



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY



OVERVIEW OF PROVINCIAL REVENUE AND EXPENDITURE

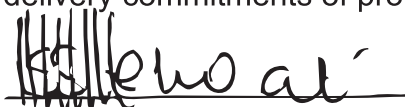
2024/2025

Foreword

The 2024/25 Estimates of Provincial Revenue and Expenditure (EPRE) overview is tabled during the difficult financial times at an international level. The South African economy is projected to slow down due to the geo economic factors that are affecting the economy of the country to perform optimally. These factors range from consistent constraints in electricity supply, war in the Middle East, rising debt servicing costs and low revenue collection nationally. The economy is not growing at a level that enables the country to cover all the developmental needs and this puts pressure on the National fiscus as funds must be re-directed to amongst others the electricity crisis in the country and funding of core services.

South African economy has been resilient to the global shocks, as the country's economy is faced with various challenges among others mainly being energy crises and logistical constraints. During his 2024 State of Nation Address (SONA), The President outlined possible solutions to these challenges. In terms of electricity, in the previous year the President established the Ministry of Electricity to deal with electricity outages. The Minister of Finance during the 2024 National Budget speech has projected annual GDP growth for 2023 at 0.6 percent increasing to 1.3 percent in 2024. The National Treasury projection shows an increasing trend going to 2025 and 2026 as the growth rate is projected at 1.6 percent and 1.8 percent respectively. Primarily the growth projections for the country will be driven by achieving sustainable energy supplies and fixing the freight and ports challenges encountered currently. These challenges mentioned above also affect Limpopo and dampened its economic growth prospects. Limpopo economy remains sensitive to local and global shocks but has proved over time to be resilient.

The Limpopo province budget overview is an integral part of the annual budgeting process that sets out planned provincial government spending over the next 3 years as well as providing a comprehensive account of priorities, spending plans and service delivery commitments of provincial departments and their public entities.



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DATE

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LIST OF ABRIVIATIONS

AfCFTA	African Continental Free Trade Area
AG	Auditor-General
BAS	Basic Accounting System
B-BBEE	Broad Based black economic Empowerment
BFI	Budget Facility for Infrastructure
COP28	28th Climate change Conference
CPI	Consumer Price Inflation
DBE	Department of Basic Education
DDM	District Development Model
EA	Economically Active
ECD	Early Childhood Development
EMEA	Emerging Market and Emerging Asia
EPRE	Estimates of Provincial Revenue and Expenditure
EPWP	Extended Public Works Programme
ERRP	Economic Reconstruction and Recovery Plan
EU	European Union
FMD	Foot and Mouth Disease
GDP	Gross Domestic Product
GNI	Gross National Income
HDI	Human Development Index
HoD	Head of Department
IDMS	Infrastructure Delivery Management System
ICT	Information and Communication Technology
IGR	Inter-Governmental Relations
IP	Integrated Planning
IMF	International Monetary Fund
LDARD	Limpopo Department of Agriculture and Rural Development
LDP	Limpopo Development Plan
LIBRA	Limpopo Business Registration Act
LITS	Livestock Identification and Traceability System
LP	Limpopo Province
LPT	Limpopo Provincial Treasury
MEC	Member of Executive Council
M&E	Monitoring and Evaluation
MOU	Memorandum of Understanding
MPC	Monetary Policy Committee
MTBPS	Medium Term Budget Policy Statement
MTEC's	Medium Term Expenditure Committee Hearings
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NCPC	National Cleaner Production Centre
NEDP	National Exporters Development Programme
NEA	Not Economically Active
NEET	Not in Education, Employment or Training
NDP	National Development Plan
NICD	National Institute for Communicable Disease
NSC	National Senior Certificate
NSNP	National School Nutrition Programme
NWU	North West University

LIBRA	Limpopo Business Registration Act
LITS	Livestock Identification and Traceability System
LPT	Limpopo Provincial Treasury
OTP	Office of the Premier
PFMA	Public Finance Management Act
PWC	Price Waterhouse Coopers
Q	Quarter
Q on Q	Quarter on Quarter
QLFS	Quarterly Labour Force Survey
RSA	Republic of South Africa
SA	South African
SANAS	South African National Accreditation System
SARB	South African Reserve Bank
SDG	Sustainable Development Goals
SEZ	Special Economic Zones
SONA	State of the Nation Address
SR	Spending Reviews
SRD	Social Relief of Distress Grant
StatsSA	Statistics South Africa
UNDP	United Nations Development Programme
USA	United States of America
WEO	World Economic Outlook
ZBB	Zero-Based-Budgeting

1 CHAPTER 1: ECONOMIC OVERVIEW

1.1 Introduction

South Africa belongs and subscribes to the international community, hence developments in terms of global shocks continue to have both positive and negative effects on the South African economy. The global economy is recovering from the Russia-Ukraine war which affected supply of goods and has led to increases in inflation.

South African economy has been resilient to the global shocks, although its economic growth projections were revised downwards by the IMF, as the country's economy is faced with various challenges among others mainly being energy crises and logistical constraints. During his 2024 State of Nation Address (SONA), The President outlined possible solutions to these crises. In terms of electricity, in the previous year the President established the Ministry of Electricity to deal with electricity outages. These challenges mentioned above also affect Limpopo and dampened its economic growth prospects. Limpopo economy remains sensitive to local and global shocks but has proved overtime to be resilient.

1.2 World Economic Outlook

Table 1: World Economic Outlook Real GDP, annual percent change

	Year over Year			
	Estimate		Projections	
	2022	2023	2024	2025
World output	3.5	3.1	3.1	3.2
Advanced Economies	2.6	1.6	1.5	1.8
United States	1.9	2.5	2.1	1.7
Euro area	3.4	0.5	0.9	1.7
Emerging Market and Developing area	4.1	4.1	4.1	4.2
Emerging and developing Asia	4.5	5.4	5.2	4.8
China	3.0	5.2	4.6	4.1
India	7.2	6.7	6.5	6.5
Sub-Saharan Africa	4.0	3.3	3.8	4.1
South Africa	1.9	0.6	1.0	1.3

Source: International Monetary Fund, WEO, January 2024

Global growth is estimated at 3.1 percent in 2023 and projected to remain at 3.1 percent in 2024 before rising modestly to 3.2 percent in 2025. However, global growth projection for 2024 and 2025 is below the historical annual average of 3.8 percent as a result of restrictive monetary policies and withdrawal of fiscal support. This is due to rising trade distortions as well as geo-economic fragmentations which have affected world trade growth.

Upside risks to the economic outlook continue to persist, there are risks such as:

- China economy is expected to rise faster as well as inflation expected to fall faster resulting in among others lower fuel prices.
- Governments in major economies might withdraw fiscal policy support more slowly and also countries adapting to artificial intelligence, thereby boosting worker productivity.

On the downside, risks could be spiking commodity prices for gas and oil as a result of the war and geo economic tension and the effects of climate change. On the other hand core inflation could decline slower than expected.

1.3 Climate change

Climate change has recently become a topical issue as its impacts are felt across all sectors. In the agricultural space, farmers planting schedules had to change thus tempering with food security. Various organizations across the globe have developed mitigating factors however those are not applicable similarly across all the regions given the heterogeneity of regions.

1.3.1 Environmental impact

Table 2 : Environmental indicator per province

Indicators	Province									
	WC	EC	NC	FS	KZN	NW	GP	MP	LP	RSA
Number of households using borehole water N ('000)	9	17	12	25	92	101	32	62	268	618
Number of households using wood/coal for cooking N ('000)	9	162	22	27	261	114	50	260	587	1 492
% of households whose refuse is removed by a local authority or co,	87,8	41,5	61,7	71,5	50,6	50,9	84,1	41,2	24,3	62,2
% of households who feel that they are experiencing problem with:										
Littering	27,3	40,0	44,2	55,3	29,5	31,0	29,6	46,2	23,7	32,8
Water pollution	9,5	26,8	24,2	28,0	19,6	19,8	15,9	9,6	9,3	16,8
Air pollution	11,2	20,9	24,2	24,1	11,7	31,0	17,3	22,2	9,9	17,2
Land degradation	13,7	43,2	38,8	49,9	23,7	55,5	22,5	70,6	34,9	32,8
Excessive noise pollution	14,1	10,8	17,0	22,8	9,5	14,1	19,8	10,4	8,4	14,4

Source: StatsSA, GHS (selected indicators), 2022

The general household survey of 2022 selected climate change indicators and its impact on the environment as experienced by households. There are five environmental indicators considered herein ranging from littering, water pollution, air pollution, land degradation and excessive noise pollution. In terms of household responses, 32.8 percent of households in South Africa experience littering whilst majority of them are in Free State (55.3%) with Limpopo having the lowest percentage of households experiencing littering.

About 16.8 percent of South African households experience water pollution, again Free State being the highest and Limpopo being the lowest in terms of experiencing water pollution. In terms of air pollution 17.2 percent of South African households experienced air pollution with North West province being the highest (31.0%). The fourth indicator which is land degradation has direct effect on food production, and 32.8 percent of households in South Africa have experienced land degradation, majority of whom are in Mpumalanga (70.6%) and Limpopo being the 3rd lowest province (34.9%) experiencing land degradation. Lastly, Excessive noise pollution is encountered by only 14.4 percent of South African households.

1.3.2 COP 28

COP 28 stands for the 28th Conference of the Parties to the United Nations Framework Convention on Climate Change. During the 2023 annual climate COP, delegates from nearly every country on earth negotiated global goals for tackling climate change, presented their individual countries plans for contributing to those goals, and reported progress.

Emanating from this, there is a tremendous opportunity to advance the critical role nature plays in combating climate change and implementing the Paris Agreement. As countries work to update and align their climate plans, there is on-going negotiations with government and business leaders, pushing for greater ambition to phase out fossil fuels, build more resilience into societies, and invest more in both mitigation and adaption efforts.

In order to accomplish these goals, there has been advocacy for both swifter transition to renewable energy source and more use of natural climate solutions, and more investment from both the public and private sectors, especially to help those countries that have been mostly affected by the impacts of climate change. There is ongoing work towards ensuring that indigenous and local community voices are heard, as these are the people who know best how to work with nature in their communities.

1.3.3 Cop 28 priorities

a) Transitioning to Clean Energy

Fast tracking the energy transition and slashing emissions before 2030 to limit global warming to 1.5° C (2.7° F) above pre-industrial levels.

b) Centering nature, people, lives & livelihoods

Put nature, people, lives and livelihoods at the heart of climate action, including helping the most vulnerable communities adapt to the change that's already occurring.

c) Delivering on finance

Deliver old promises and set the framework for a new deal on finance. Climate finance must be affordable, available, and accessible to developing countries.

d) Mobilizing inclusivity

Mobilize the most inclusive COP ever, ensuring that decisions and discussions, and how the solutions are implemented, are truly inclusive and done in collaboration with indigenous peoples and local communities.

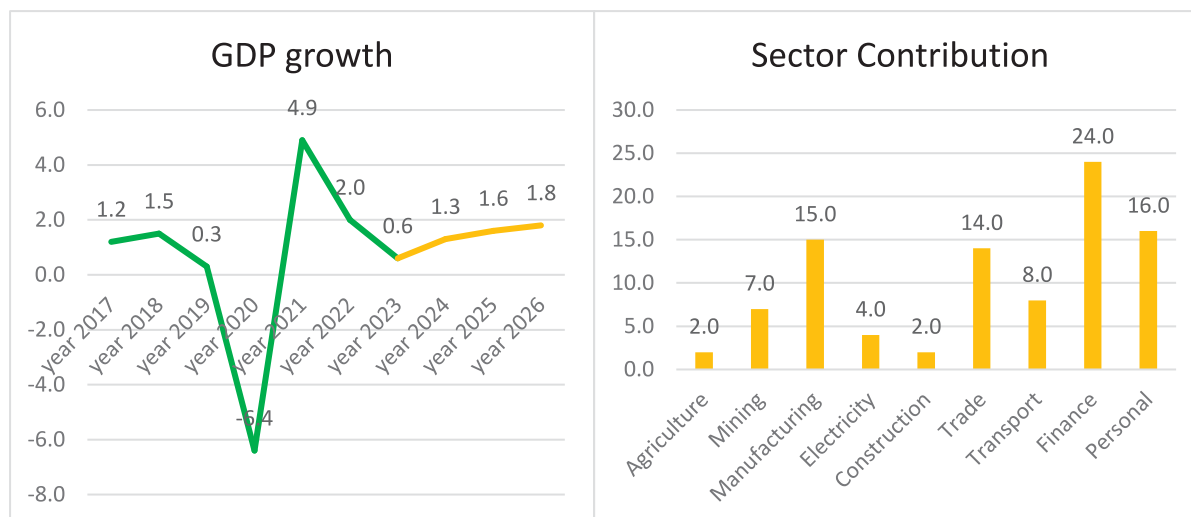
As a global Society, we are required to:

1. **Phase out fossil fuels** - acceleration of the equitable phase-out of fossil fuels to achieve net zero by 2050 or sooner.
2. **Build climate-resilient societies** - empower groups who steward nature to secure their homes, livelihoods and futures.
3. **Invest in climate solutions**- inspire commitments and investments in nature positive project, policies and practices.

1.4 SA Annual GDP Growth

The South African economy is faced with various challenges amongst others being the electricity and logistical supply crisis. The domestic economic growth in the near term is likely to remain muted due to these challenges as they are constraining the country's growth potential.

Figure 1: Annual growth in GDP at constant 2015 prices (measured by production)



Source: StatsSA, GDP, 2023, National Treasury forecasting, 2024

South Africa’s economy grew by 2.0 percent in 2022 which was a decline from the 4.9 percent recorded in 2021. The National Treasury during the 2024 National Budget speech has projected annual GDP growth for 2023 at 0.6 percent and an increase to 1.3 percent in 2024. The National Treasury projection shows an increasing trend going to 2025 and 2026 as growth rates are projected at 1.6 percent and 1.8 percent respectively. Primarily the growth projections for the country will be driven by achieving sustainable energy supply and fixing the freight and ports challenges encountered currently.

1.5 SA Quarterly GDP Growth

The South African economy experienced a negative growth trajectory in the third quarter of 2023, as real Gross Domestic Product (GDP) measured by production decreased by 0.2 percent, this was following two quarters of positive growth in the first and second quarter of 2023.

Figure 2: SA GDP growth in expenditure (constant 2015 prices seasonally adjusted percent change Q on Q) and industry growth SA quarterly GDP growth



Source: StatsSA, Q3 GDP, 2023

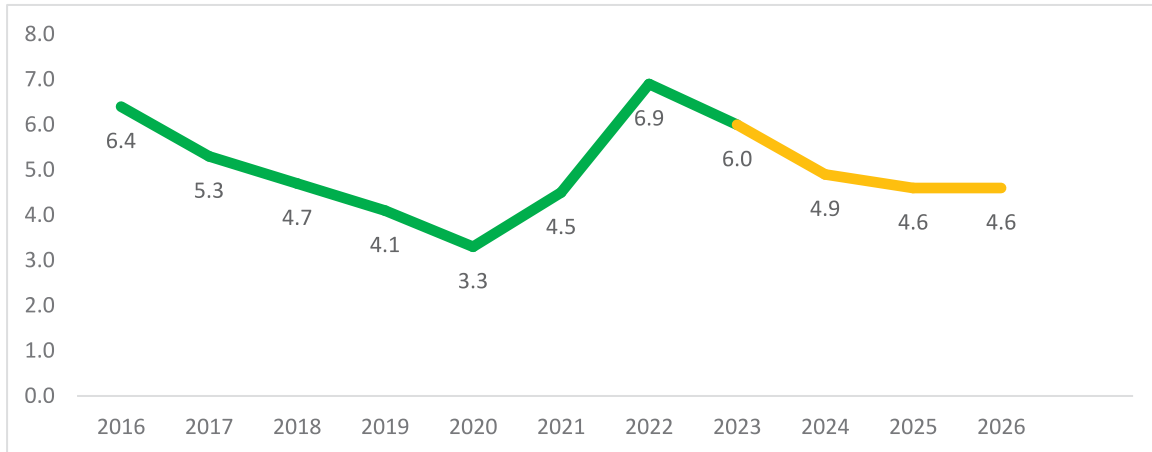
In terms of industries performance, five (5) of these industries have experienced negative growth in the second quarter of 2023 and the third quarter of 2023.

Amongst those that recorded a decline are agriculture (9.6%) thereby contributing -0.3 of a percentage point to the negative GDP growth. The manufacturing industry decreased by 1.3 percent and contributed -0.1 of a percentage point. The construction industry decreased by 2.8 percent and contributed -0.1 of a percentage point and also mining and quarrying industry decreased by 1.1 percent. Lastly trade, catering and accommodation industry decreased by 0.2 percent

1.6 Headline Consumer Price Index (CPI)

The 2023 headline CPI was declining and was recorded at 6 percent within the upper CPI limit target as set by the South African Reserve Bank (SARB). The CPI recorded its highest level of 6.9 percent in 2022, which was impacted by, amongst others, the continued rise in fuel prices in the country as influenced by the extended war between Russia and Ukraine

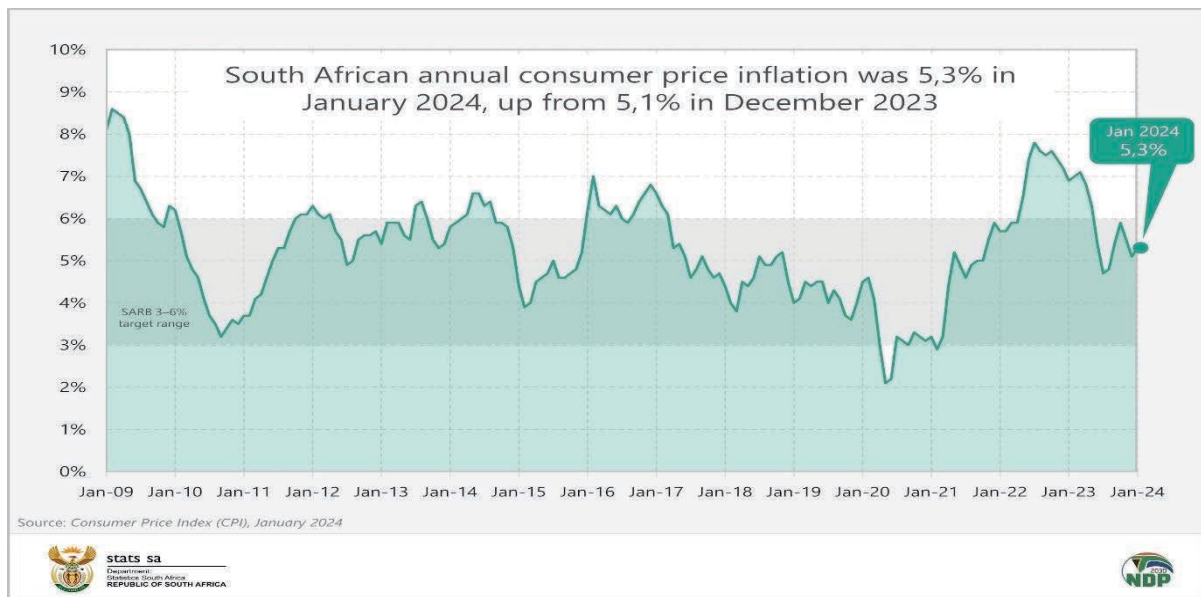
Figure 3: CPI headline year-on-year rates



Source: StatsSA CPI and National Treasury(estimates), 2024

Annual consumer price inflation was 5.3 percent in January 2024, up from 5.1 percent in December 2023.

Figure 4: SA headline Inflation



Source StatsSA, CPI 2024

South Africa's headline inflation rate has increased more gradually than in many other emerging and advanced economies. Nonetheless, South Africa's inflation rate remains sensitive to shocks. Annual consumer price inflation increased to 5.3 in January 2024 after dropping in December 2023 to 5.1 percent from 5.5 percent in November 2023 and 5.9 percent in October 2023. The 2023 average inflation rate for the year was 6,0 percent which is lower than 2022 average inflation of 6.9 percent.

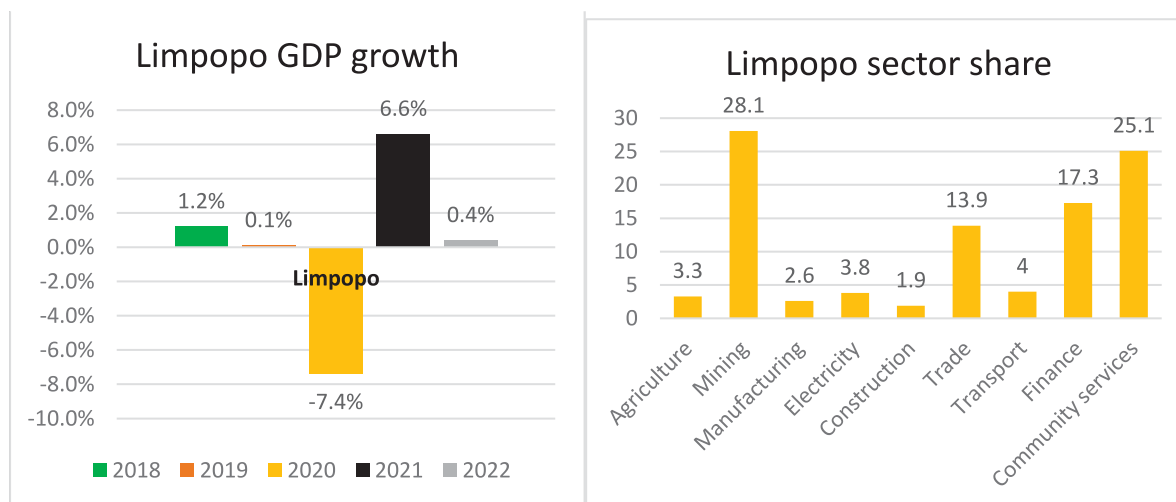
With inflation being almost close to the upper target range, there is a continuous push to maintain inflation rate within the 3 to 6 percent target range.

On the other hand the South African Reserve Bank (SARB) unanimously decided to keep its the repo rate at 8.25 percent in January 2024, as widely anticipated, thereby keeping borrowing costs at their highest since 2009. The bank highlighted the persistence of inflation risks while emphasizing a balanced evaluation of risks to medium-term growth. South Africa’s external financing needs will increase as the current account deficit expands from a forecasted 1.3 percent of GDP this year (from 2.0%), to 2.6 percent of GDP in 2024 and to 3.5 percent of GDP in 2025. In addition, the repo rate has been at 8.25 since May 2023, and may remain at this mark for the foreseeable future.

1.7 Limpopo Economic Growth

The Covid-19 pandemic, the Russia-Ukraine war as well as the continuing load shedding in the country has worsened growth prospects of the provincial economy. This necessitated the downward revision of the provincial economic growth prospects to 2.0 percent in the Limpopo Development Plan (LDP) by the Limpopo Provincial Government. The provincial economic growth has been sluggish over the recent years, growing on average below 2.0 percent since 2010 to 2019.

Figure 5: Limpopo GDP and Sector Share (Constant 2010 prices percent change year-on-year)



Source : IHS Markit- Regional Explorer,2023

The effects of the Covid-19 which led to most economies shrinking were also felt in Limpopo as the GDP growth rate decreased by 7.4 percent in 2020. As mentioned earlier, the Limpopo economy is of course sensitive to external shocks but remains resilient as is evident by the recovery in 2021 when the province recorded a positive growth rate of 6.6 percent. In 2022 the provincial growth was recorded at a positive growth of 0.4 percent which can mainly be credited to the booming mining commodity prices and exports.

During 2022, the mining sector contributed the most to the Limpopo GDP at 28.1 percent followed by community services at 25.1 percent and then finance at 17.3 percent. On the lower side, construction contributed the least to Limpopo GDP growth followed by manufacturing with 2.6 percent. Value addition strategies such as mineral beneficiation, agro-processing can significantly benefit Limpopo province in realising faster economic growth.

1.8 Limpopo Labour Force Characteristics

The labour force characteristics are published in the Statistics South Africa (StatsSA) Quarterly Labour force survey (QLFS). The survey is conducted on a quarterly basis to track closely the developments in the labor force.

Table 3: Limpopo Labour force characteristics

	Jan-Mar 2023	Apr-June 2023	Jul-Sep 2023	Oct-Dec 2023
	Thousand			
Population 15-64 yrs	3 971	3 984	3 998	4 010
Labour force	2 091	2 146	2 222	2 149
Employed	1 388	1 469	1 539	1 498
Unemployed	703	677	683	651
Not economically active	1 880	1 839	1 775	1 861
Discouraged workers	533	545	488	561
Other (not economically active)	1 347	1 294	1 287	1 300
Rates (%)				
Unemployment rate	33,6	31,6	30,8	30,3
Employed/Population ratio	35,0	36,9	38,5	37,4
Labour force participation rate	52,7	53,9	55,6	53,6

Source: StatsSA, QLFS Q4, 2024

The 2023 fourth quarter QLFS shows that there has been an increase in the working age population (i.e 15-64 years) in Limpopo province. In the first quarter there were about 3.971 million people of working age which has increase to 4.010 million people of working age in the last quarter of 2023. In terms of population employed and that looking to engage in employment, the labour force statistics shows that Limpopo has more people employed than those unemployed. In Q1 2023, there were about 1.388 million people in employment and about 700 thousand unemployed. The employed working age population increased from 2023 first quarter from 1.388 million to 1.539 million in the third quarter and then declined by 41 thousand to 1.498 million in the last quarter of 2023. The unemployed working age population declined from 703 thousand in the first quarter of 2023 to 651 thousand in the fourth quarter of 2023.

1.9 SA and Limpopo unemployment

Table 4 :SA and Limpopo unemployment (Q/Q)

	Q1:2023		Q2:2023		Q3:2023		Q4:2023	
	Official	Expanded	Official	Expanded	Official	Expanded	Official	Expanded
SA	32,9	42,4	32,6	42,1	31,9	41,2	32,1	41,1
Limpopo	33,6	48,6	31,6	47,9	30,8	45,1	30,3	46,7

Source: StatsSA, QLFS Q4, 2024

South African official unemployment rate did not differ much to that of Limpopo during 2023 on quarterly basis. In the first quarter of 2023, the Limpopo unemployment rate (33.6 percent) was slightly higher than South Africa’s unemployment rate (32.9 percent). Since then the Limpopo official unemployment has been consistently declining throughout the quarters, whilst the South Africa official unemployment only declined from first quarter to the third quarter, with a slight increase in the fourth quarter.

1.10 SA population

The recent release of 2022 Statistics South Africa Census report indicates that South Africa's population in 2022, was recorded at 62 million people with a projection of population growing up to 63 million in 2024. A country's developmental achievement relies to a larger degree on the population dynamics which assists policy makers in decision making especially around resources allocation.

Table 5 :Population per province (% change)

Population	WC	EC	NC	FS	KZN	NW	GP	MP	LP
2011									
Census	5 822 734	6 562 053	1 145 861	2 745 590	10 267 300	3 509 953	12 272 263	4 039 939	5 404 868
2022									
census	7 433 020	7 230 204	1 355 945	2 964 412	12 423 907	3 804 548	15 099 442	5 143 324	6 572 721
% change	27,7	10,2	18,4	8,0	21,0	8,4	23,1	27,4	21,6

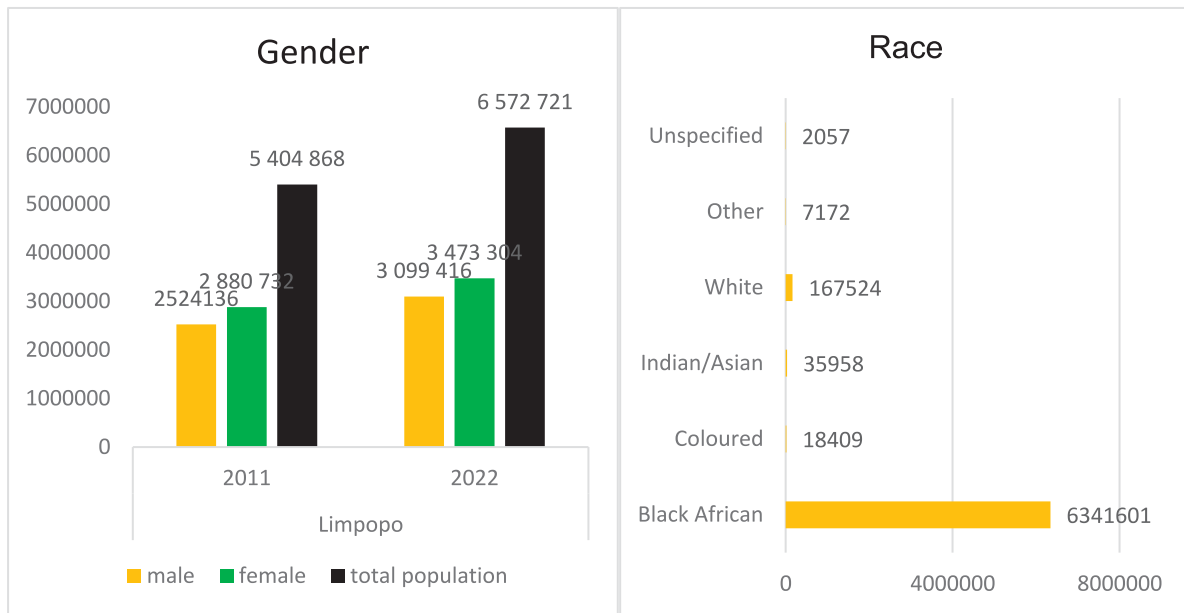
Source: StatsSA,2023

A comparison between 2011 and 2022 Census results show that all provinces have recorded an increase in population size. South Africa in 2022 had a population of 62 million whilst in 2011 the population was about 51.8 million. Furthermore, 2011 and 2022 Census results shows that all provinces have recorded an increase in population size. In both periods Gauteng had the largest population followed by Kwa-Zulu Natal. Northern Cape continues to have lowest population size despite recording a 18.4 percentage increase .

1.11 Limpopo population

Limpopo is the fifth largest populated province (6.5 million) in the country, and is also the fifth largest in terms of GDP growth, implying a possible correlation between population size and GDP growth. This implies that there was a minor effect of migration to other provinces deemed as better place to get jobs, or even more a place with improved livelihood. Limpopo province had a 21.6 percent increase in population size from 5.4 million in 2011 to 6.5 million in 2022 and accounts for 10.6 percent of South Africa's population.

Figure 6 :Limpopo population by gender (2011-2022)



Source: StatsSA, Census, 2022

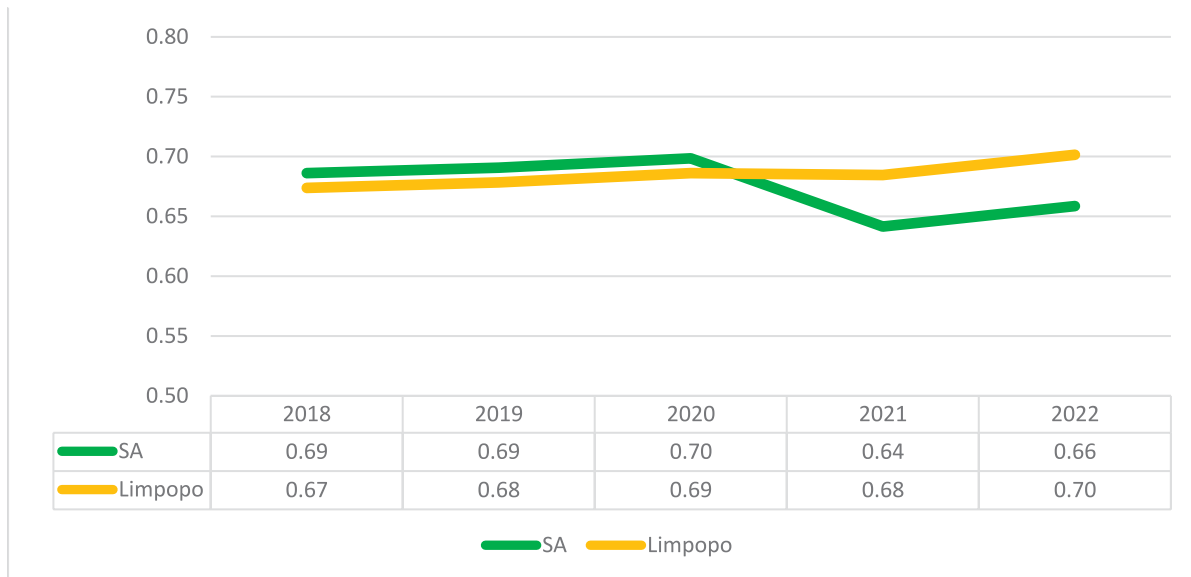
In Limpopo, women are more than men constituting 52.8 percent (3.4 million) of the population, while the population of man constitute 47.2 percent (3.1 million). Limpopo province continues to be dominated by Black Africans making up to 96.5 percent (6.3 million) of its population. Black Africans are divided into tribal groups with the main ones being Pedi, Venda and Tsonga speaking. The other population groups are quite low including the other and unspecified.

1.12 SA and Limpopo Human development index

Human development is measured through the Human Development Index (HDI) developed by the United Nations Development Programme (UNDP) which is used to measure and track development progress among countries, as it provides valuable and accurate information to policymakers to make sound and informed decisions. HDI can be defined as a composite relative index used to compare human development across population groups or regions. It is a combination of three basic dimensions of human development namely a long and healthy life, knowledge or education and a decent standard of living. The status of health is measured by means of life expectancy at birth. The status of knowledge or education is determined by measuring the levels of adult literacy and/or the enrolment in primary, secondary and tertiary schools. A

decent standard of living is typically measured using Gross National Income (GNI) per capita.

Figure 7 : SA and Limpopo Human Development Index



Source: Quantec, 2024

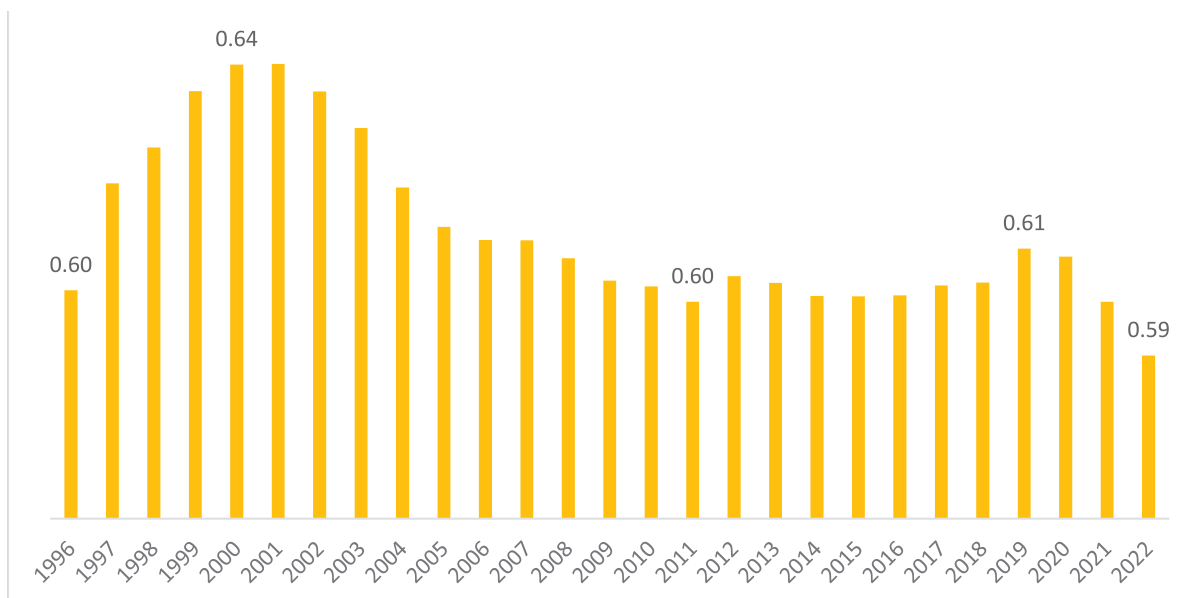
During 2018, a pre-Covid-19 pandemic era, HDI for both South Africa and Limpopo were recorded at 0.69 and 0.67 respectively. Subsequently, South Africa HDI remained the same in 2019 and later increased to 0.70 in 2020. Intuitively, when the Covid-19 effect were felt, the South Africa HDI declined in 2021 to 0.64 but in the following year managed to improve to 0.66 . Limpopo province continued to have a linear growth over the period 2018-2022 during which the HDI for Limpopo improved from 0.67 in 2018 to 0.70 in 2022..

An increase in HDI level in Limpopo indicates that the implementation of provincial policies have to a certain extent improved the health status of the population through increased access to health care services, and the education level through investment in early childhood development education and lastly improved access to economic opportunities.

1.13 SA and Limpopo inequality - Gini Coefficient

Income inequality is one of the major challenges facing South Africa and Limpopo. The Gini co-efficient is the most commonly measurement of levels of inequality, it is an index between 0 and 1 which measures the distribution of income in an economy and shows how the distribution of income differs from total equality. Total equality exists when the Gini coefficient measures zero, which means all households earn an equal income. Whereas a measure of 1 demonstrates total inequality, meaning one household earns all the income and other households earn nothing.

Figure 8 :SA and Limpopo Gini-Coefficient



Source: IHS Markit – Regional Explorer, 2023

Over the period from 2018 to 2022, South Africa’s Gini Co-efficient was around 6.8 except in 2020 where it was 0.67 indicating a decline in income inequality. South Africa has over time been trying to address the inequality ranging from provision of social grants and other job creation initiatives.

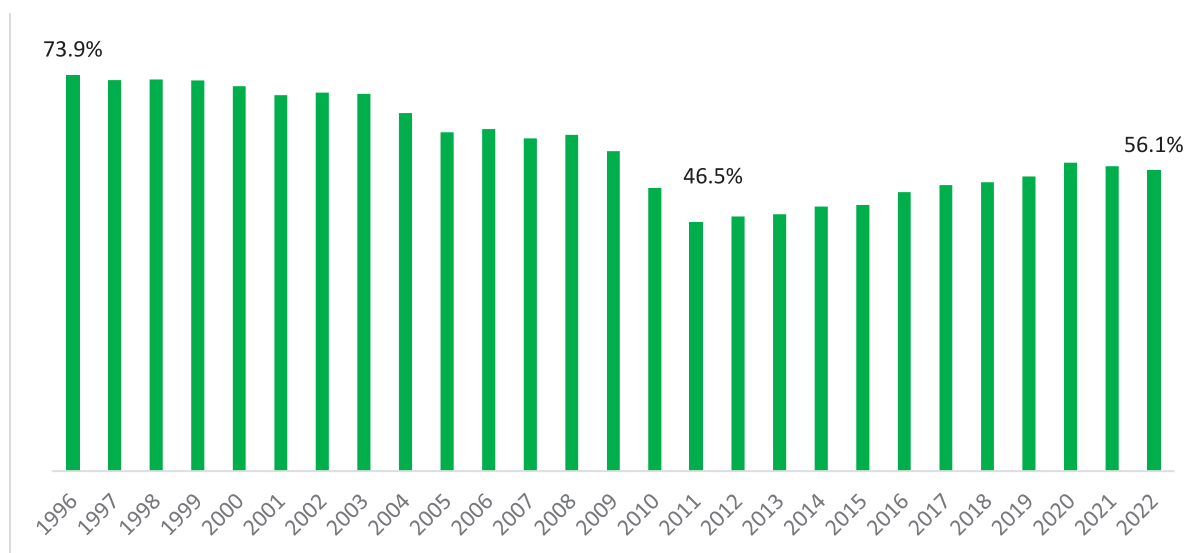
Limpopo’s Gini co-efficient in 1996 was at 0.60 and the inequality worsened and reached a peak of 0.64 in 2000 and slowly improve in subsequent years to 0.60 in 2011 but again regressed to 0.61 in 2019. The Gini co-efficient is estimated to be at an improved level of 0.59 in 2022. Despite the introduction of social and economic

development interventions that reach many poor households, inequalities in the province have been tougher to reduce and remains persistently high. The Province has set a target of 0.50 which calls for further strategies to ensure that the income inequality gap is reduced.

1.14 Limpopo poverty rate

Government’s commitment on poverty alleviation is continuous, complimented by specific income and employment programs being implemented to reduce the poverty levels such as the Expanded Public Works Programme (EPWP), Social Relief of Distress Grant (SRD) and others. People living in poverty are faced with various challenges in making ends meet on a daily basis. Poverty has been known to inhibit socio-economic development within society.

Table 6 :Share of people below the lower poverty line



Source: IHS Markit – Regional Explorer, 2023

Limpopo has recorded a decline in the percentage of people living under the lower bound poverty line by 17.8 percentage point from 73.9 percent in 1996 to 56.1 percent in 2022. The Limpopo Development Plan has set a provincial target for the percentage of people living under the lower bound poverty at 20 percent. In terms of Stats-SA National Poverty Lines, the lower-bound poverty line, is an income of R890 per person

per month, while the food and upper-bound poverty line is R624 and R1.268 per person per month respectively. Limpopo is reported to have the second highest poverty level in the country since 2016, following the Eastern Cape province.

1.15 Matric performance

Education remains a vital aspect for development, and matric achievement of individual is significant for one’s future orientation, hence passing matric is an important milestone within South Africa’s education system. South African government has had school curriculums to ensure proper education for learners and to effectively prepare them for the future. In a nutshell, those who passed matric, gain entry into institutions of higher learning and manage to graduate, are more likely to be absorbed into the labour market.

Table 7 : SA vs Limpopo matric pass Rate (2019-2023)

	SA	LP
2019	81.3	73.2
2020	76.2	68.2
2021	76.4	66.7
2022	80.1	72.1
2023	82.9	79.5

Source: Department of Basic Education, 2023

Limpopo matric pass rate results declined from 73.2 percent in 2019 to 68.2 percent in 2020, and further declined to 66.7 percent in 2021 and then increased to 72.1 percent in 2022 which is the second highest pass rate for Limpopo since 2019.

The COVID-19 pandemic had a significant negative impact on the 2021 matric learners results performance, as learners lost or missed a number of schooling days due to lockdowns, however, at the end of lockdowns, the province came up with strategies and adaptations for improving the matric pass rates. In Limpopo, the overall results matric pass rate increased from 72.1 percent 79.5 percent in 2023. Accordingly, it implies that teaching and learning methodologies have improved from the

frustrations and impediments brought by COVID-19 or it could be that things are returning to the pre pandemic norms. Limpopo in 2023, moved from being the lowest performing province in terms of matric pass rate and improved two places up from being ranked 9th to 7th position. Seemingly, there are commendable interventions by Limpopo government in improving the matric pass rate in 2023 which need to be maintained.

Table 8 :Overall Provincial performance of the 2023 Grade 12 Cohort

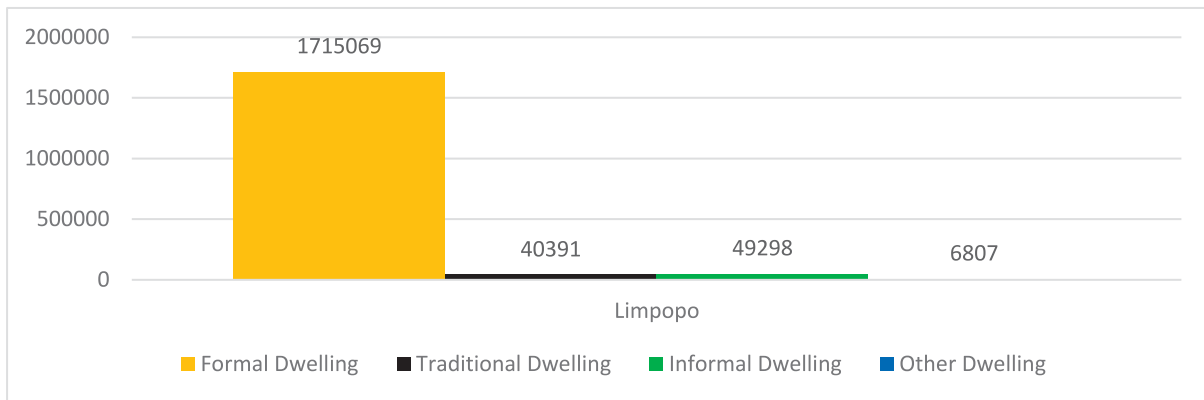
Provinces	2023			Rankings
	Total Wrote	Total Achieved	% Achieved	
Eastern Cape	95 697	77 917	81.42	6
Free State	34 451	30 673	89.03	1
Gauteng	127 697	109 030	85.38	3
Kwazulu-Natal	157 911	136 366	86.36	2
Limpopo	93 533	74 400	79.54	7
Mpumalanga	65 534	50 429	76.95	8
North West	41 418	33 808	81.63	4
Northern Cape	12 842	9 740	75.84	9
Western Cape	62 077	50 620	81.54	5
National	691 160	572 983	82.90	

Source: Department of Basic Education, 2023

1.16 Access to dwellings

Limpopo is one of the provinces still classified as an impoverished province due to a large number of poor households. In its intervention to improve the living conditions of its citizens, LPG continues to allocate significant budget to erect proper houses for the poor..

Figure 9 :Limpopo dwelling type



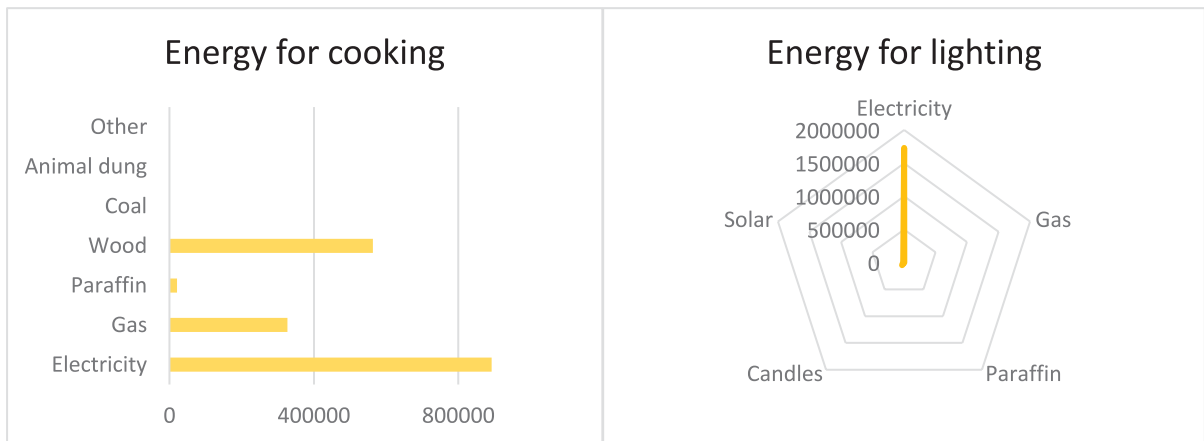
Source: StatsSA, Census, 2023

In Limpopo 1.7 million households (94.7 percent) live in a formal dwelling, followed by informal dwellings, traditional dwellings and other dwelling types..

1.17 Sources of energy

The sources of energy utilised by households differs with others being efficient and other not so. Some of the driving factors for this include the area location, income status and age factors of the household residents.

Figure 10 :Limpopo source of energy for cooking and for lighting



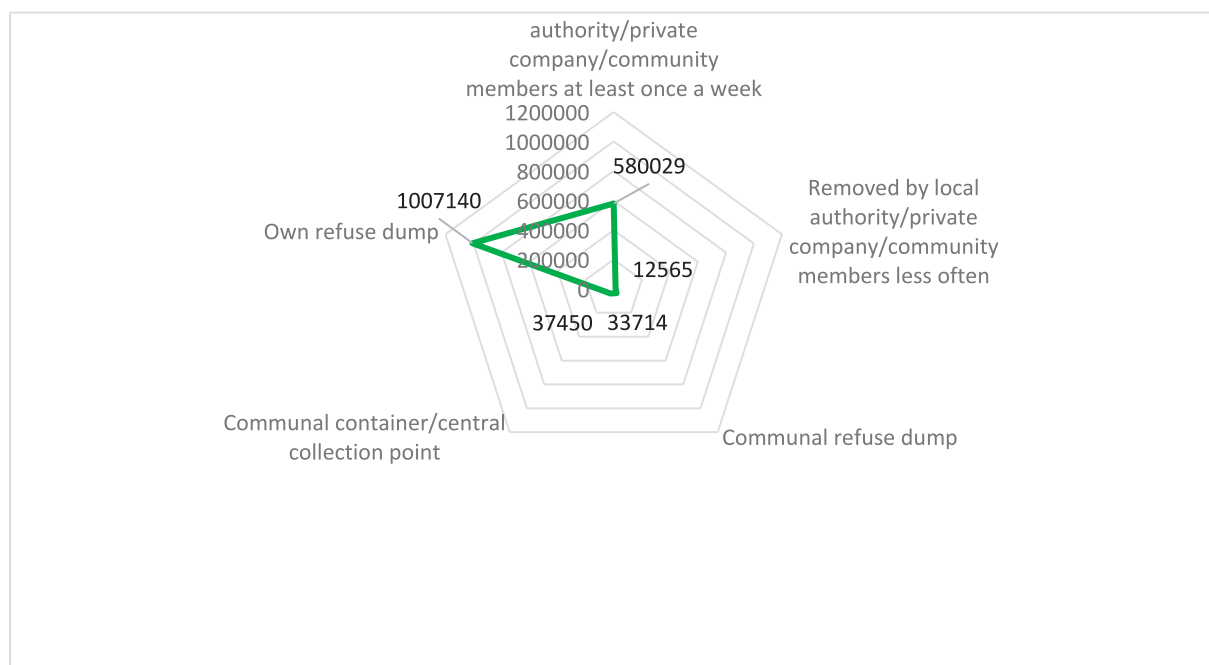
Source: StatsSA, Census, 2023

Given the convenience of electricity use most households use electricity on daily basis. Factors such as load shedding and cost of electricity shifts some people to utilize other methods for either cooking or lighting. It is worthy to note that Government is still forging ahead with provision of electricity to households not yet electrified. In terms of energy for cooking, electricity users are almost equal to non-electricity users (gas and wood) for reasons such as cost and availability. However, with regard to the source of energy for lighting, electricity is the most used source as it is used by 95.5 percent households in Limpopo. Furthermore, people can also plan in line with the load shedding schedules to conduct their day to day activities.

1.18 Refuse disposal

Given the current challenge of climate change, refuse removal becomes another factor contributing to the effects of climate change. In instances where it is difficult for households to dispose-off their refuse, government has to intervene in this regard. Although Limpopo is one of the provinces with the least effect on environmental pollution, it is prudent to come up with more effective interventions to ensure the elimination of pollution.

Figure 11 :Limpopo refuse disposal methods



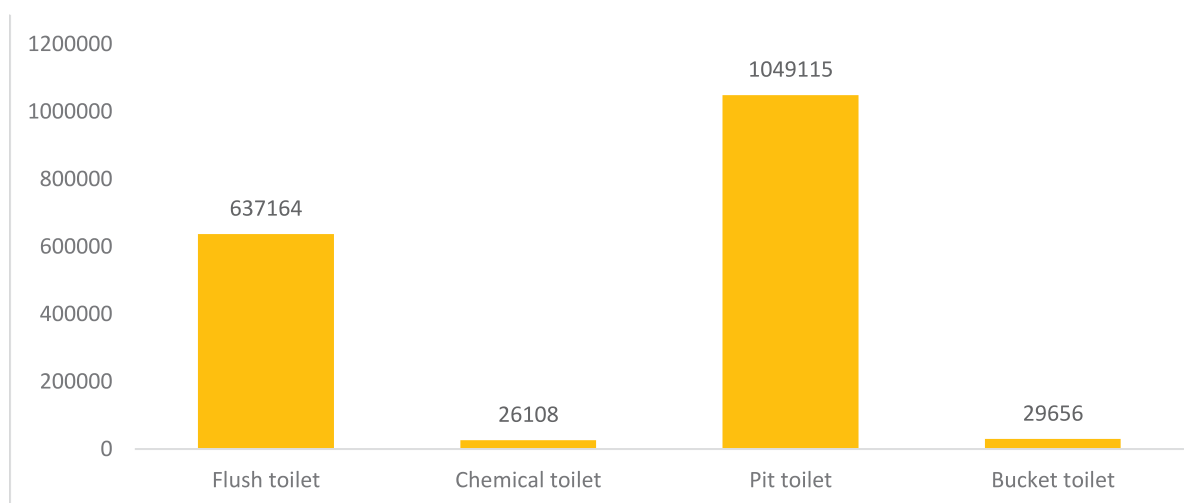
Source: StatsSA, Census, 2023

About 1 million households in Limpopo dispose refuse through own refuse dumps followed by 580 thousand households who refuse is removed by a local authority at least once a week. The issue could be the type of residence and the service fee charged to the type of refuse disposal. In urban areas it is more likely that households refuse removal is disposed by a local municipality at least once a week. 37 thousand households dump their refuse at a communal container or collection point and 33 thousand households dump their refuse at a communal refuse dump

1.19 Access to toilet facility

In South Africa, there are several types of toilet facilities utilised. There are four recognised toilet facilities namely flush toilet, chemical toilet, pit toilet and bucket toilet. As part of achieving developmental goals, government aims to eliminate the use of the latter three types of toilets and improve the number of households using flush toilets.

Figure 12 :Access to toilet facility



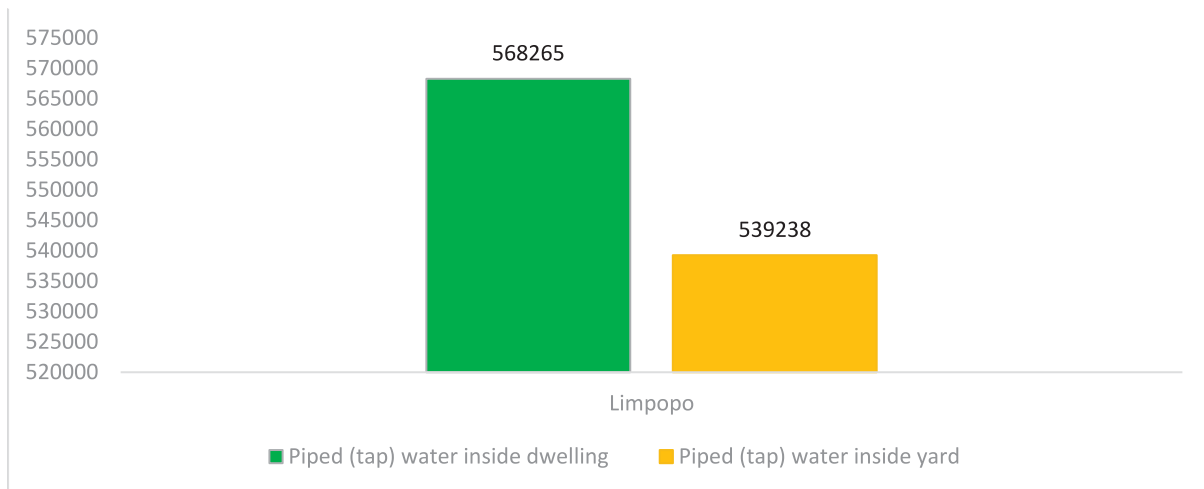
Source: StatsSA, Census, 2023

About one million households (58 percent) still use pit toilets, whilst only 737 thousand households (20 percent) use flush toilets. The use of pit , chemical and bucket tpilets are not safe or acceptable and hence the need to move to flush toilets. The move to flush toilets is dependent on water resources being available.

1.20 Access to pipe water

Proper access to water remains key to daily livelihoods and survival and such water ought to be of good quality. In a rural set-up with rivers and wells, serving as temporary access points for water, water sourced there are used for other reasons apart from drinking and may create health hazards. Limpopo government has consistently and persistently focussed on providing its residents with quality water sources.

Figure 13 :Limpopo access to water



Source: StatsSA, Census, 2023

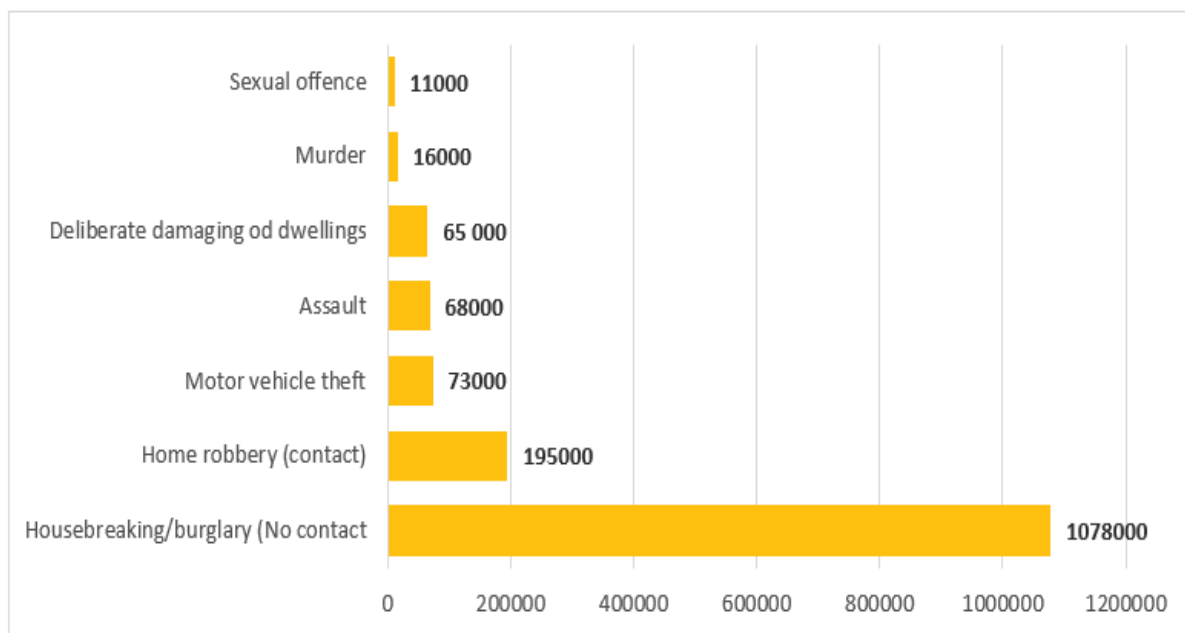
In terms of access to pipe water in Limpopo, most households have access to piped water inside their dwelling followed by access to water inside the yard. About 372 thousand households have no access to piped (tap) water.

1.21 Crime

In most societies if not all, crime is a result of several factors ranging from poverty, lack of economic activities poor enforcement of the law, in other countries the political environment can lead to crime occurrence. Crime has setbacks on normal day living and economically on businesses operation and investment. Criminal activities happen on daily basis on various fronts within household and outside, with some of these criminal incidences reported whilst other goes unreported.

A developing country such as South Africa needs to reduce crime to attract investment. . The investment climate requires stricter rules and policies to limit criminal activities.

Figure 14 :Number of households that experienced specific type of crime



Source: StatsSA, Governance, public safety and justice, 2023

Housebreaking criminal offence remains the highest in South Africa with almost 1.1 million households having encountered this kind of crime in 2022. Second to the housebreaking, is the home robbery which was encountered by almost 195 thousand households, followed by theft of motor vehicles experienced by almost 68 thousand. The fifth highest crime type is deliberate damaging of dwellings at 65 thousand households. Murder and sexual offences are the lowest committed crimes which are encountered by 16 thousand and 11 thousand respectively.

1.22 Conclusion

The World economic growth is estimated to have been stronger than expected in the second half of 2023, mainly in the United States and several major emerging market and developing economies. In several cases, government and private spending contributed to the upswing, with real disposable income gains supporting consumption amid still-tight though easing labour markets and households drawing down on their accumulated pandemic-era savings.

South Africa and Limpopo economies continue to be faced with various challenges, ranging from the Eskom electricity Load shedding and logistical crisis. Domestic economic growth in the near term is likely to remain muted due to these effects. The energy crisis is leading to power outages directly affecting production whilst logistical constraints which affects transportation of goods as well as trade, are still binding on economic activity and generally increase costs. These challenges continue to have negative consequences for both the country and also the province, and as such, they need to be addressed urgently so that the country and the province can start to realize positive economic growth and address the issues of high unemployment affecting the youth.

Limpopo province continues to face high levels of unemployment and this calls for attention to the impediments of employment creations in the province and come up with strategies to unlock job opportunities as there is great potential in the province, mainly in the mining and the agricultural sectors. Relevant skills that will match the job market or are needed in the province need to be identified so that the young people in the province can be appropriately trained.

The province will need to relook at its policy interventions for development and poverty reduction. Increasing the literacy levels as well as skills among others will play a major role in attracting foreign direct investment. Subsequently, economic growth is then realized which could be re-directed to development, thereby achieving higher levels of

development. Although growth does not guarantee development, it is however a necessary pre-condition for development.

2 CHAPTER 2: BUDGET STRATEGY AND AGGREGATES

2.1 Introduction

Global economic performance continues to be affected by the Russia and Ukraine war in the middle east. This has led to global trade relations fragmentations as countries have rallied to form allies. The International Monetary Fund (IMF) projects that global growth for 2024 will surprisingly be resilient despite the on-going global challenges. The global economy will be highly driven by the emerging market and developing economies, where growth is expected to remain stagnant, while growth in the advanced economies is projected to decline slightly.

The IMF downgraded economic growth forecasts for South Africa, warning that logistical challenges are constraining activity and acting as a drag on the entire region. South Africa as Africa's most-industrialized economy will likely grow by a meagre 1 percent in 2024, significantly slower than the IMF's forecast in October, when it predicted South Africa's gross domestic product expanding by 1.8 percent. That's due mainly to all of the disruptions seen in the energy sector and logistics in the transportation, freight and ports in South Africa that needs to be addressed. The country's tepid performance is also holding back the entire region. While the IMF predicts that Sub-Saharan Africa will grow by 3.8 percent this year, that outlook is reduced slightly.

The IMF cut the country's 2025 forecast to 1.3 percent from 1.6 percent. The IMF was also cautious about South Africa's fragile fiscal position and elevated public debt levels, which would require fiscal consolidation in South Africa. There is also a need to control and curb public spending and consider increasing tax revenues.

The electricity crisis in country is continuing to degenerate the economic situation for both the country and the province, as businesses are struggling to cope, and many are closing. This has led to sluggish economic growth prospects, rising unemployment, and worsening of poverty and inequality in the country and the province. The South African economic conditions are mostly affected by continuous electricity outages, as well as risks of the poor financial affairs of State-Owned Enterprises that requires continuous

bailouts from the National fiscus. Globally the unending war between Russia and Ukraine continue to lead to the increase in the price of food and fuel for South Africa, which in turn leads to increases in inflation and Reserve Bank interest rate increases to manage the inflation within the 3 to 6 percent target range..

South Africa, despite its many operational challenges, is becoming a more attractive location for private business compared to some countries in the Emerging Market and Emerging Asia (EMEA) region. In fact, PWC ranks South Africa as a more attractive operating environment for private business compared to several members of the European Union (EU). The two-year improvement reflects positively on South Africa's Economic Reconstruction and Recovery Plan (ERRP) which, as part of structural reforms aimed at helping the economy recover from Covid-19, pledged in 2020 to make it easier for private businesses to operate in the country, including the regulatory reforms and incentives implemented that allow businesses to invest in renewable energy installation.

Addressing the issues of safety and security is of top priority as this directly related to socioeconomic development and equality. A safe and secure country encourages economic growth and transformation by providing an environment conducive to employment creation, improved education and health outcomes, and strengthened social cohesion.

South Africa will hold the national elections in mid-2024 and it remains to be seen which party will emerge victorious. The Minister of Finance has already delivered the 2024/25 MTEF budget speech and with elections predictions showing that the current ruling party might not get the outright majority, the implementation of the budget as tabled is not guaranteed which may lead to changes in policy implementation.

The Provincial Equitable Share, which is the largest source of provincial revenue, accounts for 84.4 percent of the total provincial revenue over the 2024 MTEF period. The Equitable Share allocation is R69.625 billion in 2024/25, R72.925 billion in 2025/26 and R76.482 billion in 2026/27.

In 2024 MTEF period, the Province's Equitable Share has been adjusted upward as follows:

- R145.763 million in 2024/25, and R153.199 million in 2025/26 for new data updates in the Equitable Share Formula.
- Pre-MTBPS additions of R2.506 billion in 2024/25; R2.642 billion in 2025/26 and R2.781 billion in 2026/27 for Wage carry-through cost mainly for Education & Health.
- Post-MTBPS additions of R1.415 billion in 2024/25; R1.440 billion in 2025/26; and R1.486 billion in 2026/27 for Wage carry-through cost mainly for Education & Health.

The province's Equitable Share is also adjusted downward as follows:

- Total reduction of R109.219 million only in 2025/26 for new data updates in the Equitable Share Formula.
- Fiscal consolidations of R2.272 billion in 2024/25; R2.398 billion in 2025/26; and R2.489 billion in 2026/27 pre- MTBPS.
- Post-MTBPS reduction on Education and Health wage-carry through cost of R144.331 million in 2024/25; R152.006 million in 2025/26; and R159.854 million in 2026/27 which was National Treasury clawback of part of the additional funding made available for these departments pre-MTBPS. The funds have been redirected to these departments' Compensation of Employees under Conditional Grant portfolio.

The above adjustment resulted in a net increase in the provincial equitable share allocation of R1.651 billion; R1.423 billion; and R1.771 billion in 2024/25, 2025/26, and 2026/27 financial years, respectively. The allocation also includes earmarked allocations already included in the Equitable Share baseline allocated to the provincial departments of R167.550 million in 2024/25, R175.056 million in 2025/26; and R182.910 million in 2026/27.

Notwithstanding the fiscal consolidation, the following allocations remain protected within the baselines of the provincial departments and earmarked for specific purposes:

- The 2024 MTEF budget maintains within the baseline of the Department of Social Development, a food relief allocation amounting to, R8.078 million, R8.440 million and R8.818 million in 2024/25, 2025/26, and 2026/27 respectively.
- The 2024 MTEF budget also maintains the allocation, within the baseline of the Department of Social Development, for Employment of Social Workers to deal with gender-based violence, substance abuse and issues affecting children as follows: R15.939 million in 2024/25, R16.653 million and R17.400 million in 2026/27 financial year.
- A total amount of R17.106 million, R17.872 million, and R18.698 million in 2024/25, 2025/26, and 2026/27 have been maintained in the baseline of the Department of Social Development to address the social and structural drivers on HIV, TB, STI's and gender-based violence.
- A total amount of R38.560 million in 2024/25, R40.287 million in 2025/26, and R42.095 million has been maintained within the Department of Education baseline to sustain the Sanitary Dignity Project.
- Within the Provincial Treasury baseline, a total of R11.803 million in 2024/25, R12.332 million 2025/26, and R12.885 million in 2026/27 is maintained to improve municipal support and interventions.
- Provincial Treasury also receives R5.711 million in 2024/25, R5.974 million in 2025/26, and R6.243 million in 2026/27 for Infrastructure Development support.

The final provincial equitable share allocation is summarised in the table below:

Table 9: National Allocation to Limpopo Province

National Allocation	2023/24	2024/25	2025/26	2026/27	Total
Equitable Share Baseline	67 845 593	61 969 051	67 000 195	74 710 602	203 679 848
Adjustment to baseline 2021/22: New data updates	(1 308 283)	-	-	-	-
Adjustment to baseline 2022/23: New data updates	585 551	661 709	-	-	661 709
Adjustment to baseline 2023/24 New data updates	578 731	969 789	1 446 620	-	2 416 409
Adjustment to baseline 2024/25 new data updates	-	145 763	-109 219	153 199	189 743
Revised allocation	67 701 592	63 746 312	68 337 596	74 863 801	206 947 709
Less: Fiscal Framework Reduction	(7 231 644)	(2 416 197)	(2 549 592)	(2 648 478)	(7 614 267)
Fiscal consolidation reduction		(2 271 866)	(2 397 586)	(2 488 624)	(7 158 076)
NT wage cost carry-through claw-back (Education and Health)		(144 331)	(152 006)	(159 854)	(456 191)
Plus : National Treasury Addition	4 879 484	8 294 744	7 137 119	4 266 286	19 698 149
Wage agreement - Non Pensionable Allowance and 3% Salary Increase	1 174 838	1 200 128	1 225 912	-	2 426 040
Social Development : Welfare NGO Funding	40 820	48 619	-	-	48 619
Health: Additional Sector Funding	389 117	540 523	-	-	540 523
Education: Additional Sector Funding	867 622	907 390	-	-	907 390
Education : Compensation of Employees Pressures	655 636	769 827	885 423	-	1 655 250
Health Pressures (CoE, Service Backlog, etc)	866 782	906 690	944 079	-	1 850 769
Addition: Wage cost carry-through (Education & Health)		2 506 280	2 641 934	2 780 769	7 928 983
Addition: Wage cost carry-through (Education & Health) Post-MTBPS		1 415 287	1 439 771	1 485 516	4 340 574
Earmarked allocations: Included in the Equitable Share Baseline	160 709	167 549	175 055	182 910	525 515
Plus: Social Development Food Relief function shift	7 731	8 078	8 440	8 818	25 336
Plus: Social Development Social Work grant conversion	67 329	70 353	73 505	76 803,00	220 660
Plus: Social Worker Addition	15 254	15 939	16 653	17 400	49 992
Plus: Social: Gender Based Violence and STI	16 731	17 106	17 872	18 674	53 653
Plus: Education: Sanitary Dignity Project	36 903	38 560	40 287	42 095	120 942
Plus: Treasury: Municipal Interventions	11 295	11 803	12 332	12 885	37 019
Plus: Treasury: Infrastructure Development	5 466	5 711	5 967	6 235	17 913
Total Preliminary Provincial Equitable Share	65 349 432	69 624 859	72 925 123	76 481 608	219 031 590
Variance : 2023 MTEF vs 2024 MTEF		1 651 133	1 422 894	1 771 006	4 845 033

2.2 Aligning Provincial Budget to achieve Governments Prescribed Outcomes

The sixth term of administration has set out plans to achieve its outcomes and priorities for both the country and the Limpopo Provincial Government. The objectives are crafted in terms of long term and short-term targets and they serve as plans and intentions which are outlined both on the National Development Plan (NDP) and in the National Medium Term Strategic Framework 2019 - 2024 (MTSF). During the 2024/25 financial year, National Government is focusing on addressing the electricity challenge and plans are in place to engage neighbouring countries and China to address the power issues permanently. As such, the President of the Republic of South Africa declared a National disaster that aims to channel resources and focus on addressing electricity challenges.

During the 2024/25 financial year, the Government continues to ramp up the implementation of plans as outlined in the NDP and the MTSF 2019 - 2024. The monitoring of public institutions in executing their legislative mandates is of high priority, as this assists in ensuring that government resources are used for purposes appropriated for, as well as ensuring that the government's outcomes are achieved.

The NDP highlights the critical principle of government working together, reinforcing a collaborative, integrated and cooperative manner, across all the spheres of government. The Republic of South Africa (RSA) has adopted the District Development Model (DDM) as an approach to address silo planning, fragmented delivery of services within the three spheres of government and ensure participation of organs of society. The Inter-Governmental Relations, Integrated Planning, and Monitoring and Evaluation (IGR, IP, and M&E) Framework has thus been developed by Limpopo government to institutionalize the implementation of DDM. Therefore, Provincial government through Office of the Premier targets to monitor the implementation of 90 percent of infrastructure project aligned to the Provincial Infrastructure Plan and to monitor the integrated development plan spatial referencing in the province in line with SPLUMA. The Office endeavours to monitor and coordinate implementation of GIS Policy Action Plan to improve service delivery in the province as well as monitoring the implementation of the Provincial Research and Development Framework and Policies supporting Economic and Social development aligned to the Limpopo Development Plan (LDP). Furthermore, Office of the Premier will coordinate the international missions and the implementation of signed Memorandum of Understandings (MOU) in the province with the neighbouring and other countries to allow for easy flow of people and goods.

The table below shows the alignment of the provincial priorities as outlined in the LDP with that of the National Government as outlined in the MTSF.

Table 10: National MTSF 2019-2024 and LDP 2020-2025 Priorities

MTSF 2019 – 2024 PRIORITIES	LDP 2020 – 2025 PRIORITIES
1. A capable, ethical and developmental state	1. Transform the public service for effective and efficient service delivery
2. Economic transformation and job creation	2. Transformation and modernisation of the provincial economy
3. Education, skills and health	3. Provision of quality education and a quality healthcare system
4. Consolidating the social wage through reliable and quality basic services	4. Integrated and sustainable socio-economic infrastructure development
	5. Accelerate social change and improve quality of life of Limpopo’s citizens
5. Spatial integration, human settlements, and local government	6. Spatial transformation for integrated socio-economic development
6. Social cohesion and safe communities	7. Strengthen crime prevention and social cohesion
7. A better Africa and the world	8. Economic transformation and job creation through regional integration

The 2024/25 Limpopo Provincial Government’s budget allocations are aligned with the 2020-2025 Limpopo Development Plan (LDP) and the National MTSF 2019-2024. The LDP 2020-2025 was adopted by the Limpopo Executive Committee with the aim to ensure that there is a social compact between government, private sectors, organised labour and civil society towards addressing the triple challenges of poverty, inequality and unemployment.

The 2020-2025 LDP highlights the need to address the provincial development challenges and to unlock economic opportunities through increased productivity in the manufacturing sectors and a transformed economic structure with greater emphasis on value addition and high investment in infrastructure projects that will help in the creation of employment and stimulating the economy, the Special Economic Zone (SEZ) is geared to address such priorities. Below are the key strategies as expressed in MTSF 2019-2024 that the 2024/25 budget aims to achieve:

Priority 1: Building a capable, ethical and developmental state

The Limpopo provincial government continues to building a capable, ethical, and developmental state which will generally be focused on improved governance, thereby creating an investment-friendly climate, and prioritising service delivery to the citizens of the province. The responsibilities of the Office of the Premier amongst others are to oversee the administration of provincial and national legislation, to coordinate the function and performance of the provincial administration and its departments. The Office of the Premier is also responsible to monitor and evaluate service delivery and governance in the province, to oversee the implementation of policy and planning and to strengthen the intra governmental relations as well as international relations.

For the 2024/25 financial year, the Office is targeting to coordinate and monitor the implementation of 5 strategic pillars of the National Anti-Corruption Strategy in all the Provincial Departments with a view of expanding to other areas. The Office of the Premier is targeting to monitor all the 11 provincial departments to have vacancy rates below 10% and implementation of the 4 programmes in Workplace Skills Plans within the Provincial Departments. The Office will on a quarterly basis report on the implementation of the Limpopo Human Capital Investment Strategy. Office of the Premier also targets to analyse the reports from all 11 provincial departments to resolve reported labour related cases within the prescribed timeframes.

During the 2024/25 financial year, the Office of the Premier is targeting to monitor the implementation of the Corporate Governance of Information Communication and Technology Strategy in all 11 departments to improve the province's response to 4IR. The Office of the Premier is specifically targeting to implement one (1) ICT application system as per the configuration standards document, but we will also monitor the implementation of two (2) e-Government projects in all departments. Six (6) sector stakeholders will continuously be engaged in transformation programmes and targeting that 11 provincial departments will implement the service delivery improvement plans during the 2024/25 financial year to turn the provincial status around.

The Republic of South Africa (RSA) has adopted the District Development Model (DDM) as an approach to address silo planning, fragmented delivery of services within the three spheres of government and ensure participation of organs of society. The Office, in response to the DDM policy pronouncement, has developed the Inter-Governmental Relations, Integrated Planning, and Monitoring and Evaluation (IGR, IP, and M&E) Framework to institutionalize the implementation of DDM. The Office therefore targets to monitor the alignment of 90% infrastructure project plans to the Provincial Infrastructure Plan and to monitor the integrated development plan spatial referencing in the province in line with SPLUMA. The Office endeavours will monitor and coordinate the implementation of GIS Policy Action Plan to improve service delivery in the province as well as monitor the implementation of the Provincial Research and Development Framework and Policies supporting Economic and Social development aligned to the LDP. Office of the Premier will coordinate the international missions and the implementation of signed Memorandum of Understanding (MOU) within the province and will monitor the implementation of Official Development Aid (donor funded) projects/programmes in the province.

Priority 2: Economic Transformation and Job creation

In the coming financial year, the province commits to continue with the implementation of its mandate of transforming the provincial economy, through several internal and external programmes. Global economic development continues to be key in fulfilling the provincial economic performance and creating the much needed jobs. Through the Limpopo Department of Economic Development, Environment and Tourism (LEDET), the province will implement the following proposed programmes in the 2024/25 financial year:

Cooperative Development Programme:

The Department (LEDET) intends to continue with the provision of support to the cooperative movement and individual cooperatives. The department will monitor and evaluate the implementation of the Limpopo Integrated Cooperative Development and Promotion Strategy (2022-2027) aligned to the national cooperative policy review.

Entrepreneurship programme:

LEDET will in collaboration with the Limpopo Department of Basic Education (LDBE), National Department of Basic Education (DBE) E-curbed, and the University of Limpopo champion the learner entrepreneurship and employability programme through entrepreneurship promotion programmes such as the Provincial Entrepreneurship Competition, Exhibition and Business Day.

LED Interventions to municipalities:

LEDET will continue to implement the LED capacity-building programme in Limpopo municipalities through the three-year Memorandum of Agreement signed with the University of Johannesburg. The initiative is intended to benefit LED practitioners (Councilors and LED officials) and will be coordinated in collaboration with SALGA and municipalities. The output indicator will account for LED support provided to municipalities which will also reflect on the contributions toward the review of municipal LED strategies.

Red Tape Reduction programme:

LEDET will introduce an output indicator on the Red Tape Reduction Programme. The Department will collaborate with municipalities in rolling out Red Tape reduction initiatives.

B-BBEE compliance interventions implemented:

Compliance with Section 13G of the B-BBEE Act by government institutions is critical. LEDET will continue to seek clarity and create an enabling environment for government departments and agencies to conform with the Act and the Auditor-General policy directive. The Department will continue to monitor the implementation of B-BBEE initiatives in line with the Codes of Good Practice.

Manufacturing Support Programmes

LEDET will continue to support the development of skills for the economy to enhance manufacturing capabilities in the province through the implementation of the Projects within the ambit of Manufacturing Support Centre and the Fabrication Laboratory.

Limpopo-ISP

The continued collaboration with the National Cleaner Production Centre (NCPC) in the next financial year will explore waste opportunities in the mining sector where engagements have ensued with two mines i.e. Venetia Mine in Vhembe district and Two Rivers mine in Sekhukhune. As part of the rollout of the ISP, LEDET, UNIVEN, Blouberg Municipality and DLARD intend to collaborate in assisting the SMMEs in Blouberg Municipality to establish biogas projects on biogas digesters. UNIVEN will develop a proposal to elaborate how the project will be implemented. LIM-ISP is engaging with Polokwane Municipality to explore PVC pipes waste for weaving of baskets. This opportunity once concertized will be implemented in the 2024/25 financial year.

Productivity Management Programme

The existing MOA will lapse in 2023/2024. It may be necessary that on the basis of the impact achieved on this programme, strategic partnership secured and potential as well as opportunities to improve the competitiveness of provincial enterprises and resecuring those in distress further that the MoA for this programme be reviewed for extension. The programme is a co-funded project, implemented in collaboration with Productivity SA and rolled out in all the five (5) districts in the province.

Implementation of the Provincial Integrated Energy Plan

The province, through Office of the Premier is in the process of researching and developing an Integrated Energy Plan. Upon completion of the plan. LEDET will be expected to facilitate and or implement the key initiatives in addressing energy challenges whilst ceasing quick wins/opportunities to grow and achieve developmental imperatives through the green energy sector.

Industrialization

LEDET will continue to support and coordinate the implementation of productivity and competitiveness in the economy, including SMME's and cooperatives through various programmes such as Business Recovery, Capacity building and World-class Practices.

LEDET will facilitate the development of the two Special Economic Zones; the digital hub, refurbish the industrial parks; Tool, Jig and Die-making initiative through the Manufacturing Support Centre and the Fabrication Laboratory to improve the province's manufacturing competitiveness.

Implementation of Components of the National Exporters Development Programme (NEDP)

LEDET will continue to implement the NEDP which is aimed at expanding the exporter base in South Africa, Limpopo in particular and increasing exports in general but especially of those products and services that add value, contribute to employment creation and the green economy, and enhancing intra-trade in the African continent. The above aim is achieved through the facilitation/implementation of the three components of the National Exporters Development Programme (NEDP), namely export awareness, export development and export (trade) promotion discussed hereunder individually.

Export Awareness: The purpose of this component is to provide participants with - information relating to export opportunities and the support thereof. The main target audience are potential and emerging exporters; and to a less extent existing exporters who want to venture into new markets.

Export Development: This component was reviewed and will be implemented through three (3) phases namely: - Phase 1 Export Audit, Phase 2 Market Selection and Analysis; and Phase 3 Market Entry. Previously, the component was implemented through 4 (four) phases namely; Phase 1- Introduction to exporting, Phase 2- Planning for exports (Export orientation), Phase 3 - Market Entry (Development of the marketing plan), and Phase 4 market penetration, market development and product development.

Export (Trade) Promotion: The objective of export (trade) promotion is to improve market access for Limpopo produce for export purposes. This is done by: -

- ✓ strengthening collaboration with African/BRIC diplomatic missions on practical initiatives to expand two-way trade and investment,

- ✓ showcasing Limpopo capabilities in targeted sectors using pavilions, missions and road shows; and
- ✓ Building relationships and exploring opportunities with major multinationals with headquarters in the regions with a view to sourcing from Limpopo.

Implementation of the Limpopo Automotive Sector Master Plan

Exco has just recently approved the Limpopo Automotive Sector Master Plan. The Plan incorporated a costed implementation plan with critical milestones that needs to be achieved from 2023/24 financial year into the medium and long-term.

Implementation of the Limpopo Business Registration Act (LIBRA)

LEDET will continue to assign business registration functions to all Municipalities not yet assigned the function as well as to monitor if business owners are complying with the conditions of their licenses. Approval of trading licenses to business owners operating in areas where Municipalities are not assigned the business registration function and monitor the implementation of LIBRA in all Municipalities assigned the business registration function.

Implementation of the Limpopo Liquor Act

LEDET will continue to implement the Limpopo Liquor Act in the Province by considering all liquor applications (approval, rejection and withdrawal) and inspecting liquor outlets to ensure that they comply with the conditions of their licenses.

LEDET will provide secretariat services to the Local Liquor Authorities, Limpopo Liquor Board, Limpopo Appeal Tribunal and Limpopo Liquor Council.

Implementation of the Limpopo Gambling Act

LEDET will monitor and evaluate the performance of the Limpopo Gambling Board in line with the approved shareholder compact agreement.

Implementation of the Limpopo Consumer Protection Act (LCPA)

LEDET will implement this LCPA by resolving consumer complaints within 90 days, referring some of the unresolved cases to the Limpopo Consumer Court and other relevant institutions for finalization.

Conducting of consumer education awareness and campaigns and advice in the Province to make consumers aware of their consumer rights.

Implementation of ROI framework

As part of implementation of the Limpopo Mining Indaba Resolutions, the Department will be implementing the ROI framework with all the participating Mines and host communities to achieve sustainability, impact and social cohesion in the mining nodes. The ultimate plan is to host awards to recognize mining companies making a bigger impact and those that go an extra mile in serving their communities through their programmes.

Through the Limpopo Department of Agriculture and Rural Development (LDARD), the province will continue to contribute to the realisation of the agriculture and rural development mandates in line with the Medium Term Strategic Framework priorities. Over and above the energy crisis, the agricultural sector faces challenges of rising input costs, such as fuel and fertilisers; effects of climate change, which increases the sector's vulnerability to natural disasters, poor management of resources in communal areas such as overgrazing, vandalism of infrastructure (fences, livestock handling facilities) and the increasing rate of resource degradation; biosecurity issues which include livestock stock diseases, specifically Foot and Mouth Disease (FMD) and crop pests and diseases; and competing land use between agriculture and other sectors. The length of the Russia-Ukraine conflict will matter most for the upcoming season. This is specifically because Russia is the world's leading exporter of fertilizer materials, accounting for 14 percent of global exports in value terms.

Limpopo Department of Agriculture and Land Reform's Programmes in 2024/25 will therefore focus on the support to producers towards mitigating the impact of these challenges. As stated, the input costs have increased by more than 50 percent and this reduced the income the farmers gained from higher commodity prices.

Programmes of the LDARD in 2024/25 will therefore be focused on the support to producers towards mitigating the impact of these challenges.

The implementation of the Revitalization of Agriculture and Agro-processing Value Chain (RAAVC) plan in collaboration with the private sector and relevant public entities would be intensified. The participation of producers in the integrated value chain would be increased through the support to 6 587 producers across different commodity groups.

The impact of rising food prices continues to threaten the food security status of the citizens, particularly that of vulnerable households. Food security will be promoted through support to 786 small holder producers and 5 000 subsistence producers in the form of production inputs and infrastructure. Furthermore, 940 producers will be capacitated through targeted technical on-site demonstrations.

Implementation of biosecurity interventions will include 2 200 dipping sessions of cattle on communal areas and 10 100 visits to epidemiological units would be conducted for veterinary interventions. To reduce the level of risks associated with food, 470 inspections on facilities producing meat will be conducted and 30 100 laboratory tests performed according to approved standards. Programme on the prevention of the outbreak FMD will continue. 222 sessions of FMD vaccinations would be conducted. Furthermore, in collaboration with the national Department of Agriculture, Land reform and Rural Development, SANParks and livestock industry necessary measures and interventions to keep the disease at bay would be implemented. This includes key among others:

- a. Minimizing contact between cattle and buffalo by keeping the fences of the Kruger National Park and surrounding community game reserves properly maintained
- b. A continuous and timeous supply of FMD vaccine is very paramount to keep to the annual vaccination schedule, of 4 times a year, in the protection zone in line with legislative requirements
- c. Complete the upgrading of the three strategic Provincial Veterinary Laboratories for approval by DALRRD and accreditation by the South African National Accreditation System (SANAS) so that they are authorised to handle and run lab tests for animal diseases

- d. Continuation of animal handling rehabilitation projects, which would include construction of additional new and upgrading of existing facilities. This infrastructure is central in enabling basic primary animal health care
- e. FMD Zone Red Meat Value Chain Development Programme: In response to the Market challenges experienced by livestock farmers within the Redline Zone. The Department in collaboration with DALRRD, ARC, Mopani and Vhembe Districts has started a process to establish the Red Meat Value Chain system which is aimed at improving market opportunities for the FMD affected farmers and communities in the Redline area. The programme entails, the establishment of two Livestock Custom Feedlots and an Abattoir to offset sustainable off-takes
- f. Livestock Identification and Traceability System (LITS): A mass roll-out of the LITS in the FMD Controlled zone in 2024/25 to assist in curbing illegal movement of cattle.

Priority 3: Education, skills and health

A: Education

The Limpopo Department of Education (LDBE) is committed to improve learner performance across all the grades so that learners exit the system with the firm foundation for further studies and engagement with other responsibilities. LDBE has started implementing e-learning and will continue to enhance teaching and learning using e-learning at schools.

Through the LDBE, Limpopo will strive to have a high-quality basic education system, universal early childhood education and quality school education, with globally competitive literacy and numeracy standards. Noting the much-improved 2023 Limpopo matric results, LDBE continues to commit to improving learner performance across all the grades and to provide a firm foundation for further studies and the world of work. The 2024/25 budget will put more emphasis on the following areas, which will contribute directly to LDBE core mandate:

Improvement of the Quality of Teaching and Learning:

E-learning

The department is planning to procure 36 000 learner tablets, 1 500 laptops, 100 data projectors and screens, and to train 1 000 teachers through collaboration with local universities.

Teacher Development and Support:

Targets are as follows per Programme:

- Number of educators with training on inclusion, 700
- Number of educators trained in Literacy/Languages, 2 400
- Number of educators trained in Numeracy/ Mathematics, 2 400
- Number of DTDCs Established and resourced, 02
- Number of training programmes developed and Endorsed by SACE, 10
- Number of educators monitored and supported to implement the skills and knowledge benefited from the training, 300
- Number of Educators competent to integrate ICT in teaching including coding and robotics, 3 000
- Number of School Based Educators Supported to implement QMS, 100
- Number of Office Based Educators supported to implement EMS PMDS, 50
- Number of Educators participating in the outstanding performance appreciation and reward programmes, 3 000
- Number of newly appointed Principals and Deputy Principals Inducted on management of the curriculum, 500
- Number of Departmental Heads trained in Instructional Leadership including Mentoring and Coaching, 700
- Number of schools and educators supported on electronic recording and reporting in the CPTD-MS, 500
- Number of foundation phase teachers trained in reading methodology, 700
- Number of foundation phase teachers trained in reading methodology, 700
- Number of ECD Practitioners trained on the National Curriculum Framework (NCF), Content and methodology, 2 000.

National School Nutrition Programme (NSNP):

The National School Nutrition Programme (NSNP) will continue providing learners with nutritious meals in all quintile 1-3 public ordinary schools for all school going days. A continued support to Special Schools will be intensified, increase meal allocation to augment the special school rates and increase monitoring on the implementation of feeding in both special and ordinary public schools. In 2024/25, the provision of school breakfast will receive the necessary attention as it has been proven during the piloting phase that the school breakfast is playing an important role in all primary schools' programmes. The provision of the fifth protein product was met with serious challenges in the 2023/24 financial year, therefore a much-needed attention on the implementation is needed. The programme will engage various manufacturers and distributors for the availability of this much needed product as it has been proven that learners enjoyed chicken livers as a fifth protein product. Although there is no funding attached to the Sustainable Food Production programme, the department will continue to facilitate the drive and awareness towards resuscitating school food gardens in all NSNP benefiting schools. The NSNP programme will greatly assist the province towards the reduction of the unemployment rate as over 10 000 Food Handlers will be contracted for a 12-month period.

Provisioning of Scholar Transport:

LDBE will continue to provide learners who reside more than 5 kilometres from the nearest public schools with learner transport. This will be engaged through the appointment of service providers from a public transport environment with reliable, safe and roadworthy vehicles. LDBE will continuously work with the Department of Transport and Community Safety to strengthen the relationship and intensifying monitoring and compliance on service providers. The transport services will still be route based and be compensated based on the category of vehicle, number of kilometre travelled and rate.

Infrastructure Development:

In 2024/25 financial year LDBE will deliver the following school infrastructure projects:

- Number of public ordinary schools provided with water infrastructure. Annual Target 30
- Number of Public ordinary schools provided with electricity infrastructure. Annual Target 2
- Number of public ordinary schools supplied with sanitation facilities. Annual Target 50
- Number of public ordinary schools where scheduled maintenance projects were completed. Annual Target 15
- Number of additional classrooms built in, or provided for existing public schools (includes new and replacement schools). Annual Target 100
- Number of new Grade R classrooms built or provided (includes those in new, existing and replacement schools). Annual Target 12

Early Childhood Development (ECD)

LDBE will deliver the following ECD programmes

- Outdoor equipment supplied to a further 200 primary schools and 100 pre-Grade R sites
- 50 BED students (practitioners) continue to study with NWU
- 50 new intakes for Rhodes Literacy course while payment for the first group is made
- Running of ECD Reading, Mathematics and writing competitions
- Provision of Home Language readers for Grades 1-3
- Lessen study Launch
- Early Childhood Development programme (0-4years): Funds will be transferred to ECD centres through two components namely: Equitable share and Conditional grant. The total budget for NPI equitable share for the FY 2024/25 is R312.533 million which will subsidize 69 637 children accessing ECD services within registered Centres and mobile ECD programmes respectively. The conditional grant budget for ECD is R218.747 million of which R215.474 million is meant for NPI transfers and 48 011 children will benefit.

Special School Education:

Public Special Schools are meant to provide quality teaching and learning to learners with disabilities and special needs who require high levels of support and intensity to improve their learning outcomes. These learners require attention and support of a special kind to ensure that their learning needs are adequately met because some of them might have severe disabilities and cannot be integrated with other learners in the mainstream schooling system.

Inclusive Education:

Unlike learners in public Special Schools, these learners are those learners that have moderate learning disabilities, but who can still be integrated within the mainstream schooling system. To this end, LDBE continues to ensure that all schools are ultimately inclusive schools, and the learning and teaching support required for these schools and learners continue to occupy the centre stage as well.

LDBE has an obligation to create conducive learning spaces that will ensure that no learner is left behind through the provisioning of appropriate support and identification of needs for all learners who experience barriers to learning by making all schools inclusive schools across the curriculum. To this end, LDBE will continue, in 2024-25 to intensify and strengthen its interventions which will ensure that these learners' educational needs are attended to through the provisioning of appropriate Learning Materials and Support.

Assistive Technologies/Devices for learners with special needs will be provided and buses for public special schools will be purchased in accordance with the available budget.

Advocacy and awareness campaigns will be conducted in all 10 districts through roadshows to orientate and train stakeholders, schools, districts, district officials, SGB's and SBST's. LDBE will distribute SIAS in a nutshell, a practical guide to all the schools in 2024/25 to ensure effective implementation of the SIAS policy that will result into the profiling of all learners for improved learning outcomes across the curriculum.

LDBE will continue to train Educators and SMT members on South African Sign Language (SASL), Braille and Alternative Augmentative Communication (AAC), and on Education White Paper 6 (EWP6) 2001 and SIAS.

Capacity building sessions will be conducted on Curriculum Differentiation, Accommodations and Concessions. The roles of various institutions that seek to promote inclusive education (namely, special schools, full-service schools and public-ordinary (Mainstream schools) in the schooling system will be promoted and strengthened.

LDBE will further establish and strengthen the functionality of School Based Support Teams (SBSTs) in all schools as well as District Based Support Teams (DBSTs) as support systems in all the 10 districts. Conduct information sharing sessions and Roadshows in all Public Ordinary Schools through cluster sessions; other key stakeholders and Monitoring and supporting Public Special Schools and Full-Service Schools to act as lead change agencies of inclusion.

Learner and Teacher Support Material (LTSM):

LDBE will continue to provide every learner with LTSM. The LTSM budget for 2024/25 is R866.438 million and allocated as follows:

Textbooks & stationary (R847.382 million), Transport contractors (R15.956 million) and warehouse lease (R3.100 million).

LDBE has already reached universal coverage and is committed to maintain this in the future. Every learner will have a Textbook for every subject offered. Textbooks that will be procured in 2024/25 financial year are top ups, since no new curriculum was introduced. There are Textbooks that were already procured in the previous years.

National School Funding Norms and Standards:

Projections for 2024/25 indicative allocations for Public Ordinary Schools is an estimated annual budget of R2.854 billion with 1 715 052 learner enrolment at 3 642 registered schools, for Public Special Schools at an estimated annual budget of R100.854 million with 8 353 learner enrolment at 35 registered schools and for

Independent schools at an estimated R167.975 million with 49 237 learner enrolment at 114 registered subsidized schools. Public Ordinary and Special Schools will be paid 50% bi-annually. Independent Schools will be paid quarterly.

B: Skills

In partnership with Wits University, the Limpopo Province is offering courses in different fields in order to equip officials with different skills in their area of responsibilities. The ultimate aim is to enhance individual performance and equip officials with skills relevant to the work they perform on a daily basis. The Office of the Premier (OTP) in Limpopo will continue to advance and advocate for investment in capacity building, training and development of the current government workforce and those who are outside the employment of the provincial government. The Limpopo government will offer comprehensive capacity building programmes in collaboration with other relevant Sector Education Training Authorities (SETAs), Colleges and Universities and Accredited Training Institutions.

Skills development and capacity building remains an integral part of youth development and contribute to increasing the skills base in the province. In collaboration with other relevant Sector Education Training Authorities (SETAs), Colleges and Universities and Accredited Training Institutions, the Limpopo provincial government will offer comprehensive capacity building programmes and mentorship programmes to accelerate economic transformation and job creation in the province. A further key driver that was identified in the MTSF was Post Education and Training, with an emphasis on skills development as a key driver, with the aim of reducing the number of youth that are not in education, employment or training (NEET'S). Skills Development for the province helps to improve labour force participation in an economy, as it assists in reducing turnaround times during production of goods and provision of services.

The OTP will further coordinate and monitor filling of funded vacant posts as well as compliance to human resource standards within the Provincial Departments and monitor implementation of Workplace Skills Plans within the Provincial Departments. OTP will continue to implement and monitor the Limpopo Development Plan, the

Provincial HRD Strategy, Integrated Planning Framework, the Provincial Policy Framework and monitor and evaluate the implementation of human resource policies and practices in the province.

C: Health

As it has been the case in the 2023 MTEF, the Limpopo Department of Health (LDOH) will continue to provide quality health care service that is accessible, comprehensive, integrated, sustainable and affordable. This will be done through the guidance from the outcomes as outlined in the Medium-Term Strategic Framework 2020-2025 and the Limpopo Developmental Plan 2020-25. The key fundamental deliverables remain the same as in the 2023/24 financial year, namely decreasing Maternal and Child mortality; Combating HIV and decreasing the burden of diseases from Tuberculosis (TB); and Strengthening Health System Effectiveness. Primary Health Care as a backbone of health service delivery will be strengthened during the year through the esteemed district health systems model.

In 2024/25 and over the Medium-Term Expenditure Framework (MTEF), LDOH will continue to improve access to quality health care services by prioritizing the following:

- Prevention and reduction of the burden of disease and health promotion: increase ART adults and child remain in care rate and viral load suppressed rate at 12 months to 90.0 per cent in meeting the 90-90-90 strategy;
- Reduction of maternal mortality to 112/100 000 live births; neonatal mortalities to 11.8 per 1000 live births, and death under five years against live birth rate to 1.4%;
- Prevent and control Communicable and Non-Communicable Diseases (NCDs) by reducing malaria deaths to less than 1%; and
- Provide and monitor essential medicine availability in all facilities (Depot will be at 70%, and hospitals and PHC at 80% medicines availability respectively).

Furthermore, the department will continue to rollout the vaccination campaigns and other preventative measures in terms of the protocols as determined from time to time.

Priority 4: Consolidating the social wage through reliable and quality basic services

Addressing the triple challenges of unemployment, poverty and inequality, remain high on the agenda for the Limpopo provincial government, as the province has adopted an integrated vision of social policy to promote human development, economic inclusion, and social stability. Democratic South Africa adopted a comprehensive social protection system and established minimum standards linked to a social wage. The key elements of the system include: social assistance cash grants for children, the aged and persons with disabilities, access to free basic services, such as shelter, water, sanitation and energy for poor households, free education in 60 percent of schools in poor communities; a school nutrition and transport programme, free health care for pregnant women and children under six, statutory social insurance arrangements, i.e. unemployment insurance fund (UIF), compensation for injury and disease (COIDA) and the road accident fund (RAF), voluntary social security arrangements for those formally employed, i.e. pensions and provident funds, active labour market policies to facilitate labour market entry and redress the inequalities that are inherent in the system due to apartheid, income support for the working-age poor through public works programmes, a developmental social welfare approach, with a focus on individuals, families and communities.

The Limpopo Department of Social Development (LDSD) in its 2024/25 Annual Performance Plan has prioritized the following service delivery interventions:

OLDER PERSONS

Services to older persons: The Older Persons Act No 13 of 2006 aimed at the empowerment and protection of older persons and at the promotion and maintenance of their status, rights, well-being, safety, and security. LDSD shall revive active ageing programmes, specifically the choir and centenary celebrations (celebration of older persons above 100 years) in conjunction with SASSA. In addition, social workers will continue to be trained on the OPAR system to strengthen reporting mechanisms. The Terms of Reference for the Golden games will also be revised, and MOUs entered with all relevant stakeholders whereas five hundred and thirty-three (533) older

persons will be provided with services within the residential facilities operated by specialized personnel.

Services to persons with Disabilities: The National Disability Policy 2015 is intended to guide and inform the mainstreaming of services to people with disabilities. facilitate the provision of integrated social services to people with disabilities; and to provide guidance to the Departmental staff, in terms of addressing social barriers that exclude people with disabilities.

LDSD has planned to develop the Social Development Disability Mainstreaming Strategy, where Districts, civil society and all other affected stakeholders will be consulted during 2024/25 financial year. Service packages for Shiluvane Frail Care Centre and Epilepsy SA will be reviewed and relevant Service Level Agreements signed. Two hundred and ninety-four (**294**) persons with disabilities accessing residential facilities and three thousand five hundred and twenty-four (**3 524**) persons with disabilities accessing services in protective workshops.

Care and Services to Families: Seven three thousand six hundred and twenty-eight (**73 628**) family members participating in Family Preservation services, two hundred and nineteen (**219**) re-united with their families and twenty-nine thousand and forty (**29 040**) participating in parenting programmes.

Childcare and protection Services: Children`s Act No 38 of 2005 ,sets out principles relating to the care and protection of children, define parental responsibilities and rights and makes new provision for the adoption of children, LDSD provides these services through its Social workers and funded NPOs wherein thirty three thousand nine hundred (**33 900**) children with valid foster care orders , nine thousand hundred (**9 900**) children placed in foster care and thirty seven (**37**) children in foster care re-united with their families.

Gender-Based Violence and Femicide: LDSD in collaboration with NPOs running the victim empowerment centres, and the University of Limpopo are in the process of conducting research titled *“Factors influencing the increasing incidents of gender-*

based violence and femicide in the province". The evidence generated by the research study shall assist all relevant stakeholders to develop proactive and resilient strategies in an endeavour to prevent and or reduce the incidents and impact of gender-based violence and femicide. LDSD has appointed thirty **(30)** unemployed graduates as Researchers hence the contribution towards addressing youth unemployment and provide the necessary experience for future marketability.

Youth and Women Development: LDSD in partnership with Vaal University of Technology (VUT), Limpopo Economic Development Agency (LEDA) and the National Youth Development Agency (NYDA), will embark on a skills development revolution for six hundred **(600)** youth falling within the NEET category (Not Educated, Employed and Training).

Food and Nutrition Security: The Cabinet adopted National Food and Nutrition Security Policy in 2013 with a view to mitigate against the high levels of food insecurity, hunger, and malnutrition especially among the people in poor and vulnerable households. LDSD shall continue to provide cooked meals to sixteen thousand seven hundred and fifty (16 750) people through LDSD feeding programmes (Centre-based) such as the Drop-in Centres (DICs) and Community Nutrition Development Centres (CNDCs) while creating two thousand five hundred (2 500) work opportunities for cooks, cleaners, security, and data capturers. An additional six thousand (6 000) households shall be supported to access food through LDSD food security programmes such as household food production backyard gardens to ensure sustained food availability, accessibility, responsible utilization, and supply stability.

Priority 5: Spatial integration, human settlements and local government

The National Development Plan continues to champion for the development of a National Spatial Development Framework (NSDF) that supports integrated spatial planning and development across all scales (precinct level and up). The NDP also puts forwards a set of normative principles to create settlements throughout the country that are economically viable, equitable, liveable and sustainable. In Limpopo, the fundamental goal for development is to achieve spatial transformation and assist

in poverty alleviation through improved integrated settlement development and linking job opportunities and housing opportunities, whereby all residents have access to at least basic services, economic and social infrastructure, and security of tenure. The spatial transformation of human settlements will be achieved through the consolidation of multi-programme investments in the eleven declared Priority Human Settlements and Housing Development Areas (PHSHDAs) (urban focus), and the Provincial Growth Point Programme.

A: Human Settlements

The 2020-2025 Department of Co-operative Governance, Human Settlements and Traditional Affairs (CoGHSTA) Strategic Plan reflects the Departmental' s mission as being an effective agent of change that delivers quality services to the Limpopo citizens. To give effect to this mission, the Department will continue to promote developmental local governance, promote municipalities and Traditional Leadership Institutions, and deliver integrated and sustainable human settlements. The following delivery outputs are planned per each human settlement programme for the 2024/25 financial year.

- **Rural Housing programme:** The Department plans to reduce the housing backlog by completing 5 000 new housing units through Breaking New Grounds (BNG) programme.
- **Number of hectares acquired for Human Settlements purpose:** The Department plans to acquire 20 hectares of land to increase the delivery of housing in the Province.
- **Rental units constructed:** The Department plans to construct 150 rental units.
- **Site Services:** The Department intends to service 5 545 sites.

B: Local government

Through the National Department Cooperative Governance and Traditional Affairs, the Department of Co-operative Governance, Human Settlements and Traditional Affairs (CoGHSTA) will continue to monitor and provide support to 22 municipalities with implementation of infrastructure service delivery programs. 27 municipalities will be supported to implement the SDF (Spatial Development Framework) in terms of the guidelines. CoGHSTA will continue to provide support regarding Implementation of the District Development Model.

CoGHSTA will facilitate the implementation of Traditional Councils programme in line with the Traditional and Khoi-son Leadership Act (Act No 3 of 2019) (TKLA) to strengthen broader participation of community members in the traditional governance matters through the traditional councils.

Limpopo Provincial Treasury (LPT) will continue to carry out its mandate during the 2024/2025 financial year to ensure achievement of departmental outcomes as outlined in the LPT 2020 - 2025 Strategic Plan of developing its strategies and objective to support municipalities. LPT main objectives will be to conduct 12 consolidated In-Year Monitoring reports monitored in line with section 32 of PFMA within municipalities to improve compliance to the MFMA and other policies and legislation, thus positively contributing towards improved audit outcomes. Continuous support to Municipalities will be given and assessment reports on 40 Infrastructure and 104 Municipal state of finances will be prepared and presented to oversight structures.

Priority 6: Social Cohesion and Safe communities

The National Development Plan states that by 2030, residents of the country will be more conscious of that which they have in common, than their differences. Their lived experiences will progressively undermine and cut across the divisions of race, gender and ethnic divides. The NDP and LDP focuses on creating a conducive environment that will allow for all nationalities, races, ethnicities, genders, ages, as well as differently abled persons to live freely amongst each other. Another important aspect is to reduce

the number of citizens who are dependent on social grants, towards becoming self-sustainable and to start earning income through wages and creating businesses.

A: Social Cohesion

The Limpopo provincial government will strive to achieve the National Development Plan target as it states that by 2030 there must be basic social protection guarantees aimed at preventing or alleviating poverty and protecting against vulnerability. The Limpopo Department of Sports Arts and Culture (LDSAC) in 2024/25 financial year, will promote sport and recreation through the provision of various programmes to promote an active and healthy lifestyle and talent optimisation with an emphasis on delivering programmes through its mandate of championing for a socially cohesive and active citizenry through sport, arts, culture and heritage services for sustainable economic growth and development. In 2024/25 financial year, the department will promote sport and recreation through the provision of various programmes to promote an active and healthy lifestyle and talent optimization with an emphasis on delivering programmes.

The outputs within the Programme budget of Arts and Culture contributes to the outcomes which seeks to increase participation in Social Cohesion and Nation building Programmes, with the ultimate results of having cohesive and safe communities. This will be achieved through support to statutory bodies to promote and protect heritage, national symbols, languages, arts, culture and geographical names standardisation processes.

Each statutory body is set to develop a business plan to operationalize the object of its establishing legislation through programs that will enable active participation of women, people with disability and protection of children to build a cohesive society. LDSAC will continue to develop, promote and preserve the heritage landscape in collaboration with the National Department of Sport, Arts and Culture promotion of constitutional values and maintenance of existing museum infrastructure.

LDSAC will participate in promoting indigenous languages through different projects such as Multilingualism campaigns, storytelling, music, poetry, book writing and reading, which will enable to create a platform for sharing public spaces.

LDSAC is committed to providing information and access to libraries for the community through the delivery of library infrastructure.

LDSAC through institutional sport structures (sport confederation, school sport structures, sport focus schools, sport academies) will coordinate and facilitate sport activities towards achieving an active and winning citizenry. The additional allocation from equitable shares will enable the LDSAC to establish more sport hubs within the province and provision of support in more sporting codes, support to active recreation, support to people living with disabilities, support to provincial teams for national championships and support to hubs.

B. Safe communities

During the 2024/25 financial year the provincial government through the Limpopo Department of Transport and Community Safety (LDTCS) will continue with its responsibility of intensifying the fight against crime and corruption in the Province in collaboration with other stakeholders. It is important for people living in South Africa and in the province to feel safe, as personal safety is a human right and it is a necessary condition for human development, improved quality of life and enhanced productivity. When communities do not feel safe and live in fear, the provincial economic development and the people's well-being are affected, hindering their ability to achieve their potential. The involvement of civil society organisations, community policing forums and criminologists must be treated as a top priority to assist the police to determine the cause of the prevalence of crime, as crimes are committed in the communities where the criminals are occasionally known, and police must use crime combating strategies that produce results.

During the 2024/25 financial year, the LDTCS Community Mobilisation Awareness Campaigns will be conducted and will comprise of a series of sub-activities such as

community safety exhibitions, tourism safety, safety in the health sector, community safety awards, community safety outreaches and sports against crime.

100 Schools will be involved in Community Safety Education Programmes in 2024-2025 and also for the MTEF period subject to reviews and will comprise of activities such as school safety awareness searches and seizures in school premises, and school safety debates among others. Formal and Informal trainings will be conducted to increase the capacity and improve skill of employees and trainees in the Limpopo Traffic Training College.

The Provincial Secretariat for Police Service will provide oversight on the effectiveness and efficiency of the South African Police Service. The programme assesses the effectiveness of the South African Police Service in terms of visible policing that contributes towards the reduction of crime, with special focus on organized crime, (including fraud, and corruption), violent crime, crime against women and children. The programme will also provide coordination of the Justice, Crime Prevention and Security Cluster (JCPS) in the province to ensure synergy in dealing with crime prevention in an integrated manner. LDTCS targeted to monitor and implement 136 SAPS components and 4 reports will be compiled on police stations monitored based on the NMT per year. LDTCS will conduct 104 surveys. This programme is also responsible with conducting Domestic Violence Act initiatives of which 4 will be conducted. The programme is also responsible with assessing community safety structures on functionality of which 28 Community Safety Forums (CSF) will be assessed on functionality and 110 Community Police Forums (CPF) will be assessed on functionality.

Priority 7: A better Africa and world

South Africa's foreign policy continues to be shaped by the interplay between diplomatic, political, security, environmental, economic, and regional co-operative dynamics that define early 21st century international relations. In particular, our foreign policies should remain cognisant of global shifts in hard, soft and smart or mental power from West to East; the stratification of regional groupings in the world; the proliferation of threats to human and state security; to internal and external

sovereignty, and to natural resources continue to be of priority for both the country and the province.

South Africa's identity as an African country, the foreign policy of the country should be driven by a clear and critical understanding of our national, regional and continental priorities in a multipolar world where the geo-strategic politics of the continent is, once again, becoming increasingly central to global political economic competition for natural resources and market share. As such, we need to have a clear strategy of South Africa's place in the region, on the continent and in the world over the next 20 to 30 years, and the political space the country will occupy.

On the continent, South Africa should improve collaboration and co-operation, through deeper integration and increased trade with its regional trade partners in Africa, and the global south. In general, particular emphasis should be placed on the role that South Africa can play in mediating the role and influencing the BRICS group and African countries. The National Development Plan and Agenda 2063 sets out a Vision for a future Africa, and the world. Limpopo continues to be of strategic importance as it borders three countries, namely Botswana, Zimbabwe and Mozambique. The country and the province will establish trade relations through the African Continental Free Trade Area (AfCFTA) which is a free trade area encompassing most of Africa and forge an integrated region, in support of an integrated continental and global political economy. Exports and trade have been identified as a key driver for economic growth in the continent and it is important to promote intra Africa trade. This presents an opportunity to export goods and services to these neighbouring countries, The MTSF further highlights the fact that the nature of agreements, both political and economic, are complex and require countries to clearly articulate their foreign policy objectives and identify and forge relationships that will have positive geo-political impacts.

The Republic of South Africa (RSA) has adopted the District Development Model (DDM) as an approach to address silo planning, fragmented delivery of services within the three spheres of government and ensure participation of organs of society. The Office of the Premier (OTP), in response to the DDM policy pronouncement, has developed the Inter-Governmental Relations, Integrated Planning, and Monitoring and

Evaluation (IGR, IP, and M&E) Framework to institutionalize the implementation of DDM. OTP therefore targets to monitor the alignment of 90 percent infrastructure project plans to the Provincial Infrastructure Plan and to monitor the integrated development plan spatial referencing in the province in line with SPLUMA. OTP endeavours to monitor and coordinate implementation of GIS Policy Action Plan to improve service delivery in the province as well as monitoring the implementation of the Provincial Research and Development Framework and Policies supporting Economic and Social development aligned to the LDP. OTP will coordinate the international missions and the implementation of signed Memorandum of Understandings (MOU) within the province and will monitor the implementation of Official Development Aid (donor funded) projects/programmes in the province.

2.3 Summary of Budget Aggregates

National transfers which include the Provincial Equitable Share and Conditional Grants are the primary revenues source for the provincial expenditure. These two sources of funding constitute 98 percent of the total revenue of the province while the balance of 2 percent is provincial own generated revenue. The provincial own revenue collection and financing through the provincial reserves augment national transfers.

In 2023/24 financial year, transfer receipts from National Government amounted to R76.678 billion and this is set to increase to R81.404 billion in 2024/25, R84.328 billion in 2025/26 and R87.998 billion in 2026/27. The table below details the provincial revenue and payments thereof:

Table 11: Provincial Budget Summary

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
Provincial receipts									
Transfers from national	70 085 159	73 765 122	78 006 141	76 678 065	79 718 243	79 718 243	81 403 803	84 327 735	87 997 989
Equitable share	60 298 989	62 556 211	66 505 239	65 349 432	68 586 350	68 586 350	69 624 859	72 925 123	76 481 608
Conditional grants	9 786 170	11 208 911	11 500 902	11 328 633	11 131 893	11 131 893	11 778 944	11 402 612	11 516 381
Provincial own receipts	1 298 268	1 533 491	2 385 170	1 710 048	1 924 540	1 924 540	1 850 886	1 936 522	2 028 574
Total transfers from National	71 383 427	75 298 613	80 391 311	78 388 113	81 642 783	81 642 783	83 254 689	86 264 257	90 026 563
Provincial payments									
Current payments	59 048 972	61 877 572	64 137 423	66 243 253	67 853 899	67 816 688	69 662 549	73 378 309	77 462 138
Transfers and subsidies	8 095 770	9 681 486	10 823 154	9 982 647	10 613 617	10 613 900	10 173 161	9 351 681	9 348 438
Payments for capital assets	1 756 688	1 937 949	3 011 942	2 937 061	3 173 528	3 182 109	3 274 905	2 995 456	2 784 831
Payments for financial assets	4 361	5 292	33 622	-	1 740	4 071	-	0	-
Total provincial payments	68 905 791	73 502 299	78 006 141	79 162 961	81 642 783	81 616 768	83 110 615	85 725 446	89 595 408
Surplus/(deficit) before financing	2 477 636	1 796 314	2 385 170	(774 848)	0	26 015	144 074	538 811	431 156

2.4 Financing

The provincial budget is financed mainly from equitable share, conditional grants and provincial own revenue. The budget surplus of R144.074 million in 2024/25, increasing to R538.811 million in 2025/26, and decreasing to R431.156 million in 2026/27 will cater for unforeseen and unavoidable circumstances over the MTEF period.

3 CHAPTER 3: BUDGET PROCESS AND THE MEDIUM-TERM EXPENDITURE FRAMEWORK

3.1 The relationship between Strategic planning and budget

The preparation, and planning of the MTEF budget is informed by several planning documents. This is critical since planning and budgeting are two complementary and interdependent concepts that are of paramount importance for any administration. The Provincial Government adopted the Limpopo Development Plan (LDP) which provides a strategic framework to grow the economy for the development and improvement of quality of life of all people living in the province. The plan forms the basis of what the provincial government intends to achieve over the MTSF period.

Therefore, the 2024 MTEF budget seeks to fund the provincial priorities espoused in the LDP. However, resource allocation requires vigorous consultation with all affected parties to ensure that they all know and understand how the organisations intend to acquire and use available resources. In addition, given the constraint fiscal environment, setting priorities is inevitable in ensuring that the most pressing issues are addressed first. The strategic planning and prioritisation is the starting point for the preparation of the departmental budget submission.

3.2 The Budget Allocation Strategies

In terms of Section 18 sub-section 1 (a) and (b) of the Public Finance Management Act (PFMA) of 1999 (Act No.1 of 1999), the provincial treasury is mandated to manage the provincial financial affairs through the preparation of provincial budget and exercising control over the implementation thereof by provincial departments and public entities. In compliance with this mandate, Provincial Treasury engages provincial departments and public entities through the Medium-Term Expenditure Committee Hearings (MTEC's) to deliberate budget performance and the alignment of MTEF budget and provincial priorities. The MTEC Hearings are held to provide support to the Executive Council Budget Committee which recommends the budget allocations to the Executive Council. These hearings provide a strong basis in ensuring that jointly agreed allocations achieve key policy priorities while maintaining fiscal discipline. The

MTEC interactions capacitate Provincial Treasury to understand the departmental needs in order to provide a comprehensive motivation for allocation of limited resources for approval by the Executive Council.

Over the past years and over the 2024 MTEF period, the provincial resources have been negatively impacted by fiscal consolidation which has been implemented by the national government as part of fiscal strategy with the aim of stabilising the economy and reducing public debt. This has since limited resources available for allocation to provincial priorities, for projects and programmes that will contribute towards job creation, development, and economic growth in the province.

To mitigate the impact of fiscal consolidation on services delivery, the Provincial Treasury continue to collaborate with provincial departments and public entities in an effort to assist these institutions to leverage on Budget Reforms such as Spending Reviews (SR), Zero-Based-Budgeting (ZBB), and Budget Facility for Infrastructure (BFI). The SR and ZBB are very useful instruments during constrained fiscal environments as they provide an opportunity for institutions to re-examine expenditure baselines to identify efficiency gains and savings. The two reforms assist the province to highlight issues around the efficiency and cost-effectiveness of institutions' expenditure and enables them to make better decisions about resource allocation.

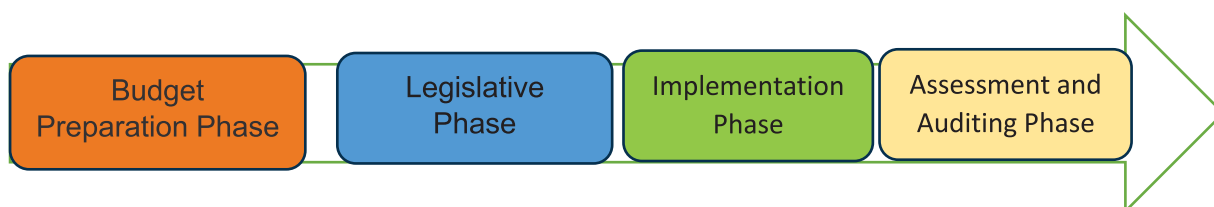
The province also leverages on BFI which is a government facility that supports quality public investments through robust project appraisal, effective project development and execution and sustainable financing arrangements. For instance, the province succeeded in securing funding from the facility amounting to R3.96 billion for the construction and commissioning of the Limpopo Academic Hospital. By leveraging on this source of funding, the province has eased pressure on the decreasing Equitable Share allocation.

Lastly, the Province has provincialized National Treasury cost containment measures and applies all aspects of cost containment in an effort to mitigate the impact of decreasing Equitable Share on service delivery imperatives. This has been useful in ensuring that services are spend on areas that support the core mandates of the

institutions and spending on non-essential goods and services is minimised. The province continues to intensify the implementation of these measures to counter the fiscal challenges.

3.3 Provincial Budget Process

The 2024 MTEF budget details the three-year rolling expenditure and revenue plans for provincial departments and entities with the aim of matching the overall resource envelope. The budget process ensures allocated resources meet both the country and the province's priorities as enshrined in the National Development Plan and Limpopo Development Plan, respectively and improves the quality and effectiveness of spending within sustainable fiscal limits. The overall theme for the 2024 MTEF budget is a continuation of fiscal consolidation aimed at stabilizing public debt and economic recovery. The phases of the budget process are illustrated as follows:



- **Budget Preparation Phase**

The Budget process begins when the National Treasury issues the Medium Term Expenditure Framework (MTEF) technical guidelines to provinces in **June**. The guidelines are informed by a number of documents, and these includes NDP, MTSF, national priorities that may have been pronounced by the President during the State of the Nation Address and Budget Reforms such as Spending Reviews, Zero-based Budgeting, Budget Facility for Infrastructure (BFI), etc. The following are the activities that take place during phase one of the budget process:

- National Treasury issues MTEF budget guidelines to Provincial Treasuries in June detailing how the MTEF 1st draft budget should be prepared and submitted. These guidelines are customised by the Provincial Treasury and issued to provincial departments and public entities in July;

- Provincial Treasury then conducts a workshop on MTEF budget guidelines and database to departments and public entities in July;
- Provincial Treasury subsequently conducts MTEC hearings in September;
- National Treasury issues preliminary allocation letters to the Provincial Treasury in October;
- Departments submit their 2nd draft MTEF budget documents to Provincial Treasury in November. Budget documents are analysed, consolidated and submitted by Provincial Treasury to National Treasury for further analysis;
- Provincial Treasury attends the National Treasury Benchmark exercise in December, where the allocation is analysed in terms of growth rates and alignment to National outcomes;
- After the benchmark meetings National and Provincial Treasury meet departments and discuss budget growth rates and issues raised in the Benchmark;
- Provincial Treasury then provides responses to issues raised during the Benchmark;
- In February, National Treasury issues the final allocation letters to Provincial Treasury and the Province then convenes the Provincial Executive Council Budget Committee to consider the final departmental allocations and recommendations made by National Treasury; and
- Lastly, Provincial Treasury prepares the final MTEF budget for approval by the Executive Council and tabling to the Provincial Legislature and issue to departments.

- **Legislative Phase**

This phase includes tabling of the provincial budget at the Limpopo Provincial Legislature (LPL), which takes place annually at the beginning of March each year. The legislation prescribes the period with which provinces should table their budgets after the Minister of Finance has tabled the national budget in February. The provincial appropriation bill, budget documents and the other supporting documents are submitted to provincial legislature to facilitate the legislative process of tabling the provincial budget.

The budget tabling initiates the provincial legislature's stakeholder consultation process, which involves deliberations on the provincial appropriation bill and departments' budgets. As part of the consultation process, provincial departments present and discuss their budgets with the respective portfolio committees within the provincial legislature. The stakeholder consultation process leads to the approval of the provincial appropriation bill and provincial budget by the Legislature.

- **Implementation Phase**

The implementation phase occurs after the budget has been tabled in the legislature; and is also the phase which permits service delivery. After the budget is tabled, each provincial department is required to capture its budgets in the Basic Accounting System (BAS) before the start of the new financial year to ensure that expenditure is aligned to the provincial budget. Each department is required to compile and submit projections of monthly expenditure and revenue that is aligned with the provincial budget to inform the national planning of cash flows between the province and the national government.

If the new financial year starts whilst the provincial legislature is yet to approve the provincial budget, the provincial spending is limited to the provisions of Section 29 of the PFMA until the LPL adopts the provincial budget. The application of section 29 permits expenditure not exceeding 45 per cent of the previous' year budget in the first four months and increase by 10 per cent each month.

During this phase, Limpopo Provincial Treasury monitors spending against spending plans, receives monthly In-year Monitoring Reports (IYM) and Quarterly Performance Reports (QPR) from departments and public entities. These reports are used to produce consolidated reports which are also submitted to several stakeholders including Technical Committee on Finance in the legislature, National Treasury, HODs forum, Executive Council, and the various Audit Committees.

The IYM and the expenditure report provides the Provincial Treasury with an opportunity to monitor and evaluate the expenditure of provincial departments during the year to ensure transparency and effectiveness. These reports ensure that spending by provincial departments is in line with the approved plans and serves as

an early warning system for the detection of unwanted expenditure such as unauthorized, irregular, wasteful and fruitless expenditure.

- **Assessment and Auditing Phase**

The auditing stage involves a review of the final budget and expenditure documents by independent audit institutions such as the Auditor-General (AG) and assessing the consistency of such documents against the legal authorisation. The AG examines the financial management, performance and position of each entity by scrutinising its year-end reports (i.e. Annual Reports). After performing its auditing function, the AG issues an audit report in which an opinion is presented on the status and quality of the financial statements and management as reflected in the year-end documents.

The Auditor-General must submit audit reports to any legislature that has a direct interest in the audit, and to any other authority prescribed by national legislation. All audit reports are made public.

3.4 The role of Provincial Treasury

Provincial Treasury drives the budget reform process and ensures the efficient use of the scarce resources through realisation of public sector objectives such as poverty reduction and support towards national growth and prosperity. In its efforts to promote good governance, Limpopo Provincial Treasury attaches great focus in the management and utilisation of public resources. The Public Finance Management Act (PFMA) of 1999 (Act No.1 of 1999), mandates the Provincial Treasuries to manage the provincial financial affairs within their jurisdictional areas, through the preparation of a provincial budget and exercising control over the implementation thereof by provincial departments and public entities.

Limpopo Provincial Treasury played a significant role of ensuring that the budget preparation process for 2024 MTEF was seamless. As one of its responsibilities, Provincial Treasury prescribed the budget submission instructions and ensured that the required budget documents were submitted on time and in the correct format.

The following activities were performed by Provincial Treasury during the 2024 budget process:

- Customised and issued the Provincial Budget Process Schedule to departments and entities.
- Issued customised provincial MTEF guidelines and formats to departments;
- Conducted workshops with all departments and public entities on guidelines, formats, database completion and key assumptions on budget preparations;
- Conducted MTEC Hearings;
- Issued preliminary and final allocation letters;
- Analysed each departments and public entities budget document submissions for alignment and corrections;
- Prepared presentations to the Executive Council recommending the budget allocation per department for approval;
- Briefed the Portfolio committee on Finance on the provincial fiscal policy framework; and
- Participated in the Benchmark Exercise.

3.5 The role of Departments

Departments play a vital role in the budget process, both in terms of planning and alignment of priorities within the available funding. Departments and public entities ensure that their activities and mandates are prioritised and adequately funded. This includes assessing the credibility of the plans and alignment of the sectoral programmes with the budget. The primary responsibilities of the departments and public entities in the budget process include:

- Consultation with internal and external stakeholders;
- Alignment of Strategic Plans and Annual Performance Plans (APPs) with the Limpopo Development plan and budget;
- Submission of budget bids in line with the departmental mandates for consideration;

- Submission of budget documents as per the MTEF guidelines issued by Limpopo Provincial Treasury;
- Participation during the MTEC hearing;
- Providing support to the Limpopo Provincial Treasury during the Benchmark Exercise preparations;
- Ensuring that allocated funds are spent prudently;
- Submission of IYMs and QPRs to the Limpopo Provincial Treasury; and
- Submission of Annual Financial Statement to the AG for auditing.

4 CHAPTER 4: RECEIPTS

4.1 Overall Position

The province receipts comprise of equitable share, conditional grants, provincial own revenue and reserves. The equitable share allocation of the province is R69.625 billion in 2024/25, R72.925 billion in 2025/26 and R76.482 billion in 2026/27.

The conditional grant allocation is R11.779 billion, R11.403 billion, and R11.516 billion in 2024/25, 2025/26, and 2026/27 financial years, respectively. The provincial own revenue also continues to grow and is projected to increase from R1.710 billion in 2023/24 to R1.851 billion in 2024/25, to R1.937 billion and R2.029 billion in 2025/26 and 2026/27 respectively which reflects an average increase of 5.9 percent over the 2024 MTEF period.

Table 12: Summary of Provincial Receipts

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
Transfers receipts from national									
Equitable share	60 298 989	62 556 211	66 505 239	67 834 267	68 586 350	68 586 350	69 624 859	72 925 123	76 481 608
Conditional grants	9 786 170	11 208 911	11 500 902	11 328 693	11 131 893	11 131 893	11 778 944	11 402 612	11 516 381
Total receipts: Treasury funding	70 085 159	73 765 122	78 006 141	79 162 960	79 718 243	79 718 243	81 403 803	84 327 735	87 997 989
Provincial own receipts									
Tax receipts	626 958	735 271	876 480	892 817	920 953	920 953	1 005 757	1 052 259	1 103 939
Casino taxes	44 442	66 548	74 358	76 809	72 909	72 909	70 504	73 324	76 257
Horse racing taxes	33 208	63 376	121 678	101 143	165 143	165 143	173 400	182 070	191 174
Liquor licences	3 520	3 887	4 044	4 482	4 504	4 504	20 000	22 000	26 000
Motor vehicle licences	545 788	601 460	676 400	710 383	678 397	678 397	741 853	774 865	810 508
Sales of goods and services other than c	251 334	278 569	309 126	348 657	346 651	350 171	359 608	376 066	393 612
Transfers received	21 005	16 911	547 048	8 067	23 670	23 670	8 554	8 905	9 264
Fines, penalties and forfeits	79 332	86 250	89 269	84 038	90 282	90 282	87 686	91 588	95 799
Interest, dividends and rent on land	252 480	262 784	456 870	310 252	311 099	311 184	324 388	339 000	354 267
Sales of capital assets	9 536	32 185	33 820	14 975	18 588	18 588	11 635	17 231	18 031
Transactions in financial assets and liabil	57 708	124 397	76 365	54 116	62 283	58 678	56 263	54 612	56 947
Total provincial own receipts	1 298 268	1 533 491	2 385 170	1 710 048	1 924 540	1 924 540	1 850 886	1 936 522	2 028 574
Total provincial receipts	71 383 427	75 298 613	80 391 311	80 873 008	81 642 783	81 642 783	83 254 689	86 264 257	90 026 563

4.2 Equitable Share

The Provincial Equitable Share, which is the largest source of provincial revenue, accounts for 84.4 per cent of the total provincial revenue over the 2024 MTEF period. The Equitable Share allocation is R69.625 billion in 2024/25, R72.925 in 2025/26 and R76.482 in 2026/27.

In 2024 MTEF period, the Province's Equitable Share has been adjusted upward as follows:

- R145.763 million in 2024/25; and R153.199 million in 2025/26 for new data updates in the Equitable Share Formula
- R2.506 billion in 2024/25; R2.642 billion in 2025/26 and R2.781 billion in 2026/27 for Wage carry-through cost mainly for Education & Health pre-MTBPS.
- Further additional R1.415 billion in 2024/25; R1.440 billion in 2025/26; and R1.486 billion in 2026/27 for Wage carry-through cost mainly for Education & Health post-MTBPS.

The 2024 MTEF the province's Equitable Share has been adjusted downward as follows:

- Total reduction of R109.219 million only in 2025/26 for new data updates in the Equitable Share Formula.
- Total reduction of R2.272 billion in 2024/25; R2.398 billion in 2025/26; and R2.489 billion in 2026/27 as result of fiscal consolidation.
- A further reduction on wage cost carry through cost of R144.331 million in 2024/25; R152.006 million in 2025/26; and R159.854 million in 2026/27 which was National Treasury clawback of part of the additional funding made available for Education and Health pre-MTBPS and redirected to Health and Education Compensation of Employees under Conditional Grant.

The above adjustment resulted in a net increase of **R1.651 billion**; **R1.423 billion**; and **R1.771 billion** in 2024/25, 2025/26, and 2026/27 financial years, respectively. The allocation also includes earmarked allocations already included in the Equitable Share baseline allocated to the provincial departments of **R167.550 million** in 2024/25, **R175.056 million** in 2025/26; and **R182.910 million** in 2026/27.

4.3 Conditional Grants

Conditional grants allocations fund national priorities/policies and are intended to achieve specific objectives with conditions that each recipient department must adhere to. The intent of conditional grants is to address inter-governmental policy matters in all provinces and the spending is governed by the Division of Revenue Act. Provincial conditional grants allocation amount to R34.698 billion over the 2024 MTEF with R11.779 billion allocated in 2024/25, R11.403 billion in 2025/26 and R11.516 billion in 2026/27 financial year. The conditional grant allocations increase by 4 percent in 2024/25, decline by 3.2 percent in 2025/26 and rebound by 1 percent in 2026/27 financial year. The conditional grants allocations per department are detailed below:

Table 13: Summary of National Conditional Grant transfers by vote

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
				2023/24					
Vote 3	3 162 676	3 382 014	3 296 482	3 354 291	3 174 763	3 174 763	3 614 406	3 701 686	3 875 515
National School Nutrition Programme	1 529 904	1 530 388	1 498 954	1 664 681	1 684 410	1 684 410	1 741 094	1 821 195	1 904 585
HIV/AIDS (Life Skills Education)	26 875	27 646	21 788	27 036	24 267	24 267	28 087	29 334	30 664
Education Infrastructure Grant	1 315 811	1 486 546	1 483 884	1 371 984	1 189 646	1 189 646	1 503 403	1 473 916	1 545 773
EPWP Integrated Grant	2 702	2 702	2 690	2 444	2 206	2 206	2 224	-	-
Social Sector (EPWP) Grant	18 354	18 354	17 279	17 065	15 842	15 842	14 707	-	-
Learnners with profound intellectual Dusabilities Gra	34 451	38 184	30 987	34 228	37 355	37 355	36 062	37 657	39 357
Maths, Science and Technology Grant	49 721	49 721	41 459	49 592	44 698	44 698	50 827	52 562	54 969
Early Childhood Development	184 858	228 473	199 441	187 261	176 339	176 339	238 002	287 022	300 167
Maintenance Component	15 879	18 879	-	12 500	1 212	1 212	19 076	14 251	14 904
Subsidy Component	168 979	209 594	-	174 761	175 127	175 127	218 926	272 771	285 263
Vote 4	336 813	351 306	308 980	340 365	351 054	351 054	320 960	351 235	367 489
Land Care Programme	13 303	16 031	12 134	13 480	15 428	15 428	13 674	14 287	14 942
Comprehensive Agriculture Support Programme	237 816	248 092	219 758	241 700	250 267	250 267	247 211	253 364	265 063
EPWP Integrated Grant	10 361	10 361	10 071	8 593	8 593	8 593	4 753	-	-
ILima/Letsema Projects	75 333	76 822	67 017	76 592	76 766	76 766	55 322	83 584	87 484
Provincial Disaster Drought Relief Grant	-	-	-	-	-	-	-	-	-
Vote 06	2 146	2 146	2 146	1 920	1 733	1 733	2 116	-	-
EPWP Incentive Allocation	2 146	2 146	2 146	1 920	1 733	1 733	2 116	-	-
Vote 7	4 195 723	4 447 366	4 395 011	3 926 774	3 866 150	3 866 150	4 088 524	4 024 963	4 208 494
District Health Programme Grant	2 621 492	2 716 285	2 707 737	2 388 635	2 324 846	2 324 846	2 500 738	2 533 462	2 649 780
Comprehensive HIV and AIDS Component	1 935 362	2 026 013	2 019 996	1 924 794	1 857 887	1 857 887	1 988 305	1 997 860	2 089 505
District Health Component	686 130	690 272	687 741	463 841	466 959	466 959	512 433	535 602	560 275
Community Outreach Services Component	377 600	377 600	377 544	367 690	367 690	367 690	406 210	424 576	444 134
Malaria Control Component	65 002	65 112	64 827	65 173	65 448	65 448	72 000	75 255	78 723
Human Papillomavirus Vaccine Component	30 897	36 190	33 306	30 978	33 821	33 821	34 223	35 771	37 418
COVID-19 Component	212 631	211 370	212 064	-	-	-	-	-	-
National Health Insurance	83 490	103 349	67 936	97 796	129 682	129 682	52 554	53 237	54 314
NHI (HP Contracting)	36 300	36 300	26 892	34 061	40 097	40 097	-	-	-
Mental Health Services Component	17 175	17 175	17 173	17 690	17 690	17 690	18 221	18 767	19 631
Oncology Services Component	30 015	49 874	23 871	46 045	71 895	71 895	-	-	-
EPWP Integrated Grant	2 978	2 978	2 978	3 133	2 827	2 827	3 290	-	-
Social Sector (EPWP) Grant	33 847	33 847	33 843	33 038	30 670	30 670	22 031	-	-
National Tertiary Services	481 051	512 058	503 691	470 401	478 528	478 528	538 981	522 878	546 888
Health Professions Training and Development	372 699	372 699	372 694	380 788	380 788	380 788	369 609	369 414	386 410
Training and Development Component	151 242	151 242	151 242	148 411	148 411	148 411	158 163	154 825	161 944
Statutory Human Resources	221 457	221 457	221 452	232 377	232 377	232 377	211 446	214 589	224 466
Health Facility Revitalisation	600 166	706 150	706 132	552 983	518 809	518 809	601 321	545 972	571 102
Emergency Disaster Fund (COVID-19)	-	-	-	-	-	-	-	-	-
Vote 8	424 444	424 444	424 197	442 911	442 720	442 720	463 885	481 396	503 451
Public Transport Operations	2 106	2 106	424 197	440 951	440 951	440 951	460 754	481 396	503 451
Social Sector (EPWP) Grant	-	-	-	-	-	-	970	-	-
EPWP Integrated Grant	422 338	422 338	-	1 960	1 769	1 769	2 161	-	-
Vote 9	1 212 187	1 321 000	1 229 936	1 800 890	1 742 194	1 742 194	1 943 192	1 504 948	1 320 696
Provincial Roads Maintenance Grant	1 199 876	1 308 689	1 217 632	1 782 057	1 725 197	1 725 197	1 934 494	1 504 948	1 320 696
EPWP Integrated Grant	12 311	12 311	12 304	18 833	16 997	16 997	8 698	-	-
Vote 10	219 703	224 628	193 444	221 888	229 850	229 850	231 074	232 115	242 812
Mass Participation and Sport Development Grant	64 978	64 978	64 803	66 331	61 396	61 396	70 488	71 401	74 705
Community Library Services	152 619	157 544	126 641	153 597	166 685	166 685	157 664	160 714	168 107
Social Sector (EPWP) Grant	-	-	-	-	-	-	873	-	-
EPWP Incentive Allocation	2 106	2 106	2 000	1 960	1 769	1 769	2 049	-	-
Vote 11	1 176 418	1 485 300	1 196 140	1 229 361	1 341 477	1 341 477	1 107 584	1 106 269	997 924
Human Settlement Development	906 953	1 096 440	991 734	946 060	950 766	950 766	892 884	925 163	937 124
Provincial Emergency Housing Grant	-	-	-	-	-	-	-	-	-
Title Deeds Restoration Grant	-	-	-	-	-	-	-	-	-
Informal Settlement Upgrading Partnership Grant	269 465	387 263	203 164	281 341	388 942	388 942	212 572	181 106	60 800
EPWP Incentive Allocation	-	1 597	1 242	1 960	1 769	1 769	2 128	-	-
Vote 12	10 435	10 435	10 233	10 233	9 432	9 432	7 203	-	-
Social Sector (EPWP) Grant	2 570	2 570	2 371	7 581	7 038	7 038	4 958	-	-
EPWP Integrated Grant	7 865	7 865	7 862	2 652	2 394	2 394	2 245	-	-
Early Childhood Development	-	-	-	-	-	-	-	-	-
Total conditional grants	10 740 545	11 648 639	11 056 569	11 328 633	11 159 373	11 159 373	11 778 944	11 402 612	11 516 381

The details of Conditional Grants per department is outlined below:

Vote 3: Department of Education

The Department of Education conditional grant portfolio amounts to R3.614 billion in 2024/25, R3.702 billion in 2025/26, and R3.876 billion in 2026/27. This allocation caters for several conditional grant categories, namely, HIV/AIDS (Life Skills Education), Learners with Profound Intellectual Disabilities, National School Nutrition Programme, Education Infrastructure, Math, Science and Technology, Social Sector Extended Public Works Programme (EPWP), Early Childhood Development (ECD) and Integrated Extended Public Works Programme. The conditional grants increase throughout the outer years of the MTEF except the Social Sector EPWP and Integrated EPWP grants as these allocations are based on performance. Department is expected to deliver on each grant in line with the grant framework for the specific grant.

Vote 4: Department of Agriculture and Rural Development

The department is allocated conditional grants amounting to R320.960 million in 2024/25, R351.235 million in 2025/26, and R367.489 million in 2026/27. The conditional grants will cater mainly for Land Care, Comprehensive Agriculture Support Programmes, Ilima / Letsema projects and Integrated Extended Public Works Programme (EPWP) which is performance based and is not allocated over the MTEF. These conditional grants allocation will enable the department to continue playing its role in supporting the farmers in order to produce quality products through training of subsistence farmers and provision of land care.

Vote 6: Department of Economic Development, Environment and Tourism

The Department of Economic Development, Environment and Tourism only receives conditional grant allocation for Integrated EPWP for the 2024/25 financial year, which amounts to R2.116 million. The grant plays a significant support in creating general employment which improves the life of the people across the province.

Vote 7: Department of Health

The Department of Health receives the largest share of the provincial total conditional grants allocation, and this is critical in ensuring the provision of quality health services in the province. The allocation for the department is R4.088 billion in 2024/25, decreasing to R4.025 billion in 2025/26 before increasing to R4.208 billion in the outer year of the 2024 MTEF period.

Over the 2024 MTEF, the department will receive allocations for the following conditional grants; District Health Programme Grant, Health Facility Revitalisation Grant, National Health Insurance Grant, Health Professions Training and Development Grant, EPWP Integrated Grant and EPWP Social Sector Grant.

Vote 8: Department of Transport and Community Safety

Over the 2024 MTEF period, the Department of Transport and Community Safety will receive conditional grants amounting to R463.885 million in 2024/25, R481.396 million in 2025/26, and R503.451 million in 2026/27. The department's conditional grant allocation shows an increasing trend in line with the government's commitment to continue providing efficient and affordable public transport operations in the province and creation of job opportunities through the Integrated Expanded Public Works Programme (EPWP) Grant.

Vote 9: Department of Public Works, Roads and Infrastructure

Over the 2024 MTEF, the Department of Public Works, Roads and Infrastructure will receive conditional grants amounting R1.943 billion in 2024/25, decreasing to R1.505 billion in 2025/26, and R1.321 billion in 2026/27 financial year. The conditional grants will be used for Provincial Roads Maintenance and Integrated Expanded Public Works Programme (EPWP) projects. The allocation shows a declining trend attributed to fiscal consolidation implemented by the national government. However, the department will continue maintaining the provincial roads utilising the funds allocated to the grant.

Vote 10: Department of Sport, Arts and Culture

The Department of Sport, Arts and Culture is allocated conditional grants amounting to R231.074 million in 2024/25, R232.115 million in 2025/26 and R242.812 million in 2026/27 financial year. The grant will be used mainly for Mass Participation and Sport Development, Community Library Services and Integrated Expanded Public Works Programme (EPWP) Incentive grant.

Vote 11: Department Cooperative Governance, Human Settlements & Traditional Affairs

The Conditional Grants allocation for the Department Cooperative Governance, Human Settlements & Traditional Affairs amounts to R1.108 billion in 2024/25, decreasing to R1.106 billion in 2025/26 and R997.924 million in 2026/27. The conditional grant shows a decreasing trend due to fiscal consolidation. However, resources will continue to be channelled towards Human Settlement Development, and Informal Settlement Upgrading aimed at fast tracking the improvement of informal settlements in the province.

Vote 12: Department of Social Development

The Department of Social Development is allocated conditional grant of R7.203 million for 2024/25 for Integrated Extended Public Works Programme (EPWP) and Social Sector EPWP.

4.4 Provincial Own Receipts (Own Revenue)

The South African economy is facing a declining growth.. The gloomy economy in South Africa is aggravated by consistent constraints in electricity supply, war in the Middle East, rising debt servicing costs and low revenue collection nationally. The economy is not growing at a capable level that enables the country to cover all the developmental needs and this puts pressure on the National fiscus as funds must be re-directed to amongst others electricity crisis in the country and funding of core services. With the economy facing a slow economic recovery, Provinces are required

to continuously initiate funding models to supplement the declining equitable share. The Province has revenue enhancement strategies to improve the revenue baseline, which will ultimately add to the Provincial equitable share. Provincial Treasury continues to support the new and existing revenue enhancement initiatives brought forth by Departments and Public Entities to maximise Provincial Own revenue and augment the provincial equitable share baseline.

The Provincial government is mandated by the Constitution of the Republic of South Africa to generate own revenue to address provincial service delivery priorities. In 2024/25 financial year, the Limpopo own revenue collection is projected at R1.851 billion or 2.3 percent of the total provincial receipts. The provincial own revenue generated will be allocated for service delivery priorities. The revenue is generated from eleven (11) Departments and three (3) Schedule 3C public entities. Own revenue generated by Limpopo Legislature and the other two (2) Schedule 3D public entities are retained by institutions in terms of the requirements of the Public Finance Management Act.

Department of Transport and Community Safety is the largest contributor to the own revenue collection at 48.1 percent with motor vehicle licenses as the item that collects most revenue. The Department is currently implementing revenue enhancement initiatives to improve access to public services through the introduction of four Registering Authorities in Polokwane, Makhado, Tzaneen and Lephalale, which are currently operational. The department has two K53 Testing Ground projects that are being implemented in Thohoyandou and Seshego, with Thohoyandou project expected to be completed in 2024/25 financial year and Seshego K53 project starting in the current financial year.

Provincial Treasury is the second largest in revenue collection at 17.3 percent from interest earned on bank balances. Interest earned depend solely on positive bank balances or spending patterns by Departments which is not reliable hence Departments are continually encouraged to identify new sources of revenue to increase the Provincial Revenue baseline.

Economic Development, Environment and Tourism is contributing 15.8 percent to the total Provincial Revenue being the third highest contributor. The 15.8 percent contribution is primarily from casino and horse racing taxes due to increased online sport betting activities. The department is also supported on revenue enhancement projects to upgrade the Limpopo wildlife Resorts, implementation of Limpopo Liquor Act and commercialisation of resorts which will ultimately increase Provincial Own revenue.

Department of Health contributes 11.9 percent to the total provincial revenue and is the fourth highest contributor. The 11.9 percent contribution by Department of Health is mainly on collection of patient fees from private patients, Road Accident Fund and Medical Aid Funders. The Department is in the process of introducing spot billing in institutions and the project is supported as part of revenue enhancement initiatives in the Province.

The other remaining seven (7) Departments contribute amongst each other, 6.9 percent mainly through Department of Education (3.0 percent); Public Works, Roads and Infrastructure (2.3 percent); and Agriculture & Rural Development (0.8 percent) and with potential to generate more revenue on interdepartmental (shared) services, property rentals; and boarding services and tuition fees respectively.

Table 14: Provincial Own Revenue per vote

	Audited outcome			Main appropriation	Adjusted Appropriation	Revised estimates	Medium-term estimates		
	2020/21	2021/22	2022/23	2023/24	2023/24	2023/24	2024/25	2025/26	2026/27
Summary of provincial own receipts by Vote									
Vote 01: Office of the Premier	1 510	806	698	703	-	703	734	767	802
Vote 03: Education	51 545	48 702	57 111	63 586	(8 507)	55 079	55 541	58 911	62 101
Vote 04: Agriculture and Rural Development	11 015	11 600	11 385	14 154	812	14 966	14 779	15 534	16 240
Vote 05: Provincial Treasury	245 034	256 064	448 849	306 262	153 952	460 214	320 044	334 446	349 493
Vote 06: Economic Development, Environment & Tourism	117 857	167 506	249 806	210 659	76 309	286 968	293 072	307 893	325 315
Vote 07: Health	162 240	180 966	198 905	210 508	-	210 508	220 612	230 981	241 375
Vote 08: Transport and Community Safety	651 953	731 247	819 062	852 873	(20 215)	832 658	890 655	930 288	973 082
Vote 09: Public Works, Roads & Infrastructure	31 651	41 093	580 125	39 925	5 728	45 653	41 841	43 715	45 730
Vote 10: Sport, Arts & Culture	386	974	3 066	2 625	-	2 625	2 635	2 643	2 699
Vote 11: Co-Operative Governance, Human Settlements	18 018	87 830	2 347	6 008	(2 234)	3 774	4 135	4 380	4 639
Vote 12: Social Development	5 061	6 704	13 816	2 745	8 647	11 392	6 838	6 964	7 099
Total provincial own receipts by Vote	1 296 269	1 533 491	2 385 170	1 710 048	214 492	1 924 540	1 850 886	1 936 522	2 028 574

The Provincial Own Revenue table above depicts the history of own receipts per vote from the 2020/21 to 2022/23 financial year, 2023/24 financial year and the collection estimates over 2024 MTEF period. The Provincial own revenue estimates increase from the main appropriation of R1.710 billion in 2023/24 to R1.851 billion in 2024/25 which represent an increase of 8.2 percent which is above the projected inflation rate and influenced by envisaged implementation of the revenue enhancement projects.

Vote 1: Office of the Premier

Office of the Premier derives its revenue from commission on insurance and parking fees. The own revenue budget grows by 4.4 percent, 4.5 percent and 4.6 percent in 2024/25, 2025/26 and 2026/27 respectively. The average growth of 4.5 percent over the 2024 MTEF is due to inflationary related factors.

Vote 3: Education

The Department derives its revenue from commission on insurance and examination fees. The revenue budget of the Department declines by 12.7 percent in 2024/25 financial year and increases by 6.1 percent and 5.4 percent in 2025/26 and 2026/27 respectively. The decline over the MTEF period is due to reduction of the baseline as some of the services are no longer rendered by the Department on behalf of Department of Higher Education.

Vote 4: Agriculture

The department generates its revenue mainly on academic services: tuition, registration & exam fees, boarding services from agricultural colleges as well as sale of agricultural produce. The own revenue budget grows by 4.4 percent, 5.1 percent and 4.5 percent in 2024/25, 2025/26 and 2026/27 respectively. Average growth over the MTEF is 4.7 percent mainly due to inflationary related factors.

Vote 5: Provincial Treasury

The departmental revenue is generated through interest on bank balances, commission on insurance, parking fees and previous year's debts recoveries. The own revenue budget grows on average by 4.5 percent over 2024 MTEF period.

Vote 6: Economic Development, Environment and Tourism

The main sources of revenue are from casino taxes, horse racing taxes, hunting permits, liquor licenses and tourism revenue. The own revenue budget of the department increases by 39.1 percent in 2024/25, 5.1 percent in 2025/26 and 5.7 percent in 2026/27. The abnormal growth in 2024/25 is mainly on horse racing taxes due to improved public participation in gambling activities and expected implementation of the Liquor License Act. The average growth over the 2024 MTEF is 15.6 percent.

Vote 7: Health

The Department's revenue is mainly generated from health patient fees and commission on insurance. The own revenue budget grows by 4.8 percent, 4.7 percent and 4.5 percent in 2024/25, 2025/26 and 2026/27 respectively. Average growth over the MTEF is 4.7 percent mainly due to inflationary related factors.

Vote 8: Transport and Community Safety

The sources of revenue for the Department are mainly from motor vehicle licences, penalties on motor vehicle licences and traffic fines. Other sources include abnormal load fees and public permits. The own revenue budget of the department increases by 4.4 percent in 2024/25 and 2025/26 and further increase by 4.6 percent in 2026/27 respectively. The average growth over the 2024 MTEF is 4.5 percent mainly influenced by inflation.

Vote 9: Public Works, Roads & Infrastructure

The Department generates its revenue from rental of government properties for rental of residential dwellings and commercial purposes. Other revenue source is commission on insurance. The own revenue budget of the department increases by 4.8 percent, 4.5 percent and 4.6 percent in 2024/25, 2025/26 and 2026/27 respectively which is due to inflationary related factors. The average growth over the MTEF is 4.6 percent.

Vote 10: Sport, Arts and Culture

The Department derives its own revenue mainly on entrance fees from the hosting of Mapungubwe Arts Festival. The own revenue budget of the Department increases by a 0.4 percent, 0.3 percent and 2.1 percent in 2024/25, 2025/26 and 2026/27 respectively. The average growth over the 2024 MTEF is 0.9 percent.

Vote 11: Co-operative Governance, Human Settlement and Traditional Affairs

The main sources of revenue for the Department are commission on insurance and parking fees. The own revenue budget of the Department decreases by 31.2 percent in 2024/25, then increase by 5.9 percent in 2025/26 and 2026/27 respectively. The negative growth in 2024/25 is due to interest which is no longer received by the Province from the Housing Development Agency as per National Treasury Directive.

Vote 12: Social Development

The main sources of revenue are commission on insurance, rentals and parking fees. The own revenue budget of the Department increases by 149.1 percent, 1.8 percent and 1.9 percent in 2024/25, 2025/26 and 2026/27 respectively. The abnormal increase over the MTEF is due to anticipated once-off revenue recoveries from shared services into the revenue baseline of the Department. The average growth over the 2024 MTEF is 37.3 percent.

4.5 Donor Funding

Table 15: Summary of provincial donor funding

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26
3. Education	3 887	3 197	144 119	103 213	103 213	103 213	51 363	51 363	53 726
6. Economic Development, Environment And Tourism		6 553	1 640	1 965	1 965	1 965	-	-	-
7. Health	76	-		-	-	-	-	-	-
9. Public Works, Roads And Infrastructure	5 000	3 551	8 533	8 533	8 533	8 533	-	-	-
12. Social Development	15 296	12 000	4 005	4 087	4 087	4 087	1 101	-	-
Total Donor Funding	24 259	25 301		117 798	117 798	117 798	52 464	51 363	53 726

It is estimated that a total amount of R52.464 million will be received from donors during 2024/25 financial year, decreasing to R51.363 million in 2025/26 before rebounding to R53.726 million in 2026/27. The main contributor to donor funding received by the province is Department of Education mainly to assist schools with infrastructure delivery, including building of sport centres, boreholes, school furniture, etc.

5 CHAPTER 5: PAYMENTS

5.1 Overall Position

The provincial expenditure increases from R81.643 billion adjustment budget in 2023/24 to R83.111 billion in 2024/25, then grows to R85.725 billion 2025/26 and R89.595 billion in 2026/27, respectively.

Table 16 :Summary of provincial payments and estimates per vote

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
1. Education	32 939 203	35 202 652	37 083 528	38 188 358	39 036 587	39 036 587	40 029 191	41 807 682	44 163 063
2. Health	22 030 377	22 909 761	23 414 047	23 772 224	24 602 082	24 602 082	24 639 298	25 769 302	27 442 816
3. Social Development	2 200 364	2 235 661	1 878 935	1 945 555	2 035 754	2 035 754	2 076 681	2 255 813	2 344 287
4. Office Of The Premier	382 520	383 055	440 633	438 384	465 654	465 654	506 194	515 450	533 515
5. Provincial Legislature	354 163	384 663	454 163	492 417	536 212	506 920	549 516	542 085	626 182
6. Agriculture And Rural Development	1 616 467	1 545 884	1 632 635	1 770 786	1 806 109	1 806 109	1 782 612	1 887 083	1 961 808
7. Provincial Treasury	419 977	350 895	383 294	457 668	414 806	421 506	478 063	500 122	519 577
8. Economic Development, Environment & Tourism	1 380 849	1 640 170	1 660 400	1 449 920	1 710 091	1 706 668	1 866 315	1 673 988	1 428 740
9. Transport And Community Safety	2 141 399	2 288 543	2 375 769	2 483 553	2 513 374	2 513 374	2 610 612	2 683 613	2 791 405
10. Public Works, Roads And Infrastructure	2 940 445	4 211 714	4 281 155	4 950 435	5 080 914	5 080 914	5 271 886	4 769 949	4 528 922
11. Cooperative Governance, Human Settlement & Traditional Affairs	2 109 400	1 888 060	2 372 052	2 591 844	2 796 500	2 796 500	2 473 151	2 556 913	2 520 771
12. Sport, Arts And Culture	390 627	461 242	511 967	621 816	644 700	644 700	827 099	763 447	734 301
Total payments and estimates	68 905 791	73 502 300	76 488 578	79 162 959	81 642 783	81 616 768	83 110 617	85 725 446	89 595 407

5.2 Payments by Vote

Vote 1: Office of the Premier

The Office of the Premier is allocated R506.194 million in 2024/25, R515.450 million in 2025/26 and R533.515 million in 2026/27 financial years. The 2024/25 allocation is inclusive of R83.144 million earmarked funding for, amongst others, ICT related projects in the province, Provincial Energy Strategy, Review of the LDP for the 7th Term of the Administration and Limpopo SMS Development Programme.

Vote 2: Provincial Legislature

The Provincial Legislature is allocated a total budget of R549.516 million in 2024/25, R542.085 million in 2025/26 and R626.182 million in 2026/27 financial years. This allocation is mainly for the operational expenditure of the Provincial Legislature.

Vote 3: Education

Education receives the bulk of the provincial budget at 48.2 percent as part of the province's commitment to continue providing social protection and to fund programmes that are essential in the improvement of learners performance across all grades. The department is allocated R40.029 billion, R41.808 billion and R44.163 billion in 2024/25; 2025/26; and 2026/27 financial years, respectively.

The first financial year allocation is inclusive of R1.596 billion for wage-cost carry through for all administration staff and educators in the province, R100.000 million for E-Education, R100.000 million for Storm Damage Schools, and R70.000 million for Improvement of Matric Results Project. These programmes/projects are funded by the combination of Equitable Share, Conditional Grants and Own Revenue.

Vote 4: Agriculture and Rural Development

Agriculture and Rural Development is allocated a budget of R1.783 billion in 2024/25, R1.887 billion in 2025/26 and R1.962 billion in 2026/27 financial years, respectively. The allocation in the first financial year of the MTEF includes R320.960 million received by the province in the form of Conditional Grants.

The allocation for 2024/25 includes an amount of R31.350 million for the Revitalisation of Agriculture and Agro-Processing Value Chain (RAAVC) Projects.

Vote 5: Provincial Treasury

The Provincial Treasury is allocated a total budget of R478.063 million in 2024/25, R500.122 million in 2025/26 and R519.577 million in 2026/27 financial year. In 2024/25, the budget is inclusive of the R17.514 million made available for National Priority Funding pertaining to Municipal Intervention Capacity Building (R11.803 million) and Infrastructure Capacity Building Programmes (R5.711 million).

Vote 6: Economic Development, Environment and Tourism

The Department of Economic Development Environment and Tourism is allocated a budget of R1.866 billion in 2024/25, R1.674 billion in 2025/26 and R1.429 billion in 2026/27 financial year. The 2024/25 allocation is inclusive of R986.113 million set aside for transfers to Limpopo Economic Development Agency (R834.656 million), Limpopo Tourism Agency (R82.864 million), and Limpopo Gambling Board (R68.592 million). The transfer to the former includes an amount of R561.323 million for the implementation of catalytic projects such as Musina-Makhado Special Economic Zone (R417.475 million) and Fetakgomo-Tubatse Industrial Park (R143.848 million).

The function of economic development in the province is within the ambit of this department and hence the 2024/25 allocation also includes an amount of R25.000 million for state resort refurbishment, R8.500 million for Reserve commercialization, R5.000 million for the purchase of resort equipment, furniture, bedding and cutlery and R1.900 million for the implementation of a resort central reservation system. The department is also allocated R28.000 million for Water Management and Air Quality Control Projects.

Vote 7: Health

As part of providing social protection, the Department of Health receives the second largest allocations of the provincial budget after Department of Education at 29.7 percent. The total allocation to the department is R24.639 billion in 2024/25, R25.769 billion in 2025/26 and R27.443 billion in 2026/27 financial years. The allocation is the combination of Equitable Share, Conditional Grant, and Provincial Own Revenue.

The 2024/25 budget is inclusive of R52.250 million for Purchase of new Ambulances, including all the necessary equipment. Furthermore, a total of R150 million has been made available for the appointment of 143 permanent doctors in various Health facilities across the province. The department will also continue funding the Cuban Doctor programme in 2024/25 and a total budget of R20.900 million has been set aside for this purpose.

Vote 8: Transport and Community Safety

The budget for Department of Transport and Community Safety is R2.611 billion in 2024/25, increasing to R2.684 billion in 2025/26 and R2.791 billion in 2026/27.

Through this budget, the department will implement a number of key projects in the 2024/25 financial year including for revitalization of Traffic Training College (R13.000 million), construction of K53 Projects in Thohoyandou and Seshego (R25 million), refurbishment of traffic facilities (R8.688 million), and remedial work at Thohoyandou facility (R16.000 million).

Moreover, the allocation of the department is inclusive of R127.015 million set aside for transfer to Gateway Airport Authority Limited (GAAL) in 2024/25 and more than half of this allocation (R74.011 million) will be dedicated towards the implementation of GAAL's Service Delivery Improvement Plan Projects.

Vote 9: Public Works, Roads and Infrastructure

The allocation for the Department of Public Works, Roads and Infrastructure is R5.272 billion in 2024/25, R4.770 billion in 2025/26 and R4.529 billion in 2026/27 financial years.

In 2024/25, the allocation will be utilized to implement various infrastructure projects in the province including ZCC R71 Interchange Road Project (R125.000 million), Purchasing of Yellow Fleet (R100.000 million), Refurbishment of LEDET Suid Street Building (R20.000), and MMSEZ Road Infrastructure project (R15.000 million).

As per EXCO resolution, the province remains committed to purchasing and owning office buildings and a total budget of R100.000 million in 2024/25 has been allocated within this department for this purpose.

Vote 10: Sport, Arts and Culture

The Department of Sport, Arts and Culture receives a total budget of R827.099 million in 2024/25, R763.447 million in 2025/26 and R734.301 million in 2026/27 financial year. The allocation for 2024/25 includes conditional grants allocations amounting to R231.074 million.

In 2024/25, a total budget of R200 million has been allocated to commerce the construction of the Provincial Theater.

Vote 11: Co-Operative Governance, Human Settlements and Traditional Affairs

The Department Co-Operative Governance, Human Settlements and Traditional Affairs receives a total budget of R2.473 billion in 2024/25, R2.557 billion in 2025/26 and R2.521 billion in 2026/27 financial year. The budget for 2024/25 includes conditional grant allocation of R1.108 billion made of R892.884 million for Human Settlement Development Grant, R212.572 for Informal Settlement Upgrading Partnership Grant and R2.128 million for EPWP Grant.

Furthermore, the allocation for 2024/25 financial year also includes R37.000 million for Construction of Traditional Council Offices and R5.000 million for Furnishing of Traditional Council Offices.

Vote 12: Social Development

The budget for Department of Social Development amounts to R2.077 billion in 2024/25, R2.256 billion in 2025/26 and R2.344 billion in 2026/27 financial year. The 2024/25 allocation includes a conditional grant allocation of R7.203 million for Expanded Public Works Programmes.

Within the 2024/25 budget, is an allocation R13.317 million for fight against violence against women, R15.939 million for social workers and R17.106 million for HIV prevention programmes.

5.3 Payments by Economic Classification

The Standard Chart of Account classification known as ‘Economic Classification’ is used when allocating the provincial budget, namely; Compensation of Employees, Goods and Services, Transfers and Subsidies and Payments for Capital Assets as outlined in the table below.

Table 17: Payments by economic classification

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
Current payments	59 049 137	61 877 634	63 323 514	66 243 253	67 853 898	67 816 688	69 662 548	73 378 309	77 462 138
Compensation of employees	48 048 069	49 065 487	50 505 827	52 047 586	52 835 959	52 811 763	55 811 896	58 728 757	61 925 723
Goods and services	10 999 115	12 811 082	12 816 557	14 194 586	15 016 788	15 003 774	13 849 523	14 648 372	15 535 181
Interest and rent on land	1 953	1 065	1 130	1 081	1 151	1 151	1 130	1 181	1 235
Transfers and subsidies to:	8 095 604	9 681 426	10 530 956	9 982 647	10 613 617	10 613 900	10 173 164	9 351 681	9 348 438
Provinces and municipalities	198 373	312 336	199 112	167 003	225 830	225 669	167 381	187 506	195 363
Departmental agencies and accounts	1 715 799	2 815 594	3 153 084	2 796 823	3 224 837	3 224 689	3 790 051	2 772 241	2 555 867
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	646 502	702 234	822 402	842 389	844 229	843 927	859 716	879 847	980 335
Non-profit institutions	3 943 492	4 221 429	4 510 787	4 375 337	4 405 239	4 405 239	3 734 628	3 899 697	4 151 787
Households	1 591 438	1 629 833	1 845 571	1 801 095	1 913 482	1 914 376	1 621 388	1 612 390	1 465 086
Payments for capital assets	1 756 689	1 937 948	2 607 657	2 937 059	3 173 528	3 182 109	3 274 905	2 995 456	2 784 831
Buildings and other fixed structures	1 281 311	1 436 714	2 059 137	1 910 640	1 867 479	1 867 479	2 431 544	2 207 112	2 117 450
Machinery and equipment	465 770	492 109	536 173	1 019 190	1 299 420	1 308 001	839 391	784 928	663 808
Heritage Assets	-	-	-	600	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	565	-	990	990	990	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	9 608	8 560	12 347	5 639	5 639	5 639	3 970	3 416	3 573
Payments for financial assets	4 361	5 292	26 451	-	1 740	4 071	-	-	-
Total economic classification	68 905 791	73 502 300	76 488 578	79 162 959	81 642 783	81 616 768	83 110 617	85 725 446	89 595 408

Current Payments

Current payments consist of payments for Compensation of Employees and Goods and Services. The allocation for this category of spending is R69.663 billion in 2024/25, R73.378 billion in 2025/26 and R77.462 billion in 2026/27 financial year and represents 83.8 percent of the total allocation.

The main cost driver under current payment is Compensation of Employees allocation which represent 67.2 percent of the total budget and is allocated R55.812 billion in

2024/25, R58.729 billion in 2025/26 and R61.926 billion in 2026/27 financial year. The Compensation of Employees budget is increasing by 7.2 percent between 2023/24 and 2024/24 to cater for existing staff, carry through cost for 2023 salary wage agreement and other liabilities such as pay progression, grade progressions, etc and for filling of vacant posts.

The share of Goods and Services is 16.7 percent of the total allocation and is allocated R13.850 billion, R14.648 billion and R15.535 billion in 2024/25, 2025/26 and 2026/27 financial years respectively. This item declines between 2023/24 to 2024/25 financial year due to reprioritization made and the implementation of cost containment measures.

Transfers and subsidies

This spending category is allocated R10.173 billion in 2024/25, decreases to R9.352 billion in 2025/26 and a further reduction of R9.348 billion in 2026/27 financial year. This caters for transfers to Departmental Agencies (i.e. public entities), schools, funded Non-Profit Organisations; service providers for construction of Human Settlement Houses under Human Settlement Grant and for Payments of Leave Gratuity to staff exiting the public service.

The decrease over the 2024 MTEF is affected by the phasing-out of the operational allocation to 3D Public Entities in the 2025/26 and 2026/27 financial year to enable them to become self-sustainable. However, the current allocation maintains the allocation for projects in line with the province's commitment to continue implementing various catalytic economic projects such as the SEZs through public entities.

Payment for Capital Assets

The allocation for this category of spending increases from R2.937 billion in 2023/24 to R3.275 billion in 2024/25, then reduces to R2.995 billion in 2025/26 and further reduction to R2.785 billion in 2026/27 financial year. The allocation is for Construction of Fixed Structures, Machinery and Equipment, Biological Assets and Software and Intangible Assets. An amount of R2.432 billion or 74.2 percent of the Payments for

Capital Assets' budget is allocated to Buildings and Other Fixed Structures which is infrastructure investment and should assist in job creation in construction industry.

The decline in the 2025/26 financial year is linked to the phasing-out of the allocations for the Refurbishment of Suid Street Building and Maphutha Malatji Hospital construction projects in the Department of Public Works, Roads and Infrastructure (DPWRI). The Department plans to finalise the projects during the first year of the MTEF period.

5.4 Payments by Policy Area

The table below displays the allocation in terms of functional areas. The clustering of these departments is in line with the services they provide within the province as per the mandates in line with the plans.

Table 18: Payments by policy area

Function	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26
General Public Services	5 195 946	6 350 122	6 620 774	7 578 845	7 828 341	7 805 749	8 039 280	7 639 353	7 583 685
Public Order and Safety	50 507	47 081	57 744	56 563	60 372	60 372	63 677	59 879	62 634
Economic Affairs	4 760 533	5 095 554	5 259 045	5 262 087	5 562 022	5 556 786	5 797 564	5 781 093	5 724 708
Environmental Protection	327 675	331 962	352 015	385 608	407 180	408 993	398 298	403 712	394 611
Housing and Community Amenities	1 010 559	1 200 227	1 662 538	1 737 511	1 872 925	1 874 738	1 637 828	1 648 878	1 539 893
Health	22 030 377	22 909 761	23 414 047	23 772 224	24 602 082	24 602 082	24 639 298	25 769 302	27 442 816
Recreation, Culture and Religion	390 627	461 242	511 967	621 816	644 700	644 700	827 099	763 447	734 301
Education	32 939 203	35 202 652	37 083 528	38 188 358	39 036 587	39 036 587	40 029 191	41 807 682	44 163 083
Social Protection	2 200 364	2 235 661	1 878 935	1 945 555	2 035 754	2 035 754	2 076 681	2 255 813	2 344 287
Total provincial payments and estimates by	68 905 791	73 502 300	76 488 578	79 162 959	81 642 783	81 616 768	83 110 617	85 725 446	89 595 407

The department clustered within the General Public Services are the Office of the Premier, Legislature, Provincial Treasury and Public Works as they provide support to departments in terms of public services and ensures that they operate within the framework of public services legislation and regulations such as the Public Service Act and Regulations, PFMA, Treasury Regulations, Instruction Notes, Directives etc. Moreover, these departments provide support and training to other departments to effectively implement the plans as adopted by Legislature. These departments are allocated a combined budget of R8.039 billion, R7.639 billion and R7.584 billion in 2024/25, 2025/26 and 2026/27 financial year respectively.

Provincial Secretariat of Police Services Programmes under Department of Transport and Community Safety is clustered within the Public Order and Safety since is tasked with the responsibility of ensuring public order and safety in the Province. The allocation for this function area is R63.677 million in 2024/25, R59.879 million in 2025/26, and R62.634 million in 2026/27.

Economic affairs and environmental protection functions are both advanced by the Department of Economic Development, Environment and Tourism and Agriculture. These function areas are allocated a combined budget of R6.196 billion in 2024/25, R6.185 billion in 2025/26, and R6.119 billion in 2026/27.

Housing Development is delivered within the ambit of the Department of Co-Operative Governance, Human Settlement and Traditional Affairs's Human Settlement programme which is allocated R1.638 billion, R1.649 billion and R1.540 billion in 2024/25, 2025/26 and 2026/27 respectively.

The Department of Sport, Arts and Culture is mandated to oversees recreation, culture, and religion programmes in the province and hence the department is solely clustered within the function area of Culture, Recreation and Region. This function area received a total budget of R827.099 million in 2024/25, R763.447 million in 2025/26, and R734.301 million in 2025/27 to advance cultural and recreational activities within the province.

The Department of Health, Education and Social Development are mandated by the Constitution of the Republic of South Africa to provide health care, basic education, and social services to the public, respectively. To achieve this, an amount of R66.745 billion in 2024/25, R69.832 billion in 2025/26, and R73.950 billion in 2026/27. Worth noting is that these function areas accounts for about 80 percent of the budget in line with the commitment of the province to continue providing social protection over the period ahead.

5.5 Infrastructure Management

The Provincial Government acknowledges that the growing demand for infrastructure surpasses the resources currently at our disposal, given the current economic challenges and fiscal constraints facing the country. The Province is therefore compelled to be innovative and strategic on how to allocate the limited resources, prioritizing essential key infrastructure projects that will drive sustainable economic growth, provide crucial services and foster continuous development of our urban and rural areas. Since 2019/20 financial year, the Province invested resources to enhance the planning, delivery and governance of infrastructure to improve the delivery mechanism and expenditure of infrastructure budgets and to promote value for money and efficacy of investments.

The commitment to fostering infrastructure planning remains steadfast, hence bi-annual workshops are conducted in line with the planning framework to ensure that provincial departments are guided in aligning the infrastructure plans to the MTEF allocations. It is through these efforts that the provincial infrastructure delivery planning and performance have been on a positive trajectory. It is true that the cost containment came and had an impact on committed infrastructure plans. Despite this challenge; through dedication and sustained investment in enhancing the planning and execution of infrastructure enabled the provincial government to mitigate the effects of these measures.

Infrastructure development is not merely about constructing roads, bridges, buildings and procuring machinery; but rather about laying the foundation for sustainable development, innovation and resilience. This is precisely the reason there is persistence in allocating resources to infrastructure development to enhance social cohesion and economic growth.

The Province aims to continue addressing challenging factors hampering infrastructure implementation such as poor project and programme management, supply chain and limited resources by supporting and strengthening capacity at the

Limpopo Department of Public Works Roads and Infrastructure (LDPWR&I) to perform its role as the custodian of assets and the implementing agent of infrastructure and by further exploring other funding model options available. These remain central to the long-term plan to enhance the capacity of the province to deliver infrastructure.

In preparation and finalisation of the 2024/25 MTEF, all departmental infrastructure plans were used to inform the final allocation as summarised in the table below.

Table 19: Summary of provincial infrastructure payments and estimates by Vote

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Vote 03: Education	996 511	996 511	1 177 754	1 486 484	1 292 858	1 292 858	1 623 503	1 489 667	1 562 157
Vote 04: Agriculture and Rural Development	73 869	55 568	150 814	183 024	198 084	198 084	206 260	206 931	216 314
Vote 06: Economic Development, Environment and Tourism	11 480	25 200	27 000	20 000	26 400	26 400	25 000	5 000	5 000
Vote 07: Health	986 294	1 284 542	1 098 367	851 637	817 463	817 463	848 228	830 872	915 912
Vote 08: Transport and Community Safety	31 894	24 930	49 864	78 688	48 500	48 500	62 688	53 000	-
Vote 09: Public Works, Roads and Infrastructure	2 972 594	3 818 784	3 864 887	3 398 011	3 561 341	3 561 341	3 714 650	3 203 408	2 871 411
Vote 10: Sport, Arts and Culture	43 050	60 970	58 006	54 314	102 026	102 026	243 585	167 994	114 386
Vote 11: Co-operative Governance, Human Settlements and Traditional Affairs	930 872	1 119 570	1 196 140	1 229 361	1 341 477	1 341 477	1 107 584	1 106 269	997 924
Vote 12: Social Development	25 213	8 485	17 650	10 662	10 662	10 662	20 333	48 065	45 835
Total provincial infrastructure (including non infrastructure items)	6 071 777	7 394 560	7 640 482	7 312 181	7 398 811	7 398 811	7 851 831	7 111 206	6 728 939

Over the 2024 MTEF period, a total budget of R21.691 billion has been allocated for the delivery of infrastructure within the province. This allocation will fund infrastructure projects of various categories in line with the overall strategic objectives of the province and the project details are captured in the project list (Table B5 annexures) of each department.

Limpopo Provincial Government infrastructure is predominately funded through conditional grants. The Department of Public Works Roads & Infrastructure is allocated a budget of R3.714 billion or 47.3 percent, Cooperative Governance, Human Settlement and Traditional Affairs with an allocation of R1.107 billion or 14.1 percent, the Department of Education with R1.623 billion or 20.67 percent and the Department of Health with R848.228 million or 10.80 percent.

Table 20: Summary of provincial infrastructure payments and estimates by category

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
Existing infrastructure assets	1 618 089	2 872 599	2 961 596	3 307 940	3 157 970	3 157 970	3 279 710	3 336 147	3 111 381
Maintenance and repairs	989 996	2 108 877	1 245 430	1 862 161	1 670 207	1 670 207	1 539 327	1 759 657	1 508 424
Upgrades and additions	272 752	653 625	1 339 495	1 066 451	1 198 464	1 198 464	1 389 982	1 236 087	1 325 177
Rehabilitation and refurbishment	355 341	110 097	376 671	379 328	289 299	289 299	350 401	340 403	277 780
New infrastructure assets	597 989	597 260	439 496	421 849	388 534	388 534	612 807	539 448	422 030
Infrastructure transfers	2 252 328	2 906 341	3 301 928	3 250 327	3 532 443	3 532 443	3 690 944	2 963 649	2 916 842
Infrastructure transfers - Current	-	-	6 700	-	-	-	-	-	-
Infrastructure transfers - Capital	2 252 328	2 906 341	3 295 228	3 250 327	3 532 443	3 532 443	3 690 944	2 963 649	2 916 842
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	49 776	44 743	55 721	58 202	58 202	58 202	63 502	68 282	67 501
Non Infrastructure	1 553 595	1 154 860	1 206 035	273 863	261 662	261 662	204 868	203 680	211 185
Total provincial infrastructure payments and estimates¹	6 071 777	7 575 803	7 964 776	7 312 181	7 398 811	7 398 811	7 851 831	7 111 206	6 728 939
<i>Capital infrastructure</i>	<i>3 478 410</i>	<i>4 267 323</i>	<i>5 450 890</i>	<i>5 117 955</i>	<i>5 408 740</i>	<i>5 408 740</i>	<i>6 044 134</i>	<i>5 079 587</i>	<i>4 941 829</i>
<i>Current infrastructure</i>	<i>2 593 367</i>	<i>3 308 480</i>	<i>2 513 886</i>	<i>2 194 226</i>	<i>1 990 071</i>	<i>1 990 071</i>	<i>1 807 697</i>	<i>2 031 619</i>	<i>1 787 110</i>

Over the 2024 MTEF, R21.691 billion is allocated across various investment categories.

For the 2024/25 financial year specifically, a total budget of R612.807 million or 7.80 percent is allocated towards new infrastructure mainly for construction of the provincial theatre, libraries, schools and procurement of buildings. The estimated budget allocation for rehabilitation and refurbishment is R350.401 million or 4.46 percent, upgrading and additions of existing facilities is R1.389 billion or 17.70 percent for upgrades of healthcare centres, community clinics, schools, gravel roads to tar and nature resorts; and R1.539 billion or 19.60 percent is allocated for maintenance.

The procurement plans for each department have been finalised and are at advance stages to have projects at pre-planning stages concluded. Effective implementation of budget for the current financial year will be expedited through acceleration and catch plans that the Limpopo Provincial Treasury monitors and continuously review departments' spending trends in the Infrastructure Reporting Model (IRM), which enable sector departments to report progress and performance of their infrastructure on a monthly basis past the infrastructure governance structures. Limpopo Provincial Treasury will provide feedback to provincial departments on areas where improvements are required.

In conclusion, it is the role of Limpopo Provincial Treasury to drive Infrastructure Delivery Management System (IDMS) in enhancing efficiency in the delivery of infrastructure and value. Limpopo Provincial Treasury will continue to confront provincial challenges to ensure that the province deliver on its plans.

6 Transfers

6.1 Transfers to Public Entities

Table 21: Provincial Transfer to Public Entities

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
Economic Development, Environment & Tourism	615 194	678 982	825 183	603 067	835 567	835 567	986 112	735 883	471 174
Limpopo Gambling Board	61 381	75 651	82 652	66 736	81 736	81 736	68 592	71 725	74 514
Limpopo Tourism Agency	66 413	66 697	75 297	80 105	83 605	83 605	82 864	86 703	90 248
Limpopo Economic Development Agency	487 400	536 634	667 234	456 226	670 226	670 226	834 656	577 455	306 412
Transport And Community Safety	54 777	67 331	69 831	70 498	73 498	73 498	127 015	60 298	40 950
Gateway Airport Authority Limited	54 777	67 331	69 831	70 498	73 498	73 498	127 015	60 298	40 950
Public Works, Roads And Infrastructure	877 113	1 786 771	2 092 658	2 008 966	2 178 966	3 002 966	2 557 360	1 851 380	1 912 642
Limpopo Roads Agency	877 113	1 786 771	2 092 658	2 008 966	2 178 966	3 002 966	2 557 360	1 851 380	1 912 642
Total provincial transfers	1 547 084	2 533 084	2 987 672	2 682 531	3 088 031	3 912 031	3 670 487	2 647 561	2 424 766

Total allocation to provincial public entities amounts to R3.670 billion in 2024/25 financial year, R2.648 billion in 2025/26 and R2.425 billion in 2026/27 financial year. In 2024/25, the Road Agency Limpopo receives a lion's share of the total allocation for transfers amounting R2.557 billion or 69.6 percent mainly for construction, maintenance and rehabilitation of provincial roads. Limpopo Economic Development Agency receives R834.656 million or 22.7 percent whilst Gateway Airport Authority Limpopo is allocated R127.015 or 3.5 percent. The balance is allocated to Limpopo Tourism Agency and Limpopo Gambling Board which receive R82.864 or 2.3 percent and R68.592 or 1.9 percent, respectively.

Transfers to Local Government

Table 22: Provincial Transfer to Local Government

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
Category A	-	-	-	-	-	-	-	-	-
Category B	3 296	2 367	982	2 673	1 763	1 973	1 510	1 649	1 725
Category C	192 833	306 796	195 232	160 712	219 908	219 908	161 996	181 540	189 121
Unallocated	557	542	499	930	930	930	972	1 016	1 063
Total provincial transfers	196 686	309 705	196 713	164 315	222 601	222 811	164 478	184 205	191 909

The transfer to municipalities by the provincial departments mainly relates to the payments for the rates and taxes and motor vehicles licenses. In 2024/25, a total budget of R164.478 million is made available for this purpose, increase to R184.205 million in 2025/26, and R191.909 million in 2026/27. The allocation is mainly in the Department of Public Works, Roads and Infrastructure for payment of Rates and Taxes to Municipalities.

7 Personnel Numbers and Costs

Table 23: Summary of provincial personnel numbers and costs by vote

R thousands	Actual						Revised estimate				Medium-term expenditure estimate					
	2020/21		2021/22		2022/23		2023/24				2024/25		2025/26		2026/27	
	Personnel numbers [†]	Costs	Personnel numbers [†]	Costs	Personnel numbers [†]	Costs	Filled posts	Additional posts	Personnel numbers [†]	Costs	Personnel numbers [†]	Costs	Personnel numbers [†]	Costs	Personnel numbers [†]	Costs
Vote																
1. Education	58 832	26 114 714	61 394	26 750 777	61 394	27 607 510	61 394		61 394	29 246 450	61 394	30 641 309	61 394	32 411 011	61 394	34 378 057
2. Health	42 376	14 966 409	42 276	15 406 490	41 584	16 154 980	42 450		42 450	16 441 824	42 450	17 501 170	43 013	18 306 224	43 013	19 130 005
3. Social Development	3 317	1 226 808	3 317	1 374 980	3 317	1 313 642	3 317		3 317	1 394 521	3 317	1 420 000	3 317	1 500 000	3 317	1 592 000
4. Office Of The Premier	478	295 189	380	291 690	408	287 862	411		411	304 383	411	331 844	386	345 117	386	358 922
5. Provincial Legislature	243	233 836	259	256 288	259	266 318	259		259	282 166	259	334 488	274	335 199	274	360 622
6. Agriculture And Rural Development	3 127	1 080 184	3 000	1 020 439	2 297	1 067 995	2 115		2 115	1 013 334	2 115	1 106 322	2 314	1 150 823	2 384	1 203 429
7. Provincial Treasury	473	283 299	408	279 043	365	275 702	408		408	271 993	408	337 908	408	352 956	408	362 229
8. Economic Development, Environment & Tourism	1 343	541 111	1 144	553 700	1 183	531 012	1 159		1 159	536 731	1 159	571 503	1 130	601 817	1 130	637 938
9. Transport And Community Safety	3 212	1 089 526	2 180	1 050 377	2 309	1 068 872	2 144		2 144	1 120 743	2 144	1 190 560	2 240	1 245 326	2 240	1 301 366
10. Public Works, Roads And Infrastructure	2 710	997 684	2 887	935 198	2 718	859 887	2 262		2 262	944 679	2 262	1 044 401	2 262	1 075 733	2 136	1 126 218
11. Cooperative Governance, Human Settlement & Traditional Affairs	3 831	1 003 344	3 651	969 951	3 277	1 006 949	3 177		3 177	1 039 399	3 177	1 069 000	3 104	1 128 000	3 104	1 197 000
12. Sport, Arts And Culture	465	197 861	446	200 814	408	197 276	496		496	215 540	496	264 391	527	276 550	527	288 936
Total	118 407	48 029 965	121 142	49 089 747	119 519	50 637 805	119 582	-	119 582	52 811 763	119 582	55 811 896	120 369	58 728 736	120 313	61 925 722

The personnel numbers are projected to increase by 731 from 119 582 in 2024/25 to 120 313 in 2026/27 in line with the provincial department's commitment to sustain the current headcount, fill vacancies and create new job opportunities.

7.1 Payments on Training

Table 24: Summary of provincial payments on training

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
1. Education	84 123	88 750	93 010	97 102	97 102	97 102	101 762	106 321	111 212
2. Health	546 756	505 089	639 159	684 172	646 624	646 624	666 474	708 164	740 741
3. Social Development	4 355	450	893	7 716	1 885	1 885	6 485	7 365	7 704
4. Office Of The Premier	189	92	12 789	14 530	3 198	3 198	7 390	1 909	1 986
5. Provincial Legislature	1 615	1 640	1 720	1 796	1 796	1 796	1 877	1 961	2 051
6. Agriculture And Rural Development	3 082	4 005	5 000	10 000	10 000	10 000	10 449	10 917	11 419
7. Provincial Treasury	2 839	4 916	2 711	3 311	3 311	2 764	3 379	2 529	3 622
8. Economic Development, Environment & Tourism	9 662	4 818	6 597	7 519	7 519	7 519	7 857	8 209	8 587
9. Transport And Community Safety	20 400	597	2 781	1 806	1 806	1 806	19 387	21 456	23 037
10. Public Works, Roads And Infrastructure	1 054	379	1 073	2 929	2 929	3 800	3 800	3 800	3 800
11. Cooperative Governance, Human Settlements	1 374	2 375	4 668	6 418	4 831	4 831	11 512	11 830	12 150
12. Sport, Arts And Culture	1 712	1 516	1 580	1 795	1 795	1 795	1 837	1 925	2 010
Total payments on training	677 161	614 627	771 981	839 094	782 796	783 120	842 209	886 386	928 319

The provincial departments allocated R842.209 million in 2024/25, R886.386 million in 2025/26 and R928.319 million in 2026/27 financial year for training and development. The bulk of the budget is mainly in the Department of Health for Training and Development of Health Professional including Cuban Doctor Programme. Training and development of personnel contributes significantly towards developmental state.

8 ANNEXURES

Table 25: A1: Details of information on provincial own receipts

R'000	Audited Outcome			Main appropriation	Current Adjusted appropriation	Revised estimate	BUDGET	BUDGET	BUDGET
	Audited outcome						Medium-term estimates		
	2020/21	2021/22	2022/23				2023/24	2023/24	2023/24
Tax receipts	626 955	735 271	876 481	892 817	28 136	920 953	1 005 757	1 052 259	1 103 940
Casino taxes	44 442	66 549	74 358	76 809	(3 900)	72 909	70 504	73 324	76 257
Horse racing taxes	33 208	63 378	121 678	101 143	64 000	165 143	173 400	182 070	191 174
Liquor licences	3 517	3 884	4 045	4 482	22	4 504	20 000	22 000	26 000
Motor vehicle licences	545 786	601 460	676 400	710 383	(31 986)	678 397	741 853	774 865	810 509
Sales of goods and services other than capital assets	251 262	278 393	309 303	348 484	2 848	351 332	359 427	375 877	393 414
Sales of goods and services produced by department (excl. capital assets)	250 006	275 832	307 797	346 770	2 637	349 407	357 466	373 749	391 231
Sales by market establishments	-	-	-	-	-	-	-	-	-
Administrative fees	46 265	63 160	75 526	79 358	8 209	87 566	86 020	89 945	94 125
Other sales	203 741	212 673	232 271	267 413	(5 572)	261 841	271 446	283 804	297 107
<i>Of which</i>									
<i>Commission on insurance</i>	50 302	49 687	50 550	52 729	451	53 180	55 074	57 601	60 446
<i>Patient fee</i>	66 227	85 387	91 874	108 061	5 551	113 612	119 065	124 661	130 271
<i>Parking fee</i>	3 645	3 880	4 057	4 263	294	4 557	4 831	5 043	5 282
<i>Rentals</i>	65 468	65 915	71 219	84 740	(6 687)	78 053	82 108	85 706	89 607
Sales of scrap, waste, arms and other used current goods (excl. capital assets)	1 256	2 561	1 506	1 713	212	1 925	1 961	2 128	2 183
Transfers received from:	21 005	16 911	545 709	8 067	15 603	23 670	8 554	8 905	9 264
Other governmental units (Excl. Equitable share and conditional grants)	21 005	16 911	545 709	8 067	15 603	23 670	8 554	8 905	9 264
Fines, penalties and forfeits	79 331	86 250	89 269	84 038	6 244	90 282	87 686	91 588	95 799
Interest, dividends and rent on land	250 470	260 183	452 830	307 652	154 280	461 931	321 671	336 160	351 297
Interest	250 258	260 111	452 675	307 043	154 122	461 166	320 860	335 304	350 395
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	212	72	155	608	157	766	811	855	901
Sales of capital assets	9 536	32 185	33 915	14 975	3 767	18 742	11 635	17 231	18 031
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Other capital assets	9 536	32 185	33 915	14 975	3 767	18 742	11 635	17 231	18 031
Financial transactions in assets and liabilities	57 709	124 297	77 665	54 016	3 615	57 630	56 156	54 501	56 830
Total provincial own source receipts	1 296 269	1 533 491	2 385 170	1 710 048	214 492	1 924 540	1 850 886	1 936 522	2 028 574

Table 26: A.2 Details on information on Conditional Grants

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23		2023/24		2024/25	2025/26	2026/27
Vote 3	3 162 676	3 382 014	3 296 482	3 354 291	3 174 763	3 174 763	3 614 406	3 701 686	3 875 515
National School Nutrition Programme	1 529 904	1 530 388	1 498 954	1 664 681	1 684 410	1 684 410	1 741 094	1 821 195	1 904 585
HIV/AIDS (Life Skills Education)	26 875	27 646	21 788	27 036	24 267	24 267	28 087	29 334	30 664
Education Infrastructure Grant	1 315 811	1 486 546	1 483 884	1 371 984	1 189 646	1 189 646	1 503 403	1 473 916	1 545 773
EPWP Integrated Grant	2 702	2 702	2 690	2 444	2 206	2 206	2 224	-	-
Social Sector (EPWP) Grant	18 354	18 354	17 279	17 065	15 842	15 842	14 707	-	-
Leamers with profound intellectual Disabilities Grant	34 451	38 184	30 987	34 228	37 355	37 355	36 062	37 657	39 357
Maths, Science and Technology Grant	49 721	49 721	41 459	49 592	44 698	44 698	50 827	52 562	54 969
Early Childhood Development	184 858	228 473	199 441	187 261	176 339	176 339	238 002	287 022	300 167
Maintenance Component	15 879	18 879	-	12 500	1 212	1 212	19 076	14 251	14 904
Subsidy Component	168 979	209 594	-	174 761	175 127	175 127	218 926	272 771	285 263
Vote 4	336 813	351 306	308 980	340 365	351 054	351 054	320 960	351 235	367 489
Land Care Programme	13 303	16 031	12 134	13 480	15 428	15 428	13 674	14 287	14 942
Comprehensive Agriculture Support Programme	237 816	248 092	219 758	241 700	250 267	250 267	247 211	253 364	265 063
EPWP Integrated Grant	10 361	10 361	10 071	8 593	8 593	8 593	4 753	-	-
Ilimal/Letsema Projects	75 333	76 822	67 017	76 592	76 766	76 766	55 322	83 584	87 484
Provincial Disaster Drought Relief Grant	-	-	-	-	-	-	-	-	-
Vote 06	2 146	2 146	2 146	1 920	1 733	1 733	-	-	-
EPWP Incentive Allocation	2 146	2 146	2 146	1 920	1 733	1 733	-	-	-
Vote 7	4 195 723	4 447 366	4 395 011	3 926 774	3 866 150	3 866 150	4 088 524	4 024 963	4 208 494
District Health Programme Grant	2 621 492	2 716 285	2 707 737	2 388 635	2 324 846	2 324 846	2 500 738	2 533 462	2 649 780
Comprehensive HIV and AIDS Component	1 935 362	2 026 013	2 019 996	1 924 794	1 857 887	1 857 887	1 988 305	1 997 860	2 089 505
District Health Component	686 130	690 272	687 741	463 841	466 959	466 959	512 433	535 602	560 275
Community Outreach Services Component	377 600	377 600	377 544	367 690	367 690	367 690	406 210	424 576	444 134
Malaria Control Component	65 002	65 112	64 827	65 173	65 448	65 448	72 000	75 255	78 723
Human Papillomavirus Vaccine Component	30 897	36 190	33 306	30 978	33 821	33 821	34 223	35 771	37 418
COVID-19 Component	212 631	211 370	212 064	-	-	-	-	-	-
National Health Insurance	83 490	103 349	67 936	97 796	129 682	129 682	52 554	53 237	54 314
NHI (HP Contracting)	36 300	36 300	26 892	34 061	40 097	40 097	-	-	-
Mental Health Services Component	17 175	17 175	17 173	17 690	17 690	17 690	18 221	18 767	19 631
Oncology Services Component	30 015	49 874	23 871	46 045	71 895	71 895	-	-	-
EPWP Integrated Grant	2 978	2 978	2 978	3 133	2 827	2 827	3 290	-	-
Social Sector (EPWP) Grant	33 847	33 847	33 843	33 038	30 670	30 670	22 031	-	-
National Tertiary Services	481 051	512 058	503 691	470 401	478 528	478 528	538 981	522 878	546 888
Health Professions Training and Development	372 699	372 699	372 694	380 788	380 788	380 788	369 609	369 414	386 410
Training and Development Component	151 242	151 242	151 242	148 411	148 411	148 411	158 163	154 825	161 944
Statutory Human Resources	221 457	221 457	221 452	232 377	232 377	232 377	211 446	214 589	224 466
Health Facility Revitalisation	600 166	706 150	706 132	552 983	518 809	518 809	601 321	545 972	571 102
Emergency Disaster Fund (COVID-19)	-	-	-	-	-	-	-	-	-
Vote 8	424 444	424 444	424 197	442 911	442 720	442 720	463 885	481 396	503 451
Public Transport Operations	2 106	2 106	424 197	440 951	440 951	440 951	460 754	481 396	503 451
Social Sector (EPWP) Grant	-	-	-	-	-	-	970	-	-
EPWP Integrated Grant	422 338	422 338	-	1 960	1 769	1 769	2 161	-	-
Vote 9	1 212 187	1 321 000	1 229 936	1 800 890	1 742 194	1 742 194	1 943 192	1 504 948	1 320 696
Provincial Roads Maintenance Grant	1 199 876	1 308 689	1 217 632	1 782 057	1 725 197	1 725 197	1 934 494	1 504 948	1 320 696
EPWP Integrated Grant	12 311	12 311	12 304	18 833	16 997	16 997	8 698	-	-
Vote 10	219 703	224 628	193 444	221 888	229 850	229 850	231 074	232 115	242 812
Mass Participation and Sport Development Grant	64 978	64 978	64 803	66 331	61 396	61 396	70 488	71 401	74 705
Community Library Services	152 619	157 544	126 641	153 597	166 685	166 685	157 664	160 714	168 107
Social Sector (EPWP) Grant	-	-	-	-	-	-	873	-	-
EPWP Incentive Allocation	2 106	2 106	2 000	1 960	1 769	1 769	2 049	-	-
Vote 11	1 176 418	1 485 300	1 196 140	1 229 361	1 341 477	1 341 477	1 107 584	1 106 269	997 924
Human Settlement Development	906 953	1 096 440	991 734	946 060	950 766	950 766	892 884	925 163	937 124
Provincial Emergency Housing Grant	-	-	-	-	-	-	-	-	-
Title Deeds Restoration Grant	-	-	-	-	-	-	-	-	-
Informal Settlement Upgrading Partnership Grant	269 465	387 263	203 164	281 341	388 942	388 942	212 572	181 106	60 800
EPWP Incentive Allocation	-	1 597	1 242	1 960	1 769	1 769	2 128	-	-
Vote 12	10 435	10 435	10 233	10 233	9 432	9 432	7 203	-	-
Social Sector (EPWP) Grant	2 570	2 570	2 371	7 581	7 038	7 038	4 958	-	-
EPWP Integrated Grant	7 865	7 865	7 862	2 652	2 394	2 394	2 245	-	-
Early Childhood Development	-	-	-	-	-	-	-	-	-
Total conditional grants	10 740 545	11 648 639	11 056 569	11 328 633	11 159 373	11 159 373	11 776 828	11 402 612	11 516 381

Table 27: A.3 Details of provincial payments and estimates

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
Current payments	59 049 137	61 877 634	63 323 514	66 243 253	67 853 898	67 816 688	69 662 549	73 378 309	77 462 138
Compensation of employees	48 048 069	49 065 487	50 505 827	52 047 586	52 835 959	52 811 763	55 811 896	58 728 757	61 925 723
Salaries and wages	41 502 607	42 496 585	43 728 415	45 228 051	45 522 516	45 488 101	48 297 185	50 855 380	53 696 185
Social contributions	6 545 462	6 568 902	6 777 412	6 819 535	7 313 443	7 323 662	7 514 711	7 873 376	8 229 538
Goods and services	10 999 115	12 811 082	12 816 557	14 194 586	15 016 788	15 003 774	13 849 523	14 648 372	15 535 181
Administrative fees	5 641	2 888	4 536	6 236	8 045	8 346	7 953	8 151	15 849
Advertising	24 353	28 025	31 133	29 262	34 313	33 127	33 100	31 465	30 572
Minor assets	38 710	37 127	23 567	44 926	161 547	138 080	37 951	43 109	44 531
Audit cost: External	96 809	95 811	116 093	119 066	127 835	127 738	130 708	133 626	136 787
Bursaries: Employees	49 992	43 805	52 223	45 869	45 013	45 545	57 493	61 811	64 647
Catering: Provincial activities	39 029	76 069	84 856	119 051	125 397	122 641	127 745	133 479	139 704
Communication (G&S)	225 593	246 715	214 621	249 731	253 569	251 353	242 931	268 017	266 276
Computer services	389 787	350 545	387 176	500 431	519 162	517 909	589 038	681 211	707 989
Consultants and professional services: Business and advisory services	182 980	88 712	195 306	204 725	201 408	215 089	266 120	234 006	221 134
Infrastructure and planning	3 593	97 179	91 978	87 164	94 443	94 443	65 274	75 385	97 760
Laboratory services	526 446	549 377	605 407	638 620	781 544	728 386	693 920	598 231	719 619
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	27 914	68 014	53 246	55 531	56 489	43 674	35 426	35 872	37 308
Contractors	527 668	766 502	505 291	923 088	873 482	874 817	657 534	917 313	744 775
Agency and support / outsourced services	1 218 974	1 361 010	1 426 260	1 663 283	1 770 702	1 786 704	1 741 339	1 797 502	1 836 240
Entertainment	450	226	448	1 392	1 513	1 043	911	1 401	1 464
Fleet services (including government motor transport)	311 157	365 300	412 489	413 252	422 740	438 400	375 021	420 178	435 565
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	25 413	30 700	19 111	41 109	29 777	28 577	25 732	33 389	35 290
Inventory: Farming supplies	96 351	84 222	88 233	36 319	87 054	87 054	57 900	100 736	104 704
Inventory: Food and food supplies	147 094	165 693	194 756	183 092	234 276	224 450	184 330	200 370	211 668
Inventory: Chemicals, fuel, oil, gas, wood and coal	35 318	33 021	96 426	94 194	143 980	124 748	84 186	97 880	107 382
Inventory: Learner and teacher support material	559 187	703 034	693 324	824 684	867 900	867 900	910 871	902 077	943 568
Inventory: Materials and supplies	53 774	71 759	44 714	78 418	92 259	92 023	86 468	78 473	81 614
Inventory: Medical supplies	1 197 415	823 713	672 774	543 933	775 563	815 815	594 698	613 095	688 273
Inventory: Medicine	1 668 080	1 792 642	1 840 184	1 863 065	1 825 666	1 756 463	1 739 227	1 914 779	2 150 205
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	191 627	388 037	474 523	611 602	572 399	573 334	274 980	288 220	296 876
Consumable supplies	282 278	241 569	214 987	299 987	273 890	308 816	303 208	342 701	363 411
Consumable: Stationery, printing and office supplies	120 052	134 741	191 669	274 070	287 298	286 427	301 162	365 629	382 748
Operating leases	310 832	323 502	241 557	306 930	300 396	299 781	297 697	313 404	330 191
Property payments	1 938 478	2 378 918	2 409 631	2 515 154	2 573 283	2 633 625	2 618 697	2 605 303	2 893 683
Transport provided: Provincial activity	250 725	414 894	415 465	492 560	500 310	503 970	394 035	398 305	416 735
Travel and subsistence	242 957	375 060	592 234	459 745	536 026	548 815	494 800	512 943	543 306
Training and development	26 270	16 046	31 671	80 504	41 612	39 373	66 100	67 292	70 200
Operating payments	104 088	440 185	257 120	220 109	230 060	209 027	218 594	225 780	241 721
Venues and facilities	17 897	34 545	51 556	76 715	70 636	79 822	75 295	72 140	74 656
Rental and hiring	62 183	181 496	81 992	90 768	97 201	96 459	60 879	75 099	78 731
Interest and rent on land	1 953	1 065	1 130	1 081	1 151	1 151	1 130	1 181	1 235
Interest	955	150	173	-	70	70	-	-	-
Rent on land	998	915	957	1 081	1 081	1 081	1 130	1 181	1 235
Transfers and subsidies	8 095 604	9 681 426	10 530 956	9 982 647	10 613 617	10 613 900	10 173 163	9 351 681	9 348 438
Provinces and municipalities	198 373	312 336	199 112	167 003	225 830	225 669	167 380	187 506	195 363
Provinces	1 955	2 710	2 711	3 088	3 307	3 307	3 322	3 741	3 915
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Departmental agencies and funds	1 955	2 710	2 711	3 088	3 307	3 307	3 322	3 741	3 915
Municipalities	196 418	309 626	196 401	163 915	222 523	222 362	164 058	183 765	191 448
Municipalities	193 537	306 988	195 733	157 508	221 116	220 955	162 366	181 716	190 138
Municipal agencies and funds	2 881	2 638	668	6 407	1 407	1 407	1 692	1 989	1 310
Departmental agencies and accounts	1 715 799	2 815 594	3 153 094	2 796 823	3 224 837	3 224 689	3 790 051	2 772 241	2 555 667
Social security funds	16 121	16 829	18 658	24 798	25 308	25 308	9 011	9 192	10 300
Provide list of entities receiving transfers	1 699 678	2 798 765	3 134 426	2 772 025	3 199 529	3 199 381	3 781 040	2 763 049	2 545 567
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	646 502	702 234	822 402	842 389	844 229	843 927	859 716	879 847	980 335
Public corporations	644 402	702 234	822 402	842 389	844 229	843 927	859 716	879 847	980 335
Subsidies on production	262 402	283 118	400 097	401 438	403 278	402 976	398 962	398 451	476 884
Other transfers	382 000	419 116	422 305	440 951	440 951	440 951	460 754	481 396	503 451
Private enterprises	2 100	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	2 100	-	-	-	-	-	-	-	-
Non-profit institutions	3 943 492	4 221 429	4 510 787	4 375 337	4 405 239	4 405 239	3 734 628	3 899 697	4 151 787
Households	1 591 438	1 629 833	1 845 571	1 801 095	1 913 482	1 914 376	1 621 388	1 612 390	1 465 086
Social benefits	532 613	701 189	464 322	397 793	423 918	450 383	379 166	355 291	309 447
Other transfers to households	1 058 825	928 644	1 381 249	1 403 302	1 489 564	1 463 993	1 242 222	1 257 099	1 155 639
Payments for capital assets	1 756 689	1 937 948	2 607 657	2 937 059	3 173 528	3 182 109	3 274 905	2 995 456	2 784 831
Buildings and other fixed structures	1 281 311	1 436 714	2 059 137	1 910 640	1 867 479	1 867 479	2 431 544	2 207 112	2 117 450
Buildings	1 201 931	1 331 021	1 868 491	1 737 445	1 694 660	1 694 660	2 268 022	2 057 317	1 938 091
Other fixed structures	79 380	105 693	190 646	173 195	172 819	172 819	163 522	149 795	179 359
Machinery and equipment	465 770	492 109	536 173	1 019 190	1 299 420	1 308 001	839 391	784 928	863 808
Transport equipment	99 366	91 018	166 765	477 929	607 048	608 284	296 042	190 282	197 431
Other machinery and equipment	366 404	401 091	369 408	541 261	692 372	699 717	543 349	594 646	466 377
Heritage Assets	-	-	-	600	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	565	-	990	990	990	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	9 608	8 560	12 347	5 639	5 639	5 639	3 970	3 416	3 573
Payments for financial assets	4 361	5 292	26 451	-	1 740	4 071	-	-	-
Total economic classification	68 905 791	73 502 300	76 488 576	79 162 959	81 642 783	81 616 768	83 110 617	85 725 446	89 595 408

Table 28: A.4 (a) Details of payments by functional area

Function	Category	Department	Programme
General public services	Legislative	Premier	Administration Institutional Support Policy & Governance
		Provincial Legislature	Administration Facilities for Members and Political Parties Parliamentary Services
	General Services	Public Works, Roads and Infrastructure	Administration Infrastructure Operations Expended Public Works Programme Roads Infrastructure
	Financial and fiscal affairs	Provincial Treasury	Administration Sustainable Resource Management Assets, Liabilities and Supply Chain Management Financial Governance Shared Internal Audit Services
Public order and safety	Police services	Transport and Community Safety	Provincial Secretariat of Police Services
Economic Affairs	General economic affairs	Economic Development, Environment and Tourism	Administration Economic and Development
	Agriculture	Agriculture and Rural Development	Administration Sustainable Resource Management Farmer Support and Development Veterinary Services Technology research and Development Agricultural Economics Structured Agricultural Training Rural Development Coordination
	Transport	Transport and Community Safety	Administration Transport Infrastructure Transport Operations Transport Regulations
	Communication	Tourism	Tourism
Environmental Protection	Environmental protection	Economic Development, Environment and Tourism	Environmental Affairs
Housing and community amenities	Housing development	Cooperative Governance, Human Settlement and Traditional Affairs	Administration Human Settlements Cooperative Governance Traditional Institutional Development
Health	Outpatient service	Health	Administration District Health Services Emergency Medical Services Provincial Hospital Services Central Hospital Services Health Sciences and Training Health Care Support Services Health Facilities Management
	R&D health (CS) Hospital services		
Recreation, culture and religion	Recreational and sporting services Cultural services	Sport, Arts and Culture	Administration Cultural Affairs Library and Archives Sport and Recreation
Education	Pre-primary and primary Secondary education Subsidiary service to education Education not definable by level	Education	Administration Public Ordinary Schools Independent Schools Subsidies Public Special School Early Childhood Development Infrastructure Development Auxiliary and Associated Services
Social protection	Social security services	Social Development	Administration Social Welfare services Children and Families Restorative Services Development and Research

Table 29: A.4 (b) Details of Provincial payments and estimates by function area

Function	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26
General Public Services									
Executive and Legislature	736 683	767 718	894 796	930 801	1 001 866	972 574	1 055 710	1 057 535	1 159 697
Financial and Fiscal Services	419 977	350 895	383 294	457 668	414 806	421 506	478 063	500 122	519 577
General Services	4 039 286	5 231 509	5 342 684	6 190 376	6 411 669	6 411 669	6 505 507	6 081 696	5 904 411
Total: General Public Services	5 195 946	6 350 122	6 620 774	7 578 845	7 828 341	7 805 749	8 039 280	7 639 353	7 583 685
Public Order and Safety									
Police Services	50 507	47 081	57 744	56 563	60 372	60 372	63 677	59 879	62 634
Total: Public Order and Safety	50 507	47 081	57 744	56 563	60 372	60 372	63 677	59 879	62 634
Economic Affairs									
General Economic Affairs	962 618	1 227 387	1 207 530	957 891	1 193 478	1 191 328	1 358 152	1 153 553	912 288
Agriculture	1 616 467	1 545 884	1 632 635	1 770 786	1 806 109	1 806 109	1 782 612	1 887 083	1 961 808
Transport	2 090 892	2 241 462	2 318 025	2 426 990	2 453 002	2 453 002	2 546 935	2 623 734	2 728 771
Communication	90 556	80 821	100 855	106 420	109 433	106 347	109 865	116 723	121 841
Total: Economic Affairs	4 760 533	5 095 554	5 259 045	5 262 087	5 562 022	5 556 786	5 797 564	5 781 093	5 724 708
Environmental Protection									
Environmental Protection	327 675	331 962	352 015	385 608	407 180	408 993	398 298	403 712	394 611
Total: Environmental Protection	327 675	331 962	352 015	385 608	407 180	408 993	398 298	403 712	394 611
Housing and Community Amenities									
Housing Development	1 010 559	868 265	1 310 523	1 351 903	1 465 745	1 465 745	1 239 530	1 245 166	1 145 282
Total: Housing and Community Amenities	1 010 559	1 200 227	1 662 538	1 737 511	1 872 925	1 874 738	1 637 828	1 648 878	1 539 893
Health									
Outpatient services	22 030 377	22 909 761	23 414 047	23 772 224	24 602 082	24 602 082	24 639 298	25 769 302	27 442 816
R and D Health (CS)	-	-	-	-	-	-	-	-	-
Hospital Services	-	-	-	-	-	-	-	-	-
Total: Health	22 030 377	22 909 761	23 414 047	23 772 224	24 602 082	24 602 082	24 639 298	25 769 302	27 442 816
Recreation, Culture and Religion									
Sporting and Recreational Affairs	390 627	461 242	511 967	621 816	644 700	644 700	827 099	763 447	734 301
Total: Recreation, Culture and Religion	390 627	461 242	511 967	621 816	644 700	644 700	827 099	763 447	734 301
Education									
Pre-primary, Primary and Secondary Education	32 939 203	35 202 652	37 083 528	38 188 358	39 036 587	39 036 587	40 029 191	41 807 682	44 163 083
Subsidised Services to Education	-	-	-	-	-	-	-	-	-
Education not defined by level	-	-	-	-	-	-	-	-	-
Total: Education	32 939 203	35 202 652	37 083 528	38 188 358	39 036 587	39 036 587	40 029 191	41 807 682	44 163 083
Social Protection									
Social Security Services	-	-	-	-	-	-	-	-	-
Social Services and Population Development	2 200 364	2 235 661	1 878 935	1 945 555	2 035 754	2 035 754	2 076 681	2 255 813	2 344 287
Total: Social Protection	2 200 364	2 235 661	1 878 935	1 945 555	2 035 754	2 035 754	2 076 681	2 255 813	2 344 287
Total provincial payments and estimates by	68 905 791	73 502 300	76 488 578	79 162 959	81 642 783	81 616 768	83 110 617	85 725 446	89 595 407



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