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The Efficient and Effective Provision of Community Library Services

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Summary

The main observation of the performance expenditure review is that expenditure on computer services and equipment hire has increased at a high rate: from 9 percent of total programme expenditure in 2015/16 to 20 percent by end of 2017/18. This exponential increase was occurred while the number of libraries served has remained unchanged which suggests that there are gross inefficiencies. Expenditure on equipment hire has also risen from 2 percent of total expenditure in 2015/16 to 9 percent by end of 2017/18.

These rises—have been at the expense of expenditure on library books which has declined from 13 percent of total programme expenditure to 0 percent by end of the 2017/18 financial year.

Library books are the deposits of the knowledge and information that the community library service aims to provide to members of communities. They are at the core of the community library service programme. It is important for the effectiveness of the programme that all libraries are resourced with adequate and relevant library books that can ensure adequate access to relevant knowledge and information for members of our communities.

The performance expenditure review has also revealed that expenditure on personnel costs and infrastructure development, as a share of total for the programme, has remained stable over the period under review. The expenditure trend on these two main cost drivers which account for 46 percent of total programme expenditure bodes well for the sustainability and success of the programme.

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1. Introduction

Community libraries are depositories of knowledge and information in any society. In the old South Africa, as part of the Apartheid policy of separate and unequal development and to keep black communities in the dark, access to the knowledge and information available in libraries was restricted for black people. Many black communities in the country still lack access to these important sources of knowledge and information.

The community library services programme was introduced by the National Department of Arts and Culture to improve the provision of community libraries and address past legacies of lack of access to knowledge and information. The main objective of the programme is to develop and operate fully equipped libraries in all communities of the country.

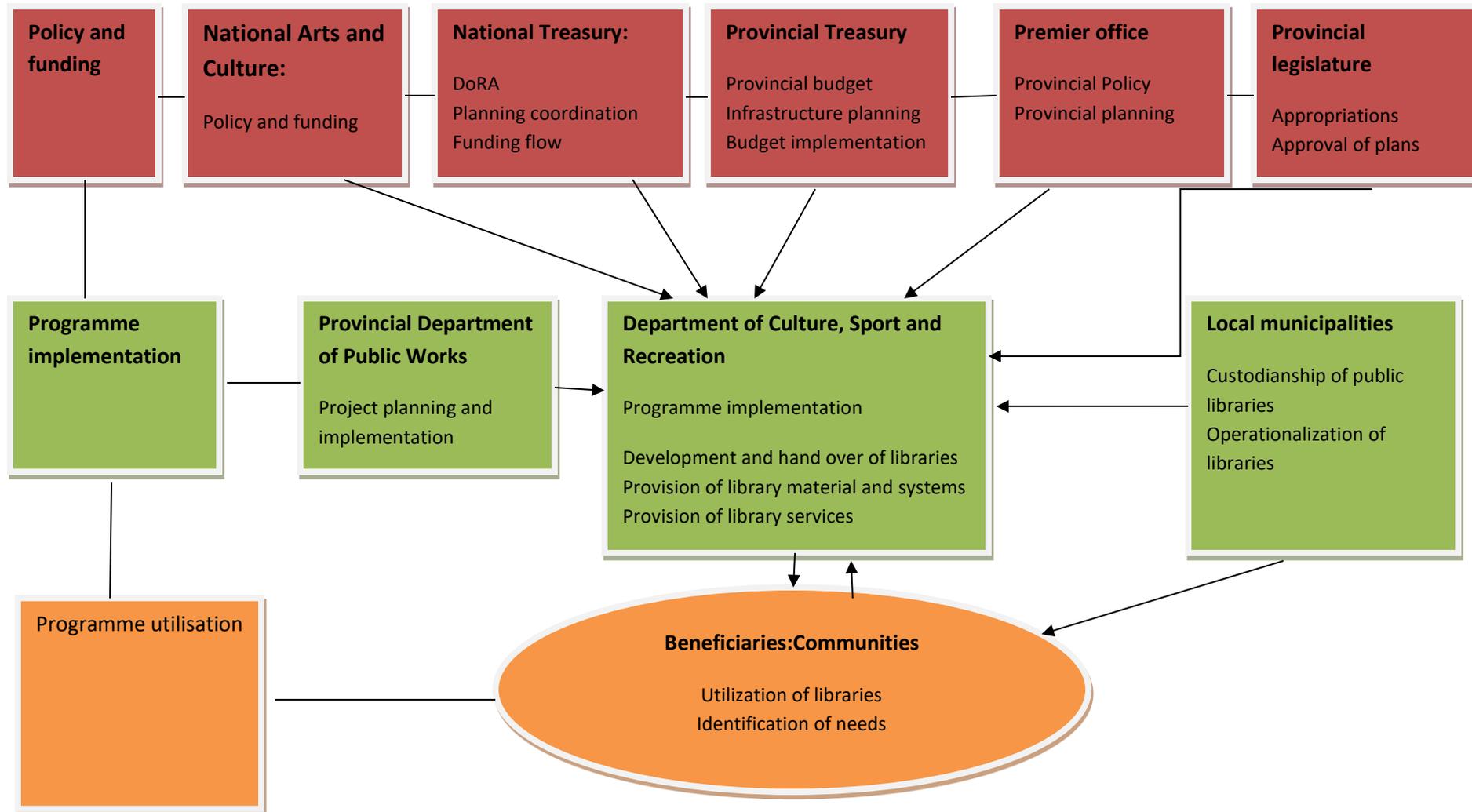
As a largely rural province which was formed by three former homelands, Mpumalanga province has a serious backlog in the provision of community libraries. This makes the community library services programme an important programme service delivery programme for the province. The programme is being implemented by the Provincial department of Culture, Sport and Recreation with the department of Public Works supporting with infrastructure development.

The aim of my performance expenditure review is to analyse the programme and discover how it can be implemented efficiently and effectively. The programme is an important service delivery programme for the province which makes it critical that it is implemented efficiently and effectively.

One of the reasons for doing my performance expenditure review on this programme is because I have had adequate exposure to the programme since its inception. This has made it easy for me to access data and information for the programme. Through my job function I have access to the data, information and role players involved in the programme. This has made it easy for me to complete the performance expenditure review

2. Policy and institutional information

Institutional information



The Mpumalanga department of Culture, Sport and Recreation is the implementing department of the community library services programme. The department is responsible for the development and maintenance of library infrastructure, provision of library material and services and the promotion of library usage in the province.

However, there are various stakeholders who play critical roles. The National Department of Arts and Culture is the main funder of the programme through the Community Library Service Grant. The department also supports the provincial department of Culture, Sport and Recreation with planning, implementation and also monitoring. National Treasury is another key role player that supports the programme through the coordination of the budgeting process and the development of the grant framework and the Division of Revenue Act.

At the provincial sphere, the provincial department of Public Works is the implementing agent of library infrastructure projects. The department is responsible for planning, design, procurement of contractors and monitoring of infrastructure projects. The Public Works department is also a custodian of all public buildings in the province including all regional libraries and the central reference library managed by the department of Culture, Sport and Recreation under the community library services programme.

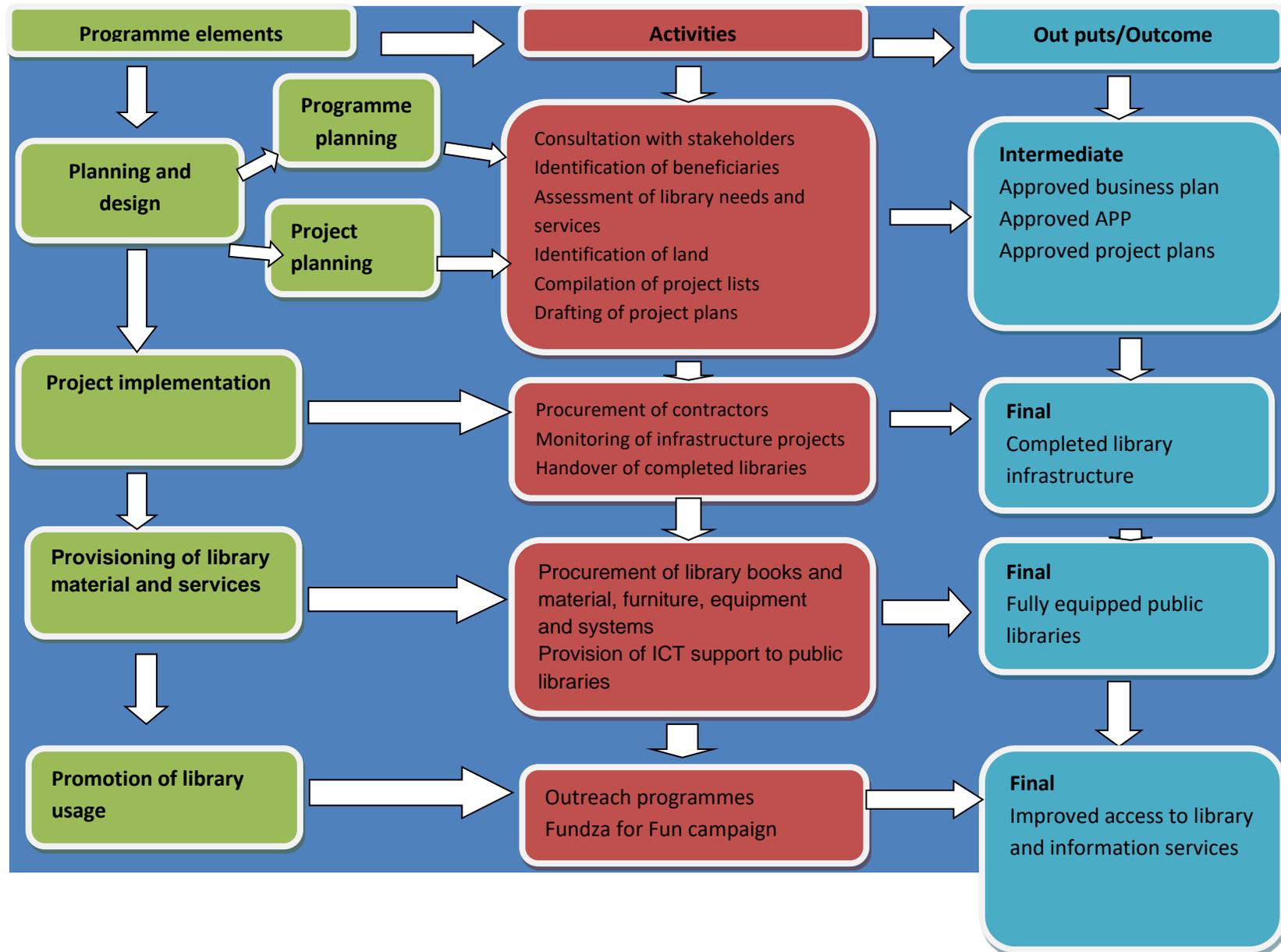
The Mpumalanga Provincial Treasury, The Office of the Premier and Provincial Legislature also play key supportive roles in the implementation of the programme. Provincial Treasury supports the Departments of Culture, Sport and Recreation through management of the budgeting process, infrastructure planning and monitoring, review and approval of business plans and reports and the coordination of all financial matters with National Treasury. The Office of the Premier supports the programme through its policy and priority setting function. The Provincial Legislature approves the plans and budget for the programme and also conducts overall oversight.

Local municipalities are the custodians and managers of all public libraries in the province. The department of Culture, Sport and Recreation is responsible for the development and maintenance of library infrastructure and the provisioning public libraries in the province. Local municipalities take custody of completed libraries and are responsible for the providing library personnel. Local municipalities also support the department in the development of library infrastructure projects through the identification of beneficiaries, identification of land and provision of basic services.

There are also non-governmental role players. The institution of traditional leadership supports the programme through the identification and release of land in rural communities as well as encouraging the usage and safe guarding of libraries. Community structures and members also assist in the development of library infrastructure projects and the safe guarding of library infrastructure and promotion of library usage.

The Division of Revenue Act Framework is the main legislation that guides the implementation of the Community Library Services Programme. The DoRA spells out the institutional arrangement for the Community Library Services Grant, the main funding source for the programme, between national, provincial and local departments and institutions involved in the programme.

3. Programme chain of delivery



The diagram above shows the chain of delivery for the Community Library Services Programme. The programme can be divided into four programme elements, namely: planning and design, implementation of library infrastructure projects, provision of libraries material and services and promotion of library usage.

The planning and design elements can also be divided into programme planning and project planning. Programme planning is for the entire community library service programme which includes the development of a conditional grant business plan and annual performance plan for the programme. Activities under this programme element include the identification of beneficiaries, assessment of library material and service's needs, and consultation with stake holders. The intermediate outputs of this programme element are approved business plans and annual performance plans.

Project planning refers to the planning and design of library infrastructure projects. Activities under this sub-programme element include the compilation of project lists, identification of land and the drafting of project plans. This programme element has an intermediate output which is approval of building plans.

The main activities under the implementation of library infrastructure projects are the procurement of contractors, the monitoring of library infrastructure projects and the opening and hand over of libraries to local municipalities. The final output for this programme element is the hand-over of completed library infrastructure to local municipalities.

The main activities under the provisioning of library material and services are the procurement of library books and material, library furniture, equipment and systems and the provision of ICT support to public libraries. The objective of this element is to make community libraries to be fully equipped to deliver quality library and information services to communities.

The main objective of the promotion of library usage by community members is to encourage community members to utilize community libraries. The Fundza for Fun campaign is the main activity through which the programme promotes the utilization of libraries by community members. Children's corners in libraries filled with exciting children's books and toys encourage children and parents to utilize public libraries. Sections of new libraries are also designed as multi-purpose centers that can be utilized by communities for other purposes.

4. Expenditure observations

Table1

Row Labels	Share of total		
	2015/2016	2016/2017	2017/2018
Administrative costs	0%	0%	0%
Communication costs	0%	0%	0%
Computer services	9%	8%	20%
Employee benefits	0%	0%	0%
Entertainment and functions	2%	1%	1%
Equipment hire	2%	1%	9%
Fleet services costs	0%	0%	0%
Furniture, equipment and systems	6%	5%	5%
Heritage assets	0%	0%	0%
Infrastructure development	25%	29%	25%
Infrastructure lease	0%	0%	0%
Interest paid	0%	0%	0%
Language and legal services	0%	0%	3%
Library books	13%	4%	0%
Library maintenance costs	0%	2%	6%
Library material	0%	0%	0%
Library overheads	3%	5%	4%
Marketing	3%	2%	1%
Non employee transport	0%	0%	0%
Operating costs	8%	8%	0%
Outsourced services	5%	7%	1%
Personnell costs	21%	18%	21%
Stationery and consumables	1%	6%	1%
Temporary staff	0%	1%	0%
Training	0%	0%	0%
Transfer to Special library	0%	0%	1%
Transport assets	0%	1%	1%
Transportation	0%	0%	0%
Travel and subsistence	2%	1%	1%
Venue hire	0%	0%	0%
Grand Total	100%	100%	100%

Table 1 above shows an analysis of the programme's expenditure over a three year period. The main cost drivers are: personnel costs and infrastructure development which account for almost half of the programme's budget have remained stable over the period under review.

Personnel costs accounted for 21 percent of the total expenditure of the programme in the 2015/16 before declining to 18 percent at the end of the 2016/17 financial year. The expenditure rebounded to 2015/16 level of 21 percent at the end of the 2017/18 financial year

The stability of personnel expenditure bodes well for the success of the community library services programme. Personnel expenditure represents a fixed commitment that cannot be easily reversed. Its growth can also crowd out expenditure in other critical areas. The community library services programme is also by its design, not a labour intensive programme as the personnel costs for the operationalization of public libraries are borne by local municipalities. To maintain this situation, its important that the appointment of essential staff for the programme such as ICT support staff for public libraries, must take into account the budget growth of the entire programme.

Expenditure on library infrastructure development as share of total, which is the main cost driver of the programme, has also been stable over the period under review. Infrastructure development is critical for the elimination of the library infrastructure backlog in the province. Expenditure under this item was highest at 29 percent in the 2016/17 before declining to a lower but still satisfactory 25 percent at the end of the 2017/18 financial year.

Another welcomed observation from the analysis of the expenditure trend is the increase in library maintenance expenditure. The expenditure share has increased from 0 percent in the 2015/16 financial year to 6 percent at the end of the 2017/18 financial year. Important as the development of new library infrastructure is; the maintenance of the current fleet of public libraries is crucial. Poorly maintained libraries do not only undermine the objective of the programme but will also require costly interventions in the future.

Less welcomed observations from the analysis of the programme's expenditure are the increase in expenditure share of computer services and decrease in the procurement of library books. Expenditure on this item has increased from the fourth highest in 2015/16 at 9 percent to the third highest at the end of the 2017/18 financial year at 20 percent which is one percent below personnel costs. Expenditure under this item has grown at a compounded annual growth rate of 68 percent in the period under review. The expenditure growth for this item is not sustainable and needs to be reassessed.

Expenditure on equipment hire has also show high growth in the period under review as a share of total expenditure. The expenditure has increased from 2 percent in 2015/16 to 9 percent at the end of the 2017/18 financial year with compounded annual growth rate of 124 percent. This expenditure growth is also unsustainable.

The growth in the share of expenditure for computer services and equipment hire has come at the expense expenditure on library books. The expenditure share on library books had declined from 13 percent in the 2015/16 financial year to 0 percent at the end of the 2017/18 financial year. This means that the programme is not investing adequately in library books; the core service of the library services programme. This lack of declining investment in library books undermines the objective of the community library services programme.

Regional expenditure trends

Table 2

Sum of Total_Expenditure	Share of total			Grant total
	2015/2016	2016/2017	2017/2018	
EHLANZENI MUNICIPALITIES	11%	11%	11%	11%
GERT SIBANDE MUNICIPALITIES	8%	8%	9%	9%
NKANGALA MUNICIPALITIES	8%	10%	10%	9%
MP: WHOLE PROVINCE	73%	71%	69%	71%
Grand Total	100%	100%	100%	100%

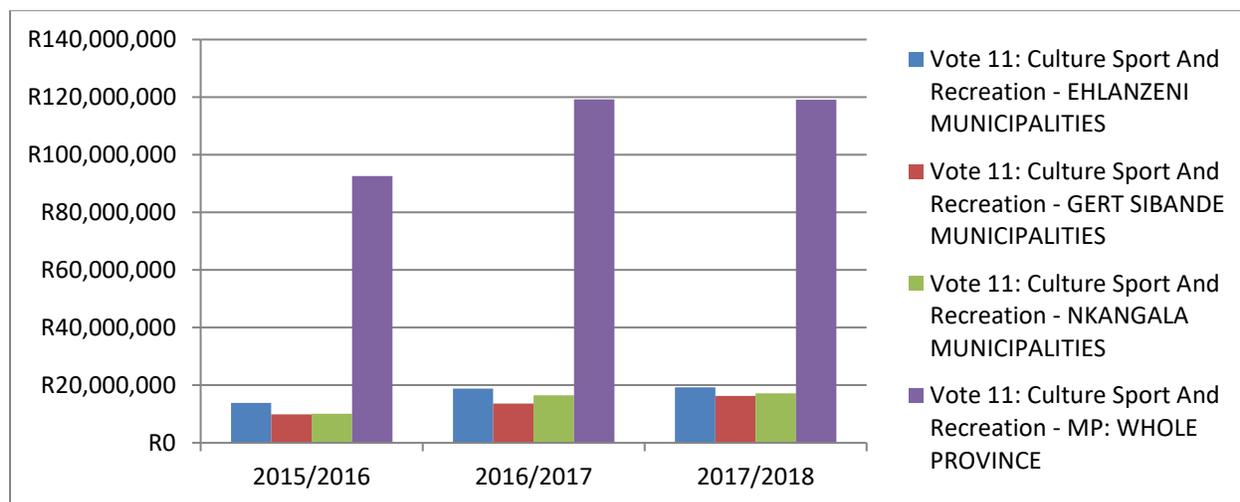


Table 2 and the graph above show the regional expenditure trends for the programme over the three year period. The report shows high levels of centralization with most of the expenditure taking place at head office. A closer look at the expenditure reports shows that the expenditure that is allocated to regions is mostly for infrastructure development while current expenditure, inclusive of personnel expenditure is mostly centralized at head office. This does not show the true picture of the regional expenditure for the programme.

Expenditure vs Performance

Table 3

Performance Indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18
Number of new libraries built	2	3	3
Number of new libraries under construction due for completion in the following year 2018/19	3	3	4
Number of existing facility upgraded for public library purposes	2	2	2
Number of municipal libraries maintained	1	6	7
Number of library materials procured	32 634	21 124	25 892
Number of community libraries maintained and provided with ICT services <ul style="list-style-type: none"> • Internet and Wi Fi • Head Count System • Multipurpose Copier • Computers 	114	114	114

Table 3 above presents the key performance information for the Community Library Services Programme over the three year period. The performance information is consistent with the expenditure information in some respects and presents contrasting information in others.

With regard to infrastructure development, the performance information is consistent with expenditure information presented in table 1. The department has performed consistently, completing at least two new libraries per year and upgrading another 2. This is reflected in spending of an average of 26.3 percent on infrastructure development per year.

The performance information on library maintenance is also consistent with the expenditure information. The maintenance of libraries started slower with 1 library maintained in 2015/16 before accelerating to 6 and 7 libraries for the 2016/17 and 2017/18 financial year. Expenditure on library maintenance as a share of total expenditure increased from 0 percent in 2015/16 to 6 percent at the end of the 2017/18 financial year.

The expenditure items that are not consistent with performance information are library books and computer services. Expenditure on library books as a share of total expenditure declined from 13 percent in 2015/16 to 0 percent at the end of the 2017/18 financial year. However, the performance information indicates that a total of 25.892 library material was procured in the 2017/18 financial year. This discrepancy between financial and performance information suggests that library material could have been procured but not paid for in the 2017/18 financial year resulting in accruals at the end of the financial year.

The most concerning revelation from the analysis of expenditure against performance is on computer services. Expenditure on computer services as a share of total expenditure has increased from 9 percent at the end of the 2015/16 financial year to 20 percent by end of 2017/18. However, the total number of libraries provided with ICT services as well as the type of services offered have remained the same. This means that price escalations and inefficiencies rather than extension of services account for the exponential increase.

Table 4

Expenditure item	2015/2016	2016/2017	2017/2018	Growth		
				2015/2016	2016/2017	2017/2018
Computer services	11 970 417	12 638 014	33 629 703	6%	166%	68%
Number on libraries	114	114	114			
Computer services cost per library	105 004	110 860	294 997	6%	166%	68%

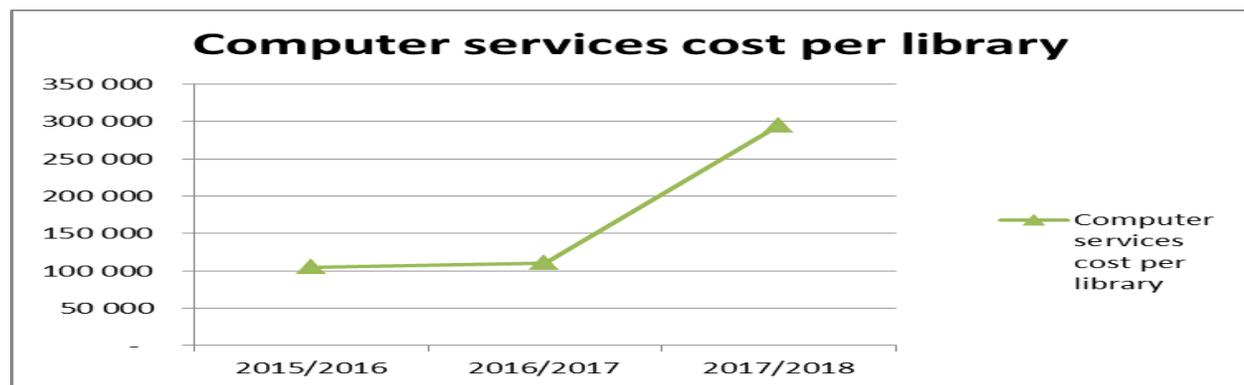


Table 4 and the graph above present actual expenditure on computer services as well as cost per library. The table shows that computer services costs per library increased from R 105.000 thousands per library in 2015/16 to R 294.997 thousands per library at the end of 2017/18, an exponential increase of 281 percent. This high increase is not sustainable and needs to be investigated by the programme for gross inefficiencies and possible malfeasance.

5. Performance

The following table presents performance information of the Community Library Services Programme for the 2017/18 financial year

Performance indicator	Actual Achievement 2015/16	Actual Achievement 2016/17	Actual Achievement 2017/18
Number of new libraries built	2	3	3
Number of new libraries under construction due for completion in the following year 2018/19	3	3	4
Number of existing facility upgraded for public library purposes	2	2	2
Number of new Libraries at plenary stage for construction and upgrade in the following year 2018/19	0	4	4
Number of municipal libraries maintained	1	6	7
Number of library materials procured	32 634	21 124	25 892
Number of libraries offering services to the blind	14	14	14
Number of community outreach programmes in libraries conducted	18	18	17
Number of library training programmes conducted to capacitate the librarians	4	11	4
Number of community libraries maintained and provided with ICT services <ul style="list-style-type: none"> • Internet and Wi Fi • Head Count System • Multipurpose Copier • Computers 	114	114	114 100 libraries are connected to internet and Wi Fi

The performance of the community library services programme is consistent and satisfactory over the three year period. The programme is achieving most of its annual targets and perform satisfactorily in all its elements.

With regard to the planning and design element, the programme is performing well. The programme is managed by experienced personnel who are well supported by the relevant national and provincial departments as well as non-governmental role players. All the planning targets and activities are achieved without serious challenge.

The project implementation element is also progressing well. After a slow start due to poor performance by the implementing agent, the programme element has picked up and improved its performance. A total of 8 new libraries completed in the three years under review with an additional 4 set for completion in 2018/19. The performance information also indicates that 6 libraries were upgraded from 2015/16 to 2017/18 while 14 were maintained.

The provision of library material and services has also been consistent in the years under review. A total of 79 650 library material was procured and supplied to libraries over the three years. A total of 114 libraries are provided with ICT services which include internet and WIFI, head count systems, copiers and computers. Nineteen (19) library training programme were conducted to capacitate librarians in public libraries.

The biggest challenge for the programme is that not enough community members are using public libraries. A total of 53 community outreach programmes were conducted to promote library usage in the period under review. However, the utilization levels remain unsatisfactory. The majority of those who utilize libraries prefer ICT services over traditional book utilization. As a result book circulation levels remain low. This poses a serious challenge to creating an informed society.

6. Options

The two areas of improvement for the community library services programme are infrastructure development and library utilization.

Infrastructure development

With regards to infrastructure development there is room for improvement. In the earlier years of the programme, the programme was able to complete at least 4 new libraries per year through the utilization of multiple implementing agents. In 2014, an executive resolution was taken to utilize the provincial department of Public Works as the sole implementing agent for all provincial infrastructure projects without taking into account the capacity of the department of Public Works to fulfill this role. This resulted in poor performance by the sole implementing agent affecting the performance of the department on infrastructure development.

The resolution to utilize a sole implementing agent must be reassessed. The incoming administration in the province must be apprised of the benefits of utilizing multiple implementing agents to accelerate service delivery. Resources permitting, the programme should aim to complete at least 4 new libraries per financial year to address the library infrastructure backlog in the province.

Library utilization

The challenge of poor utilization of public libraries is difficult to address in the short to medium term. This is a programme element that seeks to reverse a culture that is entrenched in our society. The programme's initiatives so far are aimed at promoting library utilization in communities through community outreach programmes. These attempts have not borne fruit so far.

The option for the programme in terms of improving library utilization could be to target young people through the education system. To teach them while they are still young about the importance of reading to accumulate knowledge and information. Learners will be more amenable to the message than adults with entrenched views and attitudes.

7. Recommendations.

The performance expenditure review has highlighted serious areas of concern and improvement for the Community Library Services Programme. The main concern has been the exponential increase in computer services costs. The increase in expenditure for this item is unsustainable. This expenditure trend should be further investigated for gross inefficiencies or possible malfeasance.

With regard to the performance of the programme, it is recommended that the programme reverts to the utilization of multiple implementing agents for its infrastructure projects. It is also recommendable that the programme adopts a different approach towards the objective of improving library utilization levels by targeting young people through the education system.

8. Actions

In my role as a senior budget advisor, I am limited to the provision of advice to the programme. This is done mainly through the attendance of strategic planning sessions, inter-governmental engagements and review of business plans and annual performance plans. The action plan is to raise the observations of these performance expenditure review with the programme managers through these engagements as well as in writing in the course of my day to day duties.

Annexures

Attached to this report are the following;

- The logical framework for the community library services programme
- Performance expenditure data analysis workbook.