



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

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PROVINCIAL TREASURY

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LIMPOPO PROVINCIAL REVENUE AND EXPENDITURE REPORT AS AT 30 NOVEMBER 2018

1. Purpose

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

2. Background

The Limpopo Provincial Treasury hereby submit the provincial revenue and expenditure report as at 30 November 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's revenue and expenditure trend for the period under review finds its basis on the November 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.

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

Cash Allocations Vs Actual Expenditure Vs Actual Transfers as at 30 November 2018

Departments	Opening Bank Balances at 01-Apr-18 R' 000	Cash Allocation 30-Nov-18 R' 000	Actual Expenditure 30-Nov-18 R' 000	Tranfers To Departments 30-Nov-18 R' 000	Variance Cash allocation Vs Actual Expenditure		Variance Actual Expenditure Vs Funds Transferred	
					Amount R' 000	%	Amount R' 000	%
Education	241 878	21 046 013	20 113 525	20 391 545	932 488	4,4%	-278 020	-1,4%
Health	226 832	13 579 965	13 497 941	13 431 843	82 024	0,6%	66 098	0,5%
Social Development	17 324	1 309 937	1 340 797	1 337 630	-30 860	-2,4%	3 167	0,2%
Public Works, Roads and Infrastructure	158 295	2 203 670	2 370 106	2 201 114	-166 436	-7,6%	168 992	7,1%
Agriculture	165 303	1 299 707	1 197 839	1 154 433	101 868	7,8%	43 406	3,6%
Transport	86 753	1 377 398	1 274 312	1 221 507	103 086	7,5%	52 805	4,1%
CoGHSTA	43 018	2 039 354	1 679 113	1 720 139	360 241	17,7%	-41 026	-2,4%
Sport, Arts & Culture	32 765	330 008	296 628	302 807	33 380	10,1%	-6 179	-2,1%
Community Safety	-149	75 864	73 219	74 004	2 645	3,5%	-785	-1,1%
Office of the Premier	8 393	280 369	276 957	278 092	3 412	1,2%	-1 135	-0,4%
Provincial Legislature	57 150	273 550	263 003	211 347	10 547	3,9%	51 656	19,6%
Provincial Treasury	10 233	335 079	307 963	252 491	27 116	8,1%	55 472	18,0%
Economic Development, Environmental & Tourism	25 536	1 108 905	1 139 901	1 139 287	-30 996	-2,8%	614	0,1%
Total	1 073 331	45 259 819	43 831 304	43 716 239	1 428 515	3,2%	115 065	0,3%

When comparing actual expenditure to the cash flow projections or cash allocations, departments under-spent the cash allocations by R1.4 billion or 3.2 percent. Department of Economic development, Public Works and Social Development spent more than the allocated

cash by R31.0 million, R166.4 million and R30.8 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 R115.1 million or 0.3 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.

Interest Performance

Table 2: Interest Performance

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	1 699	529	121	116						14 320
CPD (SA Reserve Bank)	15 189	24 014	20 667	18 595	19 656	18 048	23 928	26 841					166 938
Commercial Bank (absa)				449	1 296	5 222	2 407	3 898					13 272
Total	19 777	27 422	24 526	20 743	21 481	23 391	26 451	30 739	-	-	-	-	194 530

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	1 619	1 551	1 795	1 739	1 783					13 412
CPD (SA Reserve Bank)	35 848	30 777	27 144	23 333	29 496	27 843	26 777	31 323					232 541
Interest on investment with SBSA													-
Total	37 667	32 440	28 587	24 952	31 047	29 638	28 516	33 106	-	-	-	-	245 953

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 R194.5 million by end of November 2018 that represent 20.9 percent decrease from last financial year. Interest earned from the CPD account alone was at R166.9 million recording a 28.2 percent decrease from R232.5 million last financial year.

5. Provincial Expenditure

Table 3: Provincial overall expenditure as at 30 November 2018

	Main Appropriation	Adjusted Appropriation	Available funds*	Projected outcome	Actual spending as at 30 November 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	30 834 506	20 113 525	65,7%	-226 734	–	-0,7%
Health	19 511 420	19 511 420	19 511 420	21 001 981	13 497 941	69,2%	-1 490 561	–	-7,6%
Social Development	1 986 729	1 986 729	1 986 729	1 986 729	1 340 797	67,5%	–	–	0,0%
Public Works, Roads And Infrastructure	3 118 176	3 118 176	3 118 176	3 113 592	2 370 106	76,0%	–	4 584	0,0%
Agriculture	1 917 354	1 917 354	1 917 354	1 917 354	1 197 839	62,5%	–	–	0,0%
Transport	2 106 228	2 106 228	2 106 228	2 106 228	1 274 312	60,5%	–	–	0,0%
Co-Operative Governance Human Settlements	2 624 006	2 624 006	2 624 006	2 624 006	1 679 113	64,0%	–	–	0,0%
Sport, Arts And Culture	472 264	472 264	472 264	472 264	296 628	62,8%	–	–	0,0%
Community Safety	109 714	109 714	109 714	110 507	73 219	66,7%	-793	–	-0,7%
Office Of The Premier	420 680	420 680	420 680	420 680	276 957	65,8%	–	–	0,0%
Provincial Legislature	360 927	360 927	360 927	351 416	263 003	72,9%	–	9 511	0,0%
Provincial Treasury	472 850	472 850	472 850	473 259	307 963	65,1%	-409	–	-0,1%
Economic Development, Environment And Tourism	1 665 375	1 665 375	1 665 375	1 665 375	1 139 901	68,4%	–	–	0,0%
Total	65 373 495	65 373 495	65 373 495	67 077 897	43 831 304	67,0%	-1 718 497	14 095	-2,6%
Economic classification						Net	-1 704 402		
Current payments	55 455 766	55 381 317	55 381 317	56 771 353	36 899 871	66,6%	-1 315 587	–	-2,4%
Compensation of employees	45 956 169	45 886 169	45 886 169	46 135 542	30 451 045	66,4%	-179 373	–	-0,4%
Goods and services	9 498 677	9 494 228	9 494 228	10 634 877	6 448 189	67,9%	-1 136 200	–	-12,0%
Interest and rent on land	920	920	920	935	638	69,3%	-15	–	-1,6%
Transfers and subsidies	7 827 311	7 827 311	7 827 311	8 064 582	5 824 391	74,4%	-237 271	–	-3,0%
Payments for capital assets	2 090 418	2 094 867	2 094 867	2 170 897	1 073 663	51,3%	-80 479	–	-3,8%
Payments for financial assets	–	70 000	70 000	71 065	33 379	0,0%	-71 065	–	-101,5%
Total	65 373 495	65 373 495	65 373 495	67 077 897	43 831 304	67,0%	-1 704 402	–	-2,6%
* Available funds refers to adjusted budget including any post adjustment (Virements and shifts)						Net	-1 704 402		

Overall the provincial expenditure is R43.8 billion representing 67.0 percent spending of the R65.4 billion allocated budget. The province projected to overspend by R1.7 billion or 2.6 percent mainly under the department of Health due to payment of accruals for 2017/18 and Community Safety at R0.793 million or 0.7 percent due to ICS paid which was above the estimated rate, Education at R226.7 million or 0.7 percent and Provincial Treasury by R0.409 million or 0.1 percent. Department of Public Works, Roads and Infrastructure and Legislature are projecting to underspend by R4.6 million and R9.5 million respectively.

Hereunder is the synopsis of provincial expenditure as at 30 November 2018: -

- **Compensation of Employees (CoE)** spent R30.4 billion or 66.4 percent of the total budget of R45.9 billion. The province projects to overspend by R179.4 million or 0.4 percent.
- **Goods and Services** spent R6.4 billion or 67.9 percent of the total budget of R9.5 billion. The province projects to overspend by R1.1 billion or 12.0 percent.
- **Transfers and subsidies** recorded an expenditure of R5.8 billion or 74.4 percent of the total budget of R7.8 billion. The province projects to overspend by R237.3 million or 3.0 percent.
- **Payment for Capital Assets** spent R1.1 billion or 51.3 percent of the total budget of R2.1 billion. The province projects to overspend by R80.5 million or 3.8 percent.

5.1. Spending per Economic Classification

5.1.1. Compensation of Employees

Table 4: Compensation of Employees as at 30 November 2018

	Main Appropriation	Available funds*	Projected outcome	Actual as at 30 November 2018	Actual spending as % of Main budget	(Over)	Under	%(Over)/ under of Main budget
R thousand								
Education	24 637 533	24 637 533	24 641 874	16 379 422	66,5%	-4 341	-	0,0%
Health	14 257 472	14 257 472	14 635 225	9 519 797	66,8%	-377 753	-	-2,6%
Social Development	1 084 112	1 084 112	1 084 112	713 735	65,8%	-	-	0,0%
Public Works , Roads and Infrastructure	1 100 857	1 100 857	1 056 701	702 188	63,8%	-	44 156	4,0%
Agriculture	1 208 280	1 208 280	1 137 871	746 950	61,8%	-	70 409	5,8%
Transport	975 322	975 322	945 322	615 590	63,1%	-	30 000	3,1%
Co-Operative Governance Human Settlement	1 041 309	971 309	968 997	669 473	64,3%	-	72 312	6,9%
Sport,Art And Culture	199 781	199 781	199 781	126 898	63,5%	-	-	0,0%
Community Safety	76 967	76 967	77 760	52 340	68,0%	-793	-	-1,0%
Office of the Premier	300 576	300 576	300 576	201 814	67,1%	-	-	0,0%
Legislature	198 319	198 319	199 010	135 432	68,3%	-691	-	-0,3%
Treasury	310 658	310 658	305 539	199 582	64,2%	-	5 119	1,6%
Economic Development	564 983	564 983	582 774	387 824	68,6%	-17 791	-	-3,1%
Total	45 956 169	45 886 169	46 135 542	30 451 045	66,3%	-401 369	221 996	-0,4%
* Available funds refers to adjusted budget including any post adjustment (Virements and shifts)						Net	-179 373	

The overall provincial CoE spending is at R30.5 billion or 66.3 percent. The highest percentage spending departments are LEDET at R387.8 million or 68.6 percent, Community Safety at R52.3 million or 68.0 percent, Legislature at R135.4 million or 68.3 percent, and Office of the Premier at R201.8 million or 67.1 percent. The province is projecting to overspend by R179.4 million or 0.4 percent mainly under the following departments: -

- Education – R4.3 million due to filling of vacant positions.
- Health – R377.7 million or 2.6 percent due to outstanding salary related costs not yet paid mainly for 2017/18 financial year and the clearing of 2012/13 unauthorized expenditure of R196 million. The department plan to manage personnel costs by properly managing overtime, reviewing of the overtime policy, delay replacement of vacated posts.
- Community Safety – R0.783 million or 1.0 percent due to ICS paid which was above the estimated rate.
- Provincial Legislature - R0.691 million or 0.3 percent due to back pay for salary increases paid in August 2018.
- LEDET – by R17.8 million or 3.1 percent due to outstanding OSD for the previous financial years.

Public Works, Roads and Infrastructure, Agriculture, Transport, CoGHSTA and Provincial Treasury are projecting to underspend by R221.9 million due to non-filling of vacant funded posts.

5.1.2. Goods and Services

Table 5: Goods and Services as at 30 November 2018

	Main Appropriation	Adjusted Appropriation	Available funds*	Projected outcome	Actual as at 30 November 2018	Actual spending as % of Main budget	(Over)	Under	% (Over)/ under of Main budget
R thousand									
Education	2 668 540	2 668 540	2 668 540	2 669 329	1 202 430	45,1%	-789	-	0,0%
Health	4 056 727	4 056 727	4 056 727	5 165 389	3 391 782	83,6%	-1 108 662	-	-27,3%
Social Development	269 344	269 344	269 344	269 344	214 030	79,5%	-	-	0,0%
Public Works, Roads and Infrastructure	790 149	790 149	790 149	790 632	527 921	66,8%	-483	-	-0,1%
Agriculture	401 600	401 600	401 600	413 962	276 847	68,9%	-12 362	-	-3,1%
Transport	291 800	291 800	291 800	304 700	189 339	64,9%	-12 900	-	-4,4%
Co-Operative Governance Human Settlements And	184 548	184 548	184 548	180 099	116 567	63,2%	-	4 449	2,4%
Sport, Art And Culture	219 377	219 377	219 377	219 377	136 213	62,1%	-	-	0,0%
Community Safety	32 252	32 252	32 252	32 252	20 386	63,2%	-	-	0,0%
Office of the Premier	112 781	112 781	112 781	112 781	71 266	63,2%	-	-	0,0%
Legislature	67 984	67 984	67 984	63 942	42 079	61,9%	-	4 043	5,9%
Treasury	143 955	143 955	143 955	153 607	99 237	68,9%	-9 652	-	-6,7%
Economic Development	259 620	259 620	259 620	259 463	160 092	61,7%	-	157	0,1%
Total	9 498 677	9 498 677	9 498 677	10 634 877	6 448 189	67,9%	-1 144 848	8 649	-12,0%
						Net	-1 136 200		

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

The overall spending on Goods and Services is at R6.4 billion or 67.9 percent of the total budget of R9.5 billion. The province is projecting to overspend by R1.1 billion or 12.0 percent due to Health department which is projecting over expenditure of R1.1 billion or 27.3 percent against its budget of R4.1 billion as a result of accrual payments for 2017/18 financial year, Agriculture by R12.4 million or 3.1 percent due to the outbreak of foot and mouth diseases and the procurement of vaccine and fodder for disaster programme, Transport by R12.9 million or 4.4 percent due to accruals for the previous financial year and Provincial Treasury by R9.7 million or 6.7 percent.

The following departments project to underspend: -

- CoGHSTA – R4.4 million or 2.4 percent due to delays in training of councilors, appointment of land surveyors and service providers for the supply of automated disaster recovery and radio network link and the installation of CCTV cameras for Hensa Towers and 28 Market Street.
- Legislature – R4.0 million or 5.9 percent due to recess of members that took place earlier than projected and the postponement of Taking Parliament to the People project.

5.1.3. Transfers and subsidies

Table 6: Transfers and subsidies as at 30 November 2018

	Main Appropriation	Adjusted Appropriation	Available funds*	Projected outcome	Actual as at 30 November 2018	Actual spending as % of Main budget	(Over)	Under	%(Over)/ under of Main budget
R thousand									
Education	2 326 435	2 326 435	2 326 435	2 488 222	1 946 927	83,7%	-161 787	-	0,0%
Health	649 203	649 203	649 203	653 349	332 211	51,2%	-4 146	-	0,0%
Social Development	584 911	584 911	584 911	584 911	375 616	64,2%	-	-	0,0%
Public works, Roads and Infrastructure	1 062 835	1 062 835	1 062 835	1 101 759	1 078 842	101,5%	-38 924	-	-3,7%
Agriculture	209 032	209 032	209 032	247 465	150 743	72,1%	-38 433	-	-18,4%
Transport	802 010	802 010	802 010	818 510	466 756	58,2%	-16 500	-	-2,1%
Co-Operative Governance Human Settlement	1 336 728	1 336 728	1 336 728	1 339 040	834 692	62,4%	-2 312	-	-0,2%
Sport, Art And Culture	12 495	12 495	12 495	12 495	9 576	76,6%	-	-	0,0%
Community Safety	11	11	11	11	144	1309,1%	-	-	0,0%
Office of the Premier	1 832	1 832	1 832	1 832	670	36,6%	-	-	0,0%
Legislature	73 027	73 027	73 027	73 269	72 717	99,6%	-242	-	-0,3%
Treasury	7 301	7 301	7 301	6 792	6 181	84,7%	-	509	0,0%
Economic Development	761 491	761 491	761 491	736 927	549 316	72,1%	-	24 564	0,0%
Total	7 827 311	7 827 311	7 827 311	8 064 582	5 824 391	74,4%	-262 344	25 073	-3,4%
* Available funds refers to adjusted budget including any post adjustment (Virements and shifts)							Net	-237 271	

The province spent R5.8 billion or 74.4 percent of the total budget of R7.8 billion on Transfers and subsidies. The province is projecting to overspend by R237.3 million under the following departments: -

- Agriculture – R38.4 million or 18.4 percent due to the implementation of Nwanedi – Agri-Hub Development and payment of leave gratuity.
- Public Works, Roads and Infrastructure – R38.9 million or 3.7 percent due to transfers to RAL.
- Transport – R16.5 million or 2.1 percent due to payment of leave gratuity as a result of a high number of officials leaving the department.
- CoGHSTA – R2.3 million or 0.2 percent due to payment of leave gratuity.
- Health – R4.1 million or 0.1 percent due to payment of leave gratuity.
- Education – R161.8 million or 7.0 percent due to payment of leave gratuity.

The highest percentage spending departments are Community Safety at R0.144 million or 1309 percent which reflects an overspending on the classification budget by the department, Legislature at R72.7 million or 99.6 percent due to transfers to political parties and Provincial Treasury at R6.2 million or 84.7 percent due to payment of leave gratuities.

5.1.4. Payment for Capital Assets

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

R thousand	Main Appropriation	Adjusted Appropriation	Available funds*	Projected outcome	Actual as at 30 November 2018	Actual spending as % of Main budget	(Over)	Under	% (Over)/ under of Main budget
Education	975 264	975 264	975 264	1 035 081	584 746	60,0%	-59 817	-	-6,1%
Health	548 018	548 018	548 018	548 018	254 151	46,4%	-	-	0,0%
Social Development	48 362	48 362	48 362	48 362	37 416	77,4%	-	-	0,0%
Public Works, Roads and Infrastructure	164 335	164 335	164 335	164 335	60 990	37,1%	-	-	0,0%
Agriculture	98 442	98 442	98 442	118 056	23 299	23,7%	-19 614	-	-19,9%
Transport	37 096	37 096	37 096	36 796	2 627	7,1%	-	300	0,8%
Co-Operative Governance Human Settlements And	61 421	61 421	65 870	65 870	25 180	38,2%	-4 449	-	-7,2%
Sport, Art And Culture	40 611	40 611	40 611	40 611	23 941	59,0%	-	-	0,0%
Community Safety	484	484	484	484	349	72,1%	-	-	0,0%
Office of the Premier	5 491	5 491	5 491	5 491	3 207	58,4%	-	-	0,0%
Legislature	21 597	21 597	21 597	15 196	12 776	59,2%	-	6 401	29,6%
Treasury	10 936	10 936	10 936	7 321	2 950	27,0%	-	3 615	33,1%
Economic Development	78 361	78 361	78 361	85 276	42 031	53,6%	-6 915	-	-8,8%
Total	2 090 418	2 090 418	2 094 867	2 170 897	1 073 663	51,3%	-90 795	10 316	-3,8%
* Available funds refers to adjusted budget including any post adjustment (Virements and shifts)							Net	-80 479	

The overall provincial expenditure on Payment for Capital Assets is at R1.1 billion or 51.3 percent of the total budget of R2.1 billion. The highest percentage spending departments are Social Development at R37.4 million or 77.4 percent due to payments of accruals, Community Safety at R0.349 million or 72.1 percent and Education at R584.7 million or 60.0 percent due to projects which were stopped in 2017/18 that have been reactivated and contractors are gradually resuming work on site.

5.2. Equitable share spending

Table 8: Equitable share spending as at 30 November 2018

	Main Appropriation	Actual as at November 2018	Actual spending as % of budget	Projected Outcome	Variance
Education	28 258 124	18 654 981	66,0%	28 484 858	(226 734)
Health	16 790 580	11 754 345	70,0%	18 281 141	(1 490 561)
Social Development	1 859 529	1 251 153	67,3%	1 859 529	-
Public Works, Roads and Infrastructure	1 986 676	1 536 586	77,3%	1 982 092	4 584
Agriculture	1 571 967	999 271	63,6%	1 571 967	-
Transport	1 749 419	1 095 661	62,6%	1 749 419	-
CoGHSTA	1 311 819	865 920	66,0%	1 311 819	-
Sport, Arts & Culture	276 942	176 873	63,9%	276 942	-
Community Safety	107 714	71 219	66,1%	108 507	(793)
Office of the Premier	420 680	276 957	65,8%	420 680	-
Legislature	360 927	263 003	72,9%	351 416	9 511
Treasury	472 850	307 963	65,1%	473 259	(409)
Economic Development	1 661 999	1 137 646	68,5%	1 661 999	-
Total	56 829 226	38 391 578	67,6%	58 533 628	(1 704 402)
Economic classification					
Current payments	51 558 914	34 446 254	66,81%	52 874 486	(1 704 402)
Compensation of employees	45 191 401	29 924 449	66,2%	45 370 774	(179 373)
Goods and Services	6 367 513	4 521 806	71,0%	7 503 713	(1 136 200)
Other	920	638	0,0%	935	(15)
Current transfers and subsidies	4 694 171	3 666 475	78,1%	4 931 442	(237 271)
Payments for capital assets	575 221	244 832	42,6%	655 700	(80 479)
Payments for financial assets	-	33 379	0,0%	71 065	(71 065)
Total	56 829 226	38 391 578	67,6%	58 533 628	(1 704 402)

Provincial equitable share spending is at R338.4 billion or 67.6 percent of the total budget of R56.8 billion.

The highest percentage spending departments are Provincial Legislature at 72.9 percent or R263.0 million, Health at 70.0 percent or R11.8 billion and Public Works, Roads and Infrastructure at 77.3 percent or R1.5 billion whereas low percentage spending departments are Provincial Treasury at 65.1 percent or R307.9 million, Transport at 62.6 percent or R1.1 billion and Sport, Arts and Culture at 63.9 percent or R176.9 million. The province is projecting to overspend by R1.7 billion mainly in the department of Health as a result of accruals.

5.3. Conditional Grants

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

	Main Appropriation	Actual as at November 2018	Actual spending as % of budget	Outcome	Variance
Education	2 349 648	1 458 544	62,1%	2 349 648	-
Health	2 720 840	1 743 596	64,1%	2 720 840	-
Social Development	127 200	89 644	70,5%	127 200	-
Public Works , Roads and Infrastru	1 131 500	833 520	73,7%	1 131 500	-
Agriculture	345 387	198 568	57,5%	345 387	-
Transport	356 809	178 651	50,1%	356 809	-
CoGHSTA	1 312 187	813 193	62,0%	1 312 187	-
Sport, Arts and Culture	195 322	119 755	61,3%	195 322	-
Community Safety	2 000	2 000	100,0%	2 000	-
Economic Development	3 376	2 255	66,8%	3 376	-
Total	8 544 269	5 439 726	63,7%	8 544 269	-
Current payments	3 895 932	2 452 979	62,96%	3 895 932	-
Compensation of employees	764 768	526 596	68,9%	764 768	-
Goods and Services	3 131 164	1 926 383	61,5%	3 131 164	-
Current transfers and subsidies	3 133 140	2 157 916	68,9%	3 133 140	-
Payments for capital assets	1 515 197	828 831	54,7%	1 515 197	-
Payments for financial assets	-	-		-	-
Total	8 544 269	5 439 726	63,7%	8 544 269	-

The CGs' overall expenditure is at R5.4 billion or 63.7 percent of the total budget of R8.5 billion. Spending by Departments at this period last financial year was at R5.2 billion or 66.7 percent. The highest percentage spending departments are Public Works, Roads and Infrastructure at R833.5 million or 73.7 percent, Social Development at R89.6 million or 70.5 percent and Community Safety at R2.0 million or 100.0 percent.

Table 10: Limpopo Conditional Grants spending per grant as at 30 November 2028

Table 10: Limpopo: Conditional Grants Expenditure as at 30 November 2018			
R thousand	Budget	Provincial Actual Payments	Actual Payments as a % of Adjusted budget
Agriculture	345 387	198 568	57,5%
Comprehensive Agricultural Support Programme Grant	256 521	149 938	58,5%
Disaster (Casp Infrastructure)	6 581	–	0,0%
Ilima/Letsema Projects Grant	71 263	41 135	57,7%
EPWP Incentive allocation	5 000	4 082	81,6%
Land Care Programme Grant	12 603	3 413	27,1%
Sport, Arts and Culture	195 322	119 755	61,3%
Mass Sport and Recreation Programme	67 679	36 896	54,5%
EPWP Incentive allocation	2 000	1 218	60,9%
Community Library Services Grant	125 643	81 641	65,0%
Education	2 349 648	1 458 544	62,1%
HIV and Aids (Life Skills Education) Grant	27 116	10 919	40,3%
National School Nutrition Programme Grant	1 229 299	793 030	64,5%
Infrastructure Grant	1 011 680	591 617	58,5%
Maths, Science and Technology	43 364	39 178	90,3%
Learners with Profound Intellectual Disabilities	21 700	13 296	61,3%
Social sector EPWP grant	14 355	9 327	65,0%
EPWP Incentive allocation	2 134	1 177	55,2%
Health	2 720 840	1 743 596	64,1%
Comprehensive HIV and Aids Grant	1 600 516	1 106 099	69,1%
Health Professions Training and Development Grant	139 366	90 020	64,6%
Human Papilloma Vaccine	27 471	11 845	43,1%
EPWP Social Sector	27 029	16 288	60,3%
Hospital Revitalisation Grant	536 898	251 611	46,9%
National Tertiary Services Grant	387 560	265 702	68,6%
EPWP Incentive	2 000	2 031	101,6%
Co-operate Governance, Human Settlements and Traditional Affairs	1 312 187	813 193	62,0%
Integrated Housing & Human Settlements Development Grant	1 285 681	804 414	62,6%
Deeds Restoration	24 506	8 779	35,8%
EPWP Incentive allocation	2 000	–	0,0%
Public Works, Roads and Infrastructure	1 131 500	833 520	73,7%
Infrastructure Grant	994 146	805 241	81,0%
Transport Disaster Management	130 000	22 000	16,9%
EPWP incentive grant	7 354	6 279	85,4%
Economic Development	3 376	2 255	66,8%
EPWP Incentive grant	3 376	2 255	66,8%
Social Development	127 200	89 644	70,5%
Early Childhood development	68 561	42 177	61,5%
Social worker employment	50 631	43 273	85,5%
EPWPSocial sector grant	8 008	4 194	52,4%
Transport	356 809	178 651	50,1%
Public Transport Operations Grant	356 809	178 651	50,1%
Community Safety	2 000	2 000	100,0%
EPWP incentive grant	2 000	2 000	100,0%
Total	8 544 269	5 439 726	63,7%

5.3.1. Agriculture

Overall spending by the department on Conditional Grant (CG) is R198.6 million or 57.5 percent of the total budget of R345.4 million. The spending per grant type is as follows:

- **Comprehensive Agricultural Support programme** spent 58.5 percent or R149.9 million of the total budget of R256.5 million. Low expenditure is due to the re-assessment of damages/repair work on projects and delays in specification development which led to late project implementation. Infrastructure projects implementation delayed due to supplier delivery challenges on materials.
- **Land care** recorded an expenditure of R3.4 million or 27.1 percent of the total budget of R12.6 million. Low expenditure is due to the termination of fencing contract as result of irregularities. Contract for Ga-Kgatla project was terminated due to delays by implementing agent.
- **ILLIMA/LETSEMA** spent R41.1 million or 57.7 percent. Department had challenges at the beginning with the implementation of this grant due to new financial system and currently the procurement is underway in all districts.
- **EPWP incentive grant** spent R4.1 million or 81.6 percent. High expenditure is due to reprioritization for EPWP jobs and procurement for protective clothing.

5.3.2. Sport, Arts and Culture.

The department recorded an overall CG's expenditure of R119.8 million or 61.3 percent of the total budget of R195.3 million.

- **Mass Sport and Recreation Programme** spent R36.9 million or 54.5 percent of the total budget of R67.7 million. The Federations schedules of league are still at a cluster and local level. Club development games still playing at cluster and municipal levels where there are no financial implications.
- **Community Library Services** spent R81.6 million or 65.0 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 other contractors. Contractors are struggling to complete as a result of limited financial capacity and IDT is struggling to finalize the appointment of contractors.
- **EPWP Incentive** grant spent R1.2 million or 60.9 percent of the allocated R2.0 million. The spending is low due to the delay in finalization of materials required.

5.3.3. Education

Overall spending by the department is at R1.5 billion or 62.1 percent of the total budget of R2.3 billion. The spending per grant is explained below.

- **HIV/AIDS Life skills** spent R10.9 million or 40.3 percent of the total budget of R27.1 million. Low expenditure is due to incomplete delivery of printed material from the Government Printers. Printed material is being delivered in batches. Of the 180 Learner Support Agents and 157 reported for duty. The department appointed 180 which has negative impact on spending.
- **National School Nutrition Programme** spent R793.0 million or 64.5 percent of the total budget of R1.2 billion. Low expenditure is due to delay in the submission of invoices by service providers.
- **Infrastructure grant** spent R591.6 million or 58.5 percent of the total budget of R1.0 billion. Maintenance for buildings is on-going and expenditure will be incurred upon receipt of invoices. The Bid for the transportation of mobile classrooms is advertised, closing on 20 November 2018. Projects which were stopped in 2017/18 have been reactivated and contractors are gradually resuming work on site which will result in increased spending once invoices are submitted.
- **Maths, Science and Technology** spent R39.2 million or 90.3 percent of the total budget of R43.4 million. Once off transfers of funds to schools has been processed as planned and accrual invoices for laptops are paid. High expenditure is due to payment of accruals for laptops.
- **EPWP Social sector** grant spent R9.3 million or 65.0 percent of the total budget of R14.4 million. Low expenditure is as a result of wrong posting of expenditure on Compensation of Employees, which is debited under equitable share and still to be realigned and adjusted.
- **EPWP Incentive Grant** – spent R1.2 million or 55.2 percent of the total budget of R2.1 million. Low expenditure is due to wrong posting which will be adjusted during the adjustment budget. Out of the 86 appointed casual laborers as from 01 August 2018, only 69 reported for duty. Additional Casual laborers are still to be appointed before the end of the financial year.
- **Learners with Profound Intellectual Disabilities** – spent R13.3 million or 61.3 percent. The low spending is as a result of training which has been rescheduled because of delays in Supply Chain Management processes and unavailability of LOGIS ICN codes for some of the items to be procured. Procurement processes are in progress for video cameras, toners, office equipment, stationery and for the printing of LSPID policy and Learning Programme.

5.3.4 Health

The overall spending on CG is R1.7 billion or 64.1 percent of the total budget of R2.7 billion.

- **HIV and AIDS** - spent 69.1 percent or R1.1 billion of the total budget of R1.6 billion. High expenditure is due to payment of accruals for 2017/18 and furthermore NPO memorandums of agreements were concluded on time and transfers are being processed as scheduled.
- **EPWP Social Sector** grant spent R16.3 million or 60.3 percent. Transfers to NPOs are processed in line with the schedule. Transfer for November 2018 tranches to the value of R1.1 million delayed by late submission of reports by service providers.
- **National Tertiary Services** grant spent R265.7 million or 68.6 percent of the total budget of R387.6 million. High expenditure is due to payment of tertiary laboratory tests, blood products, renal dialysis consumables for patient with cancer and leased machines for tertiary services and payment of the amount of R22.6 million for February and March for renal dialysis treatment and other items
- **Health Professions Training and Development** grant has recorded expenditure of R90.0 million or 64.6 percent of the total budget of R139.4 million. The department is still awaiting delivery of protective clothing, installation of the Wi-Fi for the learning centres and anaesthetic and sonar machines. The appointment of 25 registrars anticipated to resume duty by January 2019
- **Health Facilities Revitalization grant** spent 46.9 percent or R251.6 million of the total budget of R536.9 million. The low spending is as a result of late submission of actual payments by the Implementing Agents, non-submission of non-compliant payment certificates and professional fee claims and slow progress on construction sites.
- **Human Papilloma Virus vaccine grant** – spent R11.8 million or 43.1 percent of the total budget of R27.5 million. Delayed delivery of invoices and stationery by service providers impacted negatively on the financial performance for the grant and non-delivery of complete stock of vaccine ordered.
- **EPWP Incentive grant** – spend R2.0 million or 101.6 percent. High expenditure is due to payment to contract worker's salaries back dated from June 2018 and the introduction of new wage bill.

5.3.5 CoGHSTA

In overall, the department spent R813.2 million or 62.0 percent of the total budget of R1.3 billion.

- **Integrated Housing, Human Settlement Development grant** – spent R804.4 million or 62.6 percent of the budget of R1.3 billion. Low expenditure is due to poor performance by contractors to build houses.

- **Deeds Restoration grant** – spent R8.8 million or 35.8 percent of the total budget of R24.5 million. Low spending is due to late submission of invoices by service providers. Proclamation processes are not finalized because Deeds Office keeps on rejecting the Conveyancers submissions, therefore cannot submit invoices. Clearance certificates are not issued to Conveyancers by some Municipalities because of outstanding debts.
- **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. The department has started advertising.

5.3.6 LEDET

The department spent R2.3 million or 66.8 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 R833.5 million or 73.7 percent to transfers to Road Agency Limpopo.

- **Infrastructure grant** – spent R827.2 million or 74.0 percent. Huge expenditure is due to the transfer to Road Agency Limpopo.
- **EPWP grant** – spent R6.3 million or 85.4 percent. Payments under the grant are made in tranches.

5.3.8 Transport

- The department spent R178.7 million or 50.1 percent of the total budget of R356.8 million. Bus subsidy for November 2018 will only be paid during December 2018.

5.8.9. Community Safety

- The department spend R2.0 million or 100.0 percent of the total budget of R2.0 million.

5.8.10. Social Development

Overall spending by the department is R89.6 million or 70.5 percent of the total budget of R127.2 million.

- **Early Childhood Development grant** - recorded an expenditure of R42.2 million or 61.5 percent of the total budget of R68.5 million. The department transfers to NPOs are made in tranches and on a quarterly basis.

- **Social Worker Employment grant** – spent R43.3 million or 85.5 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 R4.2 million or 52.4 percent. The department transfers to NPOs are made in tranches and on a quarterly basis.

6. Provincial Own Revenue

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

Departments/Votes	Main appropriation 2018/19	Projections to November 2018	Projections as % of main appropriation	Actual Collection to November 2018	Actual collection as % of the main appropriation	Projected remainder of the year	Estimated total revenue	Variances Over / (Under) Collection	% Variances Over / (Under) Collection as of main appropriation	Main appropriation 2017/18	Actual Collection to November 2017	Actual collection as % of main appropriation
Office of the Premier	567	372	65.6%	688	121.4%	258	946	316	55.8%	777	370	47.6%
Provincial Legislature	234	140	59.8%	694	296.7%	169	863	554	236.9%	219	459	210.3%
Education	41 264	27 207	65.9%	24 842	60.2%	14 057	38 899	-2 365	-5.7%	41 613	51 887	124.7%
Agriculture & Rural Development	12 579	6 756	53.7%	7 026	55.9%	5 824	12 850	270	2.1%	10 854	6 435	59.3%
Provincial Treasury	300 000	211 140	70.4%	189 521	63.2%	97 979	287 500	-21 619	-7.2%	188 133	237 333	126.2%
Economic Development, Environment & Tourism	160 918	104 125	64.7%	104 105	64.7%	60 262	164 367	-20	0.0%	152 240	92 501	60.8%
Health	168 177	97 920	58.2%	137 606	81.8%	40 094	177 700	39 686	23.6%	182 996	113 333	61.9%
Transport	524 149	350 272	66.8%	364 435	69.5%	173 877	538 312	14 163	2.7%	494 040	333 231	67.5%
Public Works, Roads & Infrastructure	28 355	19 270	68.0%	18 736	66.1%	9 085	27 821	-534	-1.9%	58 783	27 353	46.5%
Community Safety	232	72	31.0%	60	25.8%	160	220	-12	-5.3%	116	234	202.6%
Co-operative Governance, Human Settlements & Traditional Affairs	4 784	1 511	31.6%	3 027	63.3%	3 270	6 297	1 516	31.7%	2 792	2 875	103.0%
Social Development	3 969	2 406	60.6%	1 693	42.7%	1 563	3 256	-713	-18.0%	3 438	1 464	42.6%
Sport, Arts & Culture	1 940	253	13.0%	520	26.8%	1 685	2 205	267	13.7%	1 839	587	31.9%
Total provincial receipts	1 247 168	821 444	65.9%	852 954	68.4%	408 283	1 261 237	31 510	2.5%	1 137 840	868 062	76.3%

Provincial Own Revenue target for 2018/19 financial year is R1.2 billion. As at the end of November 2018, the Province has collected an amount of R852.9 million or 68.4 percent which is above the projections of R821.4 million or 65.9 percent. The over collection of R31.5 million or 2.5 percent is mainly contributed by Health, Transport and COGHSTA which collected above the projection due to Patient fees, Motor vehicle licenses and interest received respectively. Collection is below that of the previous year corresponding period of R868.0 million or 76.3 percent.

6.1. Out of thirteen (13) Departments, eight (8) 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 R0.688 million or 121.4 percent against the projections of R0.372 million or 65.6 percent. Over collection of R0.316 million or 55.8 percent is mainly due proceeds collected from auction held which was not budgeted for. The target will be adjusted upward in line with the current collection trend.

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

The institution collected R0.694 million or 296.7 percent against the projections of R0.140 million or 59.8 percent. The over collection of R0.554 million or 236.9 percent is on recovery of previous years' interdepartmental debts. The target will be adjusted upward accordingly.

6.1.3 Agriculture (Original Target of R12.579 million)

The actual collection as at the end of November 2018 amounts to R7.0 million or 55.9 percent against the projection of R6.7 million or 53.7 percent. Over collection of R0.270 million or 2.1 percent is due to more sales of animal feeds and academic services.

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

Collection as at 30th November 2018 amounts to R104.1 million or 64.7 percent against the projections of R104.1 million or 64.7 percent. The Department has collected in line with the projections. Collection of gambling taxes depends on public participation or gambling activities. The Department recorded uncaptured receipts amounting R0.822 million as at the end of November 2018 as compared to R0.729 million in October 2018.

6.1.5 Health (Original Target of R168.177 million)

The Department collected R137.6 million or 81.8 percent against the projections of R97.9 million or 58.2 percent. Over collection of R 39.6 million or 23.6 is mainly due to collection of patient fees from Road Accident Fund. The target will be adjusted upward in line with the collection trend. The Department of Health recorded uncaptured receipts of R1.8 million as at the end of November 2018 as compared to R1.0 million in October 2018.

6.1.5 Transport (Target R524.149 million)

As at end of November 2018 the Department collected R364.4 million or 69.4 percent against the projections of R350.2 million or 66.8 percent. Over collection of R14.1 million or 2.7 percent is mainly on motor vehicle licenses due to increased number of motor vehicle population, recovery of municipality debts and licencing of vehicles at post offices. The Department recorded uncaptured receipts amounting R1.3 million as at the end of November 2018 as compared to R1.2 million in October 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 November 2018 amounts to R3.0 million or 63.3 percent against the projection of R1.5 million or 31.6 percent. The over collection of R1.5 million or 31.7 percent is due to interest received from the housing implementing agency (Risima housing finance) for the previous financial year and reversal of erroneous payment which was made to a contractor.

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

As at the end of November 2018, actual collection for the Department is R0.520 million or 26.8 percent against the projections of R0.253 million or 13.0 percent. Over collection of R0.267 million or 13.7 percent is mainly due to sale of tender documents and recovery of debts.

6.2. The following Five (5) Departments have collected below their set projections

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

The Department collected R24.8 million or 60.2 percent against the projections of R27.2 million or 65.9 percent. Under collection of R2.3 million or 5.7 percent is due to less collection on previous year's expenditure debts.

6.2.2. Provincial Treasury (Original Target of R300.0 million)

As at 30 November 2018 actual collection is R189.5 million or 63.2 percent against the projections of R211.1 million or 70.4 percent. Under collection of R21.6 million or 7.2 percent is due to less interest earned from bank balance which is unpredictable. The target will be adjusted downward accordingly.

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

The Department collected R18.7 million or 66.1 percent against the projection of R19.2 million or 68.0 percent. Under collection of R0.534 million of 1.9 percent is due to less collection on rental caused by rejected stop orders as the Provincial banker changed from Standard Bank to ABSA bank.

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

The Department collected R0.060 million or 25.8 percent against the projection of R0.072 million or 31.0 percent. The under collection of R0.012 million or 5.3 percent is due to none recovery of previous years' expenditure debts.

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

The Department collected R1.6 million or 42.7 percent against the projections of R2.4 million or 60.6 percent. The under collection of R0.713 million or 18.0 percent is primarily influenced by less collection on previous years' expenditure debts.

6.3. Own revenue per economic classification

The table below reflects provincial own revenue collection per economic classification as at 30th November 2018.

Table 12: Provincial Own Revenue collection per economic classification as at 30 November 2018

Summary of Provincial Own Receipt by Economic Classification

Items (Revenue Sources)	Main appropriation	Projections to November 2018	Projections as % of budget	Actual Collection to November 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 November 2017	Actual collection as % of the budget
Tax receipts	518 779	342 212	66.0%	373 894	72.1%	176 567	550 461	31 682	6.1%	475 120	330 382	69.5%
Casino taxes	73 774	42 744	57.9%	40 215	54.5%	31 030	71 245	-2 529	-3.4%	69 796	38 767	55.5%
Horse racing taxes	31 855	22 644	71.1%	30 079	94.4%	9 211	39 290	7 435	23.3%	13 813	19 645	142.2%
Liquor licenses	3 800	922	24.3%	1 329	35.0%	2 878	4 207	407	10.7%	4 236	887	20.9%
Motorvehicle licenses	409 350	275 902	67.4%	302 270	73.8%	133 448	435 718	26 368	6.4%	387 275	271 084	70.0%
Sales of goods and services other than capital assets	285 349	167 526	58.7%	205 222	71.9%	81 767	286 989	37 695	13.2%	357 246	176 505	49.4%
of which: Patient fees	82 300	45 219	54.9%	74 823	90.9%	10 486	85 309	29 604	36.0%	100 000	57 339	57.3%
Transfers received from:	-	-	-	5 413	-	-	5 413	5 413	-	-	-	-
Fines, penalties and forfeits	78 763	53 064	67.4%	41 062	52.1%	25 699	66 761	-12 002	-15.2%	71 571	40 958	57.2%
Interest, dividends and rent on land	300 742	211 036	70.2%	190 098	63.2%	98 820	288 918	-20 937	-7.0%	190 616	238 563	125.2%
Sales of capital assets	11 748	2 884	24.5%	3 673	31.3%	13 860	17 533	789	6.7%	10 367	2 111	20.4%
Revenue financial assets	51 787	44 722	86.4%	33 593	64.9%	11 570	45 163	-11 129	-21.5%	32 920	79 544	241.6%
Total departmental receipts	1 247 168	821 444	65.9%	852 954	68.4%	408 283	1 261 237	31 510	2.5%	1 137 840	868 062	76.3%

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

An amount of R373.8 million or 72.1 percent has been collected against the projections of R342.2 million or 66.0 percent. The over collection of R31.6 million or 6.1 percent is mainly from more collection on motor vehicle licenses by Transport due to increased number of vehicle population and improved transfer of collected motor vehicle licence fees by municipalities; and more collection on horse racing taxes by LEDET.

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

As at 30th November 2018, actual collection is R205.2 million or 71.9 percent against the projections of R167.5 million or 57.8 percent. The over collection of R37.6 million or 13.2 percent is mainly due to more collection on patient fee by the Department of Health, increased collection on abnormal loads by Department of Transport and more collection on academic services by Department of Agriculture.

6.3.3 Transfers and subsidies (R0.000)

The item collected R5.4 million as at the end of October 2018 and does not have a budget for the current financial year. The collection is due to surrender of unspent funds received from Limpopo Tourism Agency and Limpopo Gambling Board. The target for the item will be adjusted accordingly during budget adjustment.

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

Fines, penalties and forfeits collected R41.0 million or 52.1 percent against the projections of R53.0 million or 67.4 percent. Under collection of R12.0 million or 15.2 percent is due to less collection of traffic fines due to ineffective system to track non-payment of traffic fines.

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

Collection as at 30th November 2018 is R 190.0 million or 63.2 percent against the projections of R211.0 million or 70.2 percent. Under collection of R20.9 million or 7.0 percent is mainly due to less interest earned from bank balances by Provincial Treasury which is unpredictable.

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

The item collected R3.6 million or 31.3 percent against the projections of R2.8 million or 24.5 percent. Over collection of R0.789 million or 6.7 percent is mainly due to more sale of capital assets by LEDET which collected more than the budget.

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

The item collected R33.5 million or 64.9 percent against the projections of R 44.7 million or 86.4 percent. The under collection of R11.1 million or 21.5 percent is mainly due to less recovery of previous years' expenditure debts by Social Development, Education and LEDET.

7. Provincial Infrastructure

The table 13: Provincial Infrastructure Budget and Expenditure Comparisons over three Financial Years (2016/17, 2017/18 and 2018/19) as at 30 November.

Infrastructure Expenditure Comparison as at 31 November 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	852 339	1 013 426	312 179	785 466	591 749	34,3%	92,2%	58,4%
Agriculture & Rural Development	172 643	144 165	160 455	92 203	53 725	107 507	53,4%	37,3%	67,0%
LEDET	49 314	59 345	54 481	2 071	35 240	39 115		59,4%	71,8%
Health	735 668	652 172	729 277	348 765	395 078	371 370	47,4%	60,6%	50,9%
PWR&I - Roads	1 597 303	2 149 155	1 883 322	1 359 534	1 213 777	1 558 357	85,1%	56,5%	82,7%
PWR&I - Works	-	-	75 616	-	-	21 605	0,0%	0,0%	28,6%
Transport	26 000	18 603	27 915	1 038	12 813	1 436	4,0%	68,9%	5,1%
CoGHSTA	1 210 370	1 404 461	1 312 187	840 648	648 475	813 193	69,5%	46,2%	62,0%
Social Development	32 076	40 805	43 201	14 642	21 810	39 113		53,4%	90,5%
Sport, Arts & Culture	35 593	48 749	40 031	14 679	13 988	27 991	41,2%	28,7%	69,9%
TOTAL	4 769 577	5 369 794	5 339 911	2 985 759	3 180 372	3 571 436	62,6%	59,2%	66,9%

As at 30 November 2018, the Provincial Infrastructure expenditure stood at R3.6 billion. The total expenditure represents 66.9 percent of the total Provincial infrastructure budget.

The expenditure for the current financial year has improved as compared to the previous financial years, 2017/18 and 2016/17. If the trend is maintained, there is a high probability of the budget being expended before the end of the financial year.

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: Co-operative Governance, Human Settlement and Traditional Affairs, Public Works, Roads and Infrastructure – Works 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 November 2018 amounts to R43.8 billion or 67.0 percent of the total budget of R65.4 billion. Of the R43.8 billion total expenditures, R38.4 billion or 67.6 percent is on equitable share and R5.4 billion or 63.7 percent on Conditional grant.
- As at the end of November 2018, the Province has collected an amount of R852.9 million or 68.4 percent which is above the projections of R821.4 million or 65.9 percent. The over collection of R31.5 million or 2.5 percent is mainly contributed by Health, Transport and COGHSTA which collected above the projection due to Patient fees, Motor vehicle licenses and interest received respectively. Collection is below that of the previous year corresponding period of R868.0 million or 76.3 percent.
- The Provincial Infrastructure expenditure amount to R3.6 billion or 66.9 percent of the provincial infrastructure budget.
- 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,

 (Acting)

PP **Gavin Pratt CA (SA)**
HOD: Provincial Treasury

14/12/2018

Date

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Gateway Airport Authority Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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fill the information provided in a conformity with section 40(1)(a) of the PFMA and Treasury regulation 15.10.20

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