



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

Ref : 12/4/5/1
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**The Director General
National Treasury
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PRETORIA**

LIMPOPO PROVINCIAL REVENUE AND EXPENDITURE REPORT AS AT 31 MARCH 2018

1. Purpose

To submit to the National Treasury a report on Limpopo Provincial Revenue and Expenditure as at 31 March 2018.

2. Background

The Limpopo Provincial Treasury hereby submit the provincial revenue and expenditure report as at 31 March 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 March 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.



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4. Cash Management

2017/18 Cash Allocation bilateral were held with all Provincial departments from the 15th and 18th of May 2017. The Adjusted Cash Allocation Letters for 2017/18 financial year were issued to all departments on the 30th of May 2017, 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 3 below provides cash flow projections, actual expenditure and transfers to departments during February 2018.

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

Departments	Opening Bank Balances at 01-Apr-17 R' 000	Cash Allocation 31-Mar-18 R' 000	Actual Expenditure 31-Mar-18 R' 000	Tranfers To Departments 31-Mar-18 R' 000	Variance Cash allocation Vs Actual Expenditure		Variance Actual Expenditure Vs Funds Transferred	
					Amount R' 000	%	Amount R' 000	%
					Education	465 626	28 880 494	28 831 176
Health	-132 549	18 606 039	18 369 405	18 606 039	236 634	1,3%	-236 634	-1,3%
Social Development	12 339	1 828 816	1 804 453	1 828 816	24 363	1,3%	-24 363	-1,4%
Public Works, Roads and Infrastructure	122 003	3 428 053	3 292 495	3 428 053	135 558	4,0%	-135 558	-4,1%
Agriculture	105 669	1 864 207	1 708 635	1 864 207	155 572	8,3%	-155 572	-9,1%
Transport	53 440	1 990 645	1 961 081	1 990 645	29 564	1,5%	-29 564	-1,5%
CoGHSTA	98 715	2 667 839	2 420 042	2 517 839	247 797	9,3%	-97 797	-4,0%
Sport, Arts & Culture	13 398	466 009	443 595	466 009	22 414	4,8%	-22 414	-5,1%
Community Safety	2 936	103 713	103 914	103 713	-201	-0,2%	201	0,2%
Office of the Premier	9 317	405 060	401 927	405 060	3 133	0,8%	-3 133	-0,8%
Provincial Legislature	30 409	397 369	340 662	397 369	56 707	14,3%	-56 707	-16,6%
Provincial Treasury	16 294	432 909	427 557	432 909	5 352	1,2%	-5 352	-1,3%
Economic Development, Environmental & Tourism	41 519	1 694 971	1 681 820	1 694 971	13 151	0,8%	-13 151	-0,8%
Total	839 116	62 766 124	61 786 762	62 614 393	979 362	1,6%	-827 631	-1,3%

When comparing actual expenditure to the cash flow projections or cash allocations, departments under-spent the cash allocations by R979,362 million or 1.6 per cent. It should be clear that the

under-spending has nothing to do with availability of cash or Treasury interruptions as Treasury has given cash allocations and processes well upfront.

On the other hand, transfers to departments were R827.631 million or 1.3 per cent more than actual expenditure. The reason for transferring more funds than was required is due to the underspending of departments.

Interest Performance

Table 2: Interest Performance

Institution	2017/18												Total
	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	
Commercial Bank (SBSA)	1 819	1 663	1 443	1 619	1 551	1 795	1 739	1 783	1 238	2 718	1 407	2 113	20 888
CPD (SA Reserve Bank)	35 848	30 777	27 144	23 333	29 496	27 843	26 777	31 323	23 295	21 447	24 197	27 452	328 932
Interest on investment with SBSA									1 361				1 361
Total	37 667	32 440	28 587	24 952	31 047	29 638	28 516	33 106	25 894	24 165	25 604	29 565	351 181

Institution	2016/17												Total
	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	
Commercial Bank (SBSA)	5 106	2 121	1 861	1 408	828	806	690	751	888	1 101	1 207	1 819	18 586
CPD (SA Reserve Bank)	22 943	28 559	30 582	28 387	33 179	33 417	32 941	37 589	32 735	30 542	33 048	35 848	379 770
Interest on investment with SBSA									1 405				1 405
Total	28 049	30 680	32 443	29 795	34 007	34 223	33 631	38 340	35 028	31 643	34 255	37 667	399 761

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 is at R351.181 million by end of March 2018 which represent 12.15% decrease from last financial year. Interest earned from the CPD account alone was at R328.932 million recording a 13.39% decrease from R379.770 million last financial year

5. Provincial overall expenditure as at 31 March 2018

In overall, the provincial preliminary expenditure is at R61.8 billion or 98.7 percent of the total adjusted budget of R62.6 billion. The highest spending departments are Education, Economic Development, Environment and Tourism, Education, Provincial Treasury, Health and Social Development at 99.3 percent, 99.2 percent, 98.8 percent, and 98.7 percent respectively.

Table 3: Provincial overall expenditure as at 31 March 2018

	Main Appropriation	Adjusted Appropriation	Available funds*	Projected outcome	Actual spending as at 31 Mar 2018	Actual spending as % of Total Available	(Over)	Under	%(Over)/ under of Total Available
R thousand									
Education	28 783 149	28 880 494	29 030 494	28 831 176	28 831 176	99,3%	—	199 318	0,7%
Health	18 042 777	18 606 039	18 606 039	18 369 405	18 369 405	98,7%	—	236 634	1,3%
Social Development	1 821 036	1 828 814	1 828 814	1 604 453	1 604 453	98,7%	—	24 361	1,3%
Public Works, Roads And Infrastructure	3 135 729	3 428 053	3 428 053	3 292 495	3 292 495	96,0%	—	135 558	4,0%
Agriculture	1 855 352	1 764 207	1 764 207	1 708 635	1 708 635	96,9%	—	55 572	3,1%
Transport	1 962 388	1 990 645	1 990 645	1 961 081	1 961 081	98,5%	—	29 564	1,5%
Co-Operative Governance Human Settlements	2 581 771	2 667 839	2 467 839	2 420 042	2 420 042	98,1%	—	47 797	1,9%
Sport, Arts And Culture	460 288	466 009	466 009	443 595	443 595	95,2%	—	22 414	4,8%
Safety, Security And Liaison	103 713	103 713	103 713	103 914	103 914	100,2%	-201,00	—	-0,2%
Office Of The Premier	395 789	405 060	405 060	401 927	401 927	99,2%	—	3 133	0,8%
Provincial Legislature	341 810	397 370	397 370	340 662	340 662	85,7%	—	56 708	14,3%
Provincial Treasury	474 620	432 909	432 909	427 557	427 557	98,8%	—	5 352	1,2%
Economic Development, Environment And Tourism	1 500 308	1 694 971	1 694 971	1 681 820	1 681 820	99,2%	—	13 151	0,8%
Total	61 458 728	62 666 123	62 616 123	61 786 762	61 786 762	98,7%		829 562	1,3%
Economic classification							Net	829 361	
Current payments	51 796 888	52 440 671	52 142 401	51 718 966	51 718 966	99,2%		423 435	0,8%
Compensation of employees	42 947 581	42 844 062	42 686 972	42 569 181	42 569 181	99,7%		117 791	0,3%
Goods and services	8 848 437	9 595 639	9 454 140	9 148 756	9 148 756	96,8%		305 384	3,2%
Interest and rent on land	870	870	1 289	1 029	1 029	79,8%		260	20,2%
Transfers and subsidies	7 432 060	8 042 341	8 050 999	7 959 621	7 959 621	98,9%		91 378	1,1%
Payments for capital assets	2 101 648	2 149 632	2 400 527	2 085 723	2 085 723	86,9%		314 804	13,1%
Payments for financial assets	20 000	20 876	22 196	22 452	22 452	0,0%		-256	-1,2%
<i>of which: NPNC</i>	<i>16 301 367</i>	<i>17 659 726</i>	<i>17 528 624</i>	<i>17 131 858</i>	<i>17 131 858</i>	<i>97,0%</i>		<i>396 766</i>	<i>2,3%</i>
Total	61 360 496	62 663 420	62 616 123	61 786 762	61 786 762	98,7%		829 617	1,3%
							Net	829 361	

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

Hereunder is the synopsis of provincial expenditure as at 31 March 2018:

5.1. Spending per Economic Classification

5.1.1. Compensation of Employees

The overall provincial CoE spending is at R42.6 billion or 99.4 percent of the total adjusted budget of R42.8 billion. The highest spending Departments are Education at R23.2 billion or 100.1 percent, a reflection of over-expenditure by R30.8 million or 0.1 percent, Health, Sport, Arts and Culture and Treasury at R12.9 million or 99.8.0 percent, R187.1 million or 98.8 and R279.6 million or 99.8 percent respectively.

Table 4: Compensation of Employees as at 31 March 2018

	Available funds*	Preliminary outcome	Actual spending as at 31 Mar 2018	Actual spending as % of Total Available	(Over)	Under	%(Over)/ under of Total Available
R thousand							
Education	23 156 846	23 187 676	23 187 676	100,1%	-30 830	–	-0,1%
Health	13 024 159	12 976 375	12 976 375	99,8%	–	47 784	0,4%
Social Development	995 415	973 892	973 892	98,2%	–	21 523	2,2%
Public Works , Roads and Infrastructure	1 012 995	983 078	983 078	95,3%	–	29 917	3,0%
Agriculture	1 073 448	1 072 910	1 072 910	94,6%	–	538	0,1%
Transport	921 853	900 754	900 754	97,7%	–	21 099	2,3%
Co-Operative Governance Human Settlement	973 787	965 103	965 103	98,3%	–	8 684	0,9%
Sport,Art And Culture	186 333	185 127	185 127	98,8%	–	1 206	0,6%
Safety,Security And Liason	70 570	72 085	72 085	102,1%	-1 515	–	-2,1%
Office of the Premier	284 098	280 807	280 807	98,8%	–	3 291	1,2%
Legislature	186 568	177 923	177 923	95,4%	–	8 645	4,6%
Treasury	280 145	279 634	279 634	99,8%	–	511	0,2%
Economic Development	520 755	513 817	513 817	98,7%	–	6 938	1,3%
Total	42 686 972	42 569 181	42 569 181	99,4%	-32 345	150 136	0,3%
				Net	117 791		

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

- **Compensation of Employees (CoE)** spent R42.6 billion or 99.7 percent with an underspending of R117.8 million or 0.3 percent mainly in the Department of:-
 - Health at R47.8 million or 0.4 percent due to outstanding pay-progression, grade progression, translations and performance bonuses.
 - Social Development at R21.5 million or 0.4 percent due to outstanding CoE related payments,
 - Public Works, Roads and Infrastructure at R29.9 million or 3.0 percent due to prolonged recruitment processes of filling vacant pots.
 - Transport at R21.1 million or 2.3 percent due to delay in filling of critical budgeted posts.
 - CoGHSTA at R8.7 million or 0.9 percent due to delay in filling of vacant posts.
 - Sport, Arts and Culture at R1.2 million or 0.6 percent due to non-filling of 25 critical vacant posts.
 - Office of the Premier at R3.3 million or 1.2 percent due to delayed filling of vacant posts.
 - Legislature at R8.6 million or 4.6 percent due to vacant budgeted post that were not filled.
 - Provincial Treasury at R0.511 million or 0.2 percent due to delayed filling of vacant posts and
 - LEDET at R6.9 million or 1.3 percent due to delayed OSD payments.

The department of Education and Community Safety are overspending by R32.3 million. Education by R30.8 million or 0.1 percent due to appointment of support staff at schools while

Community Safety is overspending by R1.5 million due to appointment of additional employee to support disable persons and increase in Employer contribution to medical aid.

The province is underspending by R117.8 million.

5.1.2. Goods and Services

The overall spending on Goods and Services is at R9.1 billion or 96.8 percent of the total adjusted budget of R9.4 billion. The provincial preliminary underspending is R305.4 million or 3.2 percent.

Table 5: Goods and Services as at 31 March 2018

	Available funds*	Preliminary outcome	Actual spending as at 31 Mar 2018	Actual spending as % of Total Available	(Over)	Under	% (Over)/ under of Total Available
R thousand							
Education	2 597 237	2 442 234	2 442 234	94,0%	–	155 003	6,0%
Health	4 247 644	4 242 580	4 242 580	99,9%	–	5 064	0,1%
Social Development	248 140	245 979	245 979	99,1%	–	2 161	0,9%
Public Works, Roads and Infrastructure	689 556	627 718	627 718	91,0%	–	61 838	9,0%
Agriculture	423 158	396 548	396 548	93,7%	–	26 610	6,3%
Transport	263 565	264 156	264 156	100,2%	-591	–	-0,2%
Co-Operative Governance Human Settlements And	171 111	165 443	165 443	96,7%	–	5 668	3,3%
Sport,Art And Culture	211 460	206 957	206 957	97,9%	–	4 503	2,1%
Safety ,Security And Liason	32 093	30 807	30 807	96,0%	–	1 286	4,0%
Office of the Premier	112 703	110 650	110 650	98,2%	–	2 053	1,8%
Legislature	79 979	63 896	63 896	79,9%	–	16 083	20,1%
Treasury	117 942	114 064	114 064	96,7%	–	3 878	3,3%
Economic Development	259 552	237 724	237 724	91,6%	–	21 828	8,4%
Total	9 454 140	9 148 756	9 148 756	96,8%	-591	305 975	3,2%
* Available funds refers to adjusted budget including any post adjustment (Virements and shifts)					Net	305 384	

- **Goods and Services** spent R9.1 billion or 96.8 percent with projected underspending of R305.4 million or 3.2 percent mainly in the Department of: -
 - Education – R155.0 million or 6.0 percent due delay in the appointment of service providers to revamp the department ICT.
 - Health - R5.1 million or 0.1 percent due withholding of payments by the department in order to remain within the budget.
 - Social Development – R2.2 million or 0.9 percent. Due to preliminary month closure, there are journals which were still in process, the remaining balance will be utilized, which will appear on the final IYM reporting.
 - Public Works, Roads and Infrastructure – R61.8 million or 9.0 percent due to delay on the implementation of the 17 roads projects which were advertised during the 2016/17 financial year, the Department has spent less on the maintenance and repair on heavy plant machinery because of less machinery downtime. There is low

- plant utilization due to shortage of driver operators which then affects the fuel consumption.
- Agriculture – R26.6 million or 6.3 percent due to late submission of SITA services invoices, payment for insurance for subsidized motor vehicles due to delays in delivery of motor vehicles and late approval to advertise posts.
 - CoGHSTA – R5.7 million or 3.3 percent due to the delay in appointment of service provider for security surveillance cameras installation as well as the delay in the submission of invoices.
 - Sport, Arts and Culture – R4.5 million or 2.1 percent due to slow progress on the maintenance and repairs of museums.
 - Community Safety – R1.3 million or 4.0 percent due to BAS EBT rejections of payments for stipend resulting from invalid banking details for beneficiaries (applicable in Programme 2).
 - Office of the Premier – R2.1 million or 1.8 percent due to foreign trips, maintenance and repairs of air conditioners that were postponed.
 - Legislature – R16.1 million or 20.1 percent due to delay in meetings for portfolio committees.
 - Provincial Treasury – R3.9 million or 3.3 percent due to training that was scheduled to be attended this year but postponed to the next financial year and SITA and computer services invoices and government printer for face value forms.
 - Economic Development, Environment and Tourism – R8.4 million or 8.4 percent due to backlog in issuing of purchase orders in SCM as a result of vacant post in the unit.

The underspending is under all the department except the department of Transport which is overspending by R0.591 million or 0.2 percent due to payment of accruals during the beginning of the financial year.

5.1.3. Transfers and subsidies.

Table 6: Transfers and subsidies as at 31 March 2018

	Available funds*	Preliminary outcome	Actual spending as at 31 Mar 2018	Actual spending as % of Total Available	(Over)	Under	%(Over)/ under of Total Available
R thousand							
Education	2 189 421	2 161 322	2 161 322	98,7%	–	28 099	1,3%
Health	742 522	690 503	690 503	93,0%	–	52 019	7,0%
Social Development	534 533	534 500	534 500	100,0%	–	33	0,0%
Public works, Roads and Infrastructure	1 409 690	1 402 953	1 402 953	99,5%	–	6 737	0,5%
Agriculture	196 124	196 011	196 011	99,9%	–	113	0,1%
Transport	767 022	765 606	765 606	99,8%	–	1 416	0,2%
Co-Operative Governance Human Settlements	1 284 888	1 277 382	1 277 382	99,4%	–	7 506	0,6%
Sport, Art And Culture	12 444	12 039	12 039	96,7%	–	405	3,3%
Safety, Security And Liaison	14	39	39	278,6%	-25	–	-178,6%
Office of the Premier	1 812	4 856	4 856	268,0%	-3 044	–	-168,0%
Legislature	95 538	93 974	93 974	98,4%	–	1 564	1,6%
Treasury	7 158	7 112	7 112	99,4%	–	46	0,6%
Economic Development	809 833	813 324	813 324	100,4%	-3 491	–	-0,4%
Total	8 050 999	7 959 621	7 959 621	98,9%	-6 560	97 938	1,1%
				Net	91 378		

* Available funds refers to adjusted budget including any post adjustment (Virements and st.

- **Transfers and subsidies** recorded an expenditure of R7.9 billion or 98.9 percent with an underspending of R91.4 million or 1.2 percent. The following departments are underspending:

- Education – R28.1 million or 1.3 percent due to non-compliance by some schools that are supposed to receive the subsidy.
- Health – R52.0 million or 7.0 percent due to NPI and Households. Transfers to NPI do not follow straight-line.
- Public Works, Roads and Infrastructure – R6.7 million or 0.5 percent due to outstanding invoices for claim against the state which the department did not receive.
- Agriculture – R0.113 million or 0.1 percent due to CASP infrastructure projects that were not implemented on time.
- Transport – R1.4 million or 0.2 percent due to operators that did not meet their contractual obligations in terms of the subsidised trips and kilometres.
- CoGHSTA- R7.5 million or 0.6 percent due to the disputes between the Queen /Kingship within the Bapedi Kingship.
- Sport, Arts and Culture – R3.3 percent due to non-payment to Library Board, Geographical Names Committee and Arts and Culture Council.
- Legislature – R1.6 million or 1.6 percent due to outstanding payment to one political party due to its failure to submit audited annual financial statements.
- Treasury – R0.046 million or 0.6 percent.

- Department of Community Safety, Office of the Premier and LEDET are overspending by R6.6 million.
 - Community Safety – R0.0025 million or 178.6 percent due to leave gratuity.
 - Office of the Premier – R3.0 million or 168.0 percent due to leave gratuity payments and state funeral approved by the President.

LEDET – R3.5 million or 0.4 percent due to leave gratuity

Province spent R7.9 billion or 98.9 percent of the total adjusted budget of R8.1 billion on Transfers and Subsidies. The province is underspending by R91.4 million or 1.1 percent.

5.1.4. Payment for Capital Assets.

Table 7: Payment for Capital Assets as at 31 March 2018

	Available funds*	Preliminary outcome	Actual spending as at 31 Mar 2018	Actual spending as % of Total Available	(Over)	Under	% (Over)/ under of Total Available
R thousand							
Education	1 086 990	1 039 944	1 039 944	95,7%	–	47 046	4,3%
Health	591 714	459 947	459 947	70,6%	–	131 767	22,3%
Social Development	50 726	50 082	50 082	98,5%	–	644	1,3%
Public Works, Roads and Infrastructure	315 812	278 525	278 525	95,0%	–	37 287	11,8%
Agriculture	70 877	43 247	43 247	72,5%	–	27 630	39,0%
Transport	36 905	28 532	28 532	134,6%	–	8 373	22,7%
Co-Operative Governance Human Settlements And	37 634	11 695	11 695	16,2%	–	25 939	68,9%
Sport,Art And Culture	55 772	39 472	39 472	72,4%	–	16 300	29,2%
Safety,Security And Liason	760	722	722	95,0%	–	38	5,0%
Office of the Premier	6 447	5 614	5 614	136,6%	–	833	12,9%
Legislature	35 285	4 869	4 869	20,0%	–	30 416	86,2%
Treasury	7 644	6 729	6 729	160,6%	–	915	12,0%
Economic Development	103 961	116 345	116 345	140,3%	-12 384	–	-11,9%
Total	2 400 527	2 085 723	2 085 723	99,2%	-12 384	327 188	13,1%
				Net	314 804		

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

Provincial expenditure on Payment for Capital Assets is at R2.1 billion or 99.2 percent of the total adjusted budget of R2.2 billion. The province is underspending by R314.8 million or 13.1 percent.

- **Payment for Capital Assets** spent R2.1 billion or 99.2 percent and underspend by R314.8 million or 13.1 percent. The underspending is mainly at the following departments: -
 - The Department of Education – R47.0 million or 4.3 percent. All outstanding invoices for infrastructure could not be processed for payment by the end of the financial year.
 - Health – R131.8 million or 22.3 percent due to the delay in delivery of medical and allied equipment.

- Social Development – R0.644 million or 1.3 percent due to preliminary month closure, there are journals that are still being passed, the remaining balance will be utilized, which will show on the final IYM reporting.
- Public Works, Roads and Infrastructure – R37.3 million or 11.8 percent due to the delay in refurbishment of Legislature offices caused by the Legislature failure to relocate staff to other offices and the overhauling of the ICT infrastructure.
- Agriculture- R27.6 million or 39.0 percent due to e-commerce processes which delayed the procurement of laptops, projectors and printers.
- Transport – R8.4 million or 22.7 percent due to project could not be completed as planned due to poor performance by the contractor.
- CoGHSTA – R25.9 million or 68.9 percent due to delay in the construction of Traditional Council offices and the procurement of laptops and office furniture.
- Sport, Arts and Culture – R16.3 million or 29.2 percent due to slow progress at Maphalle, Zamani and Mahlabatheng libraries which was caused by the termination of the Principal Agent contract due to poor performance.
- Office of the Premier – R0.833 million or 12.9 percent due to delayed procurement of equipment and upgrading of old IT infrastructure equipment, the institution did not receive proper and sufficient quotations.
- Legislature – R30.4 million or 86.2 percent due to the postponement of the procurement of the security systems as a result of delayed renovation of the building.
- Treasury – R0.915 million or 12.0 percent due to delay in the procurement of IT equipment as a result of delay in the procurement processes.

The department of Economic Development, Environment and Tourism is overspending by R12.4 million or 11.9 percent, due to DBSA contracts for Market Stalls, Upgrading of Nature Reserves, Holding Facilities and Upgrade of Limpopo Wildlife Resorts.

5.2. Equitable share spending

Table 8: Equitable share spending as at 31 March 2018

	Adjusted Appropriation	Actual as at March 2018 (Preliminary)	Actual spending as % of budget	Preliminary Outcome	Variance
Education	26 915 104	26 749 351	99,4%	26 749 351	165 753
Health	16 183 472	16 063 033	99,3%	16 063 033	120 439
Social Development	1 731 967	1 712 828	98,9%	1 712 828	19 139
Public Works , Roads and Infrastructure	2 254 504	2 156 064	95,6%	2 156 064	98 440
Agriculture	1 437 477	1 394 934	97,0%	1 394 934	42 543
Transport	1 645 035	1 615 471	98,2%	1 615 471	29 564
CoGHSTA	1 211 378	1 163 581	96,1%	1 163 581	47 797
Sport, Arts & Culture	274 975	261 345	95,0%	261 345	13 630
Community Safety	101 713	101 914	100,2%	101 914	(201)
Office of the Premier	405 060	401 927	99,2%	401 927	3 133
Legislature	397 370	340 662	85,7%	340 662	56 708
Treasury	432 909	427 557	98,8%	427 557	5 352
Economic Development	1 692 404	1 679 253	99,2%	1 679 253	13 151
Total	54 683 368	54 067 920	98,9%	54 067 920	615 448

Provincial equitable share spending is at R54.1 billion or 98.9 percent of the total adjusted budget of R54.7 billion.

The highest percentage spending departments are Education at R26.7 billion or 99.4 percent Health at R16.1 billion or 99.3 percent and Community Safety at R101.9 million or 100.2 percent whereas the lowest spending departments are Public Works, Roads and Infrastructure at R2.1 billion or 95.6 percent; Sport, Arts and Culture at R261.3 million or 95.0 percent and Legislature at R340.7 million or 85.7 percent.

5.3. Conditional Grants

Table 9: Conditional Grants spending per department as at 31 March 2018

	Adjusted Appropriation	Actual as at March 2018 (Preliminary)	Actual spending as % of budget	Preliminary Outcome	Variance
Education	2 115 390	2 081 825	98,4%	2 372 142	33 565
Health	2 422 567	2 306 372	95,2%	2 422 567	116 195
Social Development	96 847	91 625	94,6%	96 847	5 222
Public Works , Roads and Infrastructure	1 173 549	1 136 431	96,8%	1 173 549	37 118
Agriculture	326 730	313 701	96,0%	326 730	13 029
Transport	345 610	345 610	100,0%	345 610	-
CoGHSTA	1 256 461	1 256 461	100,0%	1 406 461	-
Sport, Arts and Culture	191 034	182 250	95,4%	191 034	8 784
Community Safety	2 000	2 000	100,0%	2 000	-
Economic Development	2 567	2 567	100,0%	2 567	-
Total	7 932 755	7 718 842	97,3%	8 339 507	213 913

The CGs' overall expenditure is at R7.7 billion or 97.3 percent of the total adjusted budget of R7.9 billion. Spending has improved as compared to the same period last year which was at R7.6 billion or 77.0 percent.

Table 10: Limpopo Conditional Grant spending per grant as at 31 March 2018

R thousand	Main Appropriation	Adjusted Appropriation	Provincial Actual Payments	Actual Payments as a % of Adjusted budget
Agriculture	323 750	326 730	313 701	96,0%
Comprehensive Agricultural Support Programme Grant	238 991	241 971	233 945	96,7%
Disaster (Casp Infrastructure)	5 000		–	0,0%
Ilima/Letsema Projects Grant	67 356	67 356	62 353	92,6%
EPWP Incentive allocation	3 731	3 731	3 731	100,0%
Land Care Programme Grant	13 672	13 672	13 672	100,0%
Sport, Arts and Culture	191 034	191 034	182 850	95,7%
Mass Sport and Recreation Programme	67 850	67 850	66 935	98,7%
EPWP Incentive allocation	2 000	2 000	1 772	88,6%
Community Library Services Grant	121 184	121 184	114 143	94,2%
Education	2 064 788	2 115 390	2 081 825	98,4%
HIV and Aids (Life Skills Education) Grant	35 339	35 339	22 886	64,8%
National School Nutrition Programme Grant	1 161 389	1 176 754	1 114 627	94,7%
Infrastructure Grant	810 523	844 109	900 171	106,6%
Maths, Science and Technology	42 796	44 447	34 924	78,6%
Learnners with Profound Intellectual Disabilities	9 853	9 853	3 533	35,9%
Social sector EPWP grant	2 888	2 888	3 242	112,3%
EPWP Incentive allocation	2 000	2 000	2 442	122,1%
Health	2 402 407	2 422 567	2 306 372	95,2%
Comprehensive HIV and Aids Grant	1 354 308	1 374 468	1 354 792	98,6%
Health Professions Training and Development Grant	131 726	131 726	131 452	99,8%
Malaria Control Grant	11 802	11 802	11 795	99,9%
EPWP Social Sector	30 113	30 113	30 098	100,0%
Hospital Revitalisation Grant	508 144	508 144	415 869	81,8%
National Tertiary Services Grant	366 314	366 314	362 366	98,9%
Co-operate Governance, Human Settlements and Traditional Affairs	1 240 104	1 256 461	1 256 461	100,0%
Integrated Housing & Human Settlements Development Grant	1 238 104	1 254 461	1 254 461	100,0%
Disaster : Flood Damage	–	–	–	0,0%
EPWP Incentive allocation	2 000	2 000	2 000	100,0%
Public Works	1 146 284	1 173 549	1 136 431	96,8%
Infrastructure Grant	1 140 387	1 167 652	1 130 534	96,8%
EPWP incentive grant	5 897	5 897	5 897	100,0%
Economic Development	2567	2567	2 567	100,0%
EPWP Incentive grant	2567	2567	2 567	100,0%
Social Development	96 847	96 847	91 625	94,6%
Early Childhood development	41 085	41 085	36 033	87,7%
Social worker employment	46 784	46 784	46 621	99,7%
EPWPSocial sector grant	8 978	8 978	8 971	99,9%
Transport	345 610	345 610	345 610	100,0%
Public Transport Operations Grant	345 610	345 610	345 610	100,0%
Community Safety	2 000	2 000	2 000	100,0%
EPWP incentive grant	2 000	2 000	2 000	100,0%
Total	7 815 391	7 932 755	7 719 442	97,3%

5.3.1. Agriculture

Overall spending by the department is R313.7 million or 96.0 percent of the total budget of R326.7 million.

- **Comprehensive Agricultural Support Programme** spent 96.7 percent or R233.9 million of the total adjusted budget of R241.9 million. CASP expenditure is mostly affected by delay in implementation of infrastructure projects. Delays in bids adverts had a negative effect to the grant spending.
- **Land care** spent R13.7 million which translate to 100.0 percentage of the total budget of R13.7 million.
- **Illima/Letsema** spent R62.3 million or 92.6 percent of the total budget of R67.4 million. Mechanisation budget for Fetsa Tlala private tractor operators and government tractor fleet could not be adequately spent due to lack of rain within the province.
- **EPWP incentive grants** spent R3.7 million or 100.0 percent of the total allocation of R3.7 million.

5.3.2. Sport, Arts and Culture

The department recorded an overall CGs' expenditure of R182.2 million or 95.4 percent of the total budget of R191.0 million.

- **Mass Sport and Recreation Programme** spent R66.9 million or 98.7 percent of the total budget of R67.9 million. The low spending is due to planned projects that were not implemented during the period such as Limpopo Provincial Sport Awards and Provincial Boxing.
- **Community Library Services** spent R114.1 million or 94.2 percent of the total budget of R121.2 million which reflects a low expenditure in terms of the norm. Low expenditure is on the infrastructure projects due to slow progress at Zamani, Maphalle and Mahlabating which was caused by the termination of the Principal Agent contract due to poor performance.
- **EPWP Incentive** grant spent R1.8 million or 88.6 percent of the allocated R2 million. The cause for underspending is delayed procurement of material to be used in the museums and payment of EPWP employees which are processed after the month of work performed.

5.3.3. Education

Overall spending by the department is at R2.1 billion or 98.4 percent of the total adjusted budget of R2.1 billion.

- **HIV/AIDS Life Skills** spent R22.9 million or 64.8 percent of the total budget of R35.3 million with a commitment of R5.7 million. The grant has appointed 166 learners support agents in districts. Broadcasting HIV/AIDS related road shows. 4 Deputy Education Specialists(DCES) appointed; salaries for the 3 newly appointed DCES are not debiting the grant. Awaiting delivery of first aid refills. All planned trainings for June 2017 failed due to late approvals.

- **National School Nutrition Programme** spent R1.115 billion or 94.7 percent of the total adjusted budget of R1.2 billion. Low spending is caused by late or non-submission of feeding scheme invoices by service providers, deductions made on Service Providers invoices on monthly basis due to non-compliance (e.g incomplete Menu) and non-delivery of food stuff by Service Providers, and where learners were not fed on certain number of feeding days.
- **Infrastructure grant** spent R900.2 million or 106.6 percent of the total budget of R844.1million. The spending is high due to payments of accruals. The projects that were put on hold during the Section 100 (1) (b) intervention have now been reactivated due to legal implications however no budget was available for these projects in the current financial year.
- **Maths Science and Technology** spent R34.9 million or 78.6 percent of the total budget of R44.4 million. The low expenditure is due to the delay in concluding procurement processes to register learners to write Olympiads, the appointed service provider to supply laptops was unable to supply and only 95 percent of schools were able to submit assurance certificates while some schools were unable to submit assurance certificates to have funds transferred to them.
- **EPWP Social sector Grant** spends R3.2 million or 112.3 percent of the total allocation of R2.9 million and created 137 temporary jobs for school based monitors.
- **EPWP Incentive Grant** spent R2.4 million or 122.1 percent of its allocated budget of R2 million and 98 beneficiaries have been appointed.
- **Learners with Profound Disabilities Grant** spend R3.5 million or 35.9 percent of the total budget of R9.8 million. Low expenditure is due to late appointment of outreach team, the first group of outreach team was appointed in February 2018 and the department is in process of conducting interviews for the appointment of the second group of outreach team. Also the appointed Project Manager's salary is not debiting the grant. The delay in delivery of motor vehicles and the procured machinery and equipment contributed to the low expenditure.

5.3.4. Health

Conditional grants spending for the Department of Health are at 95.2 percent or R2.3 billion of the allocated adjusted budget of R2.4 billion and the spending is summarised as follows: -

- **HIV and AIDS** spent 98.6 percent or R1.3 billion of the total adjusted budget of R1.4 billion. The following contributed to the underspending, Equipment (R0.9m) not yet delivered, invoice for MMC kits not yet delivered for payment (R1.4m) and saving created on NPIs (R17m) by making top-up payments on final tranches.

- **Health Professions Training and Development** grant spent R131.5 million or 99.8 percent of the allocated R131.7 million.
- **EPWP Social Sector** grant spent 100.0 percent or R30.1 million of the budgeted R30.1 million for this programme and tranches have been transferred as per planned.
- **Health Facilities Revitalisation grant** spent 81.8 percent or R415.9 million of the total budget of R508.1 million. Slow construction progress at Maphutha Malatjie OPD. Delayed finalization of the design and documentation of laundry and Contract A6 Letaba Revitalisation site projects. The Department anticipated buying equipment for Laundries that were advertised and awarded for nine (9) hospitals by the Implementing Agent, Limpopo Department of Public Works, and Roads and Infrastructure. This impacted on the purchasing of the Laundry Equipment which in turn affected the spending of the Department.
- **National Tertiary Services** grant spent R362.4 million or 98.9 percent of the total budget of R366.3 million. Awaiting submission of invoices for blood products and National laboratory services to the value of R3.4m million.
- **Malaria control grant** – The department has spent R11.8 million or 99.9 percent of the total budget of R11.8 million.

5.3.5 CoGHSTA

In overall, the department spent R1.3 billion or 100.0 percent of the total adjusted budget of R1.2 billion.

- **Integrated Housing and Human Settlements development grant** spent R1.2 million or 100.0 percent of the total adjusted budget of R1.2 billion allocated to the programme.
- **EPWP Incentive allocation** spent R2.0 million or 100.0 percent of the total budget of R2 million.

5.3.6. Department of Works, Roads and Infrastructure

In overall, the department spent R1.1 billion 96.8 percent of the total adjusted budget of R1.2 billion.

- **Infrastructure grant** spent R1.1 billion or 98.8 percent of the total adjusted budget of R1.2 billion. The low expenditure is due to the delay in the plant hire term contract and the implementation of the 17 roads projects which were advertised during the 2016/17 financial year.
- **EPWP Incentive** spent R5.98 million or 100.0 percent of the total budget of R5.9 million.

5.3.7. LEDET

The department spent R2.6 million or 100.0 percent of the total allocated budget of R2.6 million of its EPWP Incentive allocation.

5.3.8. Social Development recorded an expenditure of R91.6 million or 94.6 percent of the total budget of R96.8 million.

- **Early Childhood Development** – spend R36.0 million or 87.7 percent of the total budget of R41.1 million. The expenditure will increase in the final reporting of the financial year due to journals being processed with regard to the completed condition assessment to the upgraded ECD sites for maintenance programme per framework.
- **Social Worker Employment** – spent R46.6 million or 99.7 percent of the total budget of R46.8 million.
- **EPWP Social sector Grant** – spent R8.9 million or 99.9 percent of the total budget of R8.9 million. The transfers to NPO are done in tranches on quarterly basis.

5.3.9. Transport - Public Transport Operation grant spent R345.6 million or 100.0 percent of the total allocation of R345.6 million.

5.3.10. Community Safety

The spending is at R2.0 million or 100.0 percent of the allocated budget.

6. Provincial Own Revenue

Table11: Provincial own revenue collection per vote as at 31 March 2018

REVENUE COLLECTION AS AT 31 MARCH 2018									
Departments (Votes)	Main appropriation	Adjusted Estimates	Actual to March 2018	Actual collection as % of the budget	Variences Over / (Under) Collection	% Variences Over / (Under) Collection as of budget	Previous yr Budget 2016/17	Previous yr Actual to March 2017	Actual collection as % of the budget
Office of the Premier	777	550	747	135,8%	197	35,8%	1 239	1 186	95,7%
Provincial Legislature	219	477	581	121,7%	104	21,7%	331	186	56,2%
Education	41 614	61 408	63 099	102,8%	1 691	2,8%	63 673	67 476	106,0%
Agriculture & Rural Development	10 854	12 225	14 201	116,2%	1 977	16,2%	9 956	13 099	131,6%
Provincial Treasury	188 133	330 410	346 307	104,8%	15 897	4,8%	362 528	407 783	112,5%
Economic Development, Environment & Tourism	152 240	152 240	135 528	89,0%	-16 711	-11,0%	156 883	123 470	78,7%
Health	182 996	182 996	172 427	94,2%	-10 569	-5,8%	174 076	169 761	97,5%
Transport	494 040	503 528	502 991	99,9%	-537	-0,1%	465 198	470 730	101,2%
Public Works, Roads & Infrastructure	58 783	42 060	71 045	168,9%	28 984	68,9%	193 210	187 679	97,1%
Community Safety	115	116	264	228,6%	149	128,6%	160	169	105,7%
Co-operative Governance, Human Settlements & Traditional Affairs	2 792	4 846	4 334	89,4%	-512	-10,6%	6 079	8 715	143,4%
Social Development	3 438	2 794	2 330	83,4%	-465	-16,6%	18 948	14 624	77,2%
Sport, Arts & Culture	1 839	1 839	1 660	90,3%	-179	-9,7%	2 787	2 086	74,8%
Total provincial receipts	1 137 839	1 295 488	1 316 514	101,6%	20 027	1,5%	1 465 068	1 466 961	100,8%

Provincial Own Revenue target for 2017/18 financial year was R1.138 billion and adjusted to R1.295 billion during budget adjustment tabling. As at the end of March 2018, an amount of R1.36 billion or 101.5 percent was collected above overall target of R1.295 billion or 100.0 percent. The over collection of R20.0 million is mainly attributed to more collection of interest accumulated on positive bank balances, more proceeds on sale of capital assets than anticipated and recovery of previous year related debts by Provincial Treasury, Public Works and Education respectively. The collection is above that of the previous corresponding period of R1.466 billion or 100.8 percent.

6.1. The following seven (7) departments collected above their set target.

6.1.1. Office of the Premier (Original target of R0.777 and adjusted to R0.550 million)

As at the end of March 2018, collection amounted to R0.747 million or 135.8 percent against annual projection of R0.550 million or 100.0 percent. Over collection of R0.197 million or 35 percent is due to sale of capital assets without a budget and improved recovery of previous year related debts.

6.1.2. Provincial Legislature (original target of R0.219 million and adjusted to R0.477 million)

As at the end of March 2018, collection amounted to R0.581 million or 121.7 percent against annual projection of R0.477 million or 100.0 percent. Over collection of R0.104 million or 21.7 percent is due to recovery of previous years' expenditure more than the budgeted amount.

6.1.3. Education (Original target of R41.6 million and adjusted to R61.4 million)

The Department has collected R63.1 million or 102.8 percent compared to annual projection of R61.4 million or 100.0 percent. Over collection of R2.2 million or 3.5 percent is mainly influenced by the improved recovery of previous year's debts.

6.1.4. Agriculture and Rural Development (Original target of R10.8 million and adjusted to R12.2 million)

Actual collection as at end March 2018 is R14.2 million or 116.2 percent against annual projection of R12.2 million or 100.0 percent. Over collection of R1.9 million or 16.2 percent is mainly due to more collection on academic services and more proceeds on sale of capital assets than anticipated.

6.1.5. Provincial Treasury (Original target of R188.1 million and adjusted to R 330.4 million)

The Department collected R346.3 million or 104.8 percent versus annual projection of R330.4 million or 100.0 percent. Over collection of R15.9 million or 4.8 percent is mainly due to interests earned from favourable bank balances.

6.1.6. Public Works, Roads and Infrastructure (Original target of R 58.7 million and adjusted Target of R42.1 million)

The Department collected R71.0 million or 168.9 percent compared to annual projection of R42.0 million or 100.0 percent. The over collection of R28.9 million or 68.9 percent is primarily influenced by more proceeds on sale of capital assets and recovery of previous year expenditure related debts.

6.1.7. Community Safety (Original target of R0.115 million and adjusted to R0.116)

The Department collected R0.264 million or 228.6 percent against the annual projection of R0.116 million or 100.0 percent due to more recovery of previous year expenditure.

6.2. The following four (6) Departments have collected below their set projections

6.2.1. Economic Development, Environment & Tourism (Original Target of R152.2 million)

As at 31 March 2018, actual collection is R135.5 million or 89.0 percent against annual projection of R152.2 million or 100.0 percent. Under collection of R16.7 million or 11.0 percent is mainly on accommodation and entrance fee and hunting licences due to reduced number of visitors at resorts and decrease in the number of hunting permit applications as well as less collection on gaming taxes. Department remain with uncaptured receipts amounting to R0.056 million.

6.2.2. Health (Original Target of R182.9 million)

Collection as at 31 March 2018 is R172.4 million or 94.2 percent compared to annual projection of R182.9 million or 100.0 percent. Under collection of R10.6 million or 5.8 percent is mainly contributed by less collection on patient fee debts and sale of Capital Assets.

6.2.3. Transport (original target of R494.0 million and adjusted Target R503.5 million)

As at end of March 2018 the department collected R502.9 million or 99.9 percent against the annual projection of R503.5 million or 100.0 percent. Minimal under collection of R0.537 million or 0.1 percent contributed by traffic fines due to lack of system follow up on traffic summon defaulters and warrant of arrest.

6.2.4. Co-operative Governance, Human Settlements & Traditional Affairs (Original target of R2.8 million and adjusted to R4.8 million)

The Department collected R4.3 million or 89.4 percent of the annual projection of R4.8 million or 100.0 percent. Under collection of R0.512 million or 10.6 percent is due to poor collection on sale of capital assets and interest anticipated from implementing Agencies.

6.2.5. Social Development (Adjusted Target of R2.8 million)

The Department collected R2.3 million or 83.4 percent against annual projection of R2.8 million or 100.0 percent. The under collection of R0.583 million or 20.9 percent is due to less collection on commission on insurance and recovery of previous year's expenditure related debts.

6.2.6. Sports Arts & Culture (Adjusted Target of R1.8 million)

The Department collected R1.7 million or 89.7 percent compared to annual projection of R1.8 million or 89.7 percent. The under collection is largely attributed to under performance of Mapungubwe Arts festival due to short changing of scheduled events (poor planning).

6.3. Own revenue per economic classification

Table 12. below reflects provincial own revenue collection per economic classification as at end March 2018.

Summary of Provincial Own Receipt by Economic Classification

Items (Revenue Sources)	Main appropriation	Adjusted Estimates	Actual to March 2018	Actual collection as % of the budget	Variations Over / (Under) Collection	% Variations Over / (Under) Collection as of budget	Previous yr Budget 2016/17	Previous yr Actual to March 2017	Actual collection as % of the budget
Tax receipts	475 120	506 130	501 596	99,1%	-4 534	-0,9%	453 877	456 709	100,6%
<i>Casino taxes</i>	69 796	69 796	59 603	85,4%	-10 193	-14,6%	66 472	58 749	88,4%
<i>Horse racing taxes</i>	13 813	26 313	30 860	117,3%	4 547	17,3%	18 728	26 130	139,5%
<i>Liquor licenses</i>	4 236	4 236	3 373	79,6%	-863	-20,4%	4 012	3 323	82,8%
<i>Motorvehicle licenses</i>	387 275	405 785	407 760	100,5%	1 975	0,5%	364 665	368 507	101,1%
Sales of goods and services other than capital assets	340 285	292 296	278 190	95,2%	-14 106	-4,8%	287 524	260 873	90,7%
<i>of which: Patient fees</i>	113 466	100 841	88 912	88,2%	-11 929	-11,8%	100 000	85 476	85,5%
Transfers received from:	-	-	50	0,0%	50	0,0%	-	71 819	-
Fines, penalties and forfeits	71 571	63 947	62 216	97,3%	-1 731	-2,7%	68 288	80	0,1%
Interest, dividends and rent on land	190 626	335 018	348 063	103,9%	13 045	3,9%	363 172	406 277	111,9%
Sales of capital assets	10 367	13 714	33 029	240,8%	19 314	140,8%	30 531	18 263	59,8%
Revenue financial assets	49 870	84 382	92 370	109,5%	7 988	9,5%	251 676	252 841	100,5%
Total departmental receipts	1 137 839	1 295 488	1 315 514	101,5%	20 027	1,5%	1 455 068	1 466 861	100,8%

6.3.1. Tax receipts (Original target of R475.1 million and adjusted Target of R506.1 million)

An amount of R501.6 million or 99.1 percent has been collected against annual projection of R506.1 million or 100.0 percent. The under collection of R4.5 million or 0.9 percent is mainly on gaming levies due to decrease in public participation on gambling activities.

6.3.2. Sale of goods & services non capital assets (Original target of R340.3 million and adjusted to R292.3 million)

As at 31 March 2018 an amount of R278.2 million or 95.2 percent is collected compared to annual projection of R292.3 million or 100.0 percent. The under collection of R14.1 million or 3.5 percent

is influenced by less collection of patient fees by Department of Health as well as under collection of accommodation and entrance fee by LEDET.

6.3.3. Fines, penalties and forfeits (Original target of R 71.6 million and adjusted to R63.9 million)

Fines, penalties and forfeits collected R62.2 million or 97.3 percent against annual projection of R63.9 million or 100.0 percent. The under collection of R1.7 million or 2.7 percent is on traffic fines due to lack of system that regulates the administration of traffic fines and follow up for warrant of arrests.

6.3.4. Interest, dividend and rent on land (Original target of R190.6 million and adjusted to R335.0 million)

Collection as at 31 March 2018 is R348.1 million or 103.9 percent against the annual projection of R335.0 million or 100.0 percent. Over collection of R13.0 million or 3.9 percent is mainly due to interests earned from favourable bank balances by the Provincial Treasury.

6.3.5. Sale of capital assets (Original target of R10.4 million and adjusted to R13.7 million)

The item collected R33.0 million or 240.8 percent compared to annual projection of R13.7 million or 100.0 percent. Over collection of R19.3 million or 140.8 percent is due more proceeds on sale of capital assets than anticipated.

6.3.5. Financial transactions in assets and liabilities (Original target of R49.9 million and adjusted target to R84.4 million)

The item collected R92.4 million or 109.5 percent against annual projection of R84.4 million or 100.0 percent. The over collection of R7.9 million or 9.5 percent is mainly due to improved recovery of previous years' expenditure by Health, Education, LEDET and Transport.

7. Infrastructure

Table 13: Provincial Infrastructure Budget and Expenditure Comparisons over three Financial Years (2015/16, 2016/17 and 2017/18) as at 31 March 2018.

Infrastructure Expenditure Comparison as at 31 March year-on-year												
Department	Budget (R'000)				Expenditure (R'000)				% Expenditure			
	2015/16	2016/17	2017/18		2016/16	2016/17	2017/18		2015/16	2016/17	2017/18	
			Main	Adjusted			Main	Adjusted			Main	Adjusted
Education	1 102 128	1 113 630	810 523	1 109 091	1 097 323	1 047 127	1 096 187	1 096 187	100%	94%	135%	99%
Agriculture	167 943	177 077	172 992	144 165	128 204	159 896	135 113	135 113	76%	90%	78%	94%
LEDET	68 165	40 117	59 345	61 345	64 784	24 597	79 359	79 359	95%	61%	134%	129%
Health	625 926	735 668	652 027	662 172	601 988	671 917	554 446	554 446	96%	91%	85%	84%
Public Works, Roads & Infrastructure	1 815 582	1 930 240	1 949 853	2 149 155	1 691 065	1 857 338	2 092 958	2 092 958	83%	96%	107%	97%
Transport*	9 882	26 000	2 353	15 200	5 186	7 048	13 707	13 707	52%	27%	583%	90%
CoGHSTA	1 593 889	1 603 212	1 319 493	1 254 461	1 124 502	1 517 378	1 253 839	1 253 839	71%	95%	95%	100%
Social Development	34 966	40 017	36 298	40 805	16 767	31 450	40 677	40 677	48%	79%	112%	100%
Sport, Arts & Culture	56 651	33 593	48 749	48 849	29 999	35 141	34 526	34 526	53%	105%	71%	71%
TOTAL	5 475 032	6 699 554	5 051 633	5 485 243	4 769 797	6 351 888	5 300 811	5 300 811	87%	94%	105%	97%
Percentage												
Education	20%	20%	15%	20%	23%	20%	21%	21%				
Agriculture	3%	3%	3%	3%	3%	3%	3%	3%				
LEDET	1%	1%	1%	1%	1%	0%	1%	1%				
Health	11%	13%	12%	12%	13%	13%	10%	10%				
Public Works, Roads & Infrastructure	33%	34%	36%	39%	36%	35%	39%	39%				
Transport	0%	0%	0%	0%	0%	0%	0%	0%				
CoGHSTA	28%	28%	24%	23%	24%	28%	24%	24%				
Social Development	1%	1%	1%	1%	0%	1%	1%	1%				
Sport, Arts & Culture	1%	1%	1%	1%	1%	1%	1%	1%				
TOTAL	100%	100%	92%	100%	100%	100%	100%	100%				

As at 31 March 2018, the Provincial Infrastructure expenditure stood at R5.3 billion. The total expenditure represents 97.0 percent of the total adjusted Provincial infrastructure budget.

The expenditure was supposed to be R5.5 billion, which represents 100.0 percent of the total adjusted infrastructure budget in terms of the norm. All departments had submitted their expenditure report at the time of the compilation of the report. The province had underspent its infrastructure budget by 3.0 percent. Provincial infrastructure budget was adjusted upwards, with an increase of 9.0 percent or R433.6 million. If the budget had remained the same, the expenditure would be at 105.0 percent which would have been an over expenditure of 5.0 percent.

The Provincial Infrastructure budget for the current financial year is as follows:

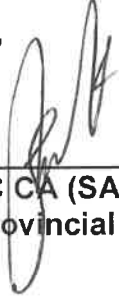
Adjusted appropriation: R5.5 billion against the R5.7 billion for the 2016/17 financial year. The overall Provincial Infrastructure Budget during adjustment has decreased marginally by four percent 4.0 percent or R214.3 million from the previous financial year. Payments this month is 16.0 percent or R859.7 million against the adjusted appropriation.

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 31 March 2018 amounts to R61.7 billion or 98.7 percent of the total adjusted budget of R62.6 billion. Of the R55.9 billion total expenditures, R54.1 billion is on equitable share and R7.7 billion on Conditional grants.
- . As at the end of March 2018, an amount of R1.36 billion or 101.5 percent was collected above overall target of R1.295 billion or 100.0 percent.
- As at 31 March 2018, the Provincial Infrastructure expenditure stood at R5.3 billion.
- 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,



Pratt GC CA (SA)
HOD: Provincial Treasury



Date