funding and other critical resources for the programme) (Provan & Kennis, 2007:239).

c) Participation of stakeholders

Stakeholders involved in administering the LRAD programme do not participate as equal partners, hence a lack of commitment from the side of the DACE. Intergovernmental relations require of co-operating government institutions to recognise their interdependency in the formulation and implementation of the LRAD programme, and to capacitate one another by way of sharing resources and information that are crucial for the administration of the programme (Fox & Meyer in Fox & Van Rooyen, 2004:100).

6.8.6 Measures perceived to have facilitated effective administration of the LRAD programme

The following measures are perceived to have facilitated effective administration of the programme.

The responses from the NWPLRO are as follows:

a) Land redistribution targets

Having a clear mandate in terms of targets for land to be redistributed, is a positive factor. This facilitated better planning by the NWPLRO. However, what complicates
planning is the fact that the LRAD programme is implemented in a complex intergovernmental context, which requires intergovernmental co-ordinating mechanisms to be put in place (Brynard, 2009:565; Smith et al., Campbell & Szabowski, Mayntz, Rogers & Whetton, in Howlett & Ramesh, 2003:191).

b) Participation of clients

The respondents are of the view that since the programme was designed to be demand driven, the response of clients has been positive especially starting from the 2001/02 financial year when there was intensive engagement of the public about the contents of the programme. The LRAD programme was designed such that clients take part in policy implementation through co-production during the policy implementation process; hence their response was critical to the success of the programme (O’Toole, 2000:266).

6.9 ORGANISING

Cloete (1994:124) defines organisng as the “…classifying and grouping functions as well as allocating the groups of functions to institutions and workers in an orderly pattern so that everything the workers do will be aimed at achieving predetermined objectives”. The predetermined objectives for the LRAD programme as discussed in the preceding section can be achieved if there is effective organising by those managers assigned the responsibility of administering the programme.

6.9.1 Expectations of the role of public managers pertaining to execution of organising functions

The understanding of respondents pertaining to organising the LRAD programme was established through open-ended questions, whereby they were asked to indicate their expectations of the role that the public managers should play in administering the LRAD programme, and secondly, the role that they themselves actually played in administering the programme. Their responses were thus coded in terms of those that specifically related to the organising functions, and are presented in Table 6.9.
Table 6.9: Programme organising roles as perceived by respondents

<table>
<thead>
<tr>
<th>Expectations by respondents of the roles of public managers</th>
<th>Roles that respondents say they play</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responses by the PLRO respondents</td>
<td>Responses by the PLRO respondents</td>
</tr>
<tr>
<td><strong>Programme co-ordination</strong></td>
<td>None of the respondents mentioned actual roles played in terms of organising</td>
</tr>
<tr>
<td>Providing support in terms of:</td>
<td></td>
</tr>
<tr>
<td>- programme co-ordination by involving other stakeholders;</td>
<td></td>
</tr>
<tr>
<td>- clarifying very clearly what the role of stakeholders is supposed to be; and</td>
<td></td>
</tr>
<tr>
<td>- aligning internal systems with those of other sister departments.</td>
<td></td>
</tr>
</tbody>
</table>

| Responses by the DACE respondents                         | Responses by the DACE respondents   |
| **Programme co-ordination**                              | **Programme coordination**           |
| Co-ordination that entails involving stakeholders as well as developing very strong communication linkages with them | Co-ordination of all activities of business plan development for new LRAD project submissions and prioritization together with the DLA |
| To develop a strategy on how the programme should be jointly implemented from the application stage up until the post-settlement stage | Ensuring that LRAD projects, which have been appraised and approved, are captured (budgeted for) in the following financial year. |
| To outline institutional arrangements as well as implementation responsibilities among stakeholders |                                     |
| To know who is going to get land where and align CASP funds to support each and every approved LRAD project. |                                     |

According to Table 6.9, the respondents elevated the programme co-ordination role above all the organising roles that the public managers of both the NWPLRO and the DACE should play in LRAD administration. Co-ordination is a continuum whereby programmes can be regarded as having been well co-ordinated based on the extent to which they achieve certain desired ends (Peters, 1995:297).
The common issues emerging from both sets of respondents are as follows:

- linking up with, and involving all stakeholders who have a role to play (directly or indirectly) in LRAD programme administration;
- clarification of roles that each stakeholder organisation is expected to play in LRAD programme administration;
- alignment of administrative systems and procedures among institutions that are administering the programme; and
- development of structures and processes for interorganisational administration of the programme.

The following section presents the institutional structures for administration of the LRAD programme in the North West Province.

### 6.9.2 Institutional structures for LRAD programme administration

The LRAD programme was designed to be administered by a number of institutions namely:

- the NWPLRO;
- the DACE; and
- municipalities.

The institutional structures as developed by the PGC in the North West Province are presented in Appendices 1 to 3. These diagrams illustrate the institutional mechanisms through which approval of LRAD projects takes place. The various committees as depicted in Appendices 1 to 3 do not only deal with redistribution projects, but also with tenure reform projects.

The LRAD Policy Framework (2001) explicitly makes provision for the establishment of the PGC to consider and either approve or disapprove LRAD applications. However, the LRAD Implementation Manual (2004) makes provision for the District Screening Committee (DSC) and the PGC.
The composition of the PGC in the North West Province is as outlined below:

- a senior official from the NWPLRO (chief director and chairperson), plus two nominated additional members from the PLRO (3);
- two officials from the DACE (2);
- one official from the DOA (1);
- one official from the Department of Developmental Local Government and Housing (1);
- one official from the Local Land Reform Co-ordinating Committee/District Screening (1);
- two officials from the Land Bank (2);
- one official from each financial institution (e.g. FNB, Standard Bank, ABSA);
- one official from the Department of Water Affairs and Forestry (1);
- one official from the national Department of Public Works (1); and
- one official from the Provincial Department of Public Works (1).

The functions of the PGC are as follows:

- to approve and disapprove projects and to release grants in terms of The Provision of Land and Assistance Act (126/1993);
- to set norms and standards for project approval and review them regularly;
- to monitor and evaluate the programme and budget;
- to motivate for increases in budget allocation;
- to provide quarterly progress reports to the MEC of the DACE (as chairperson of the Provincial Land Reform Co-ordinating Committee);
- to facilitate the alignment of land reform grants (e.g. LRAD, CASP and post-settlement) and other resources of relevant government departments;
- to facilitate and align the project approval process of loan component applications with those of non-loan components;
- to make input into national and provincial land reform policy formulation and review processes; and
- to serve as a dispute resolution and final decision-making body in the event that the District Screening Committee or Local Land Reform Co-ordinating Committee cannot reach consensus on the merits of a project.
Public officials develop a social structure for policy administration which may not be consistent with the management mandate or official rules, but is manifested in the practices which they undertake as well as the meanings they attach to these practices (Sandfort, 2000:742). This structure is internalised, institutionalised and transformed by constantly negotiating and renegotiating its meaning depending on factors such as the content of the policy, the ambiguous nature of the policy and availability as well as distribution of resources.

The composition of the PGC as reflected above does not reflect how the PGC was constituted when it was established initially, but what it has evolved into with the passage of time as a result of the need to make it much more functional. Governability balances the need for society to be governed in the direction that solves a socio-political problem such as land redistribution, with the capacity required to govern the socio-political problem (Kooiman, 1994:43). Positive outcomes (i.e. in terms of the effectiveness of institutional arrangements) can lead to the re-enforcement of existing institutional arrangements to deal with a particular exogenous variable, while negative consequences may result in participants re-evaluating the institutional arrangements and effecting changes which might lead to new forms of interactions as well as outcomes (Akinola, 2007:2005).

Though the NWPLRO could not indicate when the above terms of reference were developed, there are striking similarities between these terms of reference and the terms of reference for the PGC as outlined in the LRAD Implementation Manual (2004). It can be concluded that the NWPLRO terms of reference as presented above were largely informed by the LRAD Implementation Manual (2004), and were adapted to take cognisance of the LRAD programme administration challenges in the North West Province. The other factor supporting the contention of the evolution of the role and composition of the PGC in the North West Province, is derived from the views of the respondents that institutions such as the Department of Water Affairs and Forestry should play an important role in the institutional arrangements for LRAD implementation, implying that all along they have not been part of the institutional arrangements. The institutions that have been participating in the North West Province PGC activities have been identified above, a factor that emphasises that the PGC composition as described
above is as it was later, after the PGC review processes, rather than as it was originally envisaged.

The LRAD Policy Framework (2001) assigned various responsibilities to the applicants themselves to ensure that with the support of locally based staff, a coherent submission is made directly to the PGC for approval. For practical reasons, applications could not be sent to the PGC by applicants without first being screened by a sub-committee at the lower level. This necessitated the establishment of the Local Land Reform Committees (LLRC) in local municipalities, and the DLRC at district municipality level to:

- screen and recommend projects for submission to the PGC based on technical and policy compliance aspects; and
- assist the PGC to focus its energy on performing its primary function of reviewing and approving or disapproving submissions.

This aspect will become evident in the section dealing with procedures and work methods, where the decision-making route for processing LRAD applications as manifested in the North West Province will be presented. Planning in terms of preparing the submission for final approval by the PGC, takes place at the local sphere. The DLRC is chaired by the DLRO manager, while the DACE and NWPLRO interchange in providing secretarial support. Officials from municipalities participate in these structures. The LLRCs were in some districts collapsed into one structure, the District Land Reform Project Committee, and performing similar functions, while in other districts the district committee is referred to as the LLRC.

Having outlined the formal structures through which institutional relationships pertaining to LRAD implementation took place, respondents were requested to give their own perceptions by reflecting on the nature of the interactions between different institutions as well as the dependency relationships among them.
6.9.3 Dependency relationships among institutions that administered the LRAD programme

Two or more organisations can engage in inter-organisational relationships and exchange resources amongst each other with a view of achieving objectives unique to each institution, or those to which they contribute jointly towards their achievement (Van de Ven in Broom, et al., 1997:90). In the context of the LRAD programme, the relationships are prescribed by policy.

This section will discuss the relationships which the NWPLRO, the DACE and the Land Bank had and which compelled them to co-operate in achieving the goals and objectives of the LRAD programme. The views of respondents were sought by asking them questions (open-ended) about:

- whether there were any dependency relationships;
- the nature of these relationships where they existed; and
- how these relationships enhanced or retarded effective administration of the programme.

The responses were coded into relevant concepts as developed by the researcher and presented below. All five respondents (n=8) from the NWPLRO agreed that the NWPLRO is dependent on other institutions for effective administration of the LRAD programme. The dependency relationships are described below.

6.9.3.1 Project loan funding

The land price was described as a factor that affected sustainability as well as affordability of projects. Given that the grant contribution from the DLA was relatively small in relation to the cost of agricultural land, beneficiaries were forced (by circumstances) to acquire additional finance from the Land Bank in order to purchase farms. Respondents were of the opinion that the NWPLRO depended on the Land Bank to issue loans to LRAD programme beneficiaries for those cases where there was a shortfall in the LRAD programme grant. They pointed out that if beneficiaries cannot access Land Bank funding where it was required, the application might not have been processed further. They emphasised that for a project requiring loan funding to be
approved by the NWPLRO, it had to be approved first by the Land Bank, which used its own approval criteria over which the NWPLRO did not have control. However, they remarked that the Land Bank provided loans based on strict credit criteria, and that beneficiaries had no choice since money needs to be lent before a project can become feasible.

The dependency relationship was further highlighted by indicating that during the planning/design phase an approved Land Bank loan needs to be considered by the NWPLRO as part of own contribution. However, loan approvals sometimes took a long time, for instance, the NWPLRO would realise that a piece of land was expensive, and that the applicant’s grant would need to be supplemented by a loan, but then the banks would take their own time, and in the end some of the offers to sell got withdrawn.

6.9.3.2 Project appraisal

The respondents from the NWPLRO were of the view that involving multiple institutions in appraising submissions had merit. This ensured that their contributions had been factored into the design of the project. They felt that if the NWPLRO and other government departments did not consider an application together, the NWPLRO would not be in a position to determine if it was a viable project or not, because for a project to be financed, the envisaged farming operation must demonstrate that it is a good venture. They lamented the unfortunate issue of institutions (the DACE, ESKOM, municipality, even Water Affairs where there is irrigation), which did not come with their own funding, making it difficult for applications to be properly assessed for feasibility and viability. This, in their opinion, resulted in applications being declined simply because there was no proper support for the project in terms of money and other resources.

6.9.3.3 Project design

Besides the issue of financial support, the respondents from the NWPLRO also indicated that the NWPLRO depended on the DACE during the planning/design phase with regard to development of feasibility reports, farm assessment, development of business plans, as well as post-settlement funding since the NWPLRO funds were limited. They explained that before the NWPLRO could approve the transfer of land, it required a
business plan, so it very much depended on the DACE with regard to this aspect. They indicated that if the DACE did not assist with business plans, the NWPLRO could not implement and that a delay from the DACE caused delays on the NWPLRO side and resulted in offers getting withdrawn. However, they mentioned that the DACE had its own short-comings in terms of staff shortages, and that sometimes it took three, four, or even five weeks to get a business plan from the DACE.

6.9.3.4 Training for LRAD programme beneficiaries

The respondents from the NWPLRO were of the opinion that their institution depended on the Department of Labour, because it assisted in providing support in terms of farmer training. The Department of Labour does not do the training, but facilitates the provision thereof by way of making funds available for the appointment of service providers.

Respondents from the DACE were in agreement that their institution was to a particular extent dependent on other institutions to administer its functions in terms of the LRAD programme. They were of the opinion that the DACE could not administer its responsibilities in terms of the programme until the NWPLRO had approved the project. They were of the view that if land had not been accessed or given to the people there was no other way that the DACE could begin administering the agricultural activities within the project. In their view, people had to get ownership of the land before the DACE could come in with agricultural support, and that this entirely depended on the NWPLRO to assist them to buy land.

According to the respondents from the DACE, their institution depended on the NWPLRO to release grant funds to LRAD programme beneficiaries. They argued that in the situation where a project was approved, and there was nothing that the DACE could do to support it by way of putting up the basic infrastructure that needed to be put on the farm, then the balance of the grant from the NWPLRO would be beneficial to the project. One respondent, however, argued that there was not much dependency, but just a mutual relationship between the DACE and the NWPLRO.
6.9.4 Perceived benefits of institutional dependency relationships

The issue of institutional dependency relationships was further probed by asking respondents to describe how the relationships as described above, enhanced the capacity of their own institution to effectively administer the LRAD programme. The respondents from the NWPLRO responded as follows:

6.9.4.1 Project funding

The respondents were of the view that the loan approval from Land Bank gave an indication to the NWPLRO whether a person would be able to buy property or not. It was indicated above that the loan from Land Bank would be approved in principle subject to the final granting of the request for the LRAD programme grant by the NWPLRO, and the loan from the bank would be regarded as own contribution and used by the NWPLRO to calculate the final grant amount. The final grant amount that an applicant qualified for plus the loan from the bank, gave an indication of whether a person or group of applicants would be able to purchase the farm, as well as the balance of grant if the loan component plus grant exceeded the purchase price.

In terms of funding, the respondents indicated that the DACE also made CASP grant funding available to beneficiaries of the LRAD programme. However, one respondent argued that the relationships did not benefit them much, for instance, if the NWPLRO had given people land with the understanding that they will get CASP or Post-Settlement grant funds from the DACE and if they did not, the project would collapse. The foregoing statement about the perceived lack of working together in terms of common projects to be supported by both institutions is an observation, which can be summed up by the response of one respondent who argued that "we did not benefit much, we thought that by now we would have integrated but we are still operating in silos. We give the impression that we are together, so it is definitely not working. We talk of post-settlement support from the DACE, they have their own constraints, have other projects that are not linked to what we are doing, and everyone is consumed by doing his own thing, so to me it is not working yet".
6.9.4.2 Project design

The respondents indicated that they did get business plans though it takes time. However, depending on the relationship that one had with certain officials from the DACE, they would sometimes receive the business plans on time. In certain instances, some projects were implemented faster, where, for example, beneficiaries came with their business plans or where banks assisted by developing them. In spite of the difficulties indicated above in terms of getting business plans developed on time, it was acknowledged by respondents that business plans from the DACE gave the NWPLRO insight into the viability of projects.

The respondents from the DACE were generally of the view that the dependency relationship in terms of the LRAD programme gave them the opportunity to carry out the mandate of technical support to the beneficiaries of the LRAD programme. They perceived land redistribution as an opportunity that broadened their scope of work, in terms of providing technical support to more farmers.

6.9.5 Constraints pertaining to organising for LRAD programme administration

The LRAD programme experienced problems that impacted negatively on its administration. The problems as presented hereunder reflect the views of respondents, and problems as identified in official documents.

The following constraints are perceived by the DACE:

a) Capacity to spend conditional grants

A lack of capacity to spend conditional grants was identified as a problem by the DACE management and the Auditor-General. In the notes to the appropriation statement for the DACE annual report (2005/06 financial year:115), it was remarked that “earmarked (i.e. unconditional grants as appropriated by the Provincial Legislature) and conditional grants were not spent for most of the financial year. The saving resulted since only 29% of the grants were spent”. In the foreword to the DACE annual report (2005/06 financial year:3), the MEC
stated that “as reported in the past, our major problem during the year relates to under-spending of conditional grants. The poor spending was caused mainly by managerial challenges of centralisation of authority, supply chain management processes, shortage of specialist skills, a lack of proper financial delegations to managers, and inflexibility to change projects where circumstances justified. All these shortcomings were addressed soon after the year end”.

It was stated in the DACE annual report (2005/06 financial year:18), that the DACE could not complete most of these projects by financial year-end and had requested a roll-over from The National Treasury to the next financial year for the committed funds. The reasons cited in the DACE annual report (2005/06 financial year:21) for poor spending of the capital budget were:

- capacity constraints in the supply chain management component;
- shortage of specialist skills in project management and economists;
- lack of appropriate financial delegations to district directors; and
- a lack of flexibility to change or substitute projects where satisfactory progress was not being registered.

In the Auditor-General’s report for the DACE (2005/06 financial year:4), it is reported that “voted conditional grants of R54 594 000,00 and unconditional grants of R35 672 000,00 were under-spent by 89.3% and 40.6% respectively, as disclosed in annexure 1A and 1B to the financial statements”. The view of the Auditor-General was that this “is indicative of an inadequate framework and monitoring of project implementation and management, resulting in service delivery being adversely affected”.
b) Programme co-ordination

In the DACE annual report (2001/02 financial year:45), on the sub-section dealing with future plans and challenges for the various sub-programmes, the following remarks were made pertaining to co-ordination of implementation of the LRAD programme:

- that there was a challenge of co-ordination between departments involved in land reform projects; and
- that attempts had been made to map out responsibilities for all stakeholders in the LRAD programme.

The DACE annual report (2003/04 financial year:22) indicates that the backlog on delivery of land under the LRAD programme is a challenge. This was attributed to “poor co-ordination between major role players” (i.e. the NWPLRO, Land Bank and the DACE). It was argued that the backlogs delayed the processing of new applications since the ‘old’ applications had to be attended to first before new applications could receive attention. The problem of backlog was discussed above, where it was demonstrated that some of the projects were approved in one financial year, and transferred in the next financial year.

Respondents from the NWPLRO identified the following issues:

a) Integrated planning

There is a lack of integrated planning and implementation, which often results in offers expiring and getting withdrawn due to delays from other role-players. The respondents were of the view that the DLA did not have the authority to enforce co-operation among institutions involved in LRAD programme administration. However, they expected their administrative executives to provide support in terms of programme co-ordination by:

- involving other stakeholders involved in LRAD programme administration;
- clarifying very clearly what their role was supposed to be in administering the LRAD programme; and
- aligning administrative systems with those of other departments.
The need for alignment of the LRAD programme, CASP, the Post-Settlement Grant of the DACE, and the Local Economic Development Fund of Municipalities, was emphasised in the following official reports of the NWPLRO:

- fourth quarterly report of 2004/05;
- second quarterly report of 2005/06;
- third quarterly report of 2005/06; and
- second and third quarterly reports of 2006/07.

An attempt was made to secure from the DACE and DOA an approved list of CASP projects for the financial years 2004/05-2006/07, however, only the 2006/07 project list was availed by the DOA. An analysis of the project list for the 2006/07 financial year was done by comparing the approved project list with the NWPLRO database of land reform projects. Of the 140 CASP projects approved in that financial year, only 32 were land reform projects (i.e. Commonage and pure LRAD).

The total approved budget for these projects was R15 309 210, which makes up only 22% of the R69 556 000 CASP budget approved by the DOA for the Province. According to the DOA CASP Business plan framework (2006/07 financial year), 70% of CASP funds must be directed to Land and Agrarian Reform projects i.e. (SLAG, Restitution, LRAD), 10% for food production programme (i.e. food security projects), 5% for infrastructure for animal health and 10% for training (research institute, e.g. ARC). The DACE did not meet the conditions attached to CASP that a minimum 70% of CASP budget funds be used to support land reform programmes. The 2006/07 financial year was the third year since CASP was launched. By that time, problems of integration of systems, which were raised by the NWPLRO since the 2004/05 financial year, should have been resolved.

In the quarterly reports of the NWPLRO (fourth quarterly report of 2004/05 and third quarterly report of 2005/06), the NWPLRO identified the following constraints:

- lack of capacity in the DACE to compile business plans; and
- delays from the DACE in compilation of feasibility reports.
This observation is consistent with the own analysis by the DACE as described above, of administrative weaknesses that impact on its administrative capacity. The management of the DACE not only had to ensure that with the weak administrative capacity, the organisation performed its core mandate, but that it also contributed towards administration of the LRAD programme.

One of the factors identified in particular by respondents from the DACE as a challenge to co-ordination is the attitude of the administrative executive of the DACE in terms of perceiving the LRAD programme as an add-on to the functions of the department, and not as something integral to the attainment of the very core objectives that the DACE attempted to pursue. This matter was, however, discussed in much more detail in the section that deals with commitment.

6.9.6 Measures perceived to have facilitated effective administration of the LRAD programme

Through the application of appreciative inquiry in evaluation research, information can be generated about the positive effects of a programme, which information can be used as a building block for future interventions (Cloete, 2006:689). The research was thus not undertaken with a negative pre-emptive view that actions were ineffective with regard to administration of the LRAD programme. Respondents were thus requested to identify those positive aspects which, in their opinion, sustained the efforts to administer the programme in spite of the challenges identified above.

The respondents for the NWPLRO identified the following issues:

a) Programme co-ordination

The MEC’s office and the political co-ordinating structures provided political support. Problematic issues with respect to LRAD administration could be elevated to these structures. The MEC as chairperson of the Land Reform Co-ordinating Committee receives reports from the PGC. These reports inform him/her of progress made with respect to land reform in the province and problematic cases with respect to land reform. The reports enable him/her to
provide the Executive Committee (EXCO) of the Province with feedback pertaining to the administration of land reform programmes in the province.

EXCO has technical committees called Executive Technical Committees (EXTEC) where heads of department meet to discuss administrative issues impacting on the province. Technical committees provide a platform for discussing and generating solutions pertaining to co-ordinated implementation of policies in the province. The effect of EXTEC on the administration of the LRAD programme was not probed by the researcher as such the perception of respondents cannot be corroborated.

The agency agreement between DLA and the Land Bank, which was described above, has facilitated effective administration of the programme. According to information in the NWPLRO project database, only 16% of the 217 LRAD projects appraised and/or approved in the North West Province during the period 2001/02 to 2006/07 were processed by the Land Bank in terms of the agency agreement. Though the bulk of the work (i.e. 84%) was done by the NWPLRO staff (as assisted by the DACE staff in terms of the technical aspects of LRAD project design and adjudication), the Land Bank did make a direct contribution to the LRAD programme administration by processing LRAD grant applications that had a loan component, and relieving pressure on the NWPLRO staff in terms of processing LRAD applications. Since the agency agreement between the DLA and the Land Bank came to an end at the end of the 2003/04 financial year, the NWPLRO staff has with effect from the 2004/05 financial year directly handled all LRAD projects (i.e. with or without loan component) that were submitted to the decision-making committees.

The DACE has with effect from the 2004/05 financial year, provided technical support as before but had the financial capacity to provide LRAD grant beneficiaries with post-transfer financial support given that CASP was launched in the 2004/05 financial year. The Land Bank supported, in addition to participating in the land reform decision-making committees, the administration of the LRAD programme by processing loan applications for applicants who in addition to the LRAD grant, required loan funding.
Co-ordination of policy implementation with key stakeholders at district and provincial levels has been a positive factor. Structures for joint decision-making that were put in place made it possible for project applications to be appraised, and either approved or disapproved. During the period 2001/02 to 2006/07, the land reform decision-making structures appraised and/or approved a total of 271 land reform projects (NWPLRO project database) of which 217 (80%) were LRAD projects. The number of processed LRAD projects (i.e. 217 projects) excludes those that were either rejected or withdrawn. These structures supported the administration of the LRAD programme, but whether their collective output is adequate or should have been more is a matter that shall become evident in the concluding remarks once all the factors have been presented and analysed.

The alignment of land reform projects with municipal Integrated Development Plans (IDPs) has been considered a positive factor. However, unlike other land reform programmes such as tenure reform (since it deals with provision of land for residential housing), which requires direct involvement of municipalities, the involvement of municipalities in LRAD programme administration is not very clear cut, other than the statutory requirement that all projects within municipal boundaries should be registered with the IDP.

Effective administration of the LRAD programme was enhanced by the participation at PGC, of other financial institutions (a fact that was verified in the PGC minutes), as well as institutions such as the SENWES co-operative. The respondents indicated that a relationship also existed (i.e. outside the formal land reform decision-making structures) with organised agriculture of which, now that they were closer to government, they had the opportunity to discuss openly issues impacting on the LRAD programme from their perspective as important stakeholders in the agriculture sector.

b) Informal relations among NWPLRO and DACE staff

Respondents were of the view that forging personal relations with officials from other institutions made it possible for personal favours to be granted thus
allowing planners and managers to meet specific deadlines. It is here implied that not only were formal structures relied on to get assistance from the DACE, but that relationships mattered too. Chester Barnard (in Shafritz & Hyde, 1992:96-97) argues that informal organisations exist within formal organisations. Informal organisations are aggregates of unconscious personal contacts with no defined structure and boundary, which arise out of a process where people who share similar interests, such as joint administration of government programmes, are drawn together.

Responses by the DACE were as follows:

a) Programme co-ordination

Co-ordination of programme implementation with other stakeholders, which has also been highlighted above by the NWPLRO, took place through the land reform decision-making structures put in place to administer the LRAD programme. Officials from the DACE served in the decision-making committees (e.g. in the PGC as reflected in the PGC minutes of February 2006 to December 2006) of the LRAD programme, to advise on the sustainability of projects and make joint decisions on applications submitted for approval. In the LRAD Policy Framework (page 13), both the NWPLRO and the DACE are encouraged to share responsibilities under the LRAD programme, such as participating in all the structures and processes dealing with the LRAD project adjudication.

6.10 FINANCIAL ADMINISTRATION

The discussion below will consider the problems that impeded effective administration of the LRAD from a financial point of view. Before that, a presentation will be made of the approved budgets for institutions responsible for LRAD administration. The annual budget is an important public policy document spelling out the policy priorities of the Government as well as the source of funds (Fourie, 2007:734; Thornhill in Hanekom & Thornhill, 1995:122). Table 6.10 outlines the budget allocations for the DLA and the DACE for the 2004/05 financial year to 2006/07 financial year.
Table 6.10: Budget allocations for the DLA and the DACE

<table>
<thead>
<tr>
<th>Financial year</th>
<th>Final annual appropriation for the DLA</th>
<th>Final annual appropriation for the DACE</th>
<th>CASP- R'000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Final annual appropriation for the DLA- R'000</td>
<td>Land reform programmes (excluding restitution)- R'000</td>
<td>Final annual appropriation for the DACE- R'000</td>
</tr>
<tr>
<td>2004/05</td>
<td>-</td>
<td>-</td>
<td>438690</td>
</tr>
<tr>
<td>2005/06</td>
<td>3 897 117</td>
<td>704 699</td>
<td>430 960</td>
</tr>
<tr>
<td></td>
<td>Of this amount, 514 306 was for land reform grants</td>
<td></td>
<td>33 594</td>
</tr>
<tr>
<td>2006/07</td>
<td>3 730 196</td>
<td>854 089</td>
<td>515 513</td>
</tr>
<tr>
<td></td>
<td>NB: Of the total of 548 357 allocated for land reform grants, 183 958 was allocated to provinces through virement, as 'payment for capital assets', leaving 364 399 for land reform grants, hence the reduced budget for land reform grants in relation to 2005/06</td>
<td></td>
<td>69 556</td>
</tr>
<tr>
<td></td>
<td>Sources: DLA annual reports for the financial years 2004/05 to 2006/07</td>
<td>Sources: DACE annual reports for the financial years 2004/05 to 2006/07</td>
<td></td>
</tr>
</tbody>
</table>

The final budget allocation for the DLA for the 2004/05 financial year could not be sourced due to the inaccessibility of the electronic and hard copies of the 2004/05 annual report. However, the main reason for presenting information in Table 6.10 is to demonstrate the extent of financial support towards land reform beneficiaries, since inception of CASP in the 2004/05 financial year. The information as presented in Table 6.10 has been considered as sufficient to draw conclusions from. In the notes to the annual financial statements for the DACE (2004/05 annual report:95; 2005/06 annual
report:120; and 2006/07 annual report:137), it is indicated that conditional grants (appropriated through the annual Division of Revenue Act), and unconditional grants (appropriated by the Provincial Legislature from their Equitable Share of National Revenue), are included in the total annual appropriation for the DACE.

The column for CASP funds in Table 6.10 above, gives an indication of how much the DACE received for each financial year. The CASP programme allocation to the DACE for the 2005/06 financial year represents a 20% increase over the 2004/05 financial year allocation, while the allocation for the 2006/07 financial year represents a 17% increase over the 2005/06 financial year allocation. The DACE received exactly the same amounts as projected in the annual Division of Revenue Act (as presented in Chapter 5). This is an efficient and effective arrangement by the Government from a planning point of view since it affords provincial departments of agriculture sufficient time to plan in advance, knowing that resources would be forthcoming to fulfil the plans.

According to Table 6.10, the total annual final appropriation for the DLA for the 2006/07 financial year was decreased by 4.3% as compared with the 2005/06 financial year. The appropriation for land reform programmes (excluding restitution) amounted to 18% in the 2005/06 financial year, and 23% in the 2006/07 financial year, of the total annual final appropriation for the DLA for those financial years. Hall (2004:29) is of the opinion that the increase in the budget for land reform grants has not been matched with the increases in the price for agricultural land. Given that there has been no adjustment to the grant structure of LRAD programme since its inception, in real terms, the LRAD programme grants made available to beneficiaries of the programme have declined in real value.

6.10.1 Constraints related to financial administration of the LRAD programme

Government programmes from time to time encounter constraints that impede their effective administration. The constraints, as identified by respondents and also identified from official documents, are discussed below.
The following constraints were identified in the official reports by the NWPLRO:

- Escalating land prices that result in protracted negotiations as well as withdrawal of offers to sell, as identified in:
  - the fourth quarterly report of 2004/05;
  - the second quarterly report of 2005/06;
  - the third quarterly report of 2005/06; and
  - the first, second and third quarterly reports of the 2006/07 financial year.

Table 6.11 provides an analysis from which conclusions can be drawn whether escalating prices of agricultural land is a constraint towards effective administration of the LRAD programme in the North West Province.
### Table 6.11: The cost of agricultural land for projects purchased through the LRAD programme in the North West Province (2001/02 to 2006/07 financial years) \( n=173 \)

<table>
<thead>
<tr>
<th>CLASS INTERVAL (HA)</th>
<th>NAME OF DISTRICT MUNICIPALITY</th>
<th>WEIGHTED ARITHMETIC MEAN (R/HA)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>BOJANALA</td>
<td></td>
</tr>
<tr>
<td></td>
<td>DR. KENNETH KAUNDA</td>
<td></td>
</tr>
<tr>
<td></td>
<td>NGAKA MOLEMA</td>
<td></td>
</tr>
<tr>
<td></td>
<td>DR. MODIRI SEGOMOTSI MOMPATI</td>
<td></td>
</tr>
<tr>
<td>[1.0000, 250.0000)</td>
<td>20 12 32 265 17 10 6 540</td>
<td>16 9 6 950 11 6 3 021 11 529</td>
</tr>
<tr>
<td>[250.0000, 500.0000)</td>
<td>3 2 8 975 7 4 2 166</td>
<td>15 9 1930 9 5 1 215 2 330</td>
</tr>
<tr>
<td>[500.0000, 750.0000)</td>
<td>2 1 1 465 4 2 2 233</td>
<td>16 9 1 028 1 281</td>
</tr>
<tr>
<td>[750.0000, 1000.0000)</td>
<td>1 1 1 500 6 3 1 568</td>
<td>13 8 959 1 166</td>
</tr>
<tr>
<td>[1000.0000, 1250.0000)</td>
<td></td>
<td>9 5 830 830</td>
</tr>
<tr>
<td>[1250.0000, 1500.0000)</td>
<td></td>
<td>7 4 822 822</td>
</tr>
<tr>
<td>[1500.0000, 1750.0000)</td>
<td></td>
<td>5 3 715 715</td>
</tr>
<tr>
<td>[1750.0000, 2000.0000)</td>
<td></td>
<td>3 2 589 589</td>
</tr>
<tr>
<td>[2000.0000 and more]</td>
<td>1 1 309 8 5 629 597</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>23 14</td>
<td>27 16 42 24 81 47</td>
</tr>
</tbody>
</table>

In a study by Lahiff (2007:24) of land reform projects for all nine provinces in South Africa (2006/07 financial year), the average cost of agricultural land was found to be R1566.00/ha, and the average size of land per project 902 hectares. Information in Table 6.11 indicates that as the size of the farm increases, the cost of land per hectare decreases. Agricultural land is expensive in Bojanala Platinum District Municipality, as compared with other district municipalities in the province. The farms purchased in Bojanala District Municipality through the LRAD programme are small in size (hectares) compared with other district municipalities. This is because farming in this area, in the
white commercial sector, is characterised by small intensive production units (irrigated crops as well as intensive livestock production such as commercial broiler production), as well as mixed farming.

The other factor that increased the price of agricultural land in Bojanala Platinum District Municipality in the 1.0000 to 250.0000 hectares category is that there were three projects whose purchase price (R/ha) was extremely high (e.g. the most expensive farm, producing table grapes for the export market as well as broilers for the commercial market, and located in Madibeng Local Municipality, cost R1 061 099.00/ha), thus having the effect of increasing the average cost/ha for the entire District Municipality. The constraint of high cost of agricultural land was mentioned by other provincial directors of the DLA as a factor that would limit land redistribution (Hall, 2004:29).

The cost of land, if considered in relation to the size of farm, could be misleading if the productive value of the farm and other factors were not taken into consideration. In a study by Van Zyl, Van Rooyen, Kirsten, & Van Schalkwyk (n.d:3-4), on the effect of real land prices on land transfer in South Africa for the period 1964 to 1991, they conclude that “real land price is not the only factor influencing land transfers: a low percentage of land transfers is, for instance, associated with high land prices in 1977, while a low percentage of land transfers is associated with lower land prices in 1990”. However, Van Zyl et al. (n.d:3-4) do not indicate whether data used to arrive at this conclusion was derived from agricultural land purchased through government support only, market processes only, or a combination of the two. The observation by the PLRO directors is based on land purchases made through government support, and is therefore valid since there is a limit (i.e. limitations imposed by the rules and financial resources) in terms of what can be procured through government systems.

A total of 20% of the farms purchased through the LRAD programme in the North West Province are 1000 hectares or more in size, of which Dr. Ruth Segomotsi Mompati District Municipality accounts for 19% of all farms in the province that are more than a 1000 hectares (the remaining 1% is for Ngaka Modiri Molema District Municipality). As explained in the beginning of this chapter, extensive livestock farming (i.e. beef cattle and goats) is the predominant form of agricultural production system in Dr. Ruth
Segomotsi Mompati District Municipality, hence the large size of farms purchased in this area.

Fifty seven percent of the farms purchased through the LRAD programme in the North West Province are less than 500 hectares in size. A large number of smaller-sized farms may not help the province to move faster in achieving the land redistribution target of the number of hectares of White-owned agricultural land. However, since the programme is demand-driven there is very little that the province can do to increase the purchase of bigger-sized farms. Part of the rationale for demand-led land reform is its apparent efficiency (Thwala in Rosset *et al.*, 2006:67), due to its ability to draw in family farmers, who are assumed to have the ability to operate small farms efficiently due mainly to the availability of family labour. A biased perspective on the purchase of bigger-sized farms will:

- disadvantage areas that have a high concentration of smaller sized farms, which may be expensive, but have a higher agricultural productive value per hectare;
- result in a concentration of Black farmers in large, extensive farming enterprises such as found in Dr. Ruth Segomotsi Mompati District Municipality, denying them access to niche enterprises and markets such as those available in Bojanala Platinum District Municipality; and
- because of the concentration of Black farmers in a few enterprises, this may not result in significant changes in land ownership and primary production structure in the province, as was anticipated by the Government through the LRAD programme.

Smaller-sized farms in the North West Province are much more expensive in relation to larger-sized farms. Though a socio-economic analysis of LRAD beneficiaries was not done as part of the study, it is argued that the manner with which the LRAD programme grant structure was designed and left unchanged since inception in 2001, in spite of the increasing price of agricultural land, has left the beneficiaries with a number of choices to consider when purchasing farms through the programme:

- **Choice No 1**: Given the expensive nature of smaller-sized farms, and that LRAD programme beneficiaries from poorer backgrounds do not have sufficient assets to use as own contribution to qualify for the maximum grant of R100 000 per
individual, which they cannot use as collateral to raise loan finance from the banks, they would need to form large groups to pool their grant funds to purchase these small, expensive, but highly productive farms (per hectare), and to collectively leave a sufficient balance of grant to use to sustain the semi-intensive or intensive production processes on the farm.

- **Choice No 2**: Given the expensive nature of smaller-sized farms in the North West Province, and that LRAD programme beneficiaries from good financial backgrounds have sufficient assets to use as own contribution to qualify for the maximum grant of R100 000 per individual, which assets they can use as collateral to raise loan finance from the banks, they can form smaller groups to pool their grant funds as well as loan funds to purchase these small, expensive, but highly productive farms (per hectare), and to collectively leave sufficient funds to use to sustain the semi-intensive or intensive production processes on the farm.

- **Choice No 3**: Given the inexpensive nature of larger-sized farms, and that LRAD programme beneficiaries from poor backgrounds do not have sufficient assets to use as own contribution to qualify for the maximum grant of R100 000 per individual, which they cannot use as collateral to raise loan finance from the banks, they would need to form larger groups to pool their grant funds to purchase these large, inexpensive, but less productive farms (per hectare), and to collectively leave sufficient funds to use to sustain the extensive farming production processes on the farm.

- **Choice No 4**: Given the expensive nature of smaller-sized farms (per hectare) and that LRAD beneficiaries from good financial backgrounds have sufficient assets to use as own contribution to qualify for the maximum grant of R100 000 per individual, which assets they can use as collateral to raise loan finance from the banks, they can form smaller groups to pool their grant funds as well as loan funds to purchase these small, expensive, but highly productive farms (per hectare), and to collectively leave sufficient funds to use to sustain the semi-intensive or intensive production processes on the farm, and can afford to purchase such farms as individual members of a household.
Figure 6.1 examines whether a variation in the number of beneficiaries per LRAD project (dependent variable) is influenced by a variation in the size of the farm. As explained above, the size of farm is linked to the type of enterprise, the production systems and the productive value of the farm (per hectare).

**Figure 6.1: Relationship between number of beneficiaries per LRAD project (n=173) and size of farm purchased through the LRAD programme in the North West Province.**

Figure 6.1 indicates that less than 20% (i.e. 15.8%) of the variation or increase in the number of beneficiaries per LRAD project is explained by the size of farm ($r^2=0.158$), of which this relationship could have been affected by outlying or residual values from the regression line. There may also be other factors responsible for the number of beneficiaries per project, such as:

- the productive value of the farm, and
- the financial and physical asset endowment of beneficiaries, which has an influence in terms of the amount of LRAD programme grant funds and loan finance that they can generate.
The escalating price of agricultural land could also be due to speculative tendencies by sellers, or due to LRAD programme implementers using only market price criterion in isolation of other factors as prescribed in the Constitution, 1996. The high price of agricultural land and the perceived biased nature of the LRAD programme against poor people are the financial issues that have to do with the content or design of the programme. These were raised by the NWPLRO as challenges to the effective administration of the LRAD programme. The NWPLRO, for example, mentioned in its official reports that high land prices result in protracted negotiations between buyers and sellers, which may lead to withdrawal of offers to sell by sellers, as well as lengthen the process of finalising LRAD applications.

6.11 STAFFING OF PUBLIC ORGANISATIONS

The function of staffing public organisations involves firstly, the provision of personnel, and secondly, getting staff to perform their duties (Cloete, 1994:165). Human resource management is an umbrella term that broadly refers to functions that involves attracting suitable skills to the organisation, development of staff, motivation of staff and staff retention (Jackson, 1995:238).

6.11.1 Expectations of the role of the public managers pertaining to execution of staffing functions

Respondents were requested to firstly, indicate the role that the public managers of the institutions should play in dealing with staffing issues for the LRAD programme, and secondly, to spell out the roles that they actually play in dealing with the staffing issues for the LRAD programme. Their responses were coded and presented in Table 6.12.
### Table 6.12: Roles in terms of staffing for the LRAD programme

<table>
<thead>
<tr>
<th>Expectations of the role of the public managers in staffing for the LRAD programme</th>
<th>Roles that the respondents said they play in staffing for the LRAD programme</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responses by the PLRO respondents</td>
<td>Responses by the PLRO respondents</td>
</tr>
</tbody>
</table>
| None | Human resource management  
Supervising and guiding of planners in the implementation of projects as prescribed by policy  
Removing operational impediments that planners encounter. |
| Responses by the DACE respondents | Responses by the DACE respondents |
| Resourcing the programme  
To ensure that there is sufficient line function human resources to carry out the required activities | Human resource management  
Manage staff to ensure that DLA gets support in terms of farm assessment. |

In terms of Table 6.12, the expectation by DACE respondents was for the public managers of their institution to ensure that there were personnel consistent with the volume of work that must be done. In terms of the actual roles played by respondents, none of them mentioned the role of recruitment of personnel. The focus of their work pertaining to staffing issues as they described above was on supervision and general managerial support, to ensure that performance targets are met.

#### 6.11.2 Constraints related to staffing for LRAD programme administration

Respondents were asked to identify constraints pertaining to staffing. In addition, official reports were also identified with a view to identifying additional constraints, or corroborating the views of respondents. The constraints were coded and are presented below.
The following constraints are perceived by the NWPLRO:

**Human resource capacity**

The respondents argued that the low level of skills for implementers is a constraint. However, it could not be verified that indeed this is a constraint. In the above section on policy, the low skills levels were also mentioned as a constraint that resulted in “too loose an interpretation of policy” when low skilled workers were left to their own devices (i.e. not given proper managerial support).

There was a staff shortage generally, for example, when the LRAD programme was introduced it was expected of it to be implemented with the same staff complement as before. Evidence was provided in Table 6.3 to demonstrate that there was an increase in the number of LRAD projects when compared with the SLAG projects. However, the NWPLRO could not furnish reliable information pertaining to the number of planners during the period under the SLAG programme (i.e. from the financial year 1996/97 until 2000/01), and during the period under the LRAD programme (i.e. from the financial year 2001/02 up until 2006/07) so that the views of respondents could be corroborated.

The following are constraints as identified by the DACE:

**Human resource capacity**

From the DACE official documents, the following constraints were identified:

- A lack of capacity to provide specialised (professional) services, such as project planning (agricultural economics and agricultural engineering) support. According to the DACE annual report (2001/02 financial year:77), the department identified the following human resource capacity issues:

  - A problem of resignations/transfers by mainly specialist staff, who were lured by lucrative offers from other sister departments. In the comments column of the DACE annual report (2001/02 financial year:40), it was remarked that there was low staff capacity to develop business plans.
In order to manage the risk to service delivery apparently caused by the lack of capacity from the DACE, the NWPLRO respondents indicated that the NWPLRO had a discussion with the DACE the previous year that perhaps the NWPLRO should outsource the services of business plan development, and that the DACE should work with the NWPLRO on the development of terms of reference for business plan development service providers, as well as assist with appraisal of business plans since this falls in their area of expertise.

The NWPLRO respondents indicated that in principle the DACE officials were not opposed to the idea of outsourcing the business plan development services, but the DACE asked what would be the point in outsourcing since the same people (i.e. service providers) to be appointed by the NWPLRO would come to the DACE to ask for information. According to the NWPLRO respondents, the proposal of outsourcing was never implemented and the delays by the DACE in terms of making business plans available to the NWPLRO continued.

- Lack of financial resources and limitation of the budget allocated by the Government during the last few years, which resulted in the Department being unable to fill key positions related to line function specialists. The DACE, like all government departments in the province, receives baseline amounts for the operational budget from the provincial treasury for the MTEF period (Telephonic conversation with DACE finance deputy director, dated 18 May 2010). These baseline amounts are approved by provincial EXCO’s during November/December of each year (Pauw et al., 2002:81). The baseline budget allocations thus limit the DACE management from dealing with the constraints of staff shortages and departures as identified above.

The situation pertaining to the vacancy rate for agricultural engineers and agricultural economists is as reflected in Table 6.13 (Written submission from DACE Human Resource Management Directorate, 2008).
The process of business development requires the technical inputs from:

- agricultural engineers in terms of infrastructural design and costing;
- agricultural economists in terms of financial analysis;
- scientists/specialists in terms of technical production issues; and
- agricultural extension officers with regard to profiling of the individual, group or community needs and other social aspects.

The business plan development capacity of an institution is a function of a number of variables, among them human resource capacity but most importantly financial resources. It was stated above that the lack of financial resources as well as limited budget allocated by the Government to the DACE, has constrained it from filling vacant critical positions since the 2001/02 financial year.
Table 6.13 indicates that the situation in terms of vacancy rate in the DACE was dire when it related to agricultural engineers. This observation is consistent with information contained in the human resource development plan of the DACE (2007:15), wherein it was stated that shortages were being experienced internally and in the external job market. It is projected (the DACE human resource development plan, 2007:16) that this would remain a problem in future due to huge construction projects for the 2010 FIFA World Cup. With regard to agricultural economists, the Department also acknowledges, in the human resource development plan (2007:17), the shortage in the Department and the private sector due to limited enrolment at tertiary institutions. The Department would therefore have to consider possibilities of securing engineering services other than the permanent employment route. However, in terms of human resource management strategies, the Department proposes in the human resource development plan (2007:48, 49), firstly, the development of a recruitment and retention strategy by December 2008, and secondly, bursary allocations by December 2009.

6.11.3 Measures perceived to have facilitated effective administration of the LRAD programme

Responses by the NWPLRO on the promotion of effective administration of the LRAD programme are as follows:

Human resource capacity building

An agricultural economist was appointed to deal with issues of viability and sustainability of projects. This was not done in the initial years after the LRAD programme was introduced. Organisations are social entities that interact with other organisations in order to secure supply or critical human resources (Jackson, 1995:239-243). Organisations thus engage in exchange of resources (i.e. skills) in order to ensure achievement of goals and objectives as well as long-term survival. Those organisations that are in control of critical resources (e.g. skills, which may not be easily accessible elsewhere in the job market) enjoy asymmetrical positional power in relation to those that do not.
Human resource management activities and processes thus involve managing this delicate asymmetrical power relationship with the ultimate aim of reducing the vulnerability of the resource-dependent organisation (Jackson, 1995:239-243). It was indicated above that the DACE was not receptive to the idea of the NWPLRO outsourcing the services of business plan compilation, however, the NWPLRO took the initiative of appointing an agricultural economist as a way of managing this risk, which was impacting on their ability to reach land redistribution targets.

Training sessions were conducted for implementers/planners. This was not only done in the initial phase but as an ongoing process of staff development as and when modifications to policy and procedures occur. In terms of general systems theory, the function of human resource management is to acquire the necessary skills (inputs) in the labour market, and convert or align (throughput) their behaviours to the expectations of the organisation such that their performance would result in the production of the desired outputs (Jackson, 1995:239-243). In aligning the behaviours of staff to the expectation of the organisation, human resource management supports organisational performance by:

- identifying the role behaviours of employees expected by the organisation (which are influenced by the institutional context impacting on the organisation), such as what planners must do to administer the LRAD programme effectively;
- communicating these expectations widely through training sessions, which are one way through which the expectations of management can be communicated;
- measuring performance against the identified expectations; and
- supporting behaviour that meets the expectations of other role partners (e.g. managers, peers, other institutions and clients), by, for example, rewarding it (Jackson, 1995:239-243).

In terms of the New Public Management approach, the role of the senior management is to ensure that its institution has the necessary capacity to function (Kettl in Rosenbloom, et al., 1994:42). The respondents argued that the expertise which the DLA had internally, enabled it to implement the LRAD programme effectively. However, the expertise within the DLA can only be assumed to exist, given that implementation of the LRAD programme did take place, which can partly be attributed to the knowledge and skills of public officials. The NWPLRO could not furnish the researcher with information
pertaining to human resource development plans put in place by the DLA to build capacity with regard to administration of the LRAD programme.

Responses by the DACE are as follows:

Human resource capacity building

Officials were appointed to deal specifically with LRAD implementation, with local development centre (LDC) managers assisting in terms of co-ordinating their activities. These officials (e.g. agricultural extension officers) have been working together with planners from the NWPLRO in terms of development of project submissions to the PGC. In the LRAD Policy Framework (2001:13) it is expected of the DACE to “redirect its budget and re-deploy staff to create a special programme to assist land reform beneficiaries, both during the process of preparing proposals and after purchase of the land”. It was explained above that the DACE had a special directorate dealing with issues of land administration, including the administration of the LRAD programme.

Workshops were organised for staff. This was necessary given the fact that DACE had co-responsibility with the NWPLRO for programme administration.

6.12 WORK METHODS AND PROCEDURES FOR LRAD PROGRAMME ADMINISTRATION

Work procedures are “ways in which officials carry out work in order to give legality and legitimacy to government actions” (Botes et al., 1992:331). The process for approving LRAD applications in the North West Province is presented in detail in Appendix 5. In developing the document outlining the process for approving LRAD applications, the researcher relied on information contained in the LRAD Programme Implementation Manual (Version 1, 2004), as well as the NWPLRO Terms of Reference. This basic document was then given to one official in the PISU of the NWPLRO, and one planner in the DLRO, for them to enrich it by bringing their own experiences in terms of the procedures followed by the NWPLRO. The comments of the two officials (electronic correspondence from PISU official, 20 May 2010, and personal discussion with District Land Reform Office (DLRO) planner, 28 May 2010) were independently submitted and
consolidated into the information as presented below. The implications of the process in terms of administration of the LRAD programme are discussed below.

The LRAD programme provides applicants with an opportunity to design projects to suit their needs. Buyers initiate the process of an LRAD application, by identifying a farm to purchase, and negotiating the purchase conditions with the seller. The Government thus depends on the initiative of willing buyers, and the positive response of willing sellers for the implementation of LRAD projects. However, the Government has to proactively and rigorously communicate a message to buyers and sellers of agricultural land about the goals and objectives, as well as support mechanisms for the LRAD programme. This is to ensure their commitment to the programme, since it is critical for the achievement of agricultural land redistribution targets. For buyers to initiate negotiations for land purchase, information must be readily available about agricultural land that is up for sale.

Buyers are encouraged by the NWPLRO planners to negotiate offers, which remain valid for a period of three months, since it is considered that within three months the PGC would have made a decision in terms of whether to approve or decline an application. The three-month period was used as a benchmark against which the turnaround time for LRAD projects in the North West Province (cf. p 223) was measured.

The offer that buyers accept from the seller is considered preliminary by the NWPLRO, since the NWPLRO still has to do property valuation and negotiate price on behalf of the applicant. Acceptance of an offer has financial implications for both buyers and the Government. For buyers, if the property purchase price does not represent a fair and reasonable value, more grant and/or loan funds may have to be raised and, in the situation where applicants are unable to do so, the negotiations for land purchase will come to an end. For the Government, if negotiations for land purchase collapse, this has a direct bearing on land redistribution. However, if applicants manage to buy the property for more than it should sell for, such projects will not be sustainable, and can in the long run result in fruitless expenditure on the part of the Government, if beneficiaries abandon or surrender them. To manage the potential risk to the achievement of land redistribution goals and objectives, and to ensure that scarce government resources are not used to promote unsustainable LRAD projects, the Government makes use of
property valuation as an official and legal tool to assist beneficiaries to negotiate a fair and reasonable price for the agricultural properties on offer.

An application, submitted in the prescribed form, is considered to have been formally received and registered when it has been received by the DLRO. This implies that in cases where an application is submitted to the DACE, Land Bank, or local municipality, these institutions then forward the application to the DLRO. This arrangement puts the NWPLRO as the institution at the centre of all administrative mechanisms for coordination of the administration of the LRAD programme in the North West Province.

The planner writes an acknowledgement letter to the applicant/s in which he/she would, among others, indicate additional information that must be submitted by the applicant. In the case where the LRAD programme grant would be insufficient to purchase the farm, the buyer is informed to remedy the situation by, for example, applying for a loan at the Land Bank or any other commercial bank. The planner provides this critical information to the applicants to enable them to make appropriate decisions that would enable them to secure the maximum amount of LRAD programme grant funds which they are entitled to receive.

The planner is also expected to do a deeds search to ensure that the seller is indeed the owner of the property, and to liaise with the Commission for Land Restitution to ensure that there is no valid land restitution claim lodged against the property. Given that, in the case where the same property is being targeted by the Government in terms of both land restitution and redistribution programmes, a restitution case (which is rights based) takes precedence over a redistribution case (which is transformation based). This ensures that government resources are not wasted unnecessarily on properties for which land restitution claims have been lodged.

The planner works with the agricultural extension officer from the DACE in compiling the farm assessment and feasibility reports. This underscores the importance of coordination in the design of LRAD projects.
In the North West Province, it was originally planned to have three committees, namely LLRC, the DLRC, and the PGC (see appendices 1 to 3), however, there are differences between the four DLROs in terms of the committees that assesses the LRAD applications. In Bojanala Platinum and Ngaka Modiri Molema district municipalities, the applications are processed by one committee (a hybrid structure between LLRC and DLRC) before reaching PGC. Dr. Kenneth Kaunda and Dr. Ruth Segomotsi Mompati district municipalities process LRAD programme applications through the LLRC and DLRC, before submission to the PGC for approval. The LLRC creates an additional administrative structure, which if not efficiently and effectively managed, can prolong the turnaround time for applications. In some district municipalities, not all local municipalities have White-owned agricultural land within their areas of jurisdiction, which means that there would be no LRAD projects to be presented to the LLRC. In such a situation, it is advisable for the DLRC to adjudicate all land reform projects (with the exception of land restitution projects, since they are the functional responsibility of the Land Claims Commission); given that other land reform programmes make a small component of land reform activities undertaken in the province (cf. p 225).

The planner makes both the introductory and detailed presentations of LRAD programme applications to the DLRC. An application is presented to the DLRC and is recorded in the minutes. Every time the DLRC meets to discuss land reform projects, this committee is able to get feedback on implementation of LRAD projects. In this manner, the DLRC is able to keep track of progress made on all projects. Tracking, if done efficiently and effectively, can assist in getting projects approved by the PGC within 90 days of lodging an application, in terms of the NWPLRO standards. Tracking can also enable the DLRC to make appropriate decisions in terms of:

- declining projects that do not meet the basic criteria for the LRAD programme;
- expediting the implementation of projects which are lagging behind; and
- recommending to the PGC projects which qualify to receive LRAD programme grant funds.

Projects for which the DLRC has either approved the planning grant, or recommended to the PGC for granting of the LRAD grant, must be registered in the Basic Accounting System (BAS) of the DLA. For projects to be registered in the BAS system, a copy of the DLRC minutes is sent to the DLA to provide proof of the decision made by the DLRC,
and to prevent DLRO managers from making arbitrary decisions pertaining to approval of planning grants. It is important for the project to be registered in the national BAS system because without this, the planning services cannot be procured for the project, and the LRAD grant cannot be paid. The BAS system thus creates a source of reference and identity for the project, against which all financial transactions for the project are referenced to ensure proper controls.

The NWPLRO does the appointment of the service provider, and informs the DLRO. This function was previously centralised at the DLA, hence the concern raised in Table 6.14, of centralisation of procurement functions, which according to the NWPLRO, resulted in a long turnaround time for LRAD projects.

The activities of the PGC are not only confined to the days of the meeting of the committee. Applications that have been recommended by the DLRC are submitted a minimum of three weeks before the scheduled meeting of the PGC. The reason for submission of the documents three weeks earlier is to afford the PISU at the NWPLRO, and all the PGC members, an opportunity to scrutinise the application for compliance with official policy, and to make policy-related as well as general inputs on the submission before it can be presented in the PGC sitting. This arrangement is meant to avoid having the PGC being slowed down with petty issues that should have been dealt with at DLRC level, thus improving the efficiency and effectiveness of the decision-making processes of the PGC. It also ensures that inputs/comments made by members of the PGC, are communicated to the DLRO manager for him/her to attend to before the application is resubmitted to the PGC secretariat. PGC members from all stakeholder institutions are thus afforded an opportunity to make inputs towards LRAD applications.

The decision to approve the release of the LRAD grant is communicated to both the buyer and seller of the property. For approved applications, the chief director for the NWPLRO (who is the PGC chairperson) prepares and signs a memo to be submitted to the DLA, indicating approval of the LRAD grant by the PGC. The DACE representative in the PGC, as well as the DLRO manager of the affected LRAD project, will also co-sign the memo. The memo is submitted to the DLA, together with a copy of the PGC minutes reflecting the approval decision taken on the project. Both the NWPLRO and the DACE
are accountable for the administration of the LRAD programme hence the co-signing of the memo to the DLA.

The memo is also a request to the DLA finance directorate to commence administrative arrangements for:

- payment of the LRAD grant;
- ensuring that the process of conveyancing starts; and
- the DLA to get itself ready to make payments towards the purchase of the land; and property transfer costs.

The synchronisation of the internal administrative processes with the external (mainly) conveyancing processes is meant to speed up the administration of the LRAD programme applications during the transfer phase. The LRAD programme beneficiaries are expected to commence with the farming operations, as soon as the property has been transferred to them. For them to start farming, they would need agricultural extension support, funding from the balance of LRAD grant (i.e. balance of grant if any), CASP programme funding from the DACE and production loan from the financial institution (if any).

The process for approving LRAD applications demonstrates a complex arrangement that requires integration of policies and administrative systems between government institutions administering the programme. To ensure that all the processes for administration of the programme are synchronised, there should be integration of government and market mechanisms for service delivery, vertical integration of policies and administrative systems between the three spheres of government, as well as good managerial and communication ability.
6.12.1 Constraints pertaining to processing of LRAD programme applications

The following are constraints as perceived by the NWPLRO:

The problem of delays in the procurement of land reform services is a constraint as perceived by the NWPLRO. It was raised in the following documents:

- the fourth quarterly report of 2004/05,
- the third quarterly report of 2005/06, and
- the executive summary of the 2003/04 annual report, which states that “there is a delay in the turn-around time of delivery of projects, and this is brought about by the centralization of procurement functions at National Office (DLA), and that whilst there is a greater need to conform to over-arching government prescripts, these in turn have a bearing in terms of procuring essential services which are required by projects (valuation, business planning etc.) as a result, problems such as loss of farms result”.

In the NWPLRO annual report (2005/06 financial year:2), it was remarked that the procurement system causes delays in the appointment of service providers, as well as threatening the sustainability of projects that need to utilise the balance of grant, and that problems of getting property valuation reports in time may not only be due to the weaknesses in the internal procurement system, but also by property valuers taking their time before producing reports.

These reports indicate that there were problems with centralisation of the procurement system, which tended to be slow in responding to the requests by the NWPLRO, and thus impacted negatively on:

- project turnaround;
- achievement of annual land redistribution targets; and
- sustainability of transferred projects.
In the first quarterly report of 2005/06 financial year, and the third quarterly report of 2006/07 financial year, the NWPLRO made the following recommendations pertaining to procurement of services for the LRAD programme:

- improvement in turnaround for procurement requests submitted to the DLA;
- improving the administrative capacity of the NWPLRO; and
- decentralising procurement functions to the NWPLRO.

As indicated above in the process for approving LRAD applications, the procurement functions pertaining to the appointment of service providers for planning purposes, were decentralised to the NWPLRO.

A review of official NWPLRO reports also highlighted problems with conveyancing. In the first quarterly report of the 2005/06 financial year, it was reported that an additional 13 projects experienced delays at conveyancing stage, and also in the third quarterly report of the 2005/06 financial year, that several projects could not be transferred in December 2005 because many conveyers closed mid-December 2005. Private sector businesses close their offices during the December-January festive period. Government offices also close during this time, but for a shorter period than is the case with the private sector. The LRAD programme, like any other process of property transfer, relies on market mechanisms of property conveyancing for properties to be registered, hence the vulnerability to delays, which are a result of external service providers.

6.12.2 Measures perceived to have facilitated effective administration of the LRAD programme

The responses by the NWPLRO are as follows:

Policy and procedure guidelines are available in terms of how the programme should be administered. Internal checklists assist in ensuring that when submissions are received from the DLRO, the PISU can assess them for compliance with policy. In this manner, the PGC does not waste time in scrutinising each submission for compliance to policy, but instead focuses on discharging its mandate as prescribed in the LRAD Policy Framework. By appraising the submissions of planners, this resulted in them taking pride in the work that they do, as well as making quality presentations to the PGC.
6.13 CONTROL AND ACCOUNTABILITY IN LRAD PROGRAMME ADMINISTRATION

In modern democratic civilisations, public functionaries are required to account for everything which they do pertaining to the execution of their official duties (Cloete, 1994:210). The control function is executed with the purpose of:

- ensuring that those who have been delegated authority by the legislature to administer the LRAD programme use their powers to advance the general welfare of beneficiaries of the programme as defined by the elected representatives (Cloete, 1994:205); and
- achieving the goals and objectives of the LRAD programme efficiently and effectively (Fourie, 2007:733).

The respondents were asked to indicate their expectations of the role to be played by the public managers of their respective institutions in LRAD programme administration. None of the respondents from the DACE and the NWPLRO indicated their expectations in terms of the role to be played by the public managers of their respective institutions. However, in terms of the actual roles played by respondents, none of the responses of the NWPLRO are related to the execution of control functions. The respondents from the DACE identified the following:

- monitoring of progress on projects funded by DACE from CASP funds; and
- monitoring of applications that have been received (i.e. with respect to development of feasibility studies).

6.13.1 Measures perceived to have facilitated effective administration of the LRAD programme

The responses by the NWPLRO are as follows:

Project monitoring

The respondents were of the view that showcasing of successful projects had an effect on the quality of work of planners. According to them, showcasing had the effect of ensuring that staff members take pride in the work that they do. The aspect of staff
members taking pride in their work was also discussed above and credited to the appraisal of project submissions.

Public accountability cannot be effected properly unless relevant and timely information is made available (Cameron, 2004:59). The NWPLRO has been reporting regularly to the DLA with regard to the administration of the LRAD programme in the North West Province. In these reports is contained feedback information on the performance of the institution against set targets, constraints impeding service delivery, and recommendations for improvement of the administration of the programme. Some of the recommendations were operational in nature while others related to the content of the policy. Table 6.14 gives a summary of the key issues that were communicated by the NWPLRO to the DLA since inception of the programme, until the 2006/07 financial year.

Table 6.14: Summary of issues reported by the NWPLRO to the DLA: 2001/02 financial year to 2006/07 financial year

<table>
<thead>
<tr>
<th>Source documents</th>
<th>Constraints</th>
<th>Recommendations</th>
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</thead>
<tbody>
<tr>
<td>Fourth quarterly report of 2004/05</td>
<td>Alignment of LRAD, CASP, and Post-Settlement grant Escalating land prices resulting in loss of deals</td>
<td>On-going discussions with DACE</td>
</tr>
<tr>
<td>First quarterly report of 2005/06</td>
<td>Delays in procurement of land reform services</td>
<td>Improvement in turnaround time for procurement critical Capacitate and decentralise procurement to PLRO</td>
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<tr>
<td>Second quarterly report of 2005/06</td>
<td>High likelihood of over-expenditure of capital budget</td>
<td>Urgent need to increase capital transfer budget</td>
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<tr>
<td>Third quarterly report of 2005/06</td>
<td>Delays in compilation of feasibility reports Lack of capacity in DACE to compile business plans</td>
<td>Outsource the functions of business plan compilation</td>
</tr>
<tr>
<td>First quarterly report of 2006/07:</td>
<td>High land prices</td>
<td>Alternative land acquisition strategy (e.g. PLAS)</td>
</tr>
<tr>
<td>Second quarterly report of 2006/07</td>
<td>Alignment of LRAD, CASP, and Post-Settlement Grant</td>
<td>Ongoing discussions with DACE</td>
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<tr>
<td>Escalating land prices resulting in loss of deals</td>
<td>Improvement in turnaround time for procurement critical</td>
<td></td>
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<tr>
<td>Third quarterly report of 2006/07</td>
<td>Withdrawal of offers after approval at PGC</td>
<td>Capacitate and decentralise procurement to PLRO</td>
</tr>
<tr>
<td>Highly commercial farms acquired as going concerns against limited grant funding, Protracted negotiations</td>
<td>Urgent need to increase capital transfer budget.</td>
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</tbody>
</table>

Table 6.14 highlights the constraints impeding the NWPLRO from efficiently and effectively administering the LRAD programme. Part of the problem arises from the fact that the NWPLRO was dependent on the DLA for certain functions that were critical for the effective administration of the LRAD programme, such as procurement of certain services. The NWPLRO was also dependent on the DACE for administration of the LRAD programme. To the extent that this feedback information was acted upon by the administrative executive at the DLA, the performance situation within these institutions was expected to improve, remain constant, or deteriorate.
The responses by the DACE are as follows:

The external pressure from the media, politicians and the clients themselves, helped to put pressure on the DACE to administer its programmes much more effectively. It was mentioned above that the LRAD is a political programme of the Government; as such there is pressure on officials to administer programmes effectively. The media spotlight has been firmly focused on this and other land reform programmes, where controversial, conflict riddled and failed projects were constantly flagged, thus putting officials under pressure all the time.

6.14 SUMMARY AND SYNTHESIS

Table 6.15 provides a summary and synthesis of the constraints impacting on effective administration of the LRAD programme in the North West Province. Each constraint was given a conceptual label by the researcher, and the causes and consequences identified.

Table 6.15: Constraints towards effective administration of the LRAD programme in the North West Province

<table>
<thead>
<tr>
<th>CAUSAL FACTOR</th>
<th>CONSTRAINTS RESPONSES FROM NWPLRO</th>
<th>CONSEQUENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Description of constraint</td>
<td>Conceptual label</td>
</tr>
<tr>
<td>Policy assumptions made by policy developers not compatible with ‘realities’ of policy implementers¹</td>
<td>Overambitious implementation targets¹</td>
<td>Policy (content)</td>
</tr>
<tr>
<td>Conflict of policy objectives²</td>
<td>The grant structure disadvantages the poor¹</td>
<td>Policy (content)</td>
</tr>
<tr>
<td>Speculative tendencies by sellers&lt;sup&gt;2&lt;/sup&gt;</td>
<td>Escalating land prices'</td>
<td>Policy (Participation by stakeholders)</td>
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<tr>
<td>The increased demand for agricultural land created by the LRAD programme&lt;sup&gt;1&lt;/sup&gt;</td>
<td></td>
<td>Policy (interpretation)</td>
</tr>
<tr>
<td>Purchasing of high value (and expensive) farms such as in Bojanala Platinum District Municipality&lt;sup&gt;1&lt;/sup&gt;</td>
<td></td>
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<tr>
<td>The use of constitutional provision of 'market price' to the exclusion of other factors&lt;sup&gt;2&lt;/sup&gt;</td>
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<tr>
<td>Low skills base of staff&lt;sup&gt;2&lt;/sup&gt;</td>
<td>Too loose an interpretation of policy during implementation&lt;sup&gt;2&lt;/sup&gt;</td>
<td>Policy (interpretation)&lt;sup&gt;2&lt;/sup&gt;</td>
</tr>
<tr>
<td>Low-skilled staff left to&lt;sup&gt;2&lt;/sup&gt; their own devices in terms of interpretation of policy</td>
<td></td>
<td></td>
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<tr>
<td>Centralisation of authority to appoint staff&lt;sup&gt;1&lt;/sup&gt;</td>
<td>Staff shortages&lt;sup&gt;2&lt;/sup&gt;</td>
<td>Administrative capacity (to plan and implement projects)&lt;sup&gt;2&lt;/sup&gt;</td>
</tr>
<tr>
<td>Centralisation of procurement functions at National Office&lt;sup&gt;1&lt;/sup&gt;</td>
<td>Delays in procurement of land reform services&lt;sup&gt;1&lt;/sup&gt;</td>
<td>Policy (Centralisation of authority)&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td>Closure of conveyors's offices during December&lt;sup&gt;2&lt;/sup&gt;</td>
<td>Delays at conveyancing stage (Reported during first and third quarters of 2005/06 financial year)&lt;sup&gt;1&lt;/sup&gt;</td>
<td>Policy (Resource dependence)&lt;sup&gt;1&lt;/sup&gt;</td>
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<tr>
<td>Weak administrative capacity from DACE&lt;sup&gt;1&lt;/sup&gt;</td>
<td>Lack of capacity in DACE to compile business plans&lt;sup&gt;1&lt;/sup&gt;</td>
<td>Policy (Resource dependence by NWPLRO on DACE)&lt;sup&gt;1&lt;/sup&gt;</td>
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<tr>
<td>CAUSAL FACTOR</td>
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<tr>
<td>Weak administrative capacity from DACE&lt;sup&gt;1&lt;/sup&gt;</td>
<td>Delays from DACE in compilation of feasibility studies&lt;sup&gt;1&lt;/sup&gt;</td>
<td>Policy (Resource dependence by NWPLRO on DACE)&lt;sup&gt;1&lt;/sup&gt;</td>
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<tr>
<td>Failure by institutions administering the LRAD programme to adhere to:</td>
<td>Ineffective alignment of LRAD, CASP, Post-Settlement Grant funds, and Local Economic Development Fund&lt;sup&gt;1&lt;/sup&gt;</td>
<td>Co-ordination&lt;sup&gt;1&lt;/sup&gt;</td>
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<tr>
<td>*Section 41 of the Constitution, 1996&lt;sup&gt;1&lt;/sup&gt;</td>
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<td>*Provisions of the IGRF Act (13/2005)&lt;sup&gt;1&lt;/sup&gt;</td>
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<td>Non-compliance to statutory conditions for conditional grants&lt;sup&gt;1&lt;/sup&gt; Administrative executive taking its' time to address issues raised by NWPLRO in the official reports&lt;sup&gt;1&lt;/sup&gt;</td>
<td></td>
<td></td>
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<tr>
<td>Departure of mainly specialist/professional staff&lt;sup&gt;1&lt;/sup&gt; Limited output of agric economics students at university caused by limited enrolment&lt;sup&gt;2&lt;/sup&gt;</td>
<td>Lack of capacity to provide specialised/professional services&lt;sup&gt;1&lt;/sup&gt;</td>
<td>Administrative capacity (to plan and implement projects)&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td>Limited budget allocated by government&lt;sup&gt;1&lt;/sup&gt;</td>
<td>Lack of financial resources&lt;sup&gt;1&lt;/sup&gt; (i.e. operational budget)</td>
<td>Administrative capacity (to plan and implement projects)&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td>DACE unable to retain engineers in particular, who are in demand in the job market and are paid more¹</td>
<td>Departure of specialist staff¹</td>
<td>Administrative capacity (to plan and implement projects)¹</td>
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<tr>
<td>Centralisation of authority.²</td>
<td>Lack of capacity to spend conditional grants¹</td>
<td>Administrative capacity (to plan and implement projects)¹</td>
</tr>
<tr>
<td>Supply chain management processes not conducive². Shortage of specialist skills¹. A lack of proper financial delegations to managers². Inflexibility to change projects where circumstances justified (e.g. where projects are unable to get off the ground)²</td>
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</tr>
<tr>
<td>Perception that implementing organisations are not treated as equal partners¹</td>
<td>Attitude by DACE Management to perceive LRAD as an add-on to the functions of the department²</td>
<td>Policy (selective interpretation)²</td>
</tr>
<tr>
<td>Attitude by DACE Management to perceive LRAD as an add-on to the functions of the department²</td>
<td>Lack of commitment from DACE management towards the 2014 land redistribution targets²</td>
<td>Commitment of management²</td>
</tr>
</tbody>
</table>

**NB:** Factors marked:

‘1’: Those which the researcher was able to factually corroborate
'2': Those which:

- were raised either by respondents, or in official reports, and the researcher could not factually corroborate.
- the researcher considers having a relationship with other factors, but would need further investigation in future research projects, in order to confirm this.

In terms of Table 6.15, the main constraints (i.e. in their order of importance as identified in the research) pertaining to LRAD programme administration are as follows:

**Policy Content:** The policy content provides the context within which the LRAD programme is administered, and is manifested as follows:

- assigning the constitutive authority of the land function as a national competency of the DLA, agriculture as a concurrent function between DOA and the DACE, and the DOA delegating the Land Bank the authority to provide farmers with loan finance;
- differences in administrative decentralisation arrangements between the DACE and the NWPLRO, which has an influence on:
  - the functional responsibilities of the two institutions;
  - the appointment of administrative heads;
  - the strategic goals and objectives of both institutions, which informs the performance contracts of the senior managers;
  - the delegated authority of the administrative heads of both institutions;
  - the funding arrangements;
  - the staffing arrangements;
  - the procedures and work methods;
  - the reporting and accountability arrangements;
  - the administrative capacity of both institutions;
  - the main stakeholders who are supposed to play a role in LRAD programme administration, and the roles they are supposed to play; and
  - the action/interaction strategies that management takes to administer the LRAD programme.
**Administrative capacity:** The lack of administrative capacity of the DACE has been clearly established. The administrative capacity of an institution:

- is a consequence of the policy context as described above;
- is an intervening variable for managerial action:
  - administrative incapacity (e.g. human resource capacity) constrains management from taking certain action/interaction strategies pertaining to the administration of the LRAD programme, e.g. providing technical support during the design of LRAD projects;
  - administrative capacity (e.g. availability of grant funds) enables management to take certain action/interaction strategies pertaining to the administration of the LRAD programme, e.g. providing post-transfer financial support to beneficiaries of the LRAD programme;
- is also influenced by the action/interaction strategies that managers take with a view of improving administrative capacity, thus managers are:
  - not viewed as being completely incapacitated by the LRAD programme administration context as described above, and
  - capable of taking action to improve the administrative capacity of their institutions (e.g. provision of services through market mechanisms);
- results in certain consequences, which when present, result in either the effective or ineffective administration (i.e. as defined by achievement of policy goals and objectives) of the LRAD programme.

**Co-ordination:** Programme co-ordination is manifested in two ways, namely:

- as the tangible action/interaction strategies that management have put in place to co-ordinate the administration of the LRAD programme (e.g. alignment of systems and procedures between the DACE and the NWPLRO); and
- as a consequence of the actions put up by management, which results in the achievement or non-achievement of LRAD programme objectives (i.e. as indicated before, in this context, the LRAD programme is considered to be well co-ordinated or not, depending on how well the programme outputs have been achieved).
6.15 CONCLUSION

The North West Province lags behind in terms of delivering on the number of hectares it is expected to transfer if the target of 30% of White-owned agricultural land redistributed to Black people is to be achieved by 2014. The turnaround for processing of applications is long, especially during the planning/design phase. This factor impacts on the number of hectares that the Province can transfer in a given financial year. In spite of the fact that hectares of land were redistributed under the LRAD programme, there were administrative problems that resulted in:

- the setting of targets below what the province was expected to deliver; and
- the long turnaround in terms of project approval and/or transfer.

The policy content in its broadest sense (i.e. from the Constitution to the LRAD policy framework) provides the context within which the LRAD programme has to be implemented. The context, in turn, determines the action/interaction strategies that management can take to administer the LRAD programme, and impacts upon the administrative capacity of the DACE and the NWPLRO. The administrative incapacity of the DACE is both an intervening variable and a consequence of the action/interaction strategies taken by management. The administrative incapacity of the DACE as manifested in terms of human resource capacity, impacted on the ability of both the NWPLRO and the DACE to carry out their individual mandates, as well as their collective mandate to administer the LRAD programme. The shortage of engineers and economists from the DACE impacted on business plan development for both the DACE and LRAD projects. The administrative incapacity further impacted on the ability of the DACE and NWPLRO to collaborate well, mainly during the planning/design phase where joint planning and sharing of resources are critical.

In spite of the fact that the DACE, the NWPLRO, and the Land Bank belonged to the same Ministry for Agriculture and Land Affairs, enforcing intergovernmental relationships was not an option given firstly, their autonomy as government institutions, and secondly, that government prescripts recommend co-operative governance above enforced cooperation. This left the senior managers at the provincial level with the option of talking to one another in order to streamline administrative systems, processes and procedures. The programme itself was designed in such a manner that recognises the reality of co-
operative governance, thus leaving scope to the administrative executive at provincial level to work within the broad framework and statements of principle (i.e. of the Constitution, IGRF Act, and Framework for Implementing Joint Programmes), by developing modalities for collaborative administration of the LRAD programme. To ensure that the administration of the LRAD programme is initiated and sustained, the NWPLRO has since assumed the role of lead organisation in the administration of the programme. This is by virtue of having assumed the responsibilities assigned to the DACE in terms of LRAD administration (e.g. in terms of convening meetings of the PGC and providing secretariat services).

Ineffective collaboration, as epitomised by a failure to deal with the problems raised by the NWPLRO of linking administrative systems and procedures between the LRAD administering institutions, manifests a weakness of the senior administrative officials of the provincial and national Government, and the in-effectiveness of the intergovernmental structures for policy co-ordination such as the Land Reform Policy Co-ordinating Committee, ITCAL and MINMEC. Ineffective alignment of administrative systems and procedures is a factor that has a direct bearing on:

- post-transfer sustainability of LRAD projects;
- the ability of beneficiaries to retain farms that have been transferred to them; and
- the number of hectares of agricultural land in the hands of the target beneficiaries of the programme.

The following chapter will present a model to explain the complex relationship between the factors involved in LRAD programme administration in the North West Province. The chapter will also make recommendations for consideration by policy-makers and implementers alike.