



PROVINCIAL TREASURY

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LIMPOPO PROVINCIAL REVENUE AND EXPENDITURE REPORT AS AT 30 JUNE 2018

1. Purpose

To submit to the National Treasury a report on Limpopo Provincial Revenue and Expenditure as at 30 June 2018.

2. Background

The Limpopo Provincial Treasury hereby submit the provincial revenue and expenditure report as at 30 June 2018 in line with chapter 5, section 40 (4) (c) (i) – (iii) of the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999) as amended by Act 29 of 1999. The Act requires the designated accounting officers of departments to submit to the provincial treasury, information on actual revenue and expenditure for the preceding month and again provided the anticipated revenue and expenditure for the remaining period of the financial year and explanation on material variance.

3. Discussion

The Limpopo provincial government revenue and expenditure trend for the period under review finds its basis on the June 2018 In-Year Monitoring (IYM) reports from various provincial departments. Departmental submissions were duly analyzed in terms of the projected revenue and expenditure, projected cash requests and actual expenditure as recorded in the IYM reports and Infrastructure Reporting Model (IRM) submissions. The explanations for the variances were provided by departments as per their IYM and IRM variance reports and where necessary, further clarity was sought from the departments in line with the requirements of the Provincial Treasury Instruction Notes 03 of 2012, 09 of 2012 and 04 of 2013.

4. Cash Management

2018/19 Cash Allocation bilateral was held with all Provincial departments from the 21st to 23rd of May 2018. The Cash Allocation Letters for 2018/19 financial year were issued to all departments after the finalization of the cash allocation bilateral, indicating cash available for each payment run as well as the processes to be followed by departments to enable Provincial Treasury to release payment tapes. Schedule of payments runs were also sent to departments to enable them to inform service providers of the dates of payments as they serve them with invoices for services rendered: -

- PERSAL runs are scheduled 5 times a month, i.e. the 15th for normal salaries, 22nd for Educators' salaries, two Supplementary payments (claims) and month-end for probation, contract employees and third party deductions.
- BAS runs (payments of suppliers) are scheduled twice, i.e. for the action dates 15th and for month-end.

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

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

An analysis of cash projections, actual expenditure and actual funds transferred indicates departments' ability to plan, budget and spend. Table 3 below provides cash flow projections, actual expenditure and transfers to departments during June 2018.

Table 1: Cash Allocations Vs. Actual Expenditure Vs. Actual Funds Transferred

Departments	Opening Bank Balances at 1-Apr-17 R' 000	Cash Allocation 30-Jun-18 R' 000	Actual Expenditure 30-Jun-18 R' 000	Tranfers To Departments 30-Jun-18 R' 000	Variance Cash allocation Vs Actual Expenditure		Variance Actual Expenditure Vs Funds Transferred	
					Amount R' 000	%	Amount R' 000	%
Education	241,878	7,710,562	7,285,307	6,920,892	425,255	5.5%	364,415	5.0%
Health	226,832	4,694,725	4,897,340	5,073,829	202,615	-4.3%	-176,489	-3.6%
Social Development	17,324	356,357	471,815	429,198	-115,458	-32.4%	42,617	9.0%
Public Works, Roads and Infrastructure	158,295	834,135	771,007	788,003	63,128	7.6%	-16,996	-2.2%
Agriculture	165,303	451,312	363,934	363,866	87,378	19.4%	68	0.0%
Transport	86,753	467,883	414,619	357,375	53,264	11.4%	57,244	13.8%
CoGHSTA	43,018	627,541	566,766	590,263	60,775	9.7%	-23,497	-4.1%
Sport, Arts & Culture	32,765	64,465	98,595	100,056	-34,130	-52.9%	-1,461	-1.5%
Community Safety	-149	27,525	23,417	21,654	4,108	14.9%	1,763	7.5%
Office of the Premier	8,393	93,716	90,554	83,587	3,162	3.4%	6,967	7.7%
Provincial Legislature	57,150	173,000	126,609	73,533	46,391	26.8%	53,076	41.9%
Provincial Treasury	10,233	135,765	101,479	90,695	34,286	25.3%	10,784	10.6%
Economic Development, Environmental & Tourism	25,536	419,771	411,972	408,040	7,799	1.9%	3,932	1.0%
Total	1,073,331	16,056,757	15,623,414	15,300,991	433,343	2.7%	322,423	2.1%
Summary Per Fund								
Equitable Share		13,881,151	13,803,398	13,271,110	77,753	0.6%	532,288	3.9%
Conditional Grant		2,175,606	1,820,016	2,029,881	355,590	16.3%	-209,865	-11.5%
Total		16,056,757	15,623,414	15,300,991	433,343	2.7%	322,423	2.1%

When comparing actual expenditure to the cash flow projections or cash allocations, departments under-spent the cash allocations by R433.3 million or 2.7 percent. Department of Health, Social Development and Sport, Arts and Culture spent more than the allocated cash by

R202.6 million, R115.5 million and R34.1 million respectively and mainly due to accruals paid from the previous financial year. It should be clear that the overall under-spending by departments has nothing to do with availability of cash as Treasury has given cash allocations and processes well upfront.

On the other hand, transfers to departments is R322.423 million or 25.1 percent less than actual expenditure. The reason for transferring less funds than was required is due to the huge opening PMG balances of almost all departments at the beginning of April 2018.

4.2. Interest Performance

Table 2: Interest Performance

R'000													
Institution	2018/19												
	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Total
Commercial Bank (SBSA)	4,588	3,408	3,859										11,855
CPD (SA Reserve Bank)	15,189	24,014	20,667										59,870
Interest on investment with SBSA													-
Total	19,777	27,422	24,526	-	-	-	-	-	-	-	-	-	71,725
Institution	2017/18												
	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Total
Commercial Bank (SBSA)	1,819	1,663	1,443										4,925
CPD (SA Reserve Bank)	35,848	30,777	27,144										93,769
Interest on investment with SBSA													-
Total	37,667	32,440	28,587	-	-	-	-	-	-	-	-	-	98,694

-36.2%

-27.3%

It is important to note that interest reported is earned on the group favorable bank balance comprising Exchequer Account, PMG Accounts and the Call Account held with the provincial banker, as well as investment account referred to as CPD held with the South African Reserve Bank. In both financial years, a Call Account is solely used keep funds ring fenced to meet calendar year-end third party payments which become due when all officials are holidays. It is also important to further note that, in public sector though reflecting healthy position, huge favorable bank account and investment balances translates into inefficiencies and ineffectiveness in planning and service delivery. Comparing same period last financial year as indicated in the tables above, interest revenue was at R71.7 million by end of June 2018 which represent 27.3 percent decrease from last financial year. Interest earned from the CPD account alone was at R59.9 million recording a 36.1 decrease from R93.8 million last financial year.

5. Provincial Expenditure

Table 3: Provincial overall expenditure as at 30 June 2018

	Main Appropriation	Adjusted Appropriation	Available funds*	Projected outcome	Actual spending as at 30 June 2018	Actual spending as % of Main budget	(Over)	Under	%(Over)/ under of Main budget
R thousand									
Education	30 607 772	30 607 772	30 607 772	30 607 772	7 285 163	23,8%	–	–	0,0%
Health	19 511 420	19 511 420	19 511 420	21 001 981	5 082 815	26,1%	-1 490 561	–	-7,6%
Social Development	1 986 729	1 986 729	1 986 729	1 986 729	471 079	23,7%	–	–	0,0%
Public Works, Roads And Infrastructure	3 118 176	3 118 176	3 118 176	3 118 176	771 000	24,7%	–	–	0,0%
Agriculture	1 917 354	1 917 354	1 917 354	1 917 354	367 738	19,2%	–	–	0,0%
Transport	2 106 228	2 106 228	2 106 228	2 106 228	414 620	19,7%	–	–	0,0%
Co-Operative Governance Human Settlement	2 624 006	2 624 006	2 624 006	2 624 006	566 712	21,6%	–	–	0,0%
Sport, Arts And Culture	472 264	472 264	472 264	472 264	98 637	20,9%	–	–	0,0%
Community Safety	109 714	109 714	109 714	109 714	23 417	21,3%	–	–	0,0%
Office Of The Premier	420 680	420 680	420 680	420 680	90 554	21,5%	–	–	0,0%
Provincial Legislature	360 927	360 927	360 927	360 927	127 857	35,4%	–	–	0,0%
Provincial Treasury	472 850	472 850	472 850	472 850	115 034	24,3%	–	–	0,0%
Economic Development, Environment And T	1 665 375	1 665 375	1 665 375	1 665 351	411 948	24,7%	–	24	0,0%
Total	65 373 495	65 373 495	65 373 495	66 864 032	15 826 574	24,2%	-1 490 561	24	-2,3%
Economic classification						Net	-1 490 537		
Current payments	55 455 766	55 455 766	55 455 766	56 943 127	13 094 939	23,6%	-1 487 361	–	-2,7%
Compensation of employees	45 956 169	45 956 169	45 956 169	46 339 276	10 802 971	23,5%	-383 107	–	-0,8%
Goods and services	9 498 677	9 498 677	9 498 677	10 602 931	2 291 324	24,1%	-1 104 254	–	-11,6%
Interest and rent on land	920	920	920	920	644	70,0%	–	–	0,0%
Transfers and subsidies	7 827 311	7 827 311	7 827 311	7 829 318	2 304 130	29,4%	-2 007	–	0,0%
Payments for capital assets	2 090 418	2 090 418	2 090 418	2 091 587	427 505	20,5%	-1 169	–	-0,1%
Payments for financial assets	–	–	–	–	–	0,0%	–	–	–
Total	65 373 495	65 373 495	65 373 495	66 864 032	15 826 574	24,2%	-1 490 537	–	-2,3%
* Available funds refers to adjusted budget including any post adjustment (Virements and shifts)						Net	-1 490 537		

Overall the provincial expenditure is R15.8 billion representing 24.2 percent spending of the R65.4 billion allocated budget. The province projected to overspend by R1.5 billion or 2.3 percent under the department of Health due to payment of accruals for 2017/18. Hereunder is the synopsis of provincial expenditure as at 30 June 2018: -

- **Compensation of Employees (CoE)** spent R10.8 billion or 23.5 percent of the total budget of R45.9 million. The province projects to overspend by R383.1 million or 0.8 percent.
- **Goods and Services** spent R2.3 billion or 24.1 percent of the total budget of R9.5 billion. The province projects to overspend by R1.1 billion or 11.6 percent.
- **Transfers and subsidies** recorded an expenditure of R2.3 billion or 29.4 percent of the total budget of R7.8 billion. The province projects to overspend by R2.0 million.
- **Payment for Capital Assets** spent R427.5 million or 20.5 percent of the total budget of R2.1 billion. The province projects to overspend by R1.2 million or 0.1 percent.

5.1. Spending per Economic Classification

5.1.1. Compensation of Employees

Table 4: Compensation of Employees as at 30 June 2018

	Main Appropriation	Adjusted Appropriation	Available funds*	Projected outcome	Actual as at 30 June 2018	Actual spending as % of Main budget	(Over)	Under	%(Over)/under of Main budget
R thousand									
Education	24 637 533	24 637 533	24 637 533	24 637 533	5 733 197	23,3%	-	-	0,0%
Health	14 257 472	14 257 472	14 257 472	14 639 371	3 476 333	24,4%	-381 899	-	-2,7%
Social Development	1 084 112	1 084 112	1 084 112	1 084 112	251 505	23,2%	-	-	0,0%
Public Works , Roads and Infrastructure	1 100 857	1 100 857	1 100 857	1 100 857	244 028	22,2%	-	-	0,0%
Agriculture	1 208 280	1 208 280	1 208 280	1 208 280	259 518	21,5%	-	-	0,0%
Transport	975 322	975 322	975 322	975 322	216 766	22,2%	-	-	0,0%
Co-Operative Governance Human Settlement	1 041 309	1 041 309	1 041 309	1 041 309	238 166	22,9%	-	-	0,0%
Sport,Art And Culture	199 781	199 781	199 781	199 781	45 206	22,6%	-	-	0,0%
Community Safety	76 967	76 967	76 967	76 967	17 957	23,3%	-	-	0,0%
Office of the Premier	300 576	300 576	300 576	300 576	68 333	22,7%	-	-	0,0%
Legislature	198 319	198 319	198 319	199 527	50 267	25,3%	-1 208	-	-0,6%
Treasury	310 658	310 658	310 658	310 658	71 514	23,0%	-	-	0,0%
Economic Development	564 983	564 983	564 983	564 983	130 181	23,0%	-	-	0,0%
Total	45 956 169	45 956 169	45 956 169	46 339 276	10 802 971	23,5%	-383 107	-	-0,8%
* Available funds refers to adjusted budget including any post adjustment (Virements and shifts)						Net	-383 107		

The overall provincial CoE spending is at R10.8 billion or 23.5 percent. The highest percentage spending departments are Legislature at R50.3 million or 25.3 percent, Health at 24.4 percent or R3.5 billion and Education at 23.3 percent or R5.7 billion. The province is projecting to overspend by R383.1 million or 0.8 percent mainly under the following departments: -

- Health – R381.9 million or 2.7 percent due to outstanding salary related costs not yet paid and the 2017/18 financial year outstanding payments.
- Provincial Legislature - R1.2 million or 0.6 percent due to the newly appointed staff and the salaries of the political parties support staff which are paid through PERSAL.

5.1.2. Goods and Services

Table 5: Goods and Services as at 30 June 2018

R thousand	Main Appropriation	Adjusted Appropriation	Available funds*	Projected outcome	Actual as at 30 June 2018	Actual spending as % of Main budget	(Over)	Under	% (Over)/ under of Main budget
Education	2 668 540	2 668 540	2 668 540	2 668 540	335 644	12,6%	-	-	0,0%
Health	4 056 727	4 056 727	4 056 727	5 165 389	1 395 893	34,4%	-1 108 662	-	-27,3%
Social Development	269 344	269 344	269 344	269 344	80 689	30,0%	-	-	0,0%
Public Works, Roads and Infrastructure	790 149	790 149	790 149	790 149	140 962	17,8%	-	-	0,0%
Agriculture	401 600	401 600	401 600	401 600	67 022	16,7%	-	-	0,0%
Transport	291 800	291 800	291 800	291 800	61 794	21,2%	-	-	0,0%
Co-Operative Governance Human Settlements And	184 548	184 548	184 548	184 551	40 193	21,8%	-3	-	0,0%
Sport,Art And Culture	219 377	219 377	219 377	219 377	40 066	18,3%	-	-	0,0%
Community Safety	32 252	32 252	32 252	32 252	5 457	16,9%	-	-	0,0%
Office of the Premier	112 781	112 781	112 781	112 781	19 664	17,4%	-	-	0,0%
Legislature	67 984	67 984	67 984	65 545	14 156	20,8%	-	2 439	3,6%
Treasury	143 955	143 955	143 955	143 955	34 458	23,9%	-	-	0,0%
Economic Development	259 620	259 620	259 620	257 648	55 326	21,3%	-	1 972	0,8%
Total	9 498 677	9 498 677	9 498 677	10 602 931	2 291 324	24,1%	-1 108 665	4 411	-11,6%
* Available funds refers to adjusted budget including any post adjustment (Virements and shifts)						Net	-1 104 254		

The overall spending on Goods and Services is at R2.3 billion or 24.1 percent of the total budget of R9.5 billion. The province is projecting to overspend by R1.1 billion or 11.6 percent due to Health department which is projecting over expenditure of R1.1 billion or 27.3 percent due to payment of accruals for 2017/18 financial year.

Legislature projects to underspend by R2.4 million or 3.6 percent due to the postponement of some Committee meetings while LEDET is projecting to underspend by R1.9 million or 0.8 percent.

5.1.3. Transfers and subsidies

Table 6: Transfers and subsidies as at 30 June 2018

R thousand	Main Appropriation	Adjusted Appropriation	Available funds*	Projected outcome	Actual as at 30 June 2018	Actual spending as % of Main budget	(Over)	Under	% (Over)/ under of Main budget
Education	2 326 435	2 326 435	2 326 435	2 326 435	940 717	40,4%	-	-	0,0%
Health	649 203	649 203	649 203	649 203	141 351	21,8%	-	-	0,0%
Social Development	584 911	584 911	584 911	584 911	128 239	21,9%	-	-	0,0%
Public works, Roads and Infrastructure	1 062 835	1 062 835	1 062 835	1 062 835	366 165	34,5%	-	-	0,0%
Agriculture	209 032	209 032	209 032	209 032	37 431	17,9%	-	-	0,0%
Transport	802 010	802 010	802 010	802 010	134 918	16,8%	-	-	0,0%
Co-Operative Governance Human Settlements	1 336 728	1 336 728	1 336 728	1 336 728	281 424	21,1%	-	-	0,0%
Sport,Art And Culture	12 495	12 495	12 495	12 495	5 633	45,1%	-	-	0,0%
Community Safety	11	11	11	11	3	27,3%	-	-	0,0%
Office of the Premier	1 832	1 832	1 832	1 832	622	34,0%	-	-	0,0%
Legislature	73 027	73 027	73 027	74 258	61 740	84,5%	-1 231	-	-1,7%
Treasury	7 301	7 301	7 301	7 301	4 075	55,8%	-	-	0,0%
Economic Development	761 491	761 491	761 491	762 267	201 812	26,5%	-776	-	-0,1%
Total	7 827 311	7 827 311	7 827 311	7 829 318	2 304 130	29,4%	-2 007	-	0,0%
* Available funds refers to adjusted budget including any post adjustment (Virements and shifts)						Net	-2 007		

The province spent R2.3 billion or 29.4 percent of the total budget of R7.8 billion on Transfers and subsidies. The province is projecting to overspend by R2.0 million or 1.7 percent under the following departments: -

- Legislature by R1.2 million or 1.7 percent due to transfers to political parties.
- LEDET by R0.776 million or 0.1 percent as a result of transfers to public entities as per the approved schedule.

The highest percentage spending departments are; Legislature at R61.7 million or 84.5 percent due to urgent request for the transfer to political parties and Provincial Treasury at R4.1 million 55.8 percent due to payment of bursaries and Education at R940.7 million or 40.4 percent due to transfers for norms and standards. All departments are projecting to breakeven.

5.1.4. Payment for Capital Assets

Table 7: Payment for Capital Assets as at 30 June 2018

R thousand	Main Appropriation	Adjusted Appropriation	Available funds*	Projected outcome	Actual as at 30 June 2018	Actual spending as % of Main budget	(Over)	Under	% (Over)/ under of Main budget
Education	975 264	975 264	975 264	975 264	275 605	28,3%	-	-	0,0%
Health	548 018	548 018	548 018	548 018	69 238	12,6%	-	-	0,0%
Social Development	48 362	48 362	48 362	48 362	10 646	22,0%	-	-	0,0%
Public Works, Roads and Infrastructure	164 335	164 335	164 335	164 335	19 845	12,1%	-	-	0,0%
Agriculture	98 442	98 442	98 442	98 442	3 767	3,8%	-	-	0,0%
Transport	37 096	37 096	37 096	37 096	1 142	3,1%	-	-	0,0%
Co-Operative Governance Human Settlements And	61 421	61 421	61 421	61 418	6 929	11,3%	-	3	0,0%
Sport,Art And Culture	40 611	40 611	40 611	40 611	7 732	19,0%	-	-	0,0%
Community Safety	484	484	484	484	-	0,0%	-	-	0,0%
Office of the Premier	5 491	5 491	5 491	5 491	1 935	35,2%	-	-	0,0%
Legislature	21 597	21 597	21 597	21 597	1 694	7,8%	-	-	0,0%
Treasury	10 936	10 936	10 936	10 936	947	8,7%	-	-	0,0%
Economic Development	78 361	78 361	78 361	79 533	23 985	30,6%	-1 172	-	-1,5%
Total	2 090 418	2 090 418	2 090 418	2 091 587	423 465	20,3%	-1 172	3	-0,1%
* Available funds refers to adjusted budget including any post adjustment (Virements and shifts)						Net	-1 169		

The overall provincial expenditure on Payment for Capital Assets is at R423.5 million or 20.3 percent of the total budget of R2.1 billion. The highest percentage spending departments are Education at R275.6 million or 28.3 percent due to payments of infrastructure projects and Office of the Premier at R1.9 million or 35.2 percent due to the purchase of IT servers, generator and printers and LEDET spent R23.9 million or 30.6 percent while projecting to overspend by R1.2 million or 1.5 percent due to procurement of GG vehicles, holding facilities, conditional assessment and the general project variations orders.

5.2. Equitable share spending

Table 8: Equitable share spending as at 30 June 2018

	Main Appropriation	Actual as at June 2018	Actual spending as % of budget	Projected Outcome	Variance
Education	28 258 124	6 749 181	23,9%	28 258 124	-
Health	16 790 580	4 432 242	26,4%	18 281 141	(1 490 561)
Social Development	1 859 529	444 753	23,9%	1 859 529	-
Public Works , Roads and Infrastructure	1 986 676	565 407	28,5%	1 986 676	-
Agriculture	1 571 967	320 332	20,4%	1 571 967	-
Transport	1 749 419	369 562	21,1%	1 749 419	-
CoGHSTA	1 311 819	294 660	22,5%	1 311 819	-
Sport, Arts & Culture	276 942	62 078	22,4%	276 942	-
Community Safety	107 714	23 417	21,7%	107 714	-
Office of the Premier	420 680	90 554	21,5%	420 680	-
Legislature	360 927	127 857	35,4%	360 927	-
Treasury	472 850	115 034	24,3%	472 850	-
Economic Development	1 661 999	411 481	24,8%	1 661 975	24
Total	56 829 226	14 006 558	24,6%	58 319 763	(1 490 537)
Economic classification					
Current payments	51 558 664	12 267 245	23,79%	53 046 025	(1 490 537)
Compensation of employees	45 191 401	10 617 196	23,5%	45 574 508	(383 107)
Goods and Services	6 367 263	1 650 049	25,9%	7 471 517	(1 104 254)
Other	920	644	0,0%	920	-
Current transfers and subsidies	4 694 171	1 654 255	35,2%	4 696 178	(2 007)
Payments for capital assets	575 471	84 414	14,7%	576 640	(1 169)
Payments for financial assets	-	-	0,0%	-	-
Total	56 829 226	14 006 558	24,6%	58 319 763	(1 490 537)

Provincial equitable share spending is at R14.0 billion or 24.6 percent of the total budget of R56.8 billion.

The highest percentage spending departments are Provincial Legislature at R127.8 million or 35.4 percent, Health at R4.4 billion or 26.4 percent and Public Works, Roads and Infrastructure at R565.4 million or 28.5 percent whereas low percentage spending departments are Agriculture and Rural Development R320.3 million or 20.4 percent and Transport at R369.6 million or 21.1 percent.

5.3. Conditional Grants

Table 9: Conditional Grants spending per department as at 30 June 2018

	Main Appropriation	Actual as at June 2018	Actual spending as % of budget	Outcome	Variance
Education	2 349 648	535 982	22,8%	2 349 648	-
Health	2 720 840	650 573	23,9%	2 720 840	-
Social Development	127 200	26 326	20,7%	127 200	-
Public Works , Roads and Infrastructure	1 131 500	205 593	18,2%	1 131 500	-
Agriculture	345 387	47 406	13,7%	345 387	-
Transport	356 809	45 058	12,6%	356 809	-
CoGHSTA	1 312 187	272 052	20,7%	1 312 187	-
Sport, Arts and Culture	195 322	36 559	18,7%	195 322	-
Community Safety	2 000	-	0,0%	2 000	-
Economic Development	3 376	467	13,8%	3 376	-
Total	8 544 269	1 820 016	21,3%	8 544 269	-
Current payments	3 896 182	827 050	21,23%	3 896 182	-
Compensation of employees	764 768	185 775	24,3%	764 768	-
Goods and Services	3 131 414	641 275	20,5%	3 131 414	-
Other	-	-	0,0%	-	-
Current transfers and subsidies	3 133 140	649 875	20,7%	3 133 140	-
Payments for capital assets	1 514 947	343 091	22,6%	1 514 947	-
Payments for financial assets	-	-		-	-
Total	8 544 269	1 820 016	21,3%	8 544 269	-

The CGs' overall expenditure is at R1.8 billion or 21.3 percent of the total budget of R8.5 billion. Spending by Departments has improved as compared to the same period of the previous financial year which was R1.6 billion or 20.0 percent. The highest percentage spending departments are Health at R650.6 million or 23.9 percent and Education at R535.9 million or 22.8 percent.

Table 10: Limpopo Conditional Grant spending per grant as at 30 June 2018

Table 16: EPWP Conditional Grant opening per grant as at 30 June 2016			
R thousand	Provincial Actual Payments	Actual Payments as a % of Adjusted budget	
Agriculture	345 387	47 406	13,7%
Comprehensive Agricultural Support Programme Grant	256 521	40 450	15,8%
Disaster (Casp Infrastructure)	5 000	—	0,0%
Ilima/Letsema Projects Grant	71 263	6 272	8,8%
EPWP Incentive allocation	5 000	378	7,6%
Land Care Programme Grant	12 603	306	2,4%
Sport, Arts and Culture	195 322	36 559	18,7%
Mass Sport and Recreation Programme	67 679	13 106	19,4%
EPWP Incentive allocation	2 000	355	17,8%
Community Library Services Grant	125 643	23 098	18,4%
Education	2 349 648	535 982	22,8%
HIV and Aids (Life Skills Education) Grant	27 116	3 638	13,4%
National School Nutrition Programme Grant	1 229 299	245 995	20,0%
Infrastructure Grant	1 011 680	282 693	27,9%
Maths, Science and Technology	43 364	575	1,3%
Learners with Profound Intellectual Disabilities	21 700	196	0,9%
Social sector EPWP grant	14 355	2 845	19,8%
EPWP Incentive allocation	2 134	40	1,9%
Health	2 718 840	650 573	23,9%
Comprehensive HIV and Aids Grant	1 600 516	433 177	27,1%
Health Professions Training and Development Grant	139 366	34 270	24,6%
Human Papilloma Vaccine	27 471	134	0,5%
EPWP Social Sector	27 029	7 307	27,0%
Hospital Revitalisation Grant	536 898	77 688	14,5%
National Tertiary Services Grant	387 560	97 997	25,3%
EPWP Incentive	2 000	—	0,0%
Co-operate Governance,Human Settlements and Traditional Affairs	1 312 187	272 052	20,7%
Integrated Housing & Human Settlements Development Grant	1 285 681	270 456	21,0%
Deeds Restoration	24 506	1 596	6,5%
EPWP Incentive allocation	2 000	—	0,0%
Public Works, Roads and Infrastructure	1 131 500	205 593	18,2%
Infrastructure Grant	994 146	204 367	20,6%
Transport Disaster Management	130 000	—	0,0%
EPWP incentive grant	7 354	1 226	16,7%
Economic Development	3 376	467	13,8%
EPWP Incentive grant	3 376	467	13,8%
Social Develoment	127 200	26 326	20,7%
Early Childhood development	68 561	10 057	14,7%
Social worker employment	50 631	15 031	29,7%
EPWPSocial sector grant	8 008	1 238	15,5%
Transport	356 809	45 058	12,6%
Public Transport Operations Grant	356 809	45 058	12,6%
Community Safety	2 000	—	0,0%
EPWP incentive grant	2 000	—	0,0%
Total	8 544 269	1 820 016	21,3%

5.3.1. Agriculture

Overall spending by the department on Conditional Grant (CG) is R47.4 million or 13.7 percent of the total budget of R345.4 million. The spending per grant type is as follows:

- **Comprehensive Agricultural Support programme** spent 15.8 percent or R40.5 million of the total budget of R256.5 million. Low expenditure is due to the introduction of a new payment system by the department which only started towards the end of April 2018.

The delay in training of Supply Chain Management officials on a new financial system contributed to low expenditure, irregularities over the fencing contract at Waterberg and non-adherence to the construction schedule by contractors due to financial capacity.

- **Land care** recorded an expenditure of R0.306 million or 2.4 percent of the total budget of R12.6 million. Low expenditure is due to the termination of fencing contract as result of irregularities.
- **ILLIMA/LETSEMA** spent R6.3 million or 8.8 percent. Procurements in all districts is being hampered by the implementation challenges of the new financial system (LOGIS). An amount of R6. million for Vulnerability Assessment was supposed to have been transferred to StatsSA in the first Quarter of 2018/19. The process was awaiting the finalization of the MOU between the Department of Agriculture and Forestry.
- **EPWP incentive grant** spent R0.378 million or 7.6 percent.

5.3.2. Sport, Arts and Culture.

The department recorded an overall CG's expenditure of R36.6 million or 18.7 percent of the total budget of R195.3 million.

- **Mass Sport and Recreation Programme** spent R13.1 million or 19.4 percent of the total budget of R67.7 million. Most projects started at the end of the first quarter of 2018/19 financial year.
- **Community Library Services** spent R23.1 million or 18.4 percent of the total budget of R125.6 million, low expenditure is due to the termination of the Principal agent contract which affected the financial performance of the contractors at Zamani, Mahlabatheng and Maphalle libraries.
- **EPWP Incentive** grant spent R0.355 million or 17.8 percent of the allocated R2 million. The spending is low due to the finalization of materials required.

5.3.3. Education

Overall spending by the department is at R535.9 million or 22.8 percent of the total budget of R2.3 billion. The spending per grant is explained below.

- **HIV/AIDS Life skills** spent R3.6 million or 13.4 percent of the total budget of R27.1 million. Due to delay in the printing of purchase orders, service providers also delayed in the delivery of material and submission of invoices. Government Printers also delivered incomplete material which affected the processing of payments.

- **National School Nutrition Programme** spent R246.0 million or 20.0 percent of the total budget of R1.2 billion. Low expenditure is due to delay in the submission of invoices by service providers, Learners were not fed on certain number of feeding days due to omissions when contracting the service providers. Some of the appointed Service Providers do not appear in the systems (CSD) and delay in the submission of financial packs from schools.
- **Infrastructure grant** spent R282.7 million or 27.9 percent of the total budget of R1.0 billion. The high percentage spending is as a result of invoices accrued from 2017/18 financial year and were paid with current budget resulting in over spending when compared with the projections for the month.
- **Maths, Science and Technology** spent R0.575 million or 1.3 percent of the total budget of R43.4 million. Transfers to Maths, Science and Technology schools is planned for August 2018
- **EPWP Social sector** grant spent R2.8 million or 19.8 percent of the total budget of R14.4 million, the department did not transfer funds to schools due to late submission of claims by the schools.
- **EPWP Incentive Grant** – spend R0.040 million or 1.9 percent of the total budget of R2.1 million.
- **Learners with Profound Intellectual Disabilities** – spent R0.196 million or 0.9 percent due to CoE expenditure which is not debited under the grant and the delay in the appointment of support staff. Some of the payment could not be processed due to discrepancies in the invoices issued and goods delivered.

5.3.4. Health

The overall spending on CG is R650.6 million or 23.9 percent of the total budget of R2.7 billion.

- **HIV and AIDS** - spent 27.1 percent or R433.2 million of the total budget of R1.6 billion. High expenditure is due to payment of accruals for 2017/18. NPO memorandums of agreements were concluded on time and transfers were made as scheduled.
- **EPWP Social Sector** grant spent R7.3 million or 27.0 percent. Transfers to NPOs are processed in line with the schedule.
- **National Tertiary Services** grant spent R98.0 million or 25.3. percent of the total budget of R387.6 million. High expenditure is due to payment of tertiary laboratory tests, blood products, renal dialysis consumables, surgical implants and payment of leave gratuity as a result of resignation.
- **Health Professions Training and Development** grant has recorded expenditure of R34.3 million or 24.6 percent of the total budget of R139.4 million. The department is still awaiting delivery of Desktops to the value of R0.205 million, Laptops for R0.99 million and Diathermy machine to the amount of R0.130 million.

- **Health Facilities Revitalization grant** spent 14.5 percent or R77.7 million of the total budget of R536.9 million. Work on the building contracts is delayed due to amongst others contractor performance, work stoppages as a result of misunderstandings or misinterpretation of the Instruction that 30.0 percent share of the contract should employ locals and the labour rate demands by community liaison officer which are way too high of the prevailing rates.
- **Human papilloma virus vaccine grant** – spent R0.134 million or 0.5 percent of the total budget of R27.5 million. The expenditure is anticipated to be incurred in the second quarter during the second round of the campaign. The appointment process for data capturers and nurses on PERSAL system has commenced. Purchase order has already been issued in June 2018 and awaiting delivery from the service provider before the start of the campaign.
- **EPWP Incentive grant** – did not spend due to the delay in finalizing appointment of workers by the Department of Public Works, Roads and Infrastructure and the challenge in the creation of contracts posts on the system.

5.3.5 CoGHSTA

In overall, the department spent R272.1 million or 20.7 percent of the total budget of R1.3 billion.

- **Integrated Housing, Human Settlement Development grant** – spent R270.5 million or 21.0 percent of the budget of R1.3 billion. Low expenditure is due to poor performance by contractors to build houses. The department has projected to spend R328.2 million during the period under review.
- **Deeds Restoration grant** – spent R1.6 million or 6.5 percent of the total budget of R24.5 million. Low spending is due to late submission of invoices by service providers.
- **EPWP** - there is no spending for the reporting period. The spending is affected by the signing of the contract with the National Department of Public Works.

5.3.6 LEDET

The department spent R0.467 million or 13.8 percent. The department is processing stipend for outstanding beneficiaries.

5.3.7. Department of Public Works, Roads and Infrastructure

Overall spending by the department is R205.6 million or 18.2 percent.

- **Infrastructure grant** – spent R204.4 million or 20.6 percent. The low spending is due to the fact that the department is still in a process of capturing item code number (ICN) on LOGIS system for them to be able to process the purchasing orders.
- **EPWP grant** – spent R 1.2 million or 16.7 percent. Payments under the grant are made in tranches.

5.3.8. Transport

- The department spent R45.1 million or 12.6 percent of the total budget of R356.8 million. Bus subsidy for June 2018 will only be paid during July 2018.

5.8.9. Community Safety

The department reflect zero spending. Spending under the grant will only commence during July 2018. The registration of beneficiaries has been completed in June 2018

5.8.10. Social Development

Overall spending by the department is R26.3 million or 20.7 percent of the total budget of R127.2 million.

- **Early Childhood Development grant** - recorded an expenditure of R10.1 million or 14.7 percent of the total budget of R68.5 million. Low expenditure is due to transfers to NPOs which will only be processed at the end of this quarter.
- **Social Worker Employment grant** – spent R15.0 million or 29.7 percent of the budget of R50.6 million. The spending is high due to the appointment Social Work Auxiliary officials with the introduction of other salary benefits for the current financial year.
- **EPWP social sector grant** - Spent R1.2 million or 15.5 percent. The department transfers to NPOs are made in tranches on a quarterly basis and the first payment will be processed during this quarter.

6. Provincial Own Revenue

Table 11: Provincial own revenue collection per vote as at 30 June 2018.

REVENUE COLLECTION AS AT 30 JUNE 2018

Departments/Votes	Main appropriation 2018/19	Projections to June 2018	Projections as % of main appropriation	Actual Collection to June 2018	Actual collection as % of the main appropriation	Projected remainder of the year	Estimated total revenue	Variances Over / (Under) Collection	% Variance Over / (Under) Collection as of main appropriation	Main appropriation 2017/18	Actual Collection to June 2017	Actual collection as % of main appropriation
Office of the Premier	567	130	22.9%	133	23.5%	497	570	3	0.5%	777	130	16.8%
Provincial Legislature	234	70	29.9%	122	52.2%	222	319	52	22.3%	219	290	132.6%
Education	41 264	9 503	23.0%	9 206	22.3%	38 790	40 968	-297	-0.7%	41 613	9 565	23.0%
Agriculture & Rural Development	12 579	1 559	12.4%	2 629	20.9%	11 982	13 548	1 070	8.5%	10 854	2 155	19.9%
Provincial Treasury	300 000	80 423	26.8%	76 979	25.7%	250 492	286 580	-3 444	-1.1%	188 133	92 508	49.2%
Economic Development, Environment & Tourism	160 918	31 873	19.8%	29 166	18.1%	140 177	159 211	-2 707	-1.7%	152 240	28 983	19.0%
Health	168 177	37 007	22.0%	49 491	29.4%	145 089	171 128	12 484	7.4%	182 996	42 109	23.0%
Transport	524 149	121 105	23.1%	125 517	23.9%	444 761	524 149	4 412	0.8%	494 040	115 265	23.3%
Infrastructure	28 355	7 042	24.8%	6 253	22.1%	23 661	27 566	-789	-2.8%	58 783	7 675	13.1%
Community Safety	232	37	15.9%	22	9.7%	218	217	-15	-6.3%	116	25	21.2%
Settlements & Traditional Affairs	4 784	479	10.0%	1 670	34.9%	3 432	4 871	1 191	24.9%	2 792	1 046	37.5%
Social Development	3 969	782	19.7%	476	12.0%	3 678	3 663	-306	-7.7%	3 438	621	18.0%
Sport, Arts & Culture	1 940	93	4.8%	210	10.8%	1 871	2 057	117	6.0%	1 839	247	13.4%
Total provincial receipts	1 247 168	290 103	23.3%	301 875	24.2%	1 064 870	1 234 848	11 772	0.9%	1 137 840	300 618	26.4%

The total Provincial Own Revenue target for 2018/19 financial year is R1.2 billion. As at the end of June 2018 the province has collected an amount of R301.9 million or 24.2 percent which is above the projections of R290.1 million or 23.3 percent. The over collection of R11.7 million or 0.9 percent is mainly contributed by Agriculture, Health, Transport and COGHSTA which collected above the projection due to boarding and academic services, patient fees, motor vehicle licenses and interest received (Risima housing finance) respectively.

6.1. Out of thirteen (13) Departments, seven (7) collected above their set monthly projections as follows:

6.1.1. Office of the Premier (Original Target of R0.567 million)

The Office has collected R0.133 million or 23.5 percent against the projections of R0.130 million or 22.9 percent. Over collection of R0.003 million or 0.5 percent is mainly on recovery of previous year expenditure debts which collected more than the projected amount.

6.1.2. Provincial Legislature (Original Target of R0.234 million)

Actual collection as at 30 June 2018 is R0.122 million or 52.2 percent against the projections of R0.070 million or 29.9 percent. The over collection of R0.052 million or 22.3 percent is on recovery on previous years' interdepartmental debts.

6.1.3. Agriculture (Original Target of R12.579 million)

As at the end of June 2018 the department collected R2.6 million or 20.9 percent against the projection of R1.5 million or 12.4 percent. Over collection of R1.0 million or 8.5 percent is due more collection on boarding services, academic and tuition fees.

6.1.4. Health (Original Target of R168.177 million)

The Department collected R49.4 million or 29.4 percent against the projections of R37.0 million or 22.0 percent. Over collection of R 12.4 million or 7.4 is mainly due to collection of patient fees from Road Accident Fund. The Department of Health recorded uncaptured receipts of R2.5 million as at the end of June 2018.

6.1.5. Transport (Target R524.149 million)

As at end of June 2018 the Department collected R125.5 million or 23.9 percent against the projections of R121.1 million or 23.1 percent. Over collection of R4.0 million or 0.8 percent is mainly on motor vehicle licenses due to increased number of motor vehicle population and recovery of municipality debts. The Department recorded uncaptured receipts amounting R0.563 million as at the end of June 2018.

6.1.6. Co-operative Governance, Human Settlements & Traditional Affairs (Original Target of R4.784 million)

The actual collection as at the end of June 2018 amounts to R1.6 million or 34.9 percent against the projection of R0.479 million or 10.0 percent. The over collection of R1.0 million or 24.9 percent is due to interest received from the housing implementing agency (Risima) for the previous financial year.

6.1.7. Sports Arts & Culture (Original Target of R1.940 million)

As at the end of June 2018, actual collection for the Department is R0.210 million or 10.8 percent against the projections of R0.093 million or 4.8 percent. Over collection of R0.117 million is mainly due to unexpected sale of tender documents during May 2018 which was not projected for.

The following six (6) Departments have collected below their set projections

6.1.8. Education (Original Target of R41.264 million)

The department collected R9.2 million or 22.3 percent against the projections of R9.5 million or 23.0 percent. Under collection of R0.297 is due to less collection on previous year's expenditure debts.

6.1.9. Treasury (Original Target of R300.0 million)

As at 30 June 2018 actual collection is R76.9 million or 25.7 percent against the projections of R80.4 million or 26.8 percent. Under collection of R3.4 million or 1.1 percent is due to less interest earned from bank balance which is volatile.

6.1.10. Economic Development, Environment & Tourism (Original Target of R160.918 million)

Collection as at 30th June 2018 amounts to R29.1 million or 18.1 percent against the projections of R31.8 million or 19.8 percent. Under collection of R2.7 million or 1.7 percent is mainly contributed by the less collection on casino taxes and previous year's expenditure debts. Collection of gambling taxes depends on public participation or gambling activities. The department recorded uncaptured receipts amounting R1.328 million as at the end of June 2018.

6.1.11. Public Works Roads and Infrastructure (Original Target of R28.355 million)

The Department collected R6.2 million or 22.1 percent against the projection of R7.0 million or 24.8 percent. Under collection of R0.789 million of 2.8 percent is due to less collection on property rental and R0.550 million for donation from DPSA which has been offset against previous year's expenditure item.

6.1.12. Community Safety (Original Target of R0.232 million)

The Department collected R0.022 million or 9.7 percent against the projection of R0.037 million or 15.9 percent. The under collection of R0.015 million is due previous years' expenditure debts which doesn't have any collection as at the end of June.

6.1.13. Social Development (Original Target of R3.969 million)

The Department collected R0.476 million or 12.0 percent against the projections of R0.782 million or 19.7 percent. The under collection of R0.306 million or 7.7 percent is primarily influenced by less collection on previous years' expenditure debts.

6.2. Own revenue per economic classification

Table 12. Provincial own revenue collection per economic classification as at 30 June 2018.

Summary of Provincial Own Receipt by Economic Classification

Items (Revenue Sources)	Main appropriation	Projections to June 2018	Projections as % of budget	Actual Collection to June 2018	Actual collection as % of the budget	Projected remainder of the year	Estimated total revenue	Variances Over / (Under) Collection	% Variances Over / (Under) Collection as of budget	Main appropriation 2017/18	Actual Collection to June 2017	Actual collection as % of the budget
Tax receipts	518 779	119 808	23.1%	128 879	24.8%	433 427	516 335	9 071	1.7%	475 120	116 453	24.5%
<i>Casino taxes</i>	73 774	15 933	21.6%	14 320	19.4%	57 841	72 161	-1 613	-2.2%	69 796	15 434	22.1%
<i>Horse racing taxes</i>	31 855	8 353	26.2%	9 881	31.0%	20 460	30 341	1 528	4.8%	13 813	7 354	53.2%
<i>Liquor licenses</i>	3 800	143	3.8%	148	3.9%	4 335	4 483	5	0.1%	4 236	191	4.5%
<i>Motorvehicle licenses</i>	409 350	95 379	23.3%	104 530	25.5%	304 820	409 350	9 151	2.2%	387 275	93 474	24.1%
Sales of goods and services other than capital assets	285 349	60 806	21.3%	76 143	26.7%	248 667	289 741	15 337	5.4%	357 246	65 534	18.3%
of which: <i>Patient fees</i>	82 300	16 991	20.6%	26 976	32.6%	55 324	26 791	9 800	11.9%	100 000	13 060	21.7%
Transfers received from:	-	-	-	-	-	-	-	0	-	-	-	-
Fines, penalties and forfeits	78 763	18 118	23.0%	13 013	16.5%	69 509	78 668	-5 105	-6.5%	71 571	14 707	20.5%
Interest, dividends and rent on land	300 742	80 430	26.7%	77 745	25.9%	253 058	289 812	-2 685	-0.9%	190 616	91 901	48.2%
Sales of capital assets	11 748	83	0.7%	114	1.0%	11 684	11 715	31	0.3%	10 367	254	2.5%
Revenue financial assets	51 787	10 858	21.0%	5 981	11.5%	48 525	48 577	-4 878	-9.4%	32 920	11 770	35.8%
Total departmental receipts	1 247 168	290 103	23.3%	301 875	24.2%	1 064 870	1 234 848	11 772	0.9%	1 137 840	300 618	26.4%

6.2.1. Tax Receipts (Original Target of R518.779 million)

An amount of R128.8 million or 24.8 percent has been collected against the projections of R119.8 million or 23.1 percent. The over collection is due to more collection on motor vehicle licenses due to increased number of vehicle population and improved transfer of collected motor vehicle license fees by municipalities, and more collection on horse racing taxes.

6.2.2. Sale of Goods & Services non capital assets (Original Target of R285.349 million)

As at 30th June 2018, actual collection is R76.1 million or 26.7 percent against the projections of R60.8 million or 21.3 percent. The over collection of R15.3 million or 5.4 percent is mainly due to more collection on patient fee by the Department of Health.

6.2.3. Fines, penalties and forfeits (Original Target of R78.763 million)

Fines, penalties and forfeits collected R13.0 million or 16.5 percent against the projections of R18.1 million or 23.0 percent. Under collection of R5.1 million or 6.5 percent is due to less collection of traffic fines due to ineffective system to track non-payment of traffic fines.

6.2.4. Interest, Dividend and Rent on Land (Original Target of R300.742 million)

Collection as at 30th June 2018 2018 is R77.7 million or 25.9 percent against the projections of R80.4 million or 26.7 percent. Under collection of R2.6 million or 0.9 percent is mainly due to less interests earned from favourable bank balances by Provincial Treasury. Collection of interest is in line with the norm.

6.2.5. Sale of Capital Assets (Original Target of R11.748 million)

The item collected R0.114 million or 1.0 percent with against the projections of R0.083 million or 0.7 percent. Collection of R0.114 million or 1.0 percent is mainly due sale of capital assets by COGHSTA and Public Works.

6.2.6. Financial Transactions in Assets and Liabilities (Original Target of R51.787 million)

The item collected R5.9 million or 11.5 percent against the projections of R 10.8 million or 21.0 percent. The under collection of R4.8 million or 9.4 percent is mainly due to less recovery of previous years' expenditure debts by Social Development, Education and LEDET.

7. Provincial Infrastructure Performance

Table 13: Provincial Infrastructure Performance

Infrastructure Expenditure Comparison as at 30 June year-on-year									
Department	Budget (R'000)			Expenditure (R'000)			% Expenditure		
	2016/17	2017/18	2018/19	2016/17	2017/18	2018/19	2016/17	2017/18	2018/19
Education	910 610	810 523	1 013 426	112 568	197 459	282 693	12,4%	24,4%	27,9%
Agriculture & Rural Development	172 643	172 992	160 455	20 605	16 824	29 226	11,9%	9,7%	18,2%
LEDET	49 314	59 345	54 481	-	5 130	22 726	-	8,6%	41,7%
Health	735 668	652 027	729 277	128 684	155 172	126 459	17,5%	23,8%	17,3%
PWR&I - Roads*	1 597 303	1 949 853	1 883 322	475 449	608 425	531 822	29,8%	31,2%	28,2%
PWR&I - Works	-	-	75 616	-	-	6 312	-	-	8,3%
Transport	26 000	2 353	27 915	372	-	688	1,4%	-	2,5%
CoGHSTA	1 210 370	1 319 493	1 312 187	264 963	181 428	272 051	21,9%	13,7%	20,7%
Social Development	32 076	36 298	43 201	5 309	-	12 570	-	-	29,1%
Sport, Arts & Culture	35 593	48 749	40 031	7 455	5 976	8 734	20,9%	12,3%	21,8%
TOTAL	4 769 577	5 051 633	5 339 911	1 015 405	1 170 414	1 293 281	21,3%	23,2%	24,2%

As at 30 June 2018, the Provincial Infrastructure expenditure stood at R1.3 billion or 24.2 percent of the total Provincial infrastructure budget of R5.3 billion. The Provincial Infrastructure Expenditure as at 30 June for the prior years is recorded as follows:

- 21.3 percent - 2016/17
- 23.2 percent - 2017/18
- 24.4 percent - 2018/19

The expenditure for the current financial year is above all prior two financial years. If the trend is maintained, there is a high probability of the budget being expended before the end of the financial year. All departments had recorded expenditure as at end June 2018, except for the Department of Transport.

The following departments were below the norm as at 30 June 2018: Agriculture and Rural Development, at eighteen percent 18.2 percent, 6.8 percent below the norm; Health at 17.3 percent, 7.7 percent below the norm; Department of Public Works, Roads and Infrastructure – Works component at 8.3 percent which is 16.7 below the norm; Sport, Arts and Culture at 21.8 percent resembling 3.2 percent below the norm; Cooperative Governance, Human Settlements and Traditional Affairs 20.7 percent which is 4.3 percent below the norm.

The departments which were above the norm by end of June 2018 are: Economic Development, Environment and Tourism at 41.7 percent which is 16.7 percent above the norm;

Education at 27.9 percent reflecting 2.9 percent above the norm; Public Works Roads & Infrastructure – Roads component at 28.2 percent which is 3.2 percent above the norm and Social Development at 29.1 percent 4.1 percent above the norm.

There was no movement in terms of expenditure by the Department of Transport from the previous month, June 2018, all other departments recorded significant expenditure. All departments project to break-even by the end of March 2019, Provincial Treasury projects that if the current momentum is maintained, there can be an over-expenditure, and under-expenditure is projected for the following departments: Agriculture and Rural Development, Health, Public Works, Roads and Infrastructure – Works component and Transport.

8. Conclusion

The Provincial Treasury hereby submits the Limpopo Provincial Revenue and Expenditure report and the following should be noted: -

- The overall provincial spending as at 30 June 2018 amounts to R15.8 billion or 24.2 percent of the total budget of R65.4 billion. Of the R15.8 billion total expenditures, R14.0 billion or 24.6 percent is on equitable share and R1.8 billion or 21.3 percent on Conditional grant.
- As at the end of 30 June 2018 the province has collected an amount of R301.9 million or 24.2 percent which is above the projections of R290.1 million or 23.3 percent. The over collection of R11.7 million or 0.9 percent is mainly contributed by Agriculture, Health, Transport and COGHSTA which collected above the projection due to boarding and academic services, patient fees, motor vehicle licenses and interest received (Risima housing finance) respectively.
- The Provincial Infrastructure expenditure amount to R1.3 billion or 24.2 percent which is an improvement as compared to the previous corresponding year.
- Revenue collection and expenditure performance is monitored monthly and quarterly through IYM and IRM analysis reports and bilateral meetings with Departments and Public Entities.

Regards,



Gavin Pratt CA (SA)
HOD: Provincial Treasury

17/7/2018

Date