



MEDIA STATEMENT
ON 2014/15 LIMPOPO ADJUSTMENT APPROPRIATION BUDGET

The MEC for Finance in Limpopo Province Mr. K.A Phala tabled the 2014/15 Limpopo Adjustment appropriation budget on the 18 November 2014 at Lebowakgomo Legislative Chamber. This is in line with section 31 of the Public Finance Management Act, 1999(No 1 of 1999) to provide appropriation of funds that has become available to the province within the framework determined by the Minister.

It is important to note that the additional funds were mainly recommended to address once off pressures in 2014/15 as these funds may not be available in the Medium Term Expenditure Framework (MTEF). It will remain the responsibility of each department to ascertain that recurring costs are funded over the MTEF within the allocated baseline.

**THE ALLOCATIONS FOR THE PROVINCIAL 2014/15 FINANCIAL YEAR
ADJUSTMENT.**

In response to the provincial performance and available resources, the Provincial Treasury allocates the total adjustment of **R1.324 billion**. It is an increased in provincial adjustment allocations from **R51.4 billion** to **R 52.8 billion**.

OFFICE OF THE PREMIER – R12.8 MILLION.

An amount of **R12.8 million** has been allocated to address the shortfall on personnel budget which was mainly caused by the implementation of PSBC resolution for upgrading level 9 and 11 to level 10 and 12 respectively. The additional **R0.150 million** as earmarked funding for the bereavement of the provincial legend

LIMPOPO PROVINCIAL LEGISLATURE – R28.8 MILLION.

The rollover of the unspent funds are approved as per legislation (Section 22 of the PFMA) **R2.5 million**. An additional amount of **R26.3 million** is allocated to Legislature to fund the shortfall on legal fees of **R0.900 million**, **R3.0 million** for telephones, **R1.5 million** for leases, **R6.4 million** for leave gratuity of out-going members, **R0.650 million** for Speaker's vehicle and **R1.0 million** for NCOP programs, political party funding of **R12.0 million** and a further **R0.788 million** for other pressures within the institution.

LIMPOPO DEPARTMENT OF EDUCATION – R372.5 MILLION.

The adjustment amount include equitable share rollover of **R22.5 million**, **R150.0 million** to fund Compensation of Employees pressures and a further **R200.0 million** for Infrastructure as top-up funding to the national allocation.

LIMPOPO DEPARTMENT OF AGRICULTURE – R2.9 MILLION

The provincial equitable share rollover of **R2.9 million** for the payment of bulldozer

LIMPOPO PROVINCIAL TREASURY - R6.4 MILLION.

An amount of **R6.4 million** is a provincial equitable share rollover for PWC invoices and finalization of the project.

ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM DEPARTMENT – R38.5 MILLION

An amount of **R3.8 million** is a provincial equitable share rollover. **R29.5 million** is an additional funding for Infrastructure for the nature reserves and **R5.2 million** is allocated for revenue enhancement strategy in Limpopo Tourism Agency.

The Department received donor funding amounting to **R2.4 million** from different donors during the current financial year.

LIMPOPO DEPARTMENT OF HEALTH – R245.0 MILLION.

R29.8 million conditional grants rollover approved. Approved equitable share rollover of **R3.2 million** for the boilers, **R150.0 million** to fund the Compensation of Employees disclosed budget pressures and **R62.0 million** for transfers to other institution in respect on student doctors' intake at Limpopo medical school and the Cuban Doctor training program and claims against the state.

LIMPOPO DEPARTMENT OF ROADS AND TRANSPORT – (Reduced by R1.694 BILLION).

The department gets an additional conditional grant of **R37.6 million** for road maintenance and **R8.9 million** for disaster management projects.

Equitable share rollover of **R12.4 million** as approved. The department is surrendering **R30.0 million** which was earmarked for revenue enhancement strategy as the projects are still at the planning stage. The department has requested additional funding of **R324 299 million** for committed projects in Road Agency Limpopo (RAL). These funds will be transferred upon surrender of unspent funds by the agency. Due to the reconfiguration of departments in the province the department is shifting funds to the receiving department (Department of Public Works, Roads and Infrastructure) an amount of **R2.048 billion**. The department has received an amount of **R35.8 million** from Road Traffic Management Corporation for purchases of equipment and intake of interns in a form of donation.

LIMPOPO DEPARTMENT OF PUBLIC WORKS – R2 109 BILLION.

R 0.841million is a provincial equitable share rollover. An additional **R60.5 million** is for municipal rates and taxes which has been outstanding for long. An additional amount of **R2.048 billion** is receipted by the department from Department of Transport due to function shift of Roads component.

DEPARTMENT OF SAFETY, SECURITY AND LIAISON –(Reduced by R3.9 MILLION).

An amount of **R5.5 million** is an additional funding for building fire plan engineering which is currently underway. The department has surrendered an amount of **R1.9 million** in relation to DVA which is projected to be underspent by year end.

The department is shifting an amount of **R7.5 million** to the Department of Social Development due to the function shift of Statutory-MEC office.

LIMPOPO CoGHSTA – R176.9 MILLION.

The conditional grant rollover allocation of **R165.4 million** is for human settlement grant and **R0.560 million** for disaster management. An amount of **R2.0 million** for Govan Mbeki award has also been added to the departmental budget during the rollover process and there is an additional funding of **R9 million** for the payments of arrears to the Traditional Leaders.

DEPARTMENT OF SOCIAL DEVELOPMENT – R7.5 MILLION.

R7.5 million allocated is a receipt from department of Safety, Security and Liaison in relation to function shift of Statutory-MEC to the Department of Social Development. The department has received an amount of **R14.7 million** from HWSETA for the implementation of the internship of social workers in a form of donation.

DEPARTMENT OF SPORT, ART AND CULTURE – R21.6 MILLION

There is a rollover of **R14.0 million** for conditional grants. An amount of **R5 million** is a provincial equitable share rollover for African Champions of Nations (CHAN) which could not be transferred to Polokwane Municipality in 2013/14 financial year. **R2.0 million** is for Mapungubwe Arts Festival and a further **R0.650 million** is for the MEC vehicle replacement which was involved in an accident.

PROVINCIAL AVAILABLE RESOURCES

The total provincial receipts increased by **R1.327 billion** which comprise of conditional grants **R256.4 million** increase in own revenue baseline of **R520.1 million** and provincial reserves of **R550.0 million**.

Out of the **R1 327 billion** available only **R1 324 billion** is allocated in departments while the remainder will be made available for funding of the unauthorized expenditure.

Department	2014/15 Main Appropriation	Adjustments	2014/15 Adjusted Appropriation	% Growth
Provincial Receipts				
Equitable Share	43 274 194	-	43 274 194	0.0%
Conditional Grants	7 580 229	256 409	7 836 638	3.4%
Own receipts	868 702	520 145	1 388 847	59.9%
Provincial Reserves	-	550 000	550 000	100.0%
	51 723 125	1 326 554	53 049 679	2.6%
Office of the Premier	335 616	12 855	348 471	3.8%
Legislature	248 515	28 796	277 311	11.6%
Education	24 965 895	372 539	25 338 434	1.5%
Agriculture	1 602 228	2 900	1 605 128	0.2%
Treasury	357 796	6 418	364 214	1.8%
Economic Development, Environment and Tourism	1 111 277	38 500	1 149 777	3.5%
Health	14 371 045	245 043	14 616 088	1.7%
Roads and Transport	3 524 895	-1 694 436	1 830 459	-48.1%
Public Works	928 600	2 109 086	3 037 686	227.1%
Safety, Security & Liaison	84 402	-3 906	80 496	-4.6%
CoGHSTA	2 158 033	176 983	2 335 016	8.2%
Social Development	1 468 887	7 551	1 476 438	0.5%
Sport Arts & Culture	302 358	21 664	324 022	7.2%
Total Provincial Payments	51 459 547	1 323 993	52 783 540	2.6%
Surplus to fund the accumulated unauthorised expenditure	263 578	2 561	266 139	1.0%

The province did not receive any additional amount from National Treasury on equitable share. The province received conditional grant amount from National Treasury of **R246.9 million** as a rollover from previous financial year allocation plus **R9.5 million** additional funding for disaster management projects. Included in the **R550.0 million** provincial reserves is an amount of **R61.6 million** as approved by the Provincial Executive Council. The total request for rollover on conditional grants was **R717.9 million** and only **R246.9 million**. Table below outlines:

Provincial Department	Adjusted Appropriation R'000	Actual spending as at 31 March 2014 R'000	Unspent funds against the budget R' 000	Roll over requests by Depts	Rollover Amount Approved
			R'000	R'000	R'000
Education	2 569 861	2 468 021	101 840	30 871	-
HIV and AIDS(life skill Education) Grant	42 022	13 704	28 318	-	-
Further Education and Training Colleges	377 478	389 029	-11 551	11 551	-
National School Nutrition Programme Grant	932 050	872 786	59 264	19 320	-
Infrastructure Grant	1 150 062	1 147 022	3 040	-	-
Dinaledi school Grant	23 312	8 498	14 814	-	-
Social Sector EPWP Grant	27 768	34 137	-6 369	-	-
EPWP Incentive Allocation	3 000	-550	3 550	-	-
Technical Secondary Schools Recapitalisation Grant	14 169	3 395	10 774	-	-
Health	1 837 576	1 501 209	336 367	252 878	29 856
Comprehensive HIV and AIDS Grant	911 867	836 232	75 635	26 949	20 370
Nursing Colleges	15 270	6 925	8 345	288	-
Infrastructure Grant	211 961	122 134	89 827	83 318	-
Health Professional Training and Development Grant	111 146	97 027	14 119	561	-
EPWP Social Sector	20 964	13 649	7 315	-	-
EPWP Incentive Grant	3 000	1 824	1 176	-	-
Health Insurance Grant	10 652	8 857	1 795	700	700
Hospital Revitalisation Grant	234 680	104 081	130 599	130 000	1 230
National Tertiary Services Grant	318 036	310 480	7 556	11 062	7 556
Roads and Transport	873 248	791 862	81 386	81 386	37 601
Infrastructure Grant	572 344	502 589	69 755	69 755	37 601
EPWP Incentive Grant	25 972	14 341	11 631	11 631	-
Public Transport Operation Grant	274 932	274 932	-	-	-
Sport, Arts and Culture	122 561	104 544	18 017	14 014	14 014
Mass Sport and Recreation Programme	63 554	59 618	3 936	-	-
EPWP Incentive Allocation	550	483	67	-	-
Community Library Services Grant	58 457	44 443	14 014	14 014	14 014
COGSTA	685 110	294 961	390 149	338 801	165 428
Disaster: flood Damage	12 910	3 321	9 589	-	-
Integrated housing and Human settlement Grant	669 200	291 640	377 560	338 801	165 428
EPWP Incentive Allocation	3 000	-	3 000	-	-
Overall Total	6 088 356	5 160 597	927 759	717 950	246 899

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