NDA

National
Development
Agency

Annual Report
2009/10

Unlocking Potential

The National Development Agency is a critical engine that can ensure growth and skills development in the South African economy and play an important role in assisting CSOs to join the mainstream economy. South Africa is a politically stable and beautiful country with an exceptionally good climate. No child should therefore have to go to bed hungry, or be prevented from attending school. Although our democracy is still very young, it is economically strong.

Contents

This report is presented by the Acting Chief Executive Officer of the National Development Agency to the Board and Minister of the Department of Social Development.

The National Development Agency is a statutory body established in terms of the National Development Agency Act No 108 of 1998 as amended, to contribute towards the eradication of poverty and its causes.

NDA MANDATE

Primary mandate

To contribute towards the eradication of poverty and its causes by granting funds to civil society organisations for the purposes of:

- carrying out projects or programmes aimed at meeting development needs of poor communities; and

- strengthening the institutional capacity of other civil society organisations involved in direct service provision to poor communities.

Secondary mandate

To promote:

- consultation, dialogue and sharing of development experience between civil society organisations and relevant organs of the state;

- debate on development policy; and

- the undertaking of research and publication aimed at providing the basis for the development policy.

VISION

A developing society free from poverty.

MISSION

Facilitate development through targeted grant funding, research and strategic partnerships.

OUR VALUES

As a development agency, we subscribe to the following values:

Integrity

We undertake to be honest, trustworthy, open and accountable for our actions and the resources entrusted to us.

Excellence

We are dedicated to meeting and exceeding delivery service standards in all aspects of the business.

Dignity

We promise to uphold and respect the dignity of the individual, group and society in their quest to seek decent living standards.

Partnering

We undertake to work in partnership with others for the common good.

Commitment

We are committed to intervening with skill, diligence and dedication in the pursuit of meeting the needs of our partners.

Empowerment

We are dedicated to seeking and unleashing potential in all our stakeholders.

The above values are embedded in our performance management systems.

2. Foreword by the Minister of Social Development

BEE Molewa
Minister of Social Development

"The NDA's role to contribute towards poverty eradication is aimed at ensuring self-reliance among our people ..."

Poverty continues to grip the majority of our people in its tentacles. The extent and severity of this scourge requires that we maximise our poverty eradication interventions in a quest to yield the desirable impact in the lives of our people. The situation, as exacerbated by the economic slump of the recent past, has posed numerous challenges which will not, essentially, avert our attention from the important task of fighting poverty and underdevelopment.

I am happy to report that the National Development Agency (NDA) continues to contribute towards some of government's priorities such as ensuring that there is creation of decent work and sustainable livelihoods as well as rural development in the form of food security in many of our impoverished communities.

Importantly, through working partnerships with civil society organisations (CSOs), the NDA promotes social solidarity, which we believe is key to government working with social partners to find solutions to the problems facing our country.

The NDA's role to contribute towards poverty eradication is aimed at ensuring self-reliance among our people, especially with the view of ending reliance on state grants. This is not an easy task, as highlighted by the icon of our struggle and a great statesman, former President Nelson Mandela, when he said the circle of poverty is such that "after climbing a great hill, one only finds that there are many more hills to climb".

However, the Department of Social Development and the NDA will not rest until there is a difference in the lives of impoverished people in all our communities. Apart from granting funds to enable impoverished communities to kick-start their business initiatives, the NDA plays a significant role by bridging the knowledge gap between CSOs and established businesses in the SMME sector.

This is done through capacity-building initiatives, which I believe are instrumental to the sustainability of the sector, especially because they empower people with information, skills and knowledge on how to run and expand their projects.

I appeal to the private sector and other development institutions to partner with the NDA in the fight against poverty because "working together we can do more' to improve the lives of all South Africans for the better.

My sincere gratitude goes to the Board of the NDA, under the guardianship of the Right Reverend Bishop Malusi Mpumlwana, the executive leadership as well as staff for their passion and dedication towards improving the lives of our people.

BEE Molewa
Minister of Social Development

Bishop Malusi Mpumlwana
Chairperson of the Board

"It is through the successful engagement in poverty eradication initiatives and the constructive impact it has on the lives of its beneficiaries, that confirms for us that this poverty challenge can be defeated."

I hope everyone will enjoy the benefits of 2010 and be inspired by our collective efforts to deliver a successful 2010 Soccer World Cup. My desire is that the NDA will show the same level of collective enthusiasm, commitment, loyalty, cooperation and passion necessary to successfully deliver on our mandate to contribute towards the eradication of poverty and its causes. The organisation would learn and imitate soccer fans and be as committed as they are. Soccer fans are faithful, loyal and emotionally attached to their call. They don't withhold anything and they are diligent.

It is glaringly obvious that the misery of poverty and the high levels of economic and social inequality remain prevalent in many areas of South Africa. What is required is a continued vigilant conscientiousness to support and develop the most vulnerable of our society. The NDA has a significant role to play in this regard and must strive to achieve excellence in its performance. Having said that we have an organisation that is supposed to see beyond the beauty of our stadiums, into the great potential that is amongst our people to make a difference for themselves, and to meet and fulfil that is our challenge. To take the organisation forward, we need "fans" that will portray the qualities of a soccer fan.

With such a tremendous societal responsibility, time is never a luxury. It is a fleeting, yet precious resource that the Board and staff of the NDA must maximise to empower and develop civil society organisations and the poorest of the poor. It is through the successful engagement in poverty eradication initiatives and the constructive impact it has on the lives of its beneficiaries

that this poverty challenge can be defeated. It seems like yesterday when the NDA Board was given the mandate to contribute towards poverty eradication and its causes. Looking back, time went by so fast as I am finishing my second term as the Chairperson of the organisation. We, the Board and I, are pleased to have contributed to the vision of our government.

I am proud to announce that during the past two terms of my leadership the organisation has received clean audits with no qualifications. It has not been an easy task to exercise a corporate governance oversight responsibility at the NDA, however, we would like to thank management for implementing our strategy.

During the past eighteen months we have experienced a change in leadership and also vacancies in key senior positions. Despite the challenges, Ms Rashida Issel, our Chief Operating Officer, was appointed as the Acting CEO and she managed to guide the organisation through a very rough period to another level during the past year. We wish to thank her for her leadership of and guidance to the organisation.

In fulfilling our mandate for the period under review, we funded 77 projects for an amount of R95 million. There were 7 397 direct beneficiaries and these include 3 917 women, 3 480 men of which 3 532 are youth. Our Capacity Building Department managed to capacitate 643 community-based organisations.

We are proud that our Research and Development Unit has conducted a study together with the South African Non-Governmental Organisation Network (SANGO NET) on the State of ICT in the South African NGO

Sector. Amongst other things, the study opens doors for NGOs to see the opportunity of raising money online.

It has been an honour and a privilege to serve my country as a member of the Board of the National Development Agency and I wish to thank the Board for their dedication, expertise and tireless efforts as well as the staff for remaining loyal to the NDA and the people we serve. Finally, I would like to thank Minister Edna Molewa for her guidance and leadership in taking the NDA forward. I welcome the new Board and wish them well as they undertake their new corporate governance responsibility at the NDA.

Rt Reverend Bishop M Malusi Mpumlwana

Bishop Malusi Mpumlwana
Chairperson of the Board

Rt Reverend Bishop M Malusi Mpumlwana

Chairperson

The Bishop is currently senior associate for Setsing sa Modisa, focusing on platforms for youth development, social giving and instruments for social and food security for the poor. He trained at the Federal Theological Seminary and the University of Cape Town, developing his theological work out of the practice of what he calls Kairos Theology, with South Africa's 1985 Kairos Document as example. It is a theology that reflects on momentous challenges and distils those elements that cry out for intervention, failing which, history would judge adversely. In this regard, he has worked with other theologians in South Africa, Africa, the Middle East and Latin America. For 10 years, until August 2006, he served as the WK Kellogg Foundation's Africa regional director, providing leadership for its programming in Botswana, Lesotho, Malawi, Mozambique, South Africa, Swaziland and Zimbabwe.

Bishop Mpumlwana heads the Northern Diocese of the Ethiopian Episcopal Church, giving strategic direction to the mission of the diocese and overseeing the pastoral ministrations of its priests and lay leaders. His vision is "to contribute to the making of an all-inclusive African church experience whose spirituality empowers the weak – the poor, women and the young – and engages the social and economic realities of our time for the common good."

Bishop Mpumlwana is deputy chair of the President's Advisory Council on National Orders and, among other non-profit organisations and corporations, the Bishop sits on the Board of the Historic Schools Restoration Project and the TrustAfrica (a continent-wide grant-making organisation focusing on peace and security, regional integration, and citizenship and identity).

Ms Marcia Manong

Deputy Chairperson

Born and raised in Massachusetts in the United States, Ms Manong is director of the Association for Community and Rural Advancement, where she is responsible for overall coordination and management, maintaining key internal and external relations, resource mobilisation and monitoring and evaluating the effectiveness of the organisation's policies, programmes and activities.

Ms Manong began her career at the Massachusetts Turnpike Authority. She obtained an MA in Filmmaking from Vermont's Goddard College in 1977 and went on to make documentaries that were used as educational, advocacy and lobbying tools for the rights of children living with disabilities. Since coming to South Africa, Ms Manong, who has a keen interest in developmental issues, has served on the Boards of Ntsika Enterprise Promotion Agency, Sangoco and the NDA.

Professor Thokozile Mayekiso

Professor Thokozile Mayekiso is the Deputy Vice-Chancellor: Research, Technology and Planning at the Nelson Mandela Metropolitan University (NMMU) with effect from 1 May 2009. She obtained the degrees BA, BA Honours and MA in Psychology from the University of Fort Hare. She then obtained a D Phil (Cum laude) from Free University Berlin, Germany. She is registered as a clinical psychologist with the Health Professions Council of South Africa (HPCSA). Professor Mayekiso has served in the following capacities at the then University of Transkei: senior lecturer, associate professor, professor and head of the Department of Psychology, and thereafter as vice-dean of Arts. In 2001, she joined the University of Witwatersrand in the capacity of head of School of Human and Community Development, and subsequently became deputy dean and acting executive dean of the Faculty of Humanities in 2006. She proceeded to NMMU where she was appointed as executive dean: Faculty of Arts in 2007. She is a Board member of the National Development Agency, the Emthonjeni Centre at Wits University and Children's Institute at the University of Cape Town.

Chief Pheni Ngove

As fifth royal leader of the Royal Mabunda tribe, Chief Ngove has initiated and mobilised funding for numerous community advancement projects. He is deputy chairperson of the Social Development cluster in the National House of Traditional Leaders, as well as serving in the Limpopo Provincial House of Traditional Leaders.

He is currently a Board member for the South African Council for Planners and Appeal Board, the Department of Arts and Culture-Ministerial Advisory Committee on Human Settlement and the South African National AIDS Council. He is also a commissioner for the Cultural Religious and Linguistic Communities Commission.

Chief Ngove has served on the Board of the University of Pretoria's Centre for Indigenous Knowledge Systems and the executive committee of the Letaba Further Education and Training College. He was a member of the National Older Persons Forum of the Human Rights Commission and the Limpopo Provincial Sport and Arts Council. In the field of entrepreneurship, Chief Ngove has accumulated valuable experience due to his involvement in manufacturing, retail, construction, skills development and mining business ventures.
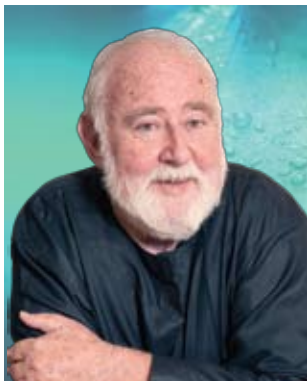
Mr David Adler

Mr Adler has a wealth of strategic and operational experience in large institutions and nongovernmental organisations, and is recognised locally and internationally for his commitment to human development and his understanding of socio-economic constraints and opportunities.

As founder, CEO, chairman and Board member of non-government and community-based organisations, Mr Adler is an expert in corporate governance and financial accountability requirements. Mr Adler is a former director of Sached Trust, former chairperson of the South African Qualifications Authority (SAQA)

and an adviser to the Franciscan Order's African Programme for Peace through Community Development. In May 2009, Mr Adler gave the keynote address at the Quebec Association of Adult learning in Montreal and also undertook mediation work with the Cree nation in Ontario.

Mr Muthuhadini Alfred Madzivhandila

Mr Madzivhandila holds a BA honours degree in Psychology and an Education Diploma from the University of Venda, is a graduate of the Rural Development Policy and Management Programme at Wits University, and has an MA in Development Studies from the University of the North. He holds further qualifications in project management and fraud prevention in procurement processes from Rand Afrikaans University and the University

of Pretoria, and a certificate in Public Sector Governance from Unisa, where he is currently studying towards a PhD in Development.

Mr Madzivhandila started his career as an assistant director at the Thohoyandou Labour Centre. He went on to become chief administration officer at the University of Venda, company secretary at the Agricultural Research Council,

deputy director of the Compliance and Secretariat Unit in the Department of Public Enterprises, progressing to the position of Director: Internal Compliance Monitoring and Secretariat in the department. He also worked as the chief executive officer of the South African Chamber of Banking and is currently an executive manager at the Road Traffic Corporation.

Rev Nombuso Maphalala

Reverend Maphalala, who is disabled, holds a Bachelor of Theology degree from the University of the Western Cape, a certificate in International Trade Union History from the Russian Trade Union School, and is certificated by the Netherlands 'Training the Trainers' course. Reverend Maphalala has served as an executive council member of eThekwini Metro, and is a former branch organiser of the Food and Allied Workers' Union. She currently holds the position of deputy manager in the KwaZulu-Natal Premier's office.
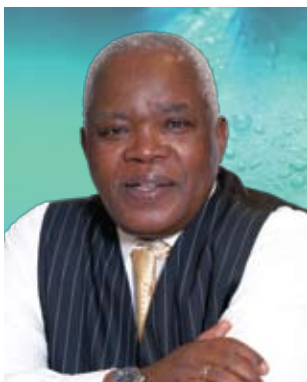
Dr Wallace Mgoqi

Dr Mgoqi is a former city manager of the City of Cape Town and chief land claims commissioner. Born in Goodwood, Cape Town, Dr Mgoqi completed his BA degree in Social Science at the University of South Africa in 1976. In 2002 he received an LLD degree from the University of Cape Town for social justice, an honorary degree from the City University of New York, Queen's College School of Law, for his contribution to social change and justice, and has received the Sir Sydney and Lady Felicia Kentridge Award for his exceptional service to the law in Southern Africa.

He also holds an honorary doctorate from the University of Transkei (now the Walter Sisulu University) and was awarded the Duma Nokwe Human Rights Award in 2004. Dr Mgoqi served as national chairperson of the Trust for Community Outreach and Education (TCOE) for 17 years to 2004. His company directorships have included Old Mutual Bank, Old Mutual SA, Safmarine, Safren, Syfrets and Sekunjalo Investments, and he has also held the position of a trustee of the Brimstone Equity Share Trust.

Mr Phuti Mokobane

Mr Mokobane has a BA in Administration from the University of the North, a Higher Diploma in Planning for Development and an MSc in Town and Regional Planning from the University of the Witwatersrand. Mr Mokobane has worked extensively at Puledi Projects, a town and regional planning company, latterly as managing director. As a former chairperson of the Mpumalanga Development Tribunal, Mr Mokobane studied housing policies in Israel, Egypt, Turkey and Greece. He has attended courses in town and regional planning management in France, and in rural development in Japan.

Mr Mmoloki Pheelwane

Mr Pheelwane spent much of his life in exile. He matriculated from the Solomon Mahlangu Freedom College in Tanzania and obtained a diploma in law at the Institute of Management and Development at Mzumbe, also in Tanzania. On his return to South Africa, he obtained a higher diploma in law administration from Rand Afrikaans University and a diploma in Labour Law from Regenesis College. Pheelwane is knowledgeable in many disciplines, ranging from organisational development and financial strategy to integrated development planning and human resources management.

Mr Pheelwane has a strong background in community involvement. Based in the North West province, Mr Pheelwane has served on a number of Boards, including those of Future Bank Corporation (North West), North West Housing Corporation, Urban Dynamics and North West Parks and Tourism.

Corporate
Governance

As part of its governance and oversight role, the Projects and Programmes Screening (PPS) Committee of the board visited various funded projects in order to monitor implementation at ground level. The visits provided the PPS with an opportunity to revisit some strategic and business support interventions that may be necessary to optimise NDA investment in projects.

5. Corporate governance

The Board of the NDA is responsible for the governance of the organisation. The constitution and composition of the Board of the National Development Agency are governed by the National Development Agency Act, No 108 of 1998 as amended. The existing Board was appointed for a three-year term in October 2007.

The Board is the accounting authority (as defined in the PFMA) and, as such, the members have a collective responsibility to meet fiduciary duties as defined in the PFMA, Treasury regulations and the Principles of King III.

A Board Charter defines the NDA Board oversight responsibilities. This is to be read in conjunction with the NDA Act, the PFMA, Treasury Regulations and the Board Sub-Committee's Terms of Reference. The Board also takes note of the Agency agreement that is entered into between the Organisation and the Minister of Social Development to monitor the performance of the NDA.

The Board has established a number of sub-committees, each chaired by a Board member. These committees have specific terms of reference and reporting responsibilities, including oversight roles on behalf of the Board. External members who are not Board members are eligible for appointment to these committees based on their expertise.
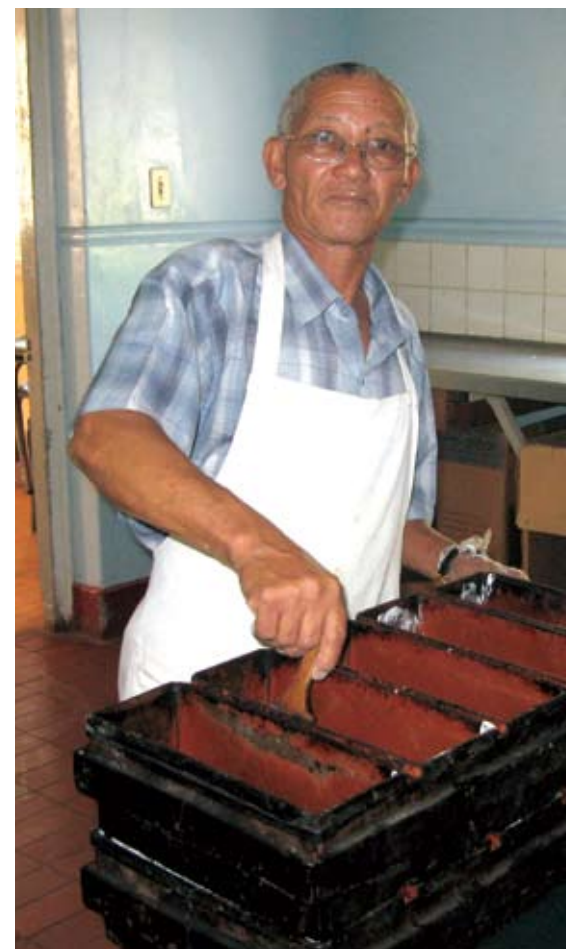
The NDA has an approved and recognised set of values which it strives to entrench throughout the organisation.

The committees are:

- Management and Finance Committee
- Audit and Risk Committee
- Human Resources and Remuneration Committee
- Projects and Programmes Screening Committee
- Research and Development Committee

As part of its governance and oversight role, the Projects and Programmes Screening (PPS) Committee of the Board visited various funded projects in order to monitor implementation at ground level. The visits provided the PPS with an opportunity to revisit some strategic and business support interventions that may be necessary to optimise NDA investment in projects. The following projects in the Free State Province were visited, namely Waya-Waya Poultry, Grant Fort Poultry, Youth Entrepreneurial Parliament, Iketsetseng Disabled, Moqhaka Disabled and Vredefort Foundation. The NDA was presented with an opportunity to showcase its funded projects to the Portfolio Committee on Social Development. Members of the Committee visited funded projects in Mpumalanga Province, namely Likusasa Leather Fern and Triple Option respectively. The visit by the Committee had the advantage of effectively exposing the NDA's investment in communities.

5.1 Attendance register

Record of attendance of meetings by NDA Board and Committee members

Table 1: Record of attendance at Board meetings 1 April 2009 to 31 March 2010

Board member	Meetings attended
Bishop M Mpumlwana (Chairperson)	16
Mrs M Manong (Deputy Chairperson)	20
Mr D Adler	19
Mr M Madzivhandila	19
Rev N Maphalala	12
Prof T Mayekiso	17
Dr W Mgoqi	19
Mr P Mokobane	17
Chief P Ngove	14
Mr M Pheelwane	12
Total number of meetings for the year	21

Audit and Risk Committee

The Audit and Risk Committee's purpose is to provide assistance to the Board in fulfilling its oversight responsibilities, specifically with regard to the integrity of financial statements, internal control systems, compliance with legal and regulatory requirements and the assessment and management of risk.

Table 2: Record of attendance at Audit and Risk Committee meetings

Board member	Meetings attended
Mr D Adler (Chairperson)	4
Mr M Pheelwane	5
Ms K Malapela	2
Mr K Mockler	5
Total number of meetings for the year	5

Projects and Programmes Screening Committee

The Projects and Programmes Screening Committee adjudicates projects and makes recommendations to the Board for approval and ensures that the approved projects are properly monitored and evaluated.

Table 3: Record of attendance at Projects and Programmes Screening Committee meetings

Board member	Meetings attended
Prof T Mayekiso (Chairperson)	21
Mr D Adler	21
Mr M Madzivhandila	15
Rev N Maphalala	7
Dr W Mgoqi	18
Mr P Mokobane	21
Chief P Ngove	16
Total number of meetings for the year	21

Management and Finance Committee

The Management and Finance Committee provides strategic guidance to the Board on financial and strategic issues.

Table 4: Record of attendance at Management and Finance Committee meetings

Board member	Meetings attended
Bishop M Mpumlwana (Chairperson)	4
Mrs M Manong	5
Mr D Adler	4
Mr M Madzivhandila	4
Rev N Maphalala	3
Prof T Mayekiso	4
Total number of meetings for the year	5

Research and Development Committee

The Research and Development Committee oversees the implementation of the research and development strategy of the NDA. It makes recommendations to the Board on issues of the promotion of consultation, dialogue and the sharing of development experience between civil society organisations and the relevant organs of state and debate on development policy as well as the undertaking of research and publication aimed at providing the basis for development policy.

Table 6: Record of attendance at Research and Development Committee meetings

Board member	Meetings attended
Mr M Madzivhandila (Chairperson)	3
Prof T Mayekiso	3
Mr P Mokobane	3
Chief P Ngove	3
Total number of meetings for the year	3

Human Resources and Remuneration Committee

The Human Resources and Remuneration Committee's purpose is to assist the Board in recommending Human Resource policies, ensuring the development of a competitive Human Resource strategy, certify that the National Development Agency is able to attract, recruit, retain and develop the best possible skills to support performance excellence in the execution of the NDA mandate.

Table 5: Record of attendance at Human Resources and Remuneration Committee meetings

Board member	Meetings attended
Mrs M Manong (Chairperson)	8
Prof T Mayekiso	8
Mr M Pheelwane	7
Mr S Faku	6
Dr T Masilela	2
Total number of meetings for the year	8

Internal controls

The organisation has an extensive system of control mechanisms. For effective implementation of enterprise-wide risk management, the Board took a resolution that Risk Management will be a standing agenda item at Board meetings. A risk register is continually reviewed and updated with the necessary mitigating controls actions to effectively address identified risks.

Strict financial and procurement procedures are in place, however, it has been noted that these are not fully implemented or complied with. This is being addressed as a matter of urgency by management and a system of monitoring compliance will be implemented.

The Board approved the following policies, namely the Fraud Prevention Plan, Whistle-blowing, Procurement, Confidentiality, Employee Relations, Human Resource Development, Performance Management, Occupational Health and Safety, Talent Management, Probation, Remuneration and Talent Retention and Succession.

Code of Conduct

A Code of Conduct that governs and guides the Board and all staff members is in place. This code addresses such matters as conflict of interests and confidentiality. The NDA has an approved and recognised set of values, which it strives to entrench throughout the organisation. It informs all interaction, both internally as well as with stakeholders and members of the public.

Rashida Issel
Acting Chief Executive Officer

"All in all, the NDA enjoyed a successful year in the fight against poverty, despite trying circumstances."

The National Development Agency, whose mandate is that of contributing towards the eradication of poverty in impoverished communities, continues to empower community-based organisations with grants, capacity-building projects and other initiatives. This enables the impoverished communities to empower themselves by implementing sustainable projects, which allows them to join the mainstream economy. The NDA has partnered with government departments at provincial and national level to fulfil its mandate on poverty eradication and building capacity at community level.

A total of 77 projects were approved by the Board in the 2009/10 financial year to a total amount of R95 million. The R95 million excludes projects whose contracts were not yet received as at the end of the financial year.

The 77 projects included:
• 11 food security projects
• 45 income generating projects
• 15 agriculture and agribusiness projects
• 6 networks of NGOs funded

These projects benefitted a total of 7 397 people, which includes 1 071 beneficiaries benefitting directly from the 45 income generating projects funded by the NDA. The 7 397 direct beneficiaries are made up of 3 917 women and 3 480 men, throughout the duration of relevant funding agreements. The categories of youth (3 532) and persons with disabilities (521) are included in the total beneficiary portfolio of 7 397, disaggregated into men and women respectively.

Additional 2009/10 deliveries include the following:
• A revised NDA 2010 – 2013 strategic plan that aligns to Government priorities and outcomes in relation to poverty eradication/alleviation.

• Improved overall organisational stability through increased number of updated policies and internal controls focusing on the elimination, mitigation and management of all internal organisational risks.
• Improved positioning of the NDA as a stable, critical and relevant partner to government and civil society in poverty eradication via numerous dialogues held across the country.
• Improved turn-around time for project payments after Board approval and thus contributing to the overall sustainability of projects.
• Entered into marketing agreements to promote products produced by the projects and further ensuring their sustainability.
• Improved compliance with Corporate Governance requirements.
• Developed and implemented an on-line recruitment system.
• Improved the overall presentation of the NDA website.
• Completed various research studies.

Considerable resources were devoted to the NDA's other mandates: capacity building, research and development, policy dialogue, monitoring and evaluation, and impact assessment as we continue to strive in our endeavours to improve the overall mandate through strengthening the CSOs, NGOs and Cooperatives. Furthermore, the NDA has served and will continue to serve as a broker between government and civil society organisations, in order to enhance the integration of development efforts undertaken, and as a catalyst in realising integrated and sustainable development.

To strengthen our monitoring and evaluation on funded projects the NDA has developed a standard operating

procedure for grant-making, which provided standards on how and when monitoring should be done. These standards have also determined a turnaround time on monitoring of funded projects. We can gladly report that there has been an improvement on implementation of our funded project. All in all, the NDA enjoyed a successful year in the fight against poverty, despite trying circumstances.

Moving forward the NDA will implement the Strategic Plan 2010/13 with vigour. We expect that this resolute commitment will contribute to realising government priorities on the creation of decent work and sustainable livelihoods, rural development, food security and land reform.
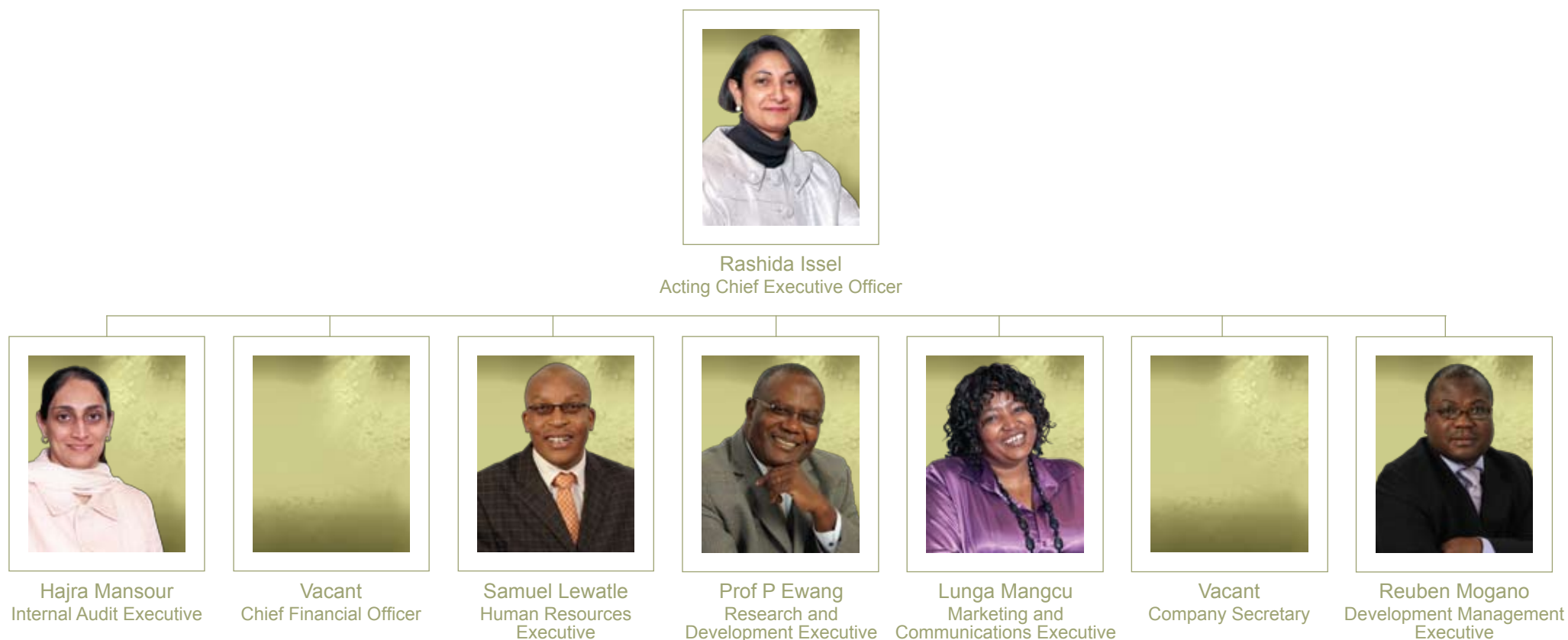
In conclusion, I would like to thank the Minister for her vision, astute leadership and guidance, the entire Department of Social Development at national and provincial levels for their unwavering support and the NDA Board for their sterling and commendable work. The NDA staff, who, despite much adversity and uncertainty, continued to execute the task of supporting local and national civil society organisations and government initiatives with passion and determination, and the members of the communities for their dedicated participation in the programmes funded by the NDA.

Rashida Issel

Rashida Issel
Acting Chief Executive Officer

NDA'S Organisational structure

Rashida Issel
Acting Chief Executive Officer

Hajra Mansour	Vacant	Samuel Lewatle	Prof P Ewang	Lunga Mangcu	Vacant	Reuben Mogano
Internal Audit Executive	Chief Financial Officer	Human Resources Executive	Research and Development Executive	Marketing and Communications Executive	Company Secretary	Development Management Executive

7. Report against NDA strategic goals

Our strategic goals for achieving our mandate in the past financial year were the following:

Strategic Goal One: Promote sustainable development Purpose: To contribute to the eradication of poverty through grant funding and resource mobilisation					
Strategic objectives	**Outputs**	**KPIs**	**Target**	**Achievements for 2009/10**	**Variances**
1.1 To grant funds and support CSOs to successfully implement poverty eradication projects	1.1.1 Food security projects funded	Number of beneficiaries supported through food security projects	Projects funded	• A total amount of R111.1 million was disbursed to 396 projects. • 3 551 beneficiaries supported through food security projects, including women, youth and people with disabilities. • 11 food security projects funded to the value of R13.3 million. • 11 food security projects supported towards sustainability. • 1 761 employment opportunities created through income-generating projects. • 45 income-generating projects funded to the value of R54.2 million. • 45 projects supported towards sustainability. • 1 071 beneficiaries supported through agricultural and agribusiness projects, including 442 women, 504 men, 125 beneficiaries from incubation centre and, in addition to that, 299 youth and 37 people with disabilities.	0%
		Number of beneficiaries from vulnerable groups supported through food security projects			
		Food security projects implemented and supported towards sustainability within time frames			
		Sustainability of project after post-funding period			
	1.1.2 Income-generating projects funded	Number of employment opportunities created through income-generating projects			
		Number of beneficiaries from vulnerable groups supported through income-generating projects			
		Income-generating projects funded towards sustainability within time frames			
		Sustainability of project after post-funding period			

7. Strategic Goal One

<table>
<tr><td colspan="6">Strategic Goal One: Promote sustainable development
Purpose: To contribute to the eradication of poverty through grant funding and resource mobilisation</td></tr>
<tr><th>Strategic objectives</th><th>Outputs</th><th>KPIs</th><th>Target</th><th>Achievements for 2009/10</th><th>Variances</th></tr>
<tr>
<td>1.2 To grant funds and mobilise resources to support agricultural and agri-business projects</td>
<td>1.2.1 Targeted agricultural and agri-business projects identified and funded</td>
<td>Number of beneficiaries supported through agricultural and agri-business projects

Number of beneficiaries from vulnerable groups supported through agricultural and agri-business projects

Agricultural and agri-business projects funded towards sustainability within time frames.

Sustainability of projects after post-funding period</td>
<td></td>
<td>• 15 agriculture and agribusiness projects funded to the value of R23.4 million.

• 77 projects approved for funding with capacity-building elements, including governance, financial management, conflict resolution and marketing.

• Draft capacity-building framework developed in consultation with Department of Social Development.

• 6 networks of NGOs funded to strengthen capacity of their membership to the value of R3.8 million.</td>
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<tr>
<td>1.3 Capacity-building to strengthen CSOs to engage on poverty and development issues</td>
<td>1.3.1 Capacity-building support to funded projects</td>
<td>Funded projects achieving their objectives

Successful implementation of funded projects

Number of projects meeting their objectives</td>
<td>Capacity-building framework developed and implemented</td>
<td>• Capacity-building interventions implemented for 34 projects to enhance institutional capacity and sustainability.

• 9 SAQA-aligned training manuals developed in specific learning areas relevant to NDA Business.</td>
<td>0%</td>
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7. Strategic Goal Two

Strategic Goal Two: Promote organisational sustainability, development practice and excellence Purpose: To develop additional income streams to build and sustain the capacity to enable us to operate efficiently and effectively					
Strategic objectives	**Outputs**	**KPIs**	**Target**	**Achievements for 2009/10**	**Variances**
2.1. Leverage and raise funds/earn income from identified sources	2.1.1 R50 million by 2012 in kind and cash, in addition to government grant	Sources identified and partnerships established to access increased resources	Approved and implemented resource mobilisation strategy	Resource mobilisation strategy has been developed.	30%
		Partnership agreements signed	Implementation of agreements	• Two MoUs (Asgisa and Masisizane) were signed with these strategic partners for facilitation and coordination of programmes in rural economic development zones. • Various MoUs had been signed at funded project partnership level as part of implementation of funded projects	0%
		Quantified value of all contributions received	Raise R10 million	No cash raised but R40 million raised in kind for projects implementation.	
2.2 Raising of profile of the organisation to facilitate the leveraging of resources through partnerships	2.2.1 Repositioning of the organisation	Resources leveraged through strategic partnerships	Branding and increased visibility within the sector and potential donor market	• The media profile of the NDA improved as a result of funded projects being profiled in various newspapers, magazines and online media. • Awareness of the NDA increased in communities as community-building initiatives were undertaken through project launches in five provinces. • Various publications targeting specific stakeholders were produced and distributed extensively. • Strategic partnerships were formed with government and business and civil society organisations elevating the level of engagement.	5%

			Strategic Goal Two: Promote organisational sustainability, development practice and excellence Purpose: To develop additional income streams to build and sustain the capacity to enable us to operate efficiently and effectively		
Strategic objectives	**Outputs**	**KPIs**	**Target**	**Achievements for 2009/10**	**Variances**
			Develop a strategy to increase visibility and repositioning of the organisation	• An integrated marketing and communications strategy aimed at improving the image of the organisation was revised and approved during the 09/10 financial year.	
2.3 Create preferential employment opportunities for specified people with disabilities	2.3.1 Vulnerable groups identified and empowered	Targeted percentage of staff from groups with disabilities employed	Creation of an enabling environment for people, living with disabilities, to reach their full potential	Two disabled persons have been appointed as receptionist and a registry clerk respectively.	0%
			Implementation and evaluation of employment equity plan and policy	The EE plan was approved and submitted to the Department of Labour.	20% (The EE policy in draft and the alignment of EE Plan to recruitment are to be finalised in 10/11 financial year.)
			Implementation of the Occupational Health and Safety Act	• Occupational Health and Safety (OHS) policy developed, approved and implemented • 15 OHS representatives were appointed.	10% (Awaiting to finalise training for the appointed OHS representa-tives)
		Disabled groups empowered	Target 2% of total staff for disabled groups	• Two persons with disabilities have been appointed as receptionist and registry clerk respectively.	0%

Strategic Goal Two: Promote organisational sustainability, development practice and excellence Purpose: To develop additional income streams to build and sustain the capacity to enable us to operate efficiently and effectively					
Strategic objectives	**Outputs**	**KPIs**	**Target**	**Achievements for 2009/10**	**Variances**
2.4 Improve business efficiencies including operating costs	2.4.1 Reduce costs to achieve a 65% direct project funding/35% support and administration costs split	Develop and implement cost allocation model	Cost allocation model developed and implemented	65% of direct project funding/35% of support and administration costs split was achieved.	0%
		Approved cost containment model and budgeting methodology	Cost containment model and budgeting methodology approved	Cost reduction strategy drafted.	0%
	2.4.2 Approved and aligned organisational structure to strategy	HR plan aligned to structure	Business process mapping	• "AS IS" processes for each directorate have been mapped and documented. • The "TO BE" processes for the following directorates are mapped and documented: • Finance • Information Technology • Procurement • Research and Development • CEO's Office (incl Cosec and Legal & Risk) • Development Management • Marketing and Communications • Human Resources	5% ("TO BE" processes mapped and finalised awaiting approval by the process owners. Internal Audit "TO BE" processes still in progress)
			Approved organisational structure	Awaiting the outcome and the finalisation of the business process optimisation process. The structure design approach and methodology developed and approved.	30% (Awaiting the consultative process meetings with stakeholders)
			Job profiling and policies review	Awaiting the outcome and the finalisation of the business process optimisation process.	0%

Strategic Goal Two: Promote organisational sustainability, development practice and excellence					
Purpose: To develop additional income streams to build and sustain the capacity to enable us to operate efficiently and effectively					
Strategic objectives	**Outputs**	**KPIs**	**Target**	**Achievements for 2009/10**	**Variances**
2.5 Effective business systems and governance	2.5.1 Best-practice policies, procedures and unit strategies	Integrated, aligned and compliant policies	Review, update and train on policies	The following policies were approved and implemented: • The Employee Relations Policy • The Performance Management Policy • The Remuneration Policy • The Human Resource Development Policy • The Probation Policy • The Confidentiality Policy • The Occupational Health and Safety Policy • The Talent Management Policy	0%
			Institutionalise and implement performance management	• A three-tiered performance management system (organisational scorecard, directorate scorecard and employee scorecards) implemented across the organisation. • All employees have performance contracts based on the strategic objectives of the respective directorate. • Performance appraisals are conducted bi-annually. • Training and workshops on performance management conducted to capacitate managers to deal with performance-management-related issues.	0%

Strategic objectives	Outputs	KPIs	Target	Achievements for 2009/10	Variances
			Service level agreements signed between units	HR SLA template developed and distributed across the organisation.	20% (Contracting and signing agreements with directorates to be finalised.)
	2.5.2 Unit strategies aligned to NDA strategy	Approved unit strategies or plans approved by the committees	Develop and implement the strategy	• The NDA 2010 – 2013 strategy document produced on time for tabling in Parliament. • All unit strategies have been approved.	10%
		Unit contribution towards the NDA strategy			
	2.5.3 Compliance and good governance	Effective risk management and internal controls	Review and maintain risk management strategy	Enterprise-wide risk management implemented.	0%
			Address and manage all internal and external audit findings		50%
		Ongoing meeting of all legislative obligations	Compliance reporting	Compliance checklist implemented.	0%
	2.5.4 Living the NDA values	Values embedded and lived within the organisation	Values embedded in organisational culture and in performance agreements	Values have been incorporated in the NDA performance management system.	0%

Strategic Goal Two: Promote organisational sustainability, development practice and excellence
Purpose: To develop additional income streams to build and sustain the capacity to enable us to operate efficiently and effectively

7. Strategic Goal Three

Strategic Goal Three: Promote interface between CSOs, research institutions, development practitioners and the State on development issues Purpose: To facilitate dialogue to inform development policy and service delivery					
Strategic objectives	**Outputs**	**KPIs**	**Target**	**Achievements for 2009/10**	**Variances**
3.1 Facilitate dialogue and consultation within the development sector	3.1.1 Sector relevant and recognised plan for dialogue	Date upon which the plan will be approved by the Board	Develop and commence implementation of plan	Draft sector strategy developed and sent for consultation.	20%
	3.1.2 Measure efficacy of dialogues facilitated on public policy, grant funding and service delivery issues	Quality, efficiency and effectiveness of the dialogues	Development of tools for measurement and conduct research	Tool is undergoing consultation.	20%
	3.1.3 Dialogues facilitated on relevant development issues	Number of dialogues held	Develop a plan and conduct an audit of the development sector platforms for dialogue	A strategic policy dialogue on the developmental state and the fight against poverty in South Africa was done in Gauteng.	0%

7. Strategic Goal Four

<table>
<tr>
<td colspan="6">Strategic Goal Four: Facilitate research that informs grant-funding decisions, procedures and development policy
Purpose: To facilitate information and knowledge generation to strengthen the development programming of the NDA and informing development practice and policy</td>
</tr>
<tr>
<th>Strategic objectives</th>
<th>Outputs</th>
<th>KPIs</th>
<th>Target</th>
<th>Achievements for 2009/10</th>
<th>Variances</th>
</tr>
<tr>
<td rowspan="2">4.1 Maintain accurate development information to inform the sector</td>
<td>4.1.1 Functional database</td>
<td>Database with relevant and up-to-date information</td>
<td>Linkage formalised within the sector

Updated database</td>
<td>The In-touch database has been approved and installed at the provinces and is operational.</td>
<td>5%</td>
</tr>
<tr>
<td>4.1.2 Functional resource centre</td>
<td>Relevant and up-to-date information in the resource centre</td>
<td>Resource centre maintained with relevant development information</td>
<td>• Resource centre material made accessible to staff.
• Desktop research on poverty and developmental issues has been continuously disseminated to provinces.</td>
<td>0%</td>
</tr>
<tr>
<td>4.2 Measure performance and impact of NDA-funded projects</td>
<td>4.2.1 Detailed reports of funded projects</td>
<td>Date by which the reports will be submitted</td>
<td>Conduct base line, due diligence, mid-term evaluations and close out projects</td>
<td>Impact performance projects visits were done in preparation for the 2010/2011 impact studies.</td>
<td>0%</td>
</tr>
<tr>
<td rowspan="2">4.3 Research to inform grant-funding</td>
<td>4.3.1 Sector-specific studies</td>
<td>Number of studies and development policy input produced</td>
<td>Development of tools to conduct research</td>
<td>National Study on the state of ICT on South African NGO sector was planned and carried out successfully.</td>
<td>0%</td>
</tr>
<tr>
<td>4.3.2 Documents produced and lessons shared from case studies to influence policy</td>
<td>Date by which to complete document and disseminate information</td>
<td>Analyse, share and disseminate information</td>
<td>Two best-practice case studies for funded projects. Two case studies produced.</td>
<td>0%</td>
</tr>
</table>

Performance
Report

The NDA continued to provide grants to civil society organisations to support the implementation of interventions aimed at reducing poverty in poor communities throughout South Africa.

Development Management

The NDA continued to provide grants to civil society organisations to support the implementation of interventions aimed at reducing poverty in poor communities throughout South Africa. In the 2009/10 financial year, the NDA approved R95 million to 77 co-operatives and community-based organisations to carry out programmes and projects that created employment, income opportunities and food security for poor communities and vulnerable groups. The R95 million excludes projects whose contracts were not yet received as at the end of the financial year. This funding will benefit 7 397 direct beneficiaries, made up of 3 917 women and 3 480 men, throughout the duration of relevant funding agreements. The categories of youth (3 532) and persons with disabilities (521) are included in the total beneficiary portfolio of 7 397, disaggregated into men and women respectively.

These anti-poverty initiatives were informed by the government priorities on poverty, the Provincial Growth Development Strategies (PGDS) and Municipal Integrated Development Plans (IDPs). The NDA also made a targeted contribution to poverty eradication and rural development through upscaling involvement in the War on Poverty Programme, the Expanded Public Works Programme (EPWP) Phase II and the Comprehensive Rural Development Programme (CDRP) pilot sites.

Civil society capacity strengthening has always been at the centre of NDA poverty eradication interventions. The NDA continued to implement a comprehensive capacity-building programme for civil society organisations involved in food security and economic development to strengthen leadership, management, technical and institutional capacity to deliver effectively and efficiently on poverty eradication

programmes. To this end, 77 projects were approved for funding with capacity-building elements, including governance, financial management, conflict resolution and marketing. This includes six networks of NGOs that were funded to strengthen the capacity of their membership.

Finally, the NDA continued to mobilise communities, CBOs, NGOs, FBOs and traditional leadership on the importance of leveraging opportunities created by government and other role-players. The emphasis has been on strengthening the capacity of community structures to access developmental resources and facilitate linkages with viable markets to enhance sustainability and foster community self-reliance.

Research and Development

The Research and Development (R&D) Directorate continues to fulfil the NDA mandate by promoting dialogues, consulting, promoting and sharing developmental experiences between civil society organisations, NDA key strategic stakeholders and relevant government departments. The Directorate promotes debate on developmental policy and has undertaken research with the objectives of influencing public policy and strengthening organisational programmes. The NDA participates on a number of National Task Teams and Reference Committees, as part of the effort to influence public policy on poverty eradication.

During the period under review, the Directorate has upgraded its resource centre by adding technical reference materials that can be used by staff to implement development projects. The resource centre contributes to the internal activity of knowledge sharing.

The Directorate has rolled out a project monitoring and evaluation reporting system known as *In Touch* that is used to determine the impact of NDA-funded projects on beneficiaries. All Provincial Development Managers have been trained on the system and the system is now being used to report on progress made towards achieving project-specific objectives. The system has the capability to generate baseline information, monitor performance and document end-of-project close-out evaluations.

The Directorate has compiled data on settled land claims as well as their projects. A strategic review of the list of settled land claims has been distributed to various sectors funded by the NDA and the list has been forwarded to provincial offices to enable them to establish priorities targeted for project formulation and subsequent funding. In this way, the NDA programme formulation process is enhanced.

Towards promoting dialogues and public policy debate, the Directorate hosted national dialogues and seminars on *The Developmental State and the Fight against Poverty in South Africa*. The Directorate has strived to maintain and nurture partnerships with the Department of Social Development's Community Development Directorate, the Department of Rural Development and Land Affairs, and the Department of Agriculture. Partnerships are key to promoting dialogue, with the input of such key organisations contributing to the dialogue process.

During the past year, R&D commissioned a strategic policy study on *The State of Information Communication Technology (ITCs)* in South African Non-governmental Organisations (NGOs). This was possible through a partnership with SANGO-Net with additional financial support from Microsoft South Africa.

The Directorate will continue to provide technical support to the Development Management Directorate (DMD) by performing technical reviews, serving on programme screening committees and providing technical knowledge and information to optimise the management of programmes. The Directorate will continue to write case studies that highlight best practices amongst NDA-funded projects. Project impact studies will be carried out and due-diligence studies conducted for close to 80 projects expected to be submitted for NDA funding. Strategic baseline studies will continue to be conducted to inform NDA funding and contribute to determining impact.

Finance and Information Technology

The unit of the Chief Financial Officer is accountable for the effective and efficient functioning of Finance; Facilities Management and Information Technology sub-units. Management Accounts are produced and presented to Exco monthly and to the Risk and Audit Committee quarterly. The Supply Chain Management Policy was approved by the Board and the rest of the Financial Management Policies and Procedures are in the process of being reviewed for approval by the Board in the new financial year. Non-compliance with approved procurement processes and/or applicable legislation, including the Public Finance Management Act (PFMA) as well as regulations issued in terms of the PFMA by National Treasury is continuously monitored. A register of such non-compliances is kept and shared with responsible Executive Directors on a monthly basis.

The supplier database has been compiled following applications from prospective suppliers. Only suppliers who meet all applicable registration requirements in terms of the approved Supply Chain Management

Policy and related regulations are included in the approved supplier database. A sample of supplier premises was visited for verification purposes. Business engagements will only be made with suppliers on this approved database. The supplier database is reviewed and updated on an ongoing basis with new suppliers added as the business requirements dictate.

The budget for 2010/11 was approved by the Board on the basis of a 65:35 allocation between primary mandate and support activities. The NDA is very conscious of the need to ensure that the maximum amount of government funding that it receives is employed to the execution of its primary mandate. To ensure achievement of the Board target of a 65:35 ratio, a cost containment strategy is being reviewed and will be implemented in the new financial year.

The Information Technology unit plans to complete the system upgrade project in the current financial year to address all control weaknesses raised in recent audit reports. The IT infrastructure is currently stable. Additional hardware upgrade in the provinces has been approved and will be rolled out in the new financial year. CAPEX budget has been approved for the upgrade of the Enterprise Resource Planning (ERP) system to an advanced version to increase business productivity and business performance management. The business drivers to these upgrades are ultimately to improve service delivery to our customers and stakeholders. The Disaster Recovery Plan and Business Continuity Plan were developed and are in the process of being implemented in the new financial year.

Internal audit

The audit coverage plan was designed to ensure coverage of the prioritised risk in the NDA. The

plan for 2009/10 has been completed except for the audit on the Integration between Marketing and Communications, Research and Development and Development Management directorates. This was deferred to the 2010/11 financial year. A decision was taken by management to form OPSCO (Operational Committee), which would facilitate the integration of the three directorates listed above.

During the financial year under review, Internal Audit completed the audits listed below in terms of the approved audit plan:
- Follow-up on Strategy Development
- Finance Audit
- Project Visits and Provincial Office Audit
- Mpumalanga Petty Cash

The Project Visits and Provincial Office Audit were conducted at the following six provinces:
- KwaZulu-Natal
- Western Cape
- Gauteng
- North West
- Eastern Cape
- Mpumalanga

The results of the Internal Audit review of Project Visits and Provincial Office revealed some control weaknesses at NDA-funded projects.

The overall conclusion relating to the above audits was that in many instances, the controls introduced were adequate, but were not functioning effectively.

The Internal Audit Directorate will include the review of the remaining three provinces in the coverage plan for the 2010/11 financial year.

Marketing and Communications

There was remarkable improvement in coverage received during this financial year. About 95% of the coverage received was positive and related to NDA projects profiling. NDA projects were featured in *Top Women in Government* magazine, *CEO* magazine, *Sake Beeld*, *Daily Dispatch*, *Mpumalanga Lowvelder*, *Big News Gauteng* and *Cradock Courant* to mention a few. This had positive spins, not only for the NDA, but the projects as well. Various projects such as uJima Bakwena shoes, Mphatlalatsane cooking oil and Sipulazi biofuel were repeatedly covered, yielding favourable results such as receiving orders to supply to other markets, especially uJima Bakwena shoes and Mphatlalatsane cooking oil. Association with Kwanda also yielded good PR value even though done at short notice.

The NDA website also got higher than normal visitors compared to other years. The revamp resulted in more people showing interest in the NDA by browsing through it. An analysis of the peaks and troughs indicated that job seekers increased the traffic even more (careers section).

The unit managed to produce four issues of *The Voice* external publication, the annual report, the NDA strategy document and information leaflets, which are targeted at sharing information with projects and other key NDA stakeholders. In terms of branding, 44 projects were branded in various provinces.

The NDA is a member of the local Government business network (LGBN). This is a platform for government and business to get together. The NDA has had good opportunities for networking and building relations with stakeholders through these sessions. The most significant opportunities were the LED summit where projects such as Siyakhana sold more products that they ever have since inception. The latest was a session that coincided with the opening of parliament.

The Progressive Business Forum (PBF) is yet another membership programme that the NDA bought into. PBF membership awards the NDA the opportunity to be called to participate in significant trade missions/ delegations involving the President/top government officials and private sector decision-makers.

There was remarkable improvement in coverage received during this financial year.

Human Resources

The role of HR has been critically driven by recruiting the best talent with competent skills; managing and developing these skills; and creating a working environment that is conducive for productivity and compliance with labour laws. The human resources function had assumed multiple roles in creating, delivering and sustaining a value proposition for the organisation's strategic goals and plans. Amongst others, these roles are Human Resources Management and Administration; Human Resources Planning, Reporting and Policy Development; Human Resources Development; Employee Wellbeing; and Employee Relations.
The tables below summarise the recruitment, vacancies and terminations as at 31 March 2010:

Table 7: Employment and vacancies

Occupational category	Number of filled positions	Number of vacant positions	Number of contract and fixed-term workers	Total number of positions
Senior officials and managers	15	5	1	21
Professionals	11	2	1	14
Technicians and associate professionals	33	2	2	37
Clerks	25	1	2	28
Service and sales workers	1	0	0	1
Elementary occupations	7	0	6	13
Total	92	10	12	114

The positions that were approved were classified as critical and key to the NDA strategic objectives. A number of positions were not filled pending the finalisation of the business optimisation process that will determine the human resources planning.

The following positions by occupational category, gender and race were recruited:

Table 8: Recruitment by gender, race and occupational category

Occupational category	Female				Male			
	African	Coloured	Indian	White	African	Coloured	Indian	White
Senior officials and managers	-	-	-	-	-	-	-	-
Professionals	1	-	-	-	-	3	-	-
Technicians and associate professionals	4	1	-	-	1	1	-	-
Clerks	3	-	-	-	1	-	-	-
Service and sales workers	-	-	-	-	-	-	-	-
Elementary occupations	3	-	-	-	1	-	-	-
Total	11	1	0	0	3	4	0	0

The recruitment above was in line with the recruitment and employment equity plan.

The following terminations by occupational category, gender and race were reported:

**Table 9: Terminations by occupational category, gender and race**

Occupational category	Female				Male			
	African	Coloured	Indian	White	African	Coloured	Indian	White
Senior officials and managers	-	-	-	1	3	-	-	-
Professionals	-	1	-	1	-	-	-	-
Technicians and associate professionals	2	-	-	-	3	-	-	-
Clerks	2	-	-	-	1	-	-	-
Service and sales workers	-	-	-	-	-	-	-	-
Elementary occupations	-	1	-	-	-	-	-	-
Total	4	2	0	2	7	0	0	0

A number of terminations were based on employees whose appointments were terminated as they were not meeting the requirements, and resignations for better career advancement offers were also recorded.

Integrated performance management system

A three-tiered performance management system consisting of the organisational scorecard, directorate scorecard and employee scorecards was approved and successfully implemented across the organisation as follows:

The performance management reviews and assessments for 2009/2010 were finalised and processed. The organisational, directorates and individual performance goals were delivered.
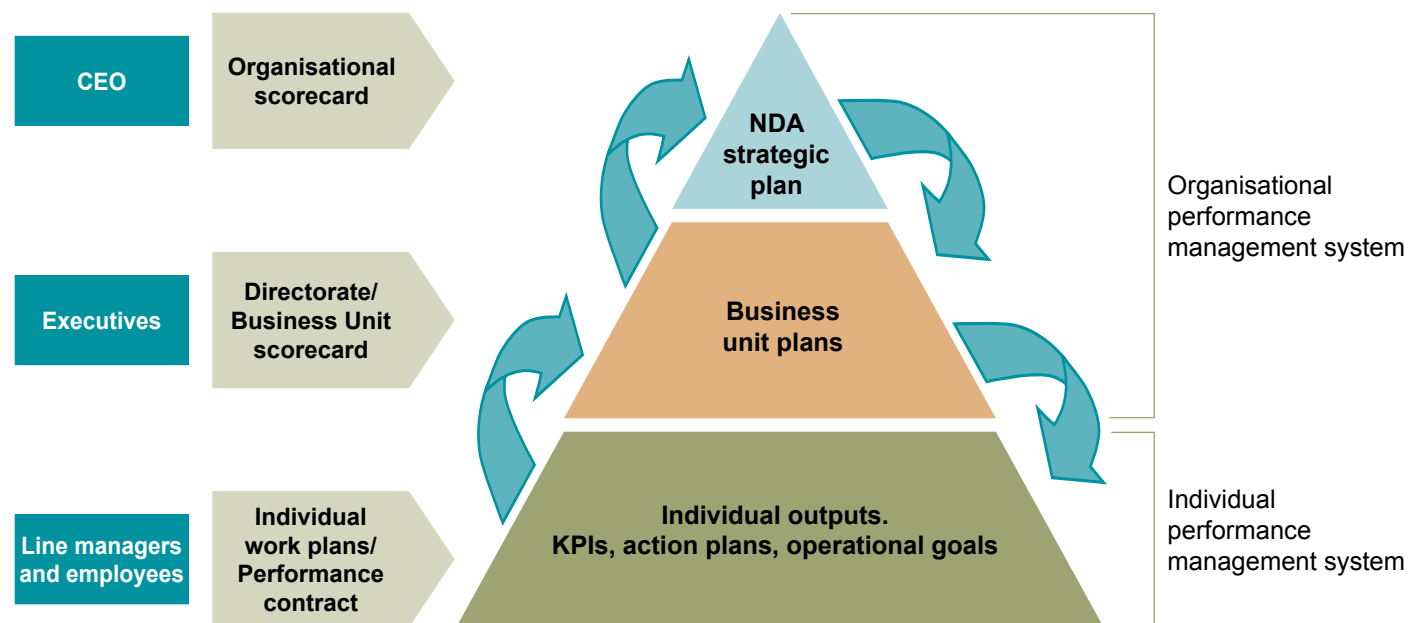
Figure 1: Integrated three-tiered performance management system

Training and skills development

This section highlights the efforts that the NDA undertook with regard to the development of its employees.

During the 2009/10 financial year an amount of R820 000.00 was spent on training and skills development. A total number of 47 employees were taken to training through short courses, seminars and conferences provided by external service providers. Over and above the training and skills development programmes the NDA also provides for study assistance in the form of awarding bursaries to deserving employees.

The programme aims to assist employees to become suitably qualified for their job roles and responsibilities; and in turn the organisation will acquire the necessary skills and competencies to achieve its strategic and operational objectives and thus improve organisational performance. During this reporting period a total number of 10 bursaries/study assistance were also awarded.

The table below summarises the training and development interventions that were implemented during the review period:

Table 10: Training and development

Directorates			Capacity training			Study assistance		
			Short courses	Workshop seminars/ Conferences	Total training attended	New	Old	Total study assistance
CEO Office	F	2	8	3	11	-	-	-
	M	2						
Development Management	F	13	17	3	20	2	7	9
	M	6						
Research and Development	F	1	4	1	5	-	-	-
	M	2						
Marketing and Communication	F	6	3	3	6	1	-	1
	M	0						
Human Resources	F	5	5	2	7	-	-	-
	M	1						
Internal Audit	F	3	2	2	4	-	-	-
	M	1						
Finance and IT	F	3	7	0	7	-	-	-
	M	2						
Total		47	46	14	60	3	7	10

Internship and Learnership Programme

The NDA has participated in the internship programme and appointed eight unemployed graduates by providing them with opportunities to acquire and improve their skills, knowledge, and exposing them to formal meaningful real-life work experiences in the Information Technology Environment. These interns were placed at the following provincial offices: Gauteng, Northern Cape, Free State, North West, Limpopo, KwaZulu-Natal and at Head Office. At the end of the internship, only two interns were retained as IT Administrative support staff.

Living the NDA values

In line with the proposed NDA strategic shift, Human Resources also reviewed the NDA current values to align it with the revised strategic goals and objectives as per the identified government priorities and outcomes. These values will be embedded and rollout through the recruitment process, on-boarding, performance management, reward and recognition programmes, policies and change management initiatives across the organisation. The full roll of the values project will be implemented in the first quarter in the next financial year.

NDA restructuring project

Human Resources has embarked on a process of reviewing the current organisational structure to align it with revised NDA strategy. The project is aimed at ensuring that there are sufficient staffing numbers of competent and motivated employees that will assist the organisation to meet an organisation's needs now, and for the foreseeable future.

It was imperative that the Human Resource Planning exercise be split into three distinctive phases that will guide the process of aligning the organisation strategy to the structure. Phase one analysed the current situation and HR Planning, phase two concentrated on the mapping of the NDA business processes and phase three will focus on the organisational structure design, Competency Assessment and Matching People to Jobs. Phase one and two have been completed and phase three will be implemented in the first quarter in the next financial year.

Staffing costs

The following table summarises final audited expenditure; the table provides an indication of the amount spent on personnel / staffing costs within the NDA:

Table 11: Staffing costs

Staffing costs	April – June 2009	July – September 2009	October – December 2009	January – March 2010	Annual total
	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)
Salaries	2 086 183.42	9 652 218.71	9 652 218.71	9 652 218.71	31 042 839.54
Travel	825 449.00	822 899.00	840 149.00	791 799.09	3 280 296.00
Acting allowance	20 992.54	46 601.39	58 214.46	58 942.00	184 750.39
Overtime	-	-	-	6 555.83	6 555.83
Leave payouts	71 392.53	102 679.39	30 943.00	77 464.36	282 479.28
Performance bonus	126 589.79	825 598.33	-	-	952 188.12
UIF	33 965.88	34 980.42	35 778.93	36 927.41	141 052.64
Provident fund	1 219 567.31	1 254 967.13	1 300 340.33	1 267 589.54	5 042 464.31
Medical aid	429 616.00	453 912.00	445 244.00	482 762.00	1 811 534.00
13th cheque	228 562.86	-	1 295 189.52	-	1 523 752.38
Total	5 042 319.33	13 193 856.37	13 658 077.95	12 374 258.94	44 267 912.49

The staffing costs were managed within the approved budget.

Injury on duty

The following table provides information with regard to injuries occurred on duty:

Table 12 : Injuries occurring on duty

Nature of injury	Gender		Number of cases reported
	Female	**Male**	
Required basic/general medication only	2	-	2
Temporary disability	1	-	1
Permanent	-	-	-
Fatalities/Death	-	-	-
Total	3	-	3

The occupational health and safety policy and plan has been developed to mitigate employee injuries at work.

Employment equity reporting

The tables and graphs below are based on the formats prescribed by the Employment Equity Act, 55 of 1998 and the Department of Labour. The NDA employment equity is profiled according to gender, disability, race, salary grade and by occupational categories. The numbers reflected in the tables and graphs below will not necessarily correlate with the number of employees as at 31 March 2010 due to the fact that it is a requirement of EE reporting that any staff member, who has been in the employ of NDA, even if it was for a period less than a month, should be reported on.

Table 13: Total number of employees (including employees with disabilities) according to occupational category, gender and race

Occupational category	Female				Male				Total
	African	**Coloured**	**Indian**	**White**	**African**	**Coloured**	**Indian**	**White**	
1 Senior officials and managers	2	3	1	1	8	2	0	0	17
2 Professionals	4	-	-	1	6	3	-	-	14
3 Technician/Associate professionals	22	3	-	-	8	2	-	-	35
4 Clerks	22	3	1	1	2	-	-	-	29
5 Service and sales workers	-	-	-	-	1	-	-	-	1
9 Elementary occupations	13	1	-	-	1	-	-	-	15
Total	63	10	2	3	26	7	0	0	111

The NDA demographics employee profile complies with the employment equity plans.

The figure below provides a synopsis of the permanent employees by gender as at 31 March 2010

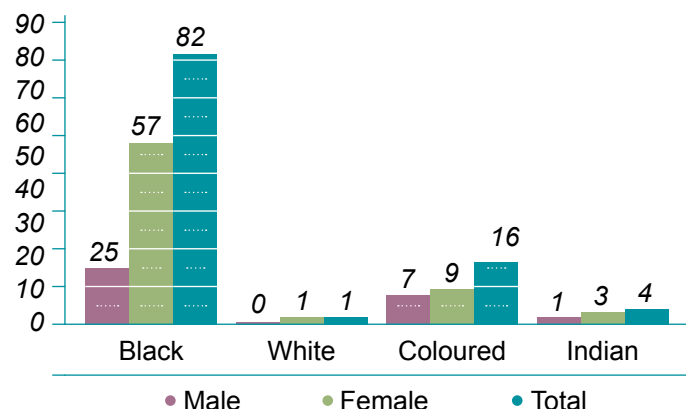The figure below provides a synopsis of the permanent employees by gender and race as at 31 March 2010

The employment of people with disabilities was prioritised to enable the organisation to meet its strategic goal. The figure below illustrates the organisation disability profile
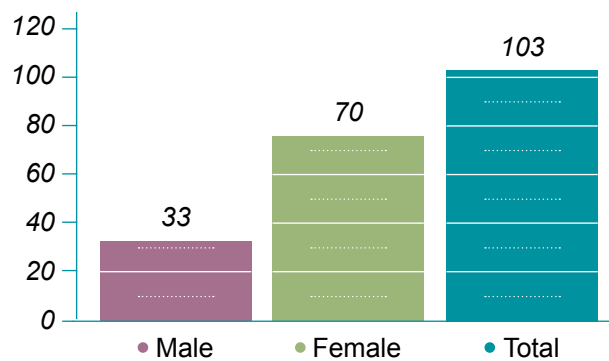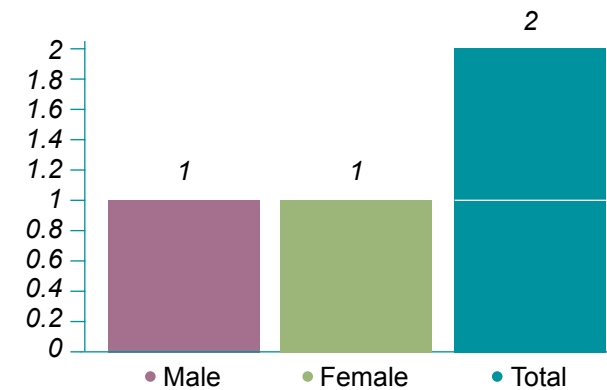

Figure 2: NDA employees by gender

Figure 3: NDA employees by race and gender

Figure 4: Employees with disabilities

An area of concern is female representation at management level. These will be addressed through training interventions and career-pathing and accelerated development programmes targeted at women.

The 2% strategic goal on employment of people with disability was achieved.

The NDA employment equity is profiled according to gender, disability, race, salary grade and by occupational categories.

Office of the Chief Executive Officer

The Office of the CEO consists of the following units:
- Chief Operating Officer
- Legal and Risk
- Company Secretariat

Company Secretariat

The role of the Company Secretary concerns four main areas, namely the Board, the organisation, management and the Department of Social Development. The Secretary facilitates coordination and acts as a liaison officer between the above-mentioned stakeholders. In addition, the Company Secretary plays a pivotal role in the corporate governance of the organisation in that he/she plays an advisory role to the Board and the Chairperson.

The Company Secretariat has attended Board and sub-committee meetings wherein the following were implemented: designing the Board or sub-committee agenda in consultation with the Chairperson, timeously compiling and distributing the meeting packs and recording minutes of meetings and decisions made.

The Company Secretary has ensured implementation by management of all the Board and sub-committee resolutions. An action list was developed in order to facilitate a follow-up with management on the implementation of the resolutions. The Board assessment and evaluation was conducted. We have ensured compliance with Treasury Regulations and the PFMA by management.

Legal and Risk

Extensive work has been done and in-depth consultations have been held with internal auditors, national and provincial staff and executive management, which has culminated in a risk register having been reviewed by the Audit & Risk Committee and ultimately approved by the Board.

The risk register sets out the process for capturing all risks relevant through five key stages; identification, assessment, monitoring, mitigation and reporting. The Legal & Risk Manager is responsible for the collation of this information and reporting through the Executive Committee, Audit and Risk Committee and, where appropriate, the Board. Further, the Legal and Risk Manager is entrusted to ensure that the risk management framework is embedded at all levels and overseen, independently and objectively, at an appropriate level.

The unit also carries a responsibility to secure and protect the assets of the organisation including enforcing the organisation's rights to recoup all monies lost from its debtors, claiming properties bought from NDA monies from lapsed projects and defending all litigious matters against the organisation.

The following has been accomplished:
- Risk register updated and monitored.
- Fraud Prevention Plan and Whistle-blowing Policies reviewed and approved in order to enhance internal controls.
- Contracts with various stakeholders, including funded projects and service level agreements with service providers were vetted and approved.
- Adherence to the value system of the organisation vetted.
- Compliance with relevant statutory, regulatory and supervisory requirements embedded.
- As a support to Internal Audit, review of internal control measures and follow-up on corrective action from audit findings done.
- All legal matters have been attended to.
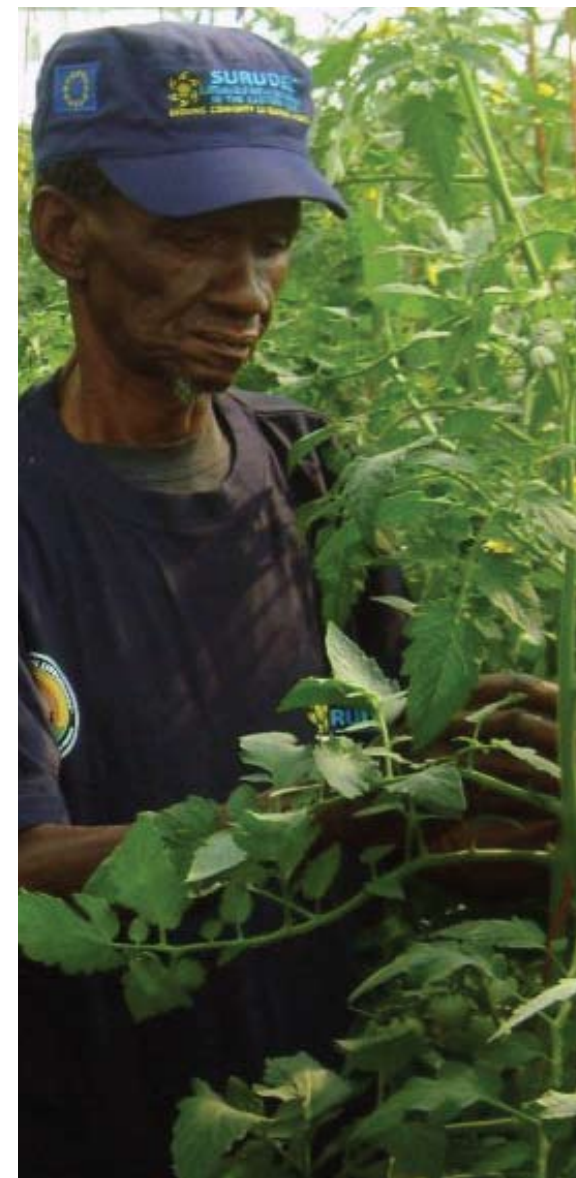
9. Profiles of funded projects

The NDA is an agency of government whose mandate is to contribute towards the eradication of poverty. This it achieves through its primary mandate of funding development projects of poor communities and capacitating those civil society organisations that carry out development projects of poor communities. The following are a sample of the kind of projects funded by the NDA.

Cata Agricultural Enterprise

The Cata Agricultural Enterprise project is located in the Eastern Cape's Amahlathi Local Municipality in the Amathole District Municipality. In October 2006 and January 2010 respectively, the Board of the National Development Agency approved two grants to Cata Agricultural Enterprise to the value of R2 712 190.00. The aim of the project is to upscale current crop production (food security) by improving quality and introducing high-value crops for the retail market to enhance project sustainability, job creation and poverty eradication.

Cata received its first cash injection of R959 290.00 from the NDA in 2006, through the Border Rural Committee (BRC). This was used to prepare 22 hectares of land for crop production purposes. The NDA has also approved an additional amount of R1 752 900, 00 to further strengthen the project. This brings the NDA contribution to R2 712 190.00.

The food security project employs 16 people who draw weekly wages. The funding also went towards the purchase of a tractor, farming implements and enabled beneficiaries to repair their planter and storage facilities. Institutional capacity and technical training were provided. The project's cash crops are potatoes, carrots, beetroot, cabbages, spinach, broccoli, cauliflower and growing apple trees to supply Spar outlets in Alice and King William's Town. The East London Fruit and Veg, Pro Veg and Mr Potato also purchase their produce from the project. The project's turnover was R350 000.00 in 2009.

The project consists of 25 beneficiaries and is fully owned by the community. The community benefits by getting its vegetables at cost price from the project as well as full-time and seasonal employment. 70% of the beneficiaries are women and 30% youth.

The project has established strategic partnerships with the National Government through the Restitution of Land Rights, the Department of Agriculture and the Amathole District Municipality.

TSIBA Trust

The National Development Agency approved a grant to the amount of R1 999 850.00 in October 2008 to TSIBA Trust to implement an integrated textile hub in the Nelson Mandela Bay with cooperatives and small, medium and micro enterprises (SMMEs) to bring them into the mainstream local textile industry.

TSIBA provides ongoing business development support, mentoring and after-care service to all participants in collaboration with institutions such as commercial banks and the Small Enterprise Development Agency (SEDA). This initiative will benefit 450 direct beneficiaries over a period of twenty four months situated at the

following sites; Ubumbano (Red Location), Izinga Lamakosikazi (Despatch) and Iliso Women and Youth Empowerment Co-op at KwaNobuhle in Uitenhage.

TSIBA has engaged in consultation with the Nelson Mandela Bay Municipality to partner in the facilitation and promotion of the cottage industry concept within the Nelson Mandela Bay Metropolitan Municipality.

Containers have been equipped as mini-textile hubs and 22 industrial sewing machines have been purchased. The office of the Mayor of Nelson Mandela Bay has also donated 30 industrial machines. The project is now producing high-quality garments and are now negotiating market outlets with the Ackermans and Edcon group of companies.

Stemora Farming Project

The National Development Agency approved a grant to Stemora Farming Project to the amount of R997 990.00 in 2007. The project was established in 1999 by the people of Ga-Rampheri village. The area is relatively poor with a high rate of unemployment and illiteracy, and most households depend on subsistence farming.

The project initially produced vegetables for the surrounding villages, but with the help of corporate social investment funds, the project went into the production of essential oils, with 10 hectares under cultivation. The project then obtained NDA funding, which has allowed them to clear and fence off 30 more hectares for cultivation, and to install water pipes and irrigation systems.

There are currently 15 project members benefitting directly and an additional 32 seasonal workers at various times of the year. Rose geranium, lavender and lemon grass are being planted and the project members are in the process of establishing a nursery. They are also trying to secure funds to buy a distillation plant and move into a more value-added market sector. The project has created 15 sustainable jobs in the village.

Fetakgomo Farming Cooperative

Fetakgomo Farming Cooperative was established in 2003 to address the lack of employment opportunities in and around Nchabeleng village some 120km outside of Polokwane. The National Development Agency approved a grant in the amount of R1 489 322.00 in November 2005 to the project. Working on five hectares of land provided by the chief of the Nchabeleng community, the 26 original participants combined their own vegetable garden projects into a successful community enterprise.

The project approached the NDA to fund an expansion, which has brought an additional five hectares into cultivation, paid for a borehole and other farming essentials, and provided a trailer to take the additional produce to market. The funds also enabled participants to diversify successfully into chicken-rearing, with a thousand chickens housed in three sheds. Project members, inspired by having acquired the skills necessary for running a successful market garden, are now planning to move into the more profitable egg-producing business.

15 sustainable jobs have been created, the standard of living of the beneficiaries has improved and the project promotes sustainable livelihoods and food security through the distribution of surplus produce to the community.

Poverty continues to grip the majority of our people in its tentacles. The extent and severity of this scourge requires that we maximise our poverty eradication interventions in a quest to yield the desirable impact in the lives of our people.

Leifo Cooperative

Leifo Cooperative, based at Qwaqwa, was established in 1998 by young people who had just completed their tertiary education. The National Development Agency approved a grant to the amount of R1 792 813.00 to the Leifo Cooperative to establish a hydroponic farming project in Monontsha village.

The NDA funding was used to purchase start-up equipment and seedlings, and provide basics such as water and electricity. The Departments of Labour and Agriculture have provided training and other material support for the project.

A core group of 20 project beneficiaries run the facility under the guidance of hired managers with agricultural diploma qualifications.

The project's first hydroponic harvest in 2008 earned over R60 000 in sales, and its success has had a great impact in Monontsha. Maluti A Phofung Municipality has invited Leifo to run a hydroponics project for them, and the local chief has earmarked more land for community use under Leifo's guidance.

The project has created permanent jobs for 20 people and is planning to employ two more people. Excess tomatoes produced are also donated to surrounding churches, primary schools and clinics.

Hoop in Aksie Leather Articrafts

The National Development Agency approved a grant in the amount of R669 612.00 to the Hoop in Aksie project in October 2008. Initially established as Leather Articrafts, the organisation approached the NDA to fund the Dysselsdorp Leatherworks Project and enable a group of 15 unemployed women to start producing leatherwork products using off-cuts from the tannery in Mossel Bay.

The NDA funds were used to train members in business skills and leatherwork production, to purchase some larger pieces of machinery and to provide each participant with a set of hand leather-working tools. Projects members are now producing quality leatherwork products and have been invited by the Western Cape Trade and Industry Department to represent the province in the Cooperative Expo in Portugal in June 2009.

Ebomvini Poultry – Elim Community Trust

The Elim Community Trust, situated in the Ugu District, was founded in 2003 with the mandate of facilitating the land claim on behalf of individuals. In 2006, the Trust received a title deed for the land from the Land Claims Commission.

In January 2008, the NDA approved a grant to Elim Community Trust in the amount of R2 175 165.00. The Trust currently has 29 direct and 150 indirect beneficiaries. It has been able to prepare the site and construct three poultry units with a capacity of housing 3 500 chickens per unit. The grant was also used to purchase stock, feed, vaccines, and a delivery van and stipends for a full-time co-coordinator and two bookkeepers.

In future, the Trust plans to fully commercialise the poultry project, brand it and have an in-house abattoir that will enable it to supply the local hospital in the Ugu District.

Other partners include the Department of Agriculture who provided training for 15 people and purchased one unit housing an additional 500 chickens.

The Department of Health is advising the project on health issues and the Ugu District Municipality provides water supply and will be electrifying the project in the near future.

The project has provided the livelihood for the people of Elim Mission through sustainable job opportunities. A lot of women who are heading households and who were unemployed are now employed. The project has also boosted the morale and self-esteem of the beneficiaries through ownership. All beneficiaries have acquired skills that will benefit them in the long term.