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LIMPOPO PROVINCIAL REVENUE AND EXPENDITURE REPORT AS AT 30 NOVEMBER 2015

1. Purpose

To submit to the National Treasury a report on Limpopo Provincial Revenue and Expenditure as at 30 November 2015

2. Background

The Limpopo Provincial Treasury hereby submits the Provincial revenue and expenditure report as at 30 November 2015 in line with chapter 5, section 40 (4) (b) of the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999) as amended by Act 29 of 1999. The Act requires the designated accounting officer of a department to submit information to the provincial treasury on actual revenue and expenditure for the preceding month and again provided the anticipated revenue and expenditure for the remaining period of the financial year in terms of section 40 (4) (a).

3. Discussion

The Limpopo provincial government revenue and expenditure trend for the period under review finds its basis on the November 2015 In-Year Monitoring (IYM) reports from various provincial departments. Departmental submissions were duly analysed in terms of the projected expenditure, projected cash requests and actual expenditure as recorded in the IYM and Infrastructure Reporting Model (IRM) submissions. The explanations for the variances were provided by departments as per their IYM and IRM variance reports and where necessary, further clarity was sought from the departments in line with the requirements of the Provincial Treasury Instruction Notes 03 of 2012, 09 of 2012 and 04 of 2013.

4. Cash Management

Schedule of payments runs were sent to departments to enable them to inform service providers of the dates of payments as they serve them with invoices for services rendered:-

- Persal runs are scheduled 4 times a month, i.e. the 15th for normal salaries, 22nd for Educators' salaries, last Wednesday of the month for Supplementary payments (claims) and month-end for probation and contract employees and Third Party deductions.
- BAS runs (payments of suppliers) are scheduled twice, i.e. for the 15th and for month-end.

These systems and processes were put in place to ensure that service delivery continues without disruptions relating to cash flow problems as well as to alleviate cash flow challenges experienced in the previous financial year.

4.1 Cash Allocations Vs. Actual Expenditure Vs. Actual Funds Transferred

An analysis of cash projections, actual expenditure and actual funds transferred indicates departments' ability to plan, budget and spend. The table below provides cash flow projections, actual expenditure and transfers to departments during November 2015.

Table 1: Cash Flow Management Performance as at 30 November 2015

Cash Allocations Vs Actual Expenditure Vs Actual Transfers as at 30 November 2015

Departments	Opening Bank Balances at 01-Apr-15 R' 000	Cash Allocation 30-Nov-15 R' 000	Actual Expenditure 30-Nov-15 R' 000	Transfers To Departments 30-Nov-15 R' 000	Variance Cash allocation Vs Actual Expenditure		Variance Actual Expenditure Vs Funds Transferred	
					Amount R' 000	%	Amount R' 000	%
Education	508 149	17 102 656	16 356 858	16 345 880	745 798	4.4%	10 978	0.1%
Health	58 649	10 164 406	10 501 754	10 665 817	-337 348	-3.3%	-164 063	-1.6%
Social Development	30 358	1 001 980	991 337	982 144	10 643	1.1%	9 193	0.9%
Public Works	377 346	1 927 987	1 655 439	1 649 812	272 548	14.1%	5 627	0.3%
Agriculture	53 379	1 171 844	987 255	995 495	184 589	15.8%	-8 240	-0.8%
Roads & Transport	176 941	1 205 799	1 093 205	1 034 797	112 594	9.3%	58 408	5.3%
CoGSTHA	117 569	1 382 361	1 383 831	1 522 310	-1 470	-0.1%	-138 479	-10.0%
Sport, Arts & Culture	30 487	245 352	220 218	229 482	25 134	10.2%	-9 264	-4.2%
Safety & Security and Liaison	7 795	60 464	51 847	48 266	8 617	14.3%	3 581	6.9%
Office of the Premier	9 171	231 934	221 046	220 687	10 888	4.7%	359	0.2%
Provincial Legislature	4 321	190 471	195 350	198 548	-4 879	-2.6%	-3 198	-1.6%
Provincial Treasury	45 419	247 179	226 821	210 770	20 358	8.2%	16 051	7.1%
Economic Development, Environmental & Tourism	60 275	790 012	771 880	782 025	18 132	2.3%	-10 145	-1.3%
Total	1 479 859	35 722 445	34 656 841	34 886 033	1 065 604	3.0%	-229 192	-0.7%
Summary Per Fund								
Equitable Share		30 860 683	30 417 021	30 226 734	443 662	1.4%	190 287	0.6%
Conditional Grant		4 861 762	4 239 820	4 659 299	621 942	12.8%	-419 479	-9.9%
Total		35 722 445	34 656 841	34 886 033	1 065 604	3.0%	-229 192	-0.7%

When comparing actual expenditure to the cash flow projections or cash allocations, departments under-spent the cash allocations by R1.066 billion or 3.0 percent. Transfers to departments were R229.2 million or 0.7 percent more than actual expenditure. More funds were transferred than was required due to insufficient funds in some departments to surrender the 2014/15 unspent funds.

4.2 Interest Performance

Table 2: Interest Earned as at 30 November 2015

INTEREST EARNED : 2015/16 FINANCIAL YEAR
R'000

Institution	2015/16												
	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Total
Commercial Bank (SBSA)	5 541	2 258	2 334	1 357	1 564	1 142	1 286	1 775					17 257
CPD (SA Reserve Bank)	14 442	22 676	21 254	20 934	22 475	25 060	25 339	23 448					175 628
Total	19 983	24 934	23 588	22 291	24 039	26 202	26 625	25 223	-	-	-	-	192 885

INTEREST EARNED : 2014/15 FINANCIAL YEAR
R'000

Institution	2014/15												
	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Total
Commercial Bank (SBSA)	5 264	2 061	2 772	2 359	1 571	2 419	1 885	2 067					20 398
CPD (SA Reserve Bank)	12 273	22 140	18 899	25 180	26 864	26 262	26 505	22 733					180 856
Total	17 537	24 201	21 671	27 539	28 435	28 681	28 390	24 800	-	-	-	-	201 254

When compared to the same period in the previous year, interest revenue decreased from R201.3 million in 2014/15 to R192.8 million in 2015/16. Interest earned in the CPD account alone also decreased from R180.9 million to R175.6 million. In the public sector, a favorable balance translates into inefficient and ineffective planning and service delivery, while an overdraft is only allowed in exceptional conditions.

5. Provincial overall expenditure as at 30 November 2015

The overall provincial spending as at 30 November 2015 amounts to R34.6 billion or 65.7 percent of the total budget of R52.7 billion. The spending is above that of the previous corresponding period of R34.1 billion or 64.6 percent of the budget of R51.5 billion, representing an increase of 1.1 percent. Legislature, Health and Economic Development has recorded the highest spending at 74.4 percent, 71.2 percent and 66.5 percent respectively. Conversely, Treasury, Agriculture, and Safety Security and Liaison recorded the lowest spending at 58.9 percent, 58.2 percent and 57.4 percent respectively.

Table 3: Provincial overall expenditure as at 30 November 2015

	Main Appropriation	Adjusted Appropriation	Available funds*	Projected outcome	Actual spending as at 30 Nov 2015	Actual spending as % of Main budget	(Over)	Under	% (Over)/ under of Main budget
R thousand									
Education	25 284 705	25 284 705	25 284 705	25 300 525	16 356 858	64.7%	-15 820	-	-0.1%
Health	14 754 135	14 754 135	14 754 135	15 565 331	10 501 754	71.2%	-811 196	-	-5.5%
Social Development	1 537 757	1 537 757	1 537 757	1 537 757	991 337	64.5%	-	-	0.0%
Public Works, Roads And Infrastructure	2 749 756	2 749 756	2 749 756	2 749 756	1 655 439	60.2%	-	-	0.0%
Agriculture	1 697 131	1 697 131	1 697 131	1 650 601	987 255	58.2%	-	46 530	2.7%
Transport	1 838 898	1 838 898	1 838 898	1 738 525	1 093 205	59.4%	-	100 373	5.5%
Co-Operative Governance Human Settlements	2 269 327	2 269 327	2 269 327	2 689 614	1 383 831	61.0%	-420 287	-	-18.5%
Sport, Arts And Culture	345 324	345 324	345 324	345 324	220 218	63.8%	-	-	0.0%
Safety, Security And Liaison	90 354	90 354	90 354	87 994	51 847	57.4%	-	2 360	2.6%
Office Of The Premier	352 150	352 150	352 150	352 150	221 046	62.8%	-	-	0.0%
Provincial Legislature	262 688	262 688	262 688	276 320	195 350	74.4%	-13 632	-	-5.2%
Provincial Treasury	385 180	385 180	385 180	376 436	226 821	58.9%	-	8 744	2.3%
Economic Development, Environment And Tourism	1 160 813	1 160 813	1 160 813	1 150 255	771 880	66.5%	-	10 558	0.9%
Total	52 728 218	52 728 218	52 728 218	53 820 588	34 656 841	65.7%	-1 260 935	168 565	-2.1%
Economic classification						Net	-1 092 370		
Current payments	45 384 185	45 384 185	45 384 185	45 415 558	29 649 594	65.3%	-31 373	-	-0.1%
Compensation of employees	38 426 998	38 426 998	38 426 998	38 078 554	24 922 322	64.9%	-	348 444	0.9%
Goods and services	6 956 771	6 956 771	6 956 771	7 336 602	4 726 870	67.9%	-379 831	-	-5.5%
Interest and rent on land	416	416	416	402	402	96.6%	-	14	3.4%
Transfers and subsidies	5 626 940	5 626 940	5 626 940	6 365 357	3 829 495	68.1%	-738 417	-	-13.1%
Payments for capital assets	1 717 093	1 717 093	1 717 093	2 039 202	1 177 283	68.6%	-322 109	-	-18.8%
Payments for financial assets	-	-	-	471	469	-	-471	-	-
<i>of which: NPNC</i>	12 584 127	12 584 127	12 584 127	13 702 832	8 557 236	68.0%	-1 118 705	-	-8.9%
Total	52 728 218	52 728 218	52 728 218	53 820 588	34 656 841	65.7%	-1 092 370	-	-2.1%
						Net	-1 092 370		

* Available funds refers to adjusted budget including any post adjustment (Virements and shifts)

The synopsis of provincial expenditure as at 30 November 2015 is presented hereunder:

- Compensation of Employees (CoE) spent R24.9 billion or 64.9 percent representing R348.4 million or 0.9 percent under-spending mainly due to delays in appointments of funded vacant posts, resignations and delays in processing of performance bonuses and pay-progression.
- Goods and Services spent R4.7 billion or 67.9 percent with an overspending of R379.8 million or 5.5 percent due payments of accruals, under-funding of the budget especially in Health and Legislature and payments for unforeseen emergency repairs.
- Transfers and subsidies recorded an expenditure of R3.8 billion or 68.1 percent and overspending by R738.4 million or 13.1 percent due to payments of leave gratuities for unplanned resignations.
- Payment for Capital Assets spent R1.1 billion representing an overspending of R322.1 million or 18.8 percent due reduction of conditional grants budgets especially in departments of Health and Education.

The Province is projecting to overspend by R1.1 billion or 2.1 percent which is mainly influenced by the department of CoGHSTA at R420.3 million or 18.5 percent due to payment

of pay progression, sitting allowances of housing committee members and procurement of computer equipment for newly appointed officials, Health which is projecting to overspend by R811.2 million or 5.5 percent due to payments for emergency repairs, replacement of mechanical equipment and payment of accruals, Legislature at R13.6 million or 5.2 percent on CoE, and Education at R15.8 million or 0.1 percent due to payment of leave gratuity and infrastructure.

However, the above projected overspending is reduced by the anticipated under-spending mainly from the department of Transport by R100.4 million or 5.5 percent, Agriculture by R46.5 million or 2.7 percent, Safety, Security and Liaison by R2.4 million or 2.6 percent, Provincial Treasury by R8.7 million or 2.3 percent and Economic Development by R10.5 million or 0.9 percent.

5.1 Spending per Economic Classification

5.1.1 Compensation of Employees

The overall provincial CoE spending is at R24.9 billion or 64.9 percent. The highest spending departments are Social Development at R555.4 million or 72.6 percent, Transport at R517.5 million or 69.1 percent, CoGHSTA at R548.3 million or 67.8 percent, Legislature at R101.1 million or 67.1 percent and Health at R7.4 billion 66.9 percent.

Table 4: Compensation of Employees as at 30 November 2015

	Main Appropriation	Adjustments	Adjusted Appropriation	Available funds*	Projected outcome	Actual spending as at 30 Nov 2015	Actual spending as % of Main budget	(Over)	Under	%(Over)/ under of Main budget
R thousand										
Education	21 515 773	-	21 515 773	21 515 773	21 023 641	13 689 218	63.6%	-	492 132	2.3%
Health	11 166 905	-	11 166 905	11 166 905	11 354 231	7 468 890	66.9%	-187 326	-	-1.7%
Social Development	764 629	-	764 629	764 629	764 629	555 431	72.6%	-	-	0.0%
Public Works , Roads and Infrastructure	969 610	-	969 610	969 610	953 662	619 516	63.9%	-	15 948	1.6%
Agriculture	1 076 175	-	1 076 175	1 076 175	1 026 922	670 322	62.3%	-	49 253	4.6%
Transport	748 761	-	748 761	748 761	769 342	517 558	69.1%	-20 581	-	-2.7%
Co-Operative Governance Human Settlement	809 026	-	809 026	809 026	846 101	548 299	67.8%	-37 075	-	-4.6%
Sport,Art And Culture	149 422	-	149 422	149 422	149 422	94 731	63.4%	-	-	0.0%
Safety,Security And Liason	63 146	-	63 146	63 146	60 786	37 799	59.9%	-	2 360	3.7%
Office of the Premier	256 909	-	256 909	256 909	256 909	160 192	62.4%	-	-	0.0%
Legislature	150 651	-	150 651	150 651	156 329	101 144	67.1%	-5 678	-	-3.8%
Treasury	278 126	-	278 126	278 126	254 844	158 230	56.9%	-	23 282	8.4%
Economic Development	477 865	-	477 865	477 865	461 736	300 992	63.0%	-	16 129	3.4%
Total	38 426 998	-	38 426 998	38 426 998	38 078 554	24 922 322	64.9%	-250 660	599 104	0.9%
							Net	348 444		

* Available funds refers to adjusted budget including any post adjustment (Virements and shifts)

The following departments are projecting to overspend their CoE allocations:

- CoGHSTA by R37.1 million or 4.6 percent due to implementation of pay progression,
- Legislature by R5.7 million or 3.8 percent due to the budgeted annual salary increase,

- Transport by R20.6 million or 2.7 percent due to implementation of approved ICS above projected percentage and the filling of critical traffic officers posts which was projected at lower notches,
- Health by R187.3 million or 1.7 percent due to pay-progression, performance bonuses, appointment on advertised critical posts and the intake of health professionals.

In contrast, the following departments have projected an under-spending mainly due to:-

- Provincial Treasury - R23.3 million or 8.4 percent under-spending due to delay in filling of funded vacant posts,
- Agriculture - R49.2 million or 4.6 percent due to late advertisement and filling of vacant budgeted posts,
- Safety, Security and Liaison - R2.4 million or 3.7 percent under-spending due to late filling of sixteen vacant budgeted posts which has been advertised and shortlisting and interviews for some has been done,
- Economic Development - R16.1 million or 3.4 percent under-spending due to late appointments and payment of outstanding performance bonuses and pay progression for SMS,
- Education - R492.1 million or 2.3 percent due to unanticipated resignations, late filling of promotional posts in schools and attrition posts for support staff, and
- Public Works, Roads and Infrastructure - R15.9 million or 1.6 percent due to high vacancy rate and the prolonged process of filling the vacant posts.

5.1.2 Goods and Services

Table 5: Goods and Services as at 30 November 2015

R thousand	Main Appropriation	Adjustments	Adjusted Appropriation	Available funds*	Projected outcome	Actual spending as at 30 Nov 2015	Actual spending as % of Main budget	(Over)	Under	% (Over)/ under of Main budget
Education	1 897 022	-	1 897 022	1 897 022	1 925 654	1 089 671	57.4%	-28 832	-	-1.5%
Health	2 844 906	-	2 844 906	2 844 906	3 206 863	2 283 966	80.3%	-361 957	-	-12.7%
Social Development	202 888	-	202 888	202 888	202 888	150 686	74.3%	-	-	0.0%
Public Works, Roads and Infrastructure	668 450	-	668 450	668 450	650 635	350 992	52.5%	-	17 815	2.7%
Agriculture	378 834	-	378 834	378 834	381 429	209 910	55.4%	-2 595	-	-0.7%
Transport	218 001	-	218 001	218 001	205 821	144 066	66.1%	-	12 180	5.6%
Co-Operative Governance Human Settlements And	163 537	-	163 537	163 537	161 970	102 045	62.4%	-	1 567	1.0%
Sport, Art And Culture	144 940	-	144 940	144 940	144 940	100 019	69.0%	-	-	0.0%
Safety, Security And Liason	26 284	-	26 284	26 284	26 284	13 400	51.0%	-	-	0.0%
Office of the Premier	82 787	-	82 787	82 787	82 787	55 538	67.1%	-	-	0.0%
Legislature	41 527	-	41 527	41 527	47 673	34 120	82.2%	-6 146	-	-14.8%
Treasury	94 076	-	94 076	94 076	106 749	58 864	62.6%	-11 673	-	-12.4%
Economic Development	193 520	-	193 520	193 520	193 709	133 663	69.1%	-189	-	-0.1%
Total	6 956 772	-	6 956 772	6 956 772	7 336 602	4 726 940	67.9%	-411 392	31 562	-5.5%
								Net	-379 830	

* Available funds refers to adjusted budget including any post adjustment (Virements and shifts)

The overall spending on Goods and Services is at R4.7 billion or 67.9 percent of the total allocated budget of R6.9 billion. The province projects to overspend by R379.8 million or 5.5 percent. This overspending is contributed by the following attributes;

- Legislature - R6.1 million or 14.8 percent due to payment of audit fees and Subsistence and Travel allowances for constituency work,
- Health - R361.9 million or 12.7 percent due to payments of emergency repairs and replacement of mechanical equipment, payment of accruals, shortfall on the budget for key accounts and non-negotiable items,
- Provincial Treasury - R11.6 million or 12.4 percent due to projected payments of outstanding invoices resulting from non-submission of supporting documents,
- Education - R28.8 million or 1.5 percent due to insufficient allocations for monitoring and support activities for schools,
- Agriculture - R2.6 million or 0.7 as drought disaster mitigation, and
- Economic Development - R0.189 million or 0.1 percent due to payment of accruals.

Despite the projected overall overspending, the following departments' project to underspend their budget due to the reasons advanced below;

- Transport - R12.2 million or 5.6 percent due to delays in the awarding of bids and the procurement of electronic bus monitoring system.
- Public Works, Roads and Infrastructure - R17.8 million or 2.7 percent due to delays in the finalization of payments with regard to projects that have been transferred to RAL for

implementation. Tender for the 19 projects which has been transferred to RAL was advertised and closed in October 2015,

- CoGHSTA - R1.6 million or 1.0 percent due to expired contracts as well as sitting allowances for CCTLC members.

5.1.3 Transfers and subsidies

The province spent R3.8 billion or 68.1 percent of the total budget of R5.6 billion on Transfers and subsidies. The highest percentage spending departments are, Legislature at R59.0 million or 100.9 percent, Health at R479.4 or 94.0 percent, Education at R923.2 million or 85.1 percent and Provincial Treasury at R5.3 million or 82.7 percent.

Table 6: Transfers and subsidies as at 30 November 2015

R thousand	Main Appropriation	Adjustments	Adjusted Appropriation	Available funds*	Projected outcome	Actual spending as at 30 Nov 2015	Actual spending as % of Main budget	(Over)	Under	%(Over)/ under of Main budget
Education	1 085 121	-	1 085 121	1 085 121	1 414 241	923 242	85.1%	-329 120	-	-30.3%
Health	509 798	-	509 798	509 798	549 463	479 405	94.0%	-39 665	-	-7.8%
Social Development	496 709	-	496 709	496 709	496 709	271 888	54.7%	-	-	0.0%
Public works, Roads and Infrastructure	753 510	-	753 510	753 510	766 380	525 173	69.7%	-12 870	-	-1.7%
Agriculture	168 468	-	168 468	168 468	169 489	83 647	49.7%	-1 021	-	-0.6%
Transport	752 395	-	752 395	752 395	721 485	410 868	54.6%	-	30 910	4.1%
Co-Operative Governance Human Settlement	1 295 909	-	1 295 909	1 295 909	1 676 771	730 697	56.4%	-380 862	-	-29.4%
Sport, Art And Culture	8 562	-	8 562	8 562	8 562	6 285	73.4%	-	-	0.0%
Safety, Security And Liason	574	-	574	574	574	349	60.8%	-	-	0.0%
Office of the Premier	10 229	-	10 229	10 229	10 229	3 979	38.9%	-	-	0.0%
Legislature	58 522	-	58 522	58 522	60 537	59 030	100.9%	-2 015	-	-3.4%
Treasury	6 479	-	6 479	6 479	7 431	5 358	82.7%	-952	-	-14.7%
Economic Development	480 664	-	480 664	480 664	483 486	329 574	68.6%	-2 822	-	-0.6%
Total	5 626 940	-	5 626 940	5 626 940	6 365 357	3 829 495	68.1%	-769 327	30 910	-13.1%
<i>* Available funds refers to adjusted budget including any post adjustment (Virements and shifts)</i>							Net	-738 417		

In overall, the province is projecting to overspend by R738.4 million or 13.1 percent due to reasons outlined below.

- Education - R329.1 million or 30.3 percent due to unanticipated resignations and payment of leave gratuity,
- CoGHSTA - R380.8 million or 29.4 percent due to payment of leave gratuity and expenditure on inauguration of traditional leaders,
- Provincial Treasury at R0.952 million or 14.7 percent due to payment of leave gratuity to retiring officials,
- Health - R39.7 million or 7.8 percent due to households' payments of bursaries, leave gratuity and payments to NPIs,
- Public Works, Roads and Infrastructure - R12.8 million or 1.7 percent due to payments of leave gratuity and municipal rates,
- Agriculture - R1.0 million or 0.6 percent due to payment of leave gratuity,

- Legislature spent - R2.0 million 3.4 percent mainly for political party transfers, and
- Economic Development - R2.8 million or 0.6 percent due to payment of leave gratuity.

5.1.4 Payment for Capital Assets

The overall provincial expenditure on Payment for Capital Assets is at R1.2 billion or 68.6 percent of the total budget of R1.7 billion.

Table 7: Payment for Capital Assets as at 30 November 2015

R thousand	Main Appropriation	Adjustments	Adjusted Appropriation	Available funds*	Projected outcome	Actual spending as at 30 Nov 2015	Actual spending as % of Main budget	(Over)	Under	% (Over)/ under of Main budget
Education	786 789	-	786 789	786 789	936 789	654 727	83.2%	-150 000	-	-19.1%
Health	232 527	-	232 527	232 527	454 774	269 493	115.9%	-222 247	-	-95.6%
Social Development	73 531	-	73 531	73 531	73 531	13 332	18.1%	-	-	0.0%
Public Works, Roads and Infrastructure	358 186	-	358 186	358 186	378 850	159 599	44.6%	-20 664	-	-5.8%
Agriculture	73 654	-	73 654	73 654	72 761	23 376	31.7%	-	893	1.2%
Transport	119 741	-	119 741	119 741	41 877	20 713	17.3%	-	77 864	65.0%
Co-Operative Governance Human Settlements And	855	-	855	855	4 672	2 692	314.9%	-3 817	-	-446.4%
Sport, Art And Culture	42 400	-	42 400	42 400	42 400	19 183	45.2%	-	-	0.0%
Safety, Security And Liason	350	-	350	350	350	299	85.4%	-	-	0.0%
Office of the Premier	2 225	-	2 225	2 225	2 225	1 337	60.1%	-	-	0.0%
Legislature	11 988	-	11 988	11 988	11 781	1 056	8.6%	-	207	1.7%
Treasury	6 500	-	6 500	6 500	8 270	7 249	111.5%	-1 770	-	-27.2%
Economic Development	8 348	-	8 348	8 348	10 922	4 153	49.7%	-2 574	-	-30.8%
Total	1 717 094	-	1 717 094	1 717 094	2 039 202	1 177 209	68.6%	-401 072	78 964	-18.8%
							Net	-322 108		

* Available funds refers to adjusted budget including any post adjustment (Virements and shifts)

The highest percentage spending departments are CoGHSTA at R2.7 million or 314.9 percent on payment for computer equipment for newly appointed officials; Health spent R269.5 million or 115.9 percent on payments of accruals in Health Facility Revitalization grant and payment of certified work by the DBSA, and Provincial Treasury spent R7.2 million or 111.5 percent on purchase of government vehicles.

5.1.5 Equitable share spending

Table 8: Equitable share spending as at 30 November 2015

	Budget	Actual as at November 2015	Actual spending as % of budget	Projected remainder of year	Estimated total expenditure	Variance
Education	23 371 679	15 019 069	64.3%	24 725 288	23 387 499	(15 820)
Health	13 023 734	9 393 085	72.1%	4 234 761	13 627 846	(604 112)
Social Development	1 534 567	985 385	64.2%	549 182	1 534 567	-
Public Works , Roads and Infrastructure	1 747 874	998 840	57.1%	749 034	1 747 874	-
Agriculture	1 369 664	844 963	61.7%	478 171	1 323 134	46 530
Transport	1 540 600	919 405	59.7%	520 822	1 440 227	100 373
CoGHSTA	983 450	658 325	66.9%	745 412	1 403 737	(420 287)
Sport, Arts & Culture	167 709	130 160	77.6%	37 549	167 709	-
Safety & Security	90 354	51 847	57.4%	36 147	87 994	2 360
Office of the Premier	350 072	220 515	63.0%	129 557	350 072	-
Legislature	262 688	195 350	74.4%	80 970	276 320	(13 632)
Treasury	385 180	226 821	58.9%	149 615	376 436	8 744
Economic Development	1 158 331	769 399	66.4%	378 374	1 147 773	10 558
Total	45 985 902	30 413 164	66.1%	32 814 882	46 871 188	(885 286)

Provincial equitable share spending is at R30.4 billion or 66.1 percent of the total budget of R45.9 billion. The highest percentage spending departments are Sport, Arts and Culture at 77.6 percent, Legislature 74.4 percent, and Health at 72.1 percent. However, the lowest spending departments are Provincial Treasury at 58.9 percent, Safety, Security and Liaison at 57.4 percent, and DPWRI at 57.1 percent.

Provincial Departments project to overspend by R885.3 million. The highest projected overspending is in Departments of Health by R604.1 million, CoGHSTA at R420.3 million, Education at R15.8 million and Legislature at R13.6 million.

5.2 Conditional grants

Table 9: Conditional Grants spending per department as at 30 November 2015

	Budget	Actual as at November 2015	Actual spending as % of budget	Projected remainder of year	Estimated total expenditure	Variance
Education	1 913 026	1 337 789	69.9%	575 237	1 913 026	-
Health	1 730 401	1 108 669	64.1%	828 816	1 937 485	(207 084)
Social Development	3 190	5 952	186.6%	(2 762)	3 190	-
Public Works , Roads and Infrastructure	1 001 882	656 599	65.5%	345 283	1 001 882	-
Agriculture	327 467	142 292	43.5%	185 175	327 467	-
Transport	298 298	173 800	58.3%	124 498	298 298	-
CoGHSTA	1 285 877	725 506	56.4%	560 371	1 285 877	-
Sport, Arts & Culture	177 615	90 058	50.7%	87 557	177 615	-
Safety & Security	2 078	531	25.6%	1 547	2 078	-
Economic Development	2 482	2 481	100.0%	1	2 482	-
Total	6 742 316	4 243 677	62.9%	2 705 723	6 949 400	(207 084)

The table above portrays an update on provincial Conditional Grant (CG) spending. The CGs' overall expenditure is very low at R4.2 billion or 62.9 percent of the total budget of R6.7 billion. The highest spending departments are Economic Development at R2 481 million or 100.0 percent, Social Development at R2.6 million or 82.3 percent and Education at R1.3 billion or 69.9 percent.

Only the department of Health is projecting to overspend by R207.1 million due to reduced allocation on Health Revitalization grants' committed projects.

Table 10: Limpopo Conditional Grant spending per grant as at 30 November 2015

R thousand	Main Appropriation	Provincial Actual Payments	Actual Payments as a % of main budget
Agriculture	327 467	142 292	43.5%
Comprehensive Agricultural Support Programme Grant	239 007	100 668	42.1%
Disaster (Casp Infrastructure)	22 837	6 834	29.9%
Ilima/Letsema Projects Grant	50 337	25 638	50.9%
EPWP Incentive allocation	5 285	4 181	79.1%
Land Care Programme Grant	10 001	4 971	49.7%
Sport, Arts and Culture	177 615	90 058	50.7%
Mass Sport and Recreation Programme	63 459	34 725	54.7%
EPWP Incentive allocation	2 000	1 624	81.2%
Community Library Services Grant	112 156	53 709	47.9%
Education	1 913 026	1 337 789	69.9%
HIV and Aids (Life Skills Education) Grant	30 875	15 960	51.7%
National School Nutrition Programme Grant	1 030 799	642 883	62.4%
Infrastructure Grant	735 762	600 888	81.7%
Flood damaged projects	69 366	63 606	91.7%
Maths, Science and Technology	40 979	7 177	17.5%
Social sector EPWP grant	3 095	6 486	209.6%
EPWP Incentive allocation	2 150	789	36.7%
Health	1 730 401	1 108 669	64.1%
Comprehensive HIV and Aids Grant	1 056 975	634 893	60.1%
Health Professions Training and Development Grant	118 855	78 226	65.8%
EPWP Social Sector	20 650	13 051	63.2%
EPWP Incentive grant	2 000	164	8.2%
Health insurance grant	7 204	2 914	40.4%
Hospital Revitalisation Grant	194 255	169 937	87.5%
National Tertiary Services Grant	330 462	209 484	63.4%
Co-operate Governance, Human Settlements and Traditional /	1 285 877	725 506	56.4%
Disaster : Flood Damage	34 332	3 465	10.1%
Integrated Housing & Human Settlements Development Grant	1 249 545	721 747	57.8%
EPWP Incentive allocation	2 000	294	14.7%
Public Works	1 001 882	656 599	65.5%
Infrastructure Grant	994 762	651 439	65.5%
EPWP incentive grant	7 120	5 160	72.5%
Economic Development	2 482	2 481	100.0%
EPWP Incentive grant	2 482	2 481	100.0%
Social Develoment	3 190	2 952	92.5%
EPWP Incentive grant	3 190	2 952	92.5%
Safety, Security and Liaison	2 078	531	25.6%
EPWP Incentive grant	2 078	531	25.6%
Transport	298 298	173 800	58.3%
Public Transport Operations Grant	298 298	173 800	58.3%
Total	6 742 316	4 240 677	62.9%

5.2.1 Agriculture

The department has spent R142.3 million or 43.5 percent of the total budget of R327.5 million. The breakdown expenditure is as follows;

- **CASP** spent R100.7 million or 42.1 percent of the total budget of R239.0 million. The disaster allocation only spent R6.8 million of 29.9 percent of the allocated R22.8 million. Slow spending is due to poor planning on major projects under the grant, delayed finalization of plans and procurement processes contributed to low spending and improper management of project implementation processes, lack of skills and knowledge resulting in delays in the implementation of key mega projects. Delay in spending on Fetsa Tlala due to the drought.
- **Letsema** spent R25.6 million or 50.9 percent of the total budget of R50.3 million. The under-spending is due to late delivery of production inputs and late submission of invoices by service providers. Drought has slowed down procurement as well as expiry of contract for seeds and seedlings.
- **Land Care** spent R4.9 million or 49.7 percent of the total budget of R10.0 million due to late start in implementing Ga-Kgatla Project. The slow spending on farming supplies is as a result of delays in delivery of fencing materials.
- **EPWP** spent R4.2 million or 79.1 percent of the total allocated budget of R5.3 million which is in accordance with the business plan.

5.2.2 Sport, Arts and Culture.

The department recorded and overall CGs' expenditure of R90.0 million or 50.7 percent.

- **Community Library Services** spent R53.7 million or 47.9 percent of the total budget of R112.1 million. Slow spending is due to late filling of vacant funded library grant positions. However, posts are filled during the second quarter of the financial year. The savings realised has been reprioritised to alleviate budget pressures in Goods and services for the same programme.
- **Mass Sport** spent R34.7 million or 54.7 percent of the budget of R63.4 million. Slow spending is due to the resignation of sport coordinators and delay in filling of Managers position for Competitive sport and Limpopo Sport Academy. The post of Limpopo Academy Manager is going through the evaluation processes. Late receipt of invoices for security services and electricity for community libraries contributed as well.
- **EPWP** spent R1.6 million or 81.2 percent.

5.2.3 Education

Overall spending by the department is at R1.3 billion or 69.9 percent of the total budget of R1.9 billion.

- **HIV and AIDS** spent R15.9 million or 51.7 percent of the total budget of R30.8 million due to delay in filling vacant funded posts. 2066 bed screens to the value of R3.9

million are being delivered. Invoice for LTSM amounting to R5.0 million has been submitted for payment. Most training programmes have been suspended due to examinations and shall resume in December before the schools close.

- **National School Nutrition Programme** spent R642.9 million or 62.4 percent. Payment is made after the service has been rendered. New tender has been advertised and the spending will improve later in the year.
- **Infrastructure grant** spent R600.9 million or 81.7 percent in line with approved business plans.
- **Flood damaged Infrastructure allocation** spent R63.6 million or 91.7 percent of the total budget of R69.3 million due to backlogs from the previous years.
- **Math, Science and Technology** is very low at R7.2 million or 17.5 percent of the total budget of R40.9 million. The tender to procure Maths and Science kits is at the evaluation phase. The following training programmes have been offered to educators: Technical Mathematics; Technical Science; Mechanical Technology; and Electrical Technology. The procurement of laptops, Maths and Science kit to the value of R20 million and R2 million respectively is still underway.
- **EPWP (Social sector)** spent R6.5 million or 209.6 percent. The grant is overspending due to incorrect postings which are being investigated. Districts have completed appointing beneficiaries and stipend is paid on a monthly basis.
- **EPWP (Incentive allocation)** spending is low at R0.789 million or 36.7 percent. The program has identified 102 beneficiaries who are paid monthly stipend. The department had challenges in finalizing the business plan. Grant spending is expected to improve by the end of third quarter.

5.2.4 Health

The overall spending on CG is R1.1 billion or 64.1 percent of the total budget of R1.7 billion.

- **HIV and Aids** spent R634.9 million or 60.1 percent of the total budget of R1.0 billion. Slow spending is due to delayed implementation of scheduled training programmes and delivery of male condoms to the value of R11.3 million by supplier. Purchase orders for male and female condoms amounting to R27 million was issued in October 2015.
- **HPTD** spent R78.2 million or 65.8 percent of the total budget of R118.8 million. The over expenditure is due to payments of bursaries that are always done at the beginning of the financial year and high intake of orthopedic trauma patients.
- **EPWP (Social sector)** spent R13.0 million or 63.2 percent. Spending is in line with the approved business plan.
- **EPWP (Incentive grant)** spent R0.164 million or 8.2 percent of the total budget of R2.0 million. The under spending is due to late submission of the annual plan to Public Works Department which impacted on timeous appointment of contract workers.
- **Hospital Revitalization grant** spent R169.9 million or 87.5 percent of the allocated budget of R194.2 million. The department started 2015/16 financial year with a drastically reduced budget of R194 million with accruals to the value of R25 million.

- **National Tertiary Services** spent R209.5 million or 63.4 percent of the total budget of R330.5 million. The under spending is due to delay in delivery of CT SIM to the value of R7.5 million, Crip intensive unit, 3 theater tables, Video endoscope and other medical equipment's to the value of R11.7 million.

5.2.5 CoGHSTA

In overall, the department spent R725.5 million or 56.4 percent of the total budget of R1.3 billion. Low spending is mainly due to poor performance by contractors, delay in delivery of materials, as well as relocation and replacement of beneficiaries.

5.2.6 Public Works, Roads and Infrastructure

The department's overall expenditure is at R656.5 million or 65.5 percent of the total allocated budget of R1.0 billion.

- **Infrastructure grant** spent R651.4 million or 65.5 percent of the budget of R994.8 million. Road Agency Limpopo (RAL) projects are still in the early construction stages and newly transferred are at the procurement stages. The department has transferred 16 projects to DBSA with a budget of R200.0 million of which the contractors were only appointed in July 2015 and are now on site. The spending will improve by the end of third quarter. The department has also revised its plans and will be transferring one project to the value of R34 million to RAL for implementation.
- **EPWP incentive grant** performed well at R5.2 million or 72.5 percent of the total budget of R7.1 million.

5.2.7 LEDET

The department spent 100.0 percent of the total allocated budget of R 2.5 million of its EPWP Incentive allocation.

5.2.8 Transport

The department spent R173.8 million or 58.3 percent of the budget of R298.3 million on PTOG. The spending is in line with the terms of the contract.

5.2.9 5.3.9. Safety, Security and Liaison

The department spent R0.531 million or 25.6 percent of the EPWP Incentive allocation of R2.1million. The delay in spending was due to the fact that the grant was initially registered under social sector instead of environment sector and this has since been corrected.

5.2.10 Social Development.

The department has spent R2.9 million or 92.5 percent of the EPWP Social sector budget of R3.2 million.

6. Provincial Own Revenue

Table 11: Provincial Own Revenue collection per vote as at 30 November 2015

REVENUE COLLECTION AS AT 30 NOVEMBER 2015											
Departments (Votes)	Main appropriation	Projections to November 2015	Projections as % of budget	Actual to November 2015	Actual collection as % of the budget	Projected remainder of the year	Estimated total revenue	Over / Under Collection	Previous yr Budget 2014/15	Previous yr Actual to November 2014	Actual collection as % of the budget
Office of the Premier	662	449	67.8%	1 049	158.5%	274	1 323	600	658	473	71.9%
Provincial Legislature	156	123	78.8%	220	141.1%	105	325	97	249	139	55.8%
Education	50 291	33 223	66.1%	31 938	63.5%	17 068	49 006	-1 285	50 704	26 920	53.1%
Agriculture	7 108	5 276	74.2%	6 095	85.7%	1 884	7 979	819	8 497	4 344	51.1%
Provincial Treasury	151 781	95 535	62.9%	193 187	127.3%	56 246	249 433	97 652	143 731	194 791	135.5%
Economic Development	131 737	88 255	67.0%	81 949	62.2%	50 361	132 310	-6 306	84 825	95 935	113.1%
Health	150 131	86 923	57.9%	89 756	59.8%	60 375	150 131	2 833	135 572	86 509	63.8%
Transport	423 666	254 174	60.0%	268 389	63.3%	155 277	423 666	14 215	402 208	279 444	69.5%
Public Works	54 599	36 580	67.0%	144 874	265.3%	18 018	162 892	108 294	35 698	18 686	52.3%
Safety & Security	84	55	65.5%	202	240.5%	29	231	147	77	139	180.5%
Co-operative Governance	2 663	1 126	42.3%	4 743	178.1%	864	5 607	3 617	2 925	2 498	85.4%
Social Development	2 867	1 698	59.2%	1 857	64.8%	1 714	3 571	159	2 637	3 951	149.8%
Sport, Arts & Culture	962	271	28.2%	299	31.0%	666	965	28	921	1 282	139.2%
Total provincial receipts	976 707	603 688	61.8%	824 557	84.4%	362 881	1 187 439	220 869	868 702	715 111	82.3%

Original Provincial own revenue target for 2015/16 is R976.7 million. As at 30 November 2015 provincial own revenue collection is R824.6 million or 84.4 percent more than a projection of R603.7 million or 61.8 percent. The overall over collection is R220.9 million, which is mainly contributed by Treasury and Public Works, Roads & Infrastructure due to more interests earned on bank balances and surrender of accumulated surpluses from Road Agency Limpopo (RAL). The collection is higher than that of the previous corresponding period of R715.1 million or 82.3 percent.

6.1 Provincial Own Revenue Collection per Vote

Eleven (11) Departments collected above their set monthly projections.

6.1.1 Office of the Premier (Target R0.662 Million)

The office collected R1.0 million or 158.5 percent as compared to projections of R0.449 million or 67.8 percent. The over collection of R0.600 million is due to a once off payment received in settlement of an inter-departmental debt from the previous year as well as proceeds received on sale of capital assets.

6.1.2 Provincial Legislature (Target R0.156 Million)

The Department collected R0.220 million or 141.1 percent as compared to projections of R0.123 million or 78.8 percent. The over collection is due to recovery of debts from the previous years and sale of tender documents which has already collected above the main budget.

6.1.3 Agriculture (Target R7.1 Million)

The Department collected R6.0 million or 85.7 percent as compared to projections of R5.3 million or 74.2 percent. Over collection of R0.819 million is due to more proceeds received on sale of capital assets (livestock) conducted in all the research stations.

6.1.4 Provincial Treasury (Target R151.7 Million)

The Department collected R193.1 million or 127.3 percent as compared to projections of R95.5 million or 62.9 percent. The over collection of R143.7 million is due to more interest received on positive bank balances.

6.1.5 Health Target (R150.1 Million)

The Department has collected R89.7 million or 59.8 percent as compared to the projected amount of R86.9 million or 57.9 percent. The over collection of R2.8 million is due to recovery of debts from the previous years. The department has appointed a RAF debt collector as part of the implementation of the Revenue Enhancement projects and this is yielding positive results.

6.1.6 Transport (Target R423.6 Million)

The Department collected R268.3 million or 63.3 percent against set projections of R254.1 million or 60.0 percent. The over collection of R14.2 million is mainly due to improved collection on motor vehicle licences. The appointment of SAPO to collect revenue for registration of motor vehicles licences and the construction of multipurpose centres through the Revenue Enhancement Strategy is yielding positive results. Receipts to the value of R4.2 million remain un-captured as a result of poor response of BAS; however, the department has arranged extra working hours for officials to clear the backlog.

6.1.7 Public Works, Roads and Infrastructure (Target R54.6 Million)

The Department collected R144.8 million or 265.3 percent as compared to projections of R36.5 million or 67.0 percent. The over collection of R108.2 million is due to the transfer of unspent funds / accumulated surpluses from the Public Entity (RAL) relating to previous financial year.

6.1.8 Safety, Security & Liaison (Target R0.084 Million)

The Department collected R0.202 million or 240.5 percent compared to projections of R0.055 million or 65.5 percent. The over collection of R0.147 million is mainly due to sale of capital assets which was not planned for the current financial year.

6.1.9 Co-operative Governance (Target R2.7 Million)

Collection as at 30 November 2015 is R4.7 million or 178.1 percent as compared to set projection of R1.1 million or 42.3 percent. The over collection of R3.6 million is mainly due to

a once off surrender of funds by Bela-bela Municipality through the Housing Development Agency (HDA).

6.1.10 Social Development (Target R2.9 Million)

The Department collected R1.8 million or 64.8 percent against projections of R1.6 million or 59.2 percent. The over collection of R0.159 million is mainly due to sale of tender documents and more proceeds on sale of scraps.

6.1.11 Sports, Arts & Culture (R0.962 Million)

The Department collected R0.299 million or 31.0 percent against set projections of R0.271 million or 28.2 percent. The over-collection is mainly due to sale of tender documents which is budgeted for R0.020 million and has already collected R0.075 million.

Two (2) Departments have collected below their set projections

6.1.12 Education (Target R50.3 Million)

The Department collected R31.9 million or 63.5 percent as compared to projections of R33.2 million or 66.1 percent. Under collection is mainly caused by poor performance of commission on insurance due to staff turnover and less collection on sale of tender documents. The collection will improve once the department accounts for revenue collected from the former Colleges.

6.1.13 Economic Development, Environment & Tourism (Target R131.7 Million)

The Department has collected R81.9 million or 62.2 percent against projections of R88.2 million or 67.0 percent. Under collection is due to non-transfer of revenue amounting to R7.0 million from the Limpopo Gambling Board and Limpopo Tourism Agency.

6.2 Provincial Own Revenue per Economic Classification

Table 12: Provincial Own Revenue collection per economic classification as at 30 November 2015

Items (Revenue Sources)	Main appropriation	Projections to November 2015	Projections as % of budget	Actual to November 2015	Actual collection as % of the budget	Projected remainder of the year	Estimated total revenue	Over / Under Collection	Previous yr Budget 2014/15	Previous yr Actual to November 2014	Actual collection as % of the budget
Tax receipts	400 885	243 134	60.6%	259 998	64.9%	143 063	403 061	16 864	373 159	234 693	62.9%
Sales of goods and services other than capital assets	298 163	186 126	62.4%	154 042	51.7%	117 672	271 714	-32 084	258 144	147 199	57.0%
Transfers received from:	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	52 605	34 454	65.5%	35 480	67.4%	17 210	52 690	1 026	50 089	29 677	59.2%
Interest, dividend and rent on land	153 803	96 434	62.7%	196 293	127.6%	57 356	253 649	99 859	142 741	196 341	137.6%
Sales of capital assets	16 683	5 269	31.6%	6 592	39.5%	13 254	19 846	1 323	13 046	6 499	49.8%
Revenue financial assets	54 568	38 271	70.1%	172 154	315.5%	14 326	186 480	133 883	31 523	100 702	319.5%
Total departmental receipts	976 707	603 688	61.8%	824 557	84.4%	362 881	1 187 439	220 869	868 702	715 111	82.3%

6.2.1 Tax receipts (Target R400.9 million)

An amount of R259.9 million or 64.9 percent has been collected against projections of R243.1 million or 60.6 percent. Over collection of R 16.8 million is mainly due to improved motor vehicle licenses by Department of Transport, where more motor vehicles licenses were renewed than projected. This is due to the appointment of SAPO and the construction of multipurpose centres to collect revenue for motor vehicles licenses.

6.2.2 Sale of goods & services non capital assets (Target R298.1 million)

As at 30 November 2015 collection is R154.0 million or 51.7 percent against projections of R186.1 million or 62.4 percent. Under collection of R32.0 million is mainly because of poor collection of rentals by Public Works as well as poor collection of patients fees by Health.

6.2.3 Fines, penalties and forfeits (Target R52.6 million)

Fines, penalties and forfeits collected R35.4 million or 67.4 percent against projections of R34.4 million or 65.5 percent. Over collection of R1.0 million is from the Limpopo Economic Development, Environment and Tourism for more fines issued on non-compliance through the implementation of the National Environment Management Act (NEMA).

6.2.4 Interest, dividend and rent on land (Target R153.8 million)

Collection as at 30 November 2015 is R196.2 million or 127.6 percent against set projections of R96.4 million or 62.7 percent. Over collection of R99.8 million is due to more interest earned on bank balances by Provincial Treasury.

6.2.5 Sale of capital assets (Target R16.7 million)

As at 30 November 2015 there is collection of R6.9 million or 39.5 percent against projections of R5.2 million or 31.6 percent. The over collection of R1.3 million is primarily due to proceeds received on auction of capital assets by the department of Education and Agriculture.

6.2.6 Financial transactions in assets and liabilities (Target R54.6 million)

The item collected R172.1 million or 315.5 percent against projections of R38.2 million or 70.1 percent. The over collection of R133.8 million is mainly due to the surrender of accumulated surpluses by Economic Development and Public Works as well as the recovery of patient fees debts by Health.

7. Provincial Infrastructure Performance

7.1 Infrastructure Expenditure performances as 30 November 2015

Table 13: Provincial Infrastructure Budget and Expenditure Comparisons over three Financial Years (2013/14, 2014/15 and 2015/16) as at 30 November.

Department	Budget (R'000)			Expenditure (R'000)			% Expenditure		
	2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	2013/14	2014/15	2015/16
Education	997 599	1 098 625	805 128	526 659	821 013	664 494	53%	75%	83%
Agriculture	187 558	226 244	185 940	74 313	61 094	70 029	40%	27%	38%
LEDET	63 102	63 273	62 749	2 646	47 981	35 074	4%	76%	56%
Health	641 095	593 747	324 626	236 315	163 568	488 409	37%	28%	150%
Public Works, Roads & Infrastructure	59 765	59 439	2 171 423	15 187	13 440	950 830	25%	23%	44%
Transport*	2 416 948	1 769 577	89 304	840 697	1 096 534	2 584	35%	62%	3%
CoGHSTA	1 327 742	1 219 115	1 285 877	194 541	209 127	725 695	15%	17%	56%
Social Development	80 639	59 912	63 866	41 568	11 690	12 002	52%	20%	19%
Sport, Arts & Culture	30 283	26 000	43 000	6 001	5 147	11 953	20%	20%	28%
TOTAL	5 804 731	5 115 932	5 031 913	1 937 927	2 429 594	2 961 070	33%	47%	59%
Percentage									
Education	17%	21%	16%	27%	34%	22%			
Agriculture	3%	4%	4%	4%	3%	2%			
LEDET	1%	1%	1%	0%	2%	1%			
Health	11%	12%	6%	12%	7%	16%			
Public Works, Roads & Infrastructure	1%	1%	43%	1%	1%	32%			
Transport	42%	35%	2%	43%	45%	0%			
CoGHSTA	23%	24%	26%	10%	9%	25%			
Social Development	1%	1%	1%	2%	0%	0%			
Sport, Arts & Culture	1%	1%	1%	0%	0%	0%			
TOTAL	100%	100%	100%	100%	100%	100%			

The overall infrastructure budget amounts to R5.03 billion. The Provincial Infrastructure expenditure recorded an amount of R 2. 9 billion or 50.0 percent against projections of R 3. 3 billion or 66.0 percent. The total expenditure for the month of November 2015 is R 506.0 million, representing 10.0 percent of the total provincial infrastructure budget and an increase of 10.0 percent from the previous month (October 2015).

The Provincial Infrastructure Budget is primarily funded by Conditional Grants, representing 80.0 percent of the entire budget. The slow spending impacts on the Provincial Infrastructure Budget and service delivery.

All departments have recorded low expenditure as at 30 November 2015, except for Health, which had over spent at 150.0 percent and Education at 83.0 percent, which is above the norm by 84.0 percent and 17.0 percent, respectively. The projects being implemented for the current financial year are at different stages.

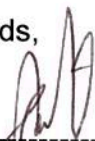
The departments of Education and Health project to overspend their infrastructure budgets by R 370 million or 46.0 percent and R 271 million or 83.0 percent, respectively.

8. Conclusion

The overall provincial spending as at 30 November 2015 amounts to R34.6 billion or 65.7 percent of the total budget of R52.7 billion. Of the R34.6 billion total expenditure, R30.4 billion is on equitable share and R4.2 billion on Conditional grant. As at 30 November 2015 provincial own revenue collection is R824.6 million or 84.4 percent more than a projection of R603.7 million or 61.8 percent. The overall over collection is R220.9 million, which is mainly contributed by Provincial Treasury and Public Works due to more interests earned on bank balances and surrender of accumulated surpluses from RAL. The collection is higher than that of the previous corresponding period of R715.1 million or 82.3 percent.

The Provincial Infrastructure spending had improved significantly as compared to the two previous financial years.

Regards,



Gavin Pratt CA (SA)
HOD: Provincial Treasury

11/12/2015

Date