

# Vote 06

## Economic Development, Environment and Tourism

---

To be appropriated by Vote in 2019/20

R 1 722 710 000

Responsible MEC

MEC of Economic Development, Environment and Tourism

Administering Department

Department of Economic Development, Environment and Tourism

Accounting officer

Head of Department Economic Development, Environment and Tourism

---

### Overview

#### Vision

A competitive economy within a sustainable environment.

#### Mission

To create and facilitate the development of a competitive economy, sustainable environment and tourism growth.

#### Main services

To facilitate the provincial economy, protect and manage environmental activities and promote tourism growth and development. To carry out this mandate, the department strives to achieve the following strategic objectives:

- Ensuring the promotion of economic planning, conducting research and implementation and monitoring of economic development programs;
- Creating an enabling environment for SMMEs and Co-operatives to succeed in order to improve the quality of life of the people of Limpopo Province;
- Stimulating economic growth through industry development, trade and investment promotion;

- Ensuring that businesses in all sectors are regulated and an environment created whereby consumers are effectively protected;
- Ensuring sustainable environmental management, utilisation and regulation of natural resources;
- Ensuring protection and sustainable natural resource management and utilisation;
- Providing environmental empowerment support services; and
- Ensure regulation, promotion and development of tourism in the province.

### **Legislative mandates**

- Northern Province Development Corporation Act, 1995 (Act No. 4 of 1995)
- Limpopo Business Registration Act, 2003 (Act No. 5 of 2003)
- Limpopo Gambling Act, 2013 (Act No. 3 of 2013)
- Liquor Act, 1989 (Act No. 27 of 1989)
- Limpopo Environmental Management Act, 2003 (Act No.7 of 2003)
- Limpopo Tourism Act, 2009 (Act No. 8 of 2009)
- NEMA Protected Areas Act, 2003 (Act No.57 of 2003)
- NEMA: Air Quality Act, 2004 (Act. No. 39 of 2004)
- NEMA: Waste Management Act, 2008 (Act No. 59 of 2008)
- NEMA: Biodiversity Act, 2004 (Act No.10 of 2004)
- Tourism Act, 2014 (Act No.3 of 2014)
- Consumer Protection Act, 2008 (Act 68 of 2008)
- Consumer Affairs (Unfair Business Practices) Act, 1996 (Act No. 8 of 1996)
- National Environmental Management Act, 1998 (Act No. 107 of 1998)
- National Small Business Act, 1996 (Act No. 102 of 1996)
- National Small Business Amendment Act, 2004 (Act No. 29 of 2004)
- Electronic Communications and Transactions Act, 2002 (Act No. 25 of 2002)
- Electronic Communications Act, 2005 (Act No. 36 of 2005)
- National e-Education White Paper, 2004
- Special Economic Zones (SEZs) Act of 2014 (Act No. 16 of 2014)

### **Review of the current financial year (2018/2019)**

The Department set out its service priorities for implementation in 2018/19 financial year. These priorities are aligned to the core business of the department, which are in turn aligned to the NDP and the LDP as well as other government policies. The priorities of the Department remain

facilitating economic growth and job creation; supporting SMMEs and Cooperative development, promoting and protecting environment and natural resources; and promoting tourism growth and development. The activities undertaken in implementing these priorities have direct impact on growing the provincial economy, creating decent employment opportunities and ensuring equitable participation by historically disadvantaged individuals into mainstream economy.

By the end of third quarter of 2018/19, the Department has cumulatively monitored a total of 242 SMMEs and 107 Co-operatives supported either financially or non-financially by LEDA and other government agencies like SEDA, amongst other things. To date, the Department processed 960 liquor applications and regulated 6396-liquor outlets throughout the province to ensure compliance with law and regulations in the liquor industry.

In the environmental space, the Department cumulatively finalised 157 EIAs. The Department also issued 10 373 environment permits by end of December 2018. To date, the Department has managed to finalise three atmospheric emission license applications within legislated timeframes. The Department further finalised five waste licenses by the end of third quarter of 2018/19 financial year. In addition, the Department supported 46 waste recycling initiatives. The Department continues to raise awareness and empower the general-public about environmental management issues since a total of 51 environmental capacity building and 15 environmental awareness programs respectively were conducted between April and December 2018.

Tourism growth and transformation remain at the centre of the Department's radical economic transformation agenda in line with government policy imperatives. For the 2018/2019 financial year, Tourism had two strategic objectives and five (5) Key performance indicators. The main focus areas were tourism planning, regulation, awareness, capacity building and destination development.

Guiding a new tourism path for Limpopo, a revised provincial tourism strategy was developed and aligned with the National Tourism Sector Strategy (NTSS). The program also developed an annual state of tourism report that outlines specific recommendations and interventions that is required to turnaround tourism's position as a key economic sector of the provincial economy. Limpopo recorded the second most visited province by international tourists, with more than 1.8

million international arrivals in 2017. This reflects a 22 percent increase from 2016 and is a clear indication that Limpopo remains a competitive tourist destination in the international market.

Tourism capacity building and awareness programmes received attention that resulted in targets that succeeded due to partnership arrangements with private and public entities and organisations. Tourism skills development programs were implemented and 295 students were trained in the tourism hospitality program, the establishment of a Tourism Hub in Phalaborwa providing a platform for 30 PDI tourism operators to be supported and a Homestay programme that was launched in the Makushu village that also received the Minister's award during the 2018 Lilizela awards. The placement of 51 Tourism Practitioners at municipalities were finalised with the objective to build tourism capacity at local level. Tourism activities during September Tourism month were also conducted as part of the tourism awareness program.

Another highlight in the year under review was transformation and the support of community owned tourism projects. One of these projects are the African Ivory Route that won an international award at the 2018 World Travel Market in London. The project is a community owned cooperative supported by the department and one of the intervention projects in support of transformation and rural tourism development. Registration of tourist guides are a continuous function throughout the year and currently a total of 2009 tourist guides registered on the database with 616 being active. The support program provided for tourist guides in Limpopo led to Daniel Mogale, one of the provincial adventure tourist guides winning a first prize Lilizela award in 2018.

As part of the destination development programme, transfrontier border initiatives and events received attention. The bush to beach route as part of the Zambezi- Limpopo destination has been promoted to strengthen the regional developmental focus and to provide access to upcoming tour operators. The development of the Marula Festival Brand resulted in the department hosting the 14th Annual Marula Festival in February 2019. In recent years, cultural festivals such as the Marula festival in Limpopo became important tools for promoting domestic tourism. The event also surpassed being merely a festival and has the objective to develop the Marula Industry into a strong economic driver within the area with special emphasis on community beneficiation from Marula by-products. It is also a partnership of several stakeholders like the Limpopo Tourism Agency, Limpopo Economic Development Agency, Ba-Phalaborwa Municipality, Mopani District Municipality, Office of the Premier, Limpopo Department of Sports,

Arts & Culture, the National Department of Arts and Culture, the Phalaborwa Tourism Association and the Kruger National Park.

In support of Tourism branch, the Limpopo Tourism Agency is responsible for marketing the province as a tourist destination to international and domestic tourists. The Agency was restructured with a new organogram since the finalisation of the new Limpopo Tourism Act of 2018 in the 2018/2019 financial year. The act clearly outlines the roles and responsibilities of the Agency and reports on a quarterly basis to the department on its performance.

Despite all these achievements, low levels of economic growth at national and local level continue to impact negatively on various sectors of the provincial economy to create the much needed job opportunities. Research suggests that the negative growth rate in the country is caused by the relentless drought, deteriorating commodity prices and volatile rand exchange rate. Given the fact that South African economy plunged into technical recession during the 2<sup>nd</sup> quarter. Subsequent to that, South African Reserve Bank had to reforecast growth rate downward in 2018/19. However, efforts are underway to reignite the economy as evidenced by the introduction of economic stimulus package by the state President. Provinces like Limpopo were also encouraged to come up with provincial stimulus package to ignite economic growth at the provincial level.

Unemployment in Limpopo has risen from 18 percent in 2013 to 18.9 percent in 2018 in the third quarter. Although there has been an increase in the number of jobs created over the 5-year period in review, the jobs created were not sufficient to cover the number of people who are entering the labour force and those actively looking for employment. Between 2013 and 2018, three hundred and forty-seven thousand (347 000) new jobs have been created, which translates to 81 percent achievement of the target to create 426 000 jobs by 2019/20.

Limpopo economy follows the national growth trend. Though the economy recovered from 2009 crisis, the growth was lacklustre, as economic growth in 2014 was just below 1 percent (Statssa, GDP Release: 2015). Supply side constraints such as labour unrest, inconsistent electricity supply, drought, declining commodity prices had a negative impact on the economic performance of the province in the period 2014-2015.

The provincial economy was affected by the global economic crisis and recovery post 2014 has been slow. Although the economic growth has shown a positive growth of above 1 percent from 2017, it is highly unlikely to reach the projected growth of 3 percent by 2019. The post 2019 growth trajectory will be boosted by the industrialisation and agricultural revitalization through investment pipeline propelled by two SEZs (Tubatse and Musina-Makhado) of more than R130 billion, as well as the agricultural value adding program. This investment is projected to contribute a further 10 percent to the GDP of Limpopo and will have a multiplier effect on job creation, skills development, growth in infrastructure stock, etc. The structure of the Limpopo economy will change and will increase its regional domestic product (to national) from the historical 7 percent.

Mining and Quarrying is still a major contributor towards the provincial economy, however the contribution has been declining every year since 2011. The contribution of agriculture and manufacturing sectors are 2.1 percent and 2.8 percent respectively. These sectors (including tourism) are considered to be the strategic pillars of the provincial economy. It is clear that the province quest to transform the structure of the economy is not an easy task and thus requires a paradigm shift. The approach to industrialise the province will require massive infrastructure, skills, and investments in a radical way

The Department launched Township and Village Economic Revitalisation Programme with Imbizos held across the province with SMME's and Cooperatives. This process resulted in the development and finalisation of the Township and Village Revitalisation Strategy. In facilitating the Black Industrialist Programme in the province, local business formations have been invited to submit proposals as potential beneficiaries of this programme. In the previous quarter the IDC reported that applications were approved and projected to create over 1000 jobs.

Regarding the Special Economic Zone (SEZ) programme, a great deal of background work is underway in the province to implement this program. For instance, the SEZ Board is now appointed. The application for designation of the second SEZ, especially in Tubatse area has been resubmitted to the Department of Trade and Industry for consideration. The outcome of this application is not yet known to the Department. Nevertheless, Tubatse SEZ has a total of seven potential investors with a total investment value of R13.2 billion and approximately 6 484 permanent jobs to be created.

**Environmental management functions** – environment commitments are implemented in terms of the Bill of Rights section 24 of the South Africa Constitution of 1996, environmental legislations

and sector plans. The department had commenced with the roll-out of the implementation of a game donation policy to ensure that previously disadvantaged individuals (PDIs) and emerging game farmers were given an opportunity to participate in the hunting industry, which is one of the main contributors to the provincial economy. Implementation of infrastructure projects in nature reserves is undertaken in partnership with DBSA due to limited capacity in the department.

**Expanded Public Works Programme (EPWP):** The Department has received a Conditional Grant of **R3,376 million** and allocated an equitable share of its budget to complement the grant in an effort to create more job opportunities. The Conditional Grant contributes to the maintenance and management of infrastructure within the reserves in Vhembe, Mopani, Waterberg and Capricorn District giving opportunities to young people including females. The programme empowers rural communities through environmental awareness on how to eradicate alien plants and gain construction skills.

## **Outlook for the coming financial year (2019/2020)**

During the course of this 2018/19 financial year, the department has increased its momentum to promote and facilitate the provincial economy, create decent job opportunities, protect and manage the environmental assets and natural resources as well as promoting tourism growth through collaborations and prioritisation given the reality of limited resources and technical recession at national level.

Clear departmental priorities have been set for implementation during the course of this the next financial year in its Annual Performance Plan. These priorities include the following: promoting enterprise development, provincial economic planning and research, trade and investment facilitation; consumer protection; climate change management, natural resource management, upgrading of reserves infrastructure, waste management, infrastructure development and improvement, tourism policy development, tourism planning and regulation, tourism destination development, tourism growth and transformation, and tourism capacity building.

The Provincial economy remains dominated by primary industries, low skills capacity, low labour absorption capacity, low economic growth rate, poverty & inequality still high, weak infrastructure for the economy. In an endeavor to address these strategic challenges, the Department will be focusing on the following strategic programme in the coming financial year 2019/2020:

### **Industrialization of the economy**

The department will be finalizing Special Economic Zone (SEZ) Master Plan. The Environmental Impact Assessment (EIA) process has commenced and is anticipated to be finalized by 2019/20. The Musina-Makhado SEZ has been designated and the license issued. The SEZ Company is registered as a legal entity, the “Musina-Makhado Special Economic Zone State Owned Company” (MM- SEZ- SOC) and an SEZ Board has been appointed effective 1st July 2018. Inter-Ministerial Committee (IMC) on SEZs has been established comprising of the Executive Mayors of Vhembe and Sekhukhune District Municipalities and the Mayors of Musina, Makhado and Tubatse local municipalities, together with MECs of the Economic Cluster.

The province is in the process of re-application for the Tubatse SEZ. The application package is currently being consolidated and will be submitted for assessment by the Department of Trade and Industry technical committee.

### **Support and Build Capacity for Manufacturing;**

A well-equipped Manufacturing Support Centre established in 2018/2019 is up and running in Nkowankowa Industrial Park to train youth to qualify as Tool, Die and Mould(TDM) artisans. The TDM sector is an important sub-sector of manufacturing. Agreements are being signed with a number of TVETs in the province to start with the training of artisans in different fields to support the SEZ.

### **SMMEs and Co-operative Development and Support**

The department will strengthen support of the SMMEs cooperatives through capacity building and training interventions. The Department continuously ensures that SMMEs and cooperatives are financially and non-financially supported to ensure their development and sustainability in line with Limpopo SMMEs & Cooperatives Strategy.

Financial and non-financial support is provided through Limpopo Economic Development Agency (LEDA) and other government institutions such as SEDA, IDC, SEFA, NEFA, NEF, etc., as implementing agents. The Department will ensure that it monitors the business development support offered to these SMMEs and Co-operatives by these government agencies.

### **Revitalization of Township and Village Businesses**

The Limpopo Township and Village Revitalisation Strategy will be approved for implementation during the course of 2019/20 financial year. Approval of this strategy will assist the provincial government to realise its development agenda of radical economic transformation for township and rural based enterprises to fully participate in the mainstream economy and contribute to the GDP of the Province.

### **Transformation of the economy through Procurement**

The province will continue to use the mining industry procurement and the Revised Preferential Procurement Regulations of 2017 to drive industrialization agenda of government.

### **LED Turn-around strategy**

The Executive Council directed as follows: -

That there is need for a capacity development programme for LED Staff in Municipalities, Councillors responsible for LED function and Provincial Departments' staff dealing with LED matters.

### **Economic Planning and Research**

In the financial year 2019/20, the department will develop Cooperatives strategy, host an economic dialogue, furthermore 3 research will be conducted on growth points, Township and Rural economy, and trade among SADC countries.

### **Business regulation and governance**

The department will focus on the rollout of LIBRA in Municipalities and inspection and enforcement of business regulation.

In the environmental space, the Department will be implementing a number of infrastructure projects in fifteen nature reserves across the province. The Infrastructure Unit within the Department will also be capacitated to ensure that it delivers on the infrastructure priorities of the department. Furthermore, the Department will ensure it intensify its efforts in ensuring community

compliance with the environmental laws and regulations. To that effect, capacity building and training programmes as well as awareness campaigns on environmental laws would be conducted with communities and all stakeholders. The fighting of rhino/lion poaching and exploitation of fauna and flora remains top of priorities for the Department in the 2019/20 year and beyond. As indicated above, the Department will continue to intensify its compliance and enforcement programmes in partnership with other law enforcement agencies such as the SAPS and SANDF.

### **Reprioritization**

The Departmental budget was reprioritized to ensure procurement of IT reservation system for Limpopo Wildlife Resorts. With the current allocation, the Department does not have sufficient funds to sustain the Wildlife Resorts and State-Owned nature reserves. Department has overall aligned its allocation to the policy objectives, especially in supporting the Limpopo Development Plan and the MTSF priorities.

### **Procurement**

Department has contracted Development Bank of South Africa (DBSA) as an agent to implement major infrastructure projects due to capacity constraints in Supply Chain Management and Infrastructure divisions. The projects implemented by DBSA have commenced and some projects will be completed in 2018/19 financial year. The department shall continue using DPSA for infrastructure in 2019/20 financial year. LEDET has adopted hybrid model (i.e. use DPSA as implementing agent) for infrastructure projects up until infrastructure structure in the department is with build environment experts to be able to comply with Structure for Infrastructure Procurement and Delivery Management (SIPDM).

## Receipts and Financing

### Summary of receipts

Table 6.1(a). below provides summary of the departmental receipts per main category over the MTEF period.

**Table 6.1(a): Summary of receipts: Economic Development, Environment and Tourism**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
<b>Treasury funding</b>									
Equitable share	1 157 702	1 346 677	1 692 404	1 661 998	1 661 998	1 661 998	1 719 147	1 805 669	1 903 175
Conditional grants	2 482	3 443	2 567	3 376	3 376	3 376	3 563	-	-
EPWP Incentive Allocation	2 482	3 443	2 567	3 376	3 376	3 376	3 563	-	-
Departmental receipts	-	-	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>1 160 184</b>	<b>1 350 120</b>	<b>1 694 971</b>	<b>1 665 374</b>	<b>1 665 374</b>	<b>1 665 374</b>	<b>1 722 710</b>	<b>1 805 669</b>	<b>1 903 175</b>

The departmental budget is funded through equitable shares and conditional grant - EPWP incentive. The total receipts increased by 3.7 percent from 2018/19 to 2019/20 financial years. The increase on 3.7 percent is due to allocation of earmarked funding for the upgrade and maintenance of the Limpopo Wildlife Resorts and protected areas.

### Departmental receipts collection

Table 6.1 (b) below provides a summary of the departmental own receipts over the seven-year period.

**Table 6.1(b): Departmental receipts: Economic Development, Environment and Tourism**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
<b>Tax receipts</b>	<b>77 901</b>	<b>88 303</b>	<b>93 833</b>	<b>109 575</b>	<b>104 700</b>	<b>104 700</b>	<b>110 726</b>	<b>111 069</b>	<b>117 178</b>
Casino taxes	56 600	58 749	59 604	73 774	58 436	58 436	59 897	60 496	62 311
Horse racing taxes	18 001	26 130	30 860	32 001	42 601	42 601	46 972	46 504	50 574
Liquor licences	3 300	3 424	3 369	3 800	3 663	3 663	3 857	4 069	4 293
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	19 830	15 158	16 710	26 628	23 143	23 143	21 211	22 377	23 608
Transfers received	-	-	-	-	5 413	5 413	5 700	6 013	6 344
Fines, penalties and forfeits	1 250	2 411	1 685	1 763	2 383	2 383	2 509	2 647	2 793
Interest, dividends and rent on land	1 222	759	314	2 627	154	154	162	171	180
Sale of capital assets	2 159	3 194	984	1 546	3 185	3 185	3 354	3 538	3 733
Transactions in financial assets and liabilities	22 195	13 648	22 024	18 779	11 963	11 963	15 279	21 866	23 069
<b>Total departmental receipts</b>	<b>124 557</b>	<b>123 473</b>	<b>135 550</b>	<b>160 918</b>	<b>150 941</b>	<b>150 941</b>	<b>158 941</b>	<b>167 683</b>	<b>176 905</b>

The main sources of revenue in this department are casino, horse racing taxes, hunting permits and tourism revenue (accommodation, entrance fee etc.). The budget of the department grows by 5.3 percent and 3.2 percent over the MTEF due to inflationary related factors.

## Donor funding

Table 6.1(c) : Details of Donor funding receipts

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2018/19	2019/20	2020/21
	2015/16	2016/17	2017/18						
<b>Donor funding</b>									
South African National Biodiversity Institute	1 937		-	-	-	-	-	-	-
CATHSSETA (Culture, Arts, Tourism Hospitality Sport Sector Education and Training Authority)	236		-	-	-	-	-	-	-
TIRELO BOSHA Belgium-DPSA Donor	1 402		-	-	-	-	-	-	-
USAID Dept Of Science & Techno Donor	1 623		-	-	-	-	-	-	-
STANDARD BANK OF SA LTD FUND	-	648		-	-	-	-	-	-
DPSA :BELGIUM; TIRELO BOSHA-BIMS	-	23	92	1 266	1 266	1 266	-	-	-
<b>Total economic classification: Administration</b>	<b>5 198</b>	<b>671</b>	<b>92</b>	<b>1 266</b>	<b>1 266</b>	<b>1 266</b>	<b>-</b>	<b>-</b>	<b>-</b>

The department was awarded a donation from Department of Public Service and Administration (DPSA) through its Tirelo Bosha for public service improvement facility. Tirelo Bosha was developed by DPSA to improve front-line public service in South Africa and its purpose is to pilot new ways of delivering front-line service delivery by supporting innovative and improvement initiatives. The project will be finalised in the 2018/19 financial year. Other projects that were funded by South Africa National Biodiversity Institute (SANBI), CATHSSETA, Standard Bank and DST have been completed.

## Payment summary

### Key assumptions

The major key assumptions used in the compilation of the 2019 MTEF budget estimates for the vote are as follows:

- Consumer Price Index (CPI) is 5.4 percent in 2019/20, 5.6 percent in 2020/21 and 5.4 percent in 2021/22
- Compensation of Employees (COE) – department considered the improvement of condition of services agreement for different salary levels for 2019/20, 2020/21, and 2021/22 financial

years as well as filling of vacant positions, payment of performance bonus and pay progression of 1.5 percent of the wage bill.

- The increase on Goods and Services is based on the revised CPI guidelines over the MTEF as well as an increase in recurring contracts.
- Transfers and Subsidies increase is also based on Consumer Price Index.

## Programme summary

Table 6.2(a) below provides summary of payments and estimates per programme over the seven-year period:

**Table 6.2(a): Summary of payments and estimates: Economic Development, Environment and Tourism**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Programme 1: Administration	307 804	342 951	364 597	394 291	400 758	400 758	404 938	427 662	450 756
Programme 2: Economic Development	424 688	506 528	786 242	749 564	721 457	721 457	769 887	804 195	847 622
Programme 3: Environmental Affairs	234 698	345 455	398 577	383 730	412 270	412 270	418 272	436 640	460 216
Programme 4: Tourism	186 253	117 291	132 489	137 789	130 889	130 889	129 613	137 173	144 581
<b>Total payments and estimates</b>	<b>1 153 443</b>	<b>1 312 225</b>	<b>1 681 905</b>	<b>1 665 374</b>	<b>1 665 374</b>	<b>1 665 374</b>	<b>1 722 710</b>	<b>1 805 669</b>	<b>1 903 175</b>
Less: Unauthorised expenditure	-	-	-	-	-	-	-	-	-
<b>Baseline Available for Spending</b>	<b>1 153 443</b>	<b>1 312 225</b>	<b>1 681 905</b>	<b>1 665 374</b>	<b>1 665 374</b>	<b>1 665 374</b>	<b>1 722 710</b>	<b>1 805 669</b>	<b>1 903 175</b>

The table above depicts an increase of 4.1 percent from the 2018/19 budget to the 2019/20 budget. Programme 2: Economic Development shares the major part of the allocation at 44.3 percent of the overall budget. Included in the programme is allocation for LEDA and LGB transfers.

Programme 1: Administration is allocated 23.4 percent of the allocated budget due to centralized payments of administration, logistical and other operational costs such as rental of buildings, fleet services and security services.

## Summary of economic classification

Table 6.2 (b) provides a summary of payments and estimates per economic classification over the seven- year period:

**Table 6.2(b): Summary of payments and estimates by economic classification: Economic Development, Environment and Tourism**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
<b>Current payments</b>	<b>646 405</b>	<b>724 391</b>	<b>771 871</b>	<b>825 520</b>	<b>859 586</b>	<b>859 586</b>	<b>896 679</b>	<b>942 606</b>	<b>993 501</b>
Compensation of employees	452 220	511 975	513 931	564 982	580 982	580 982	598 142	631 041	665 123
Goods and services	193 798	212 067	257 330	259 618	277 684	277 684	297 567	310 542	327 300
Interest and rent on land	387	349	610	920	920	920	970	1 023	1 078
<b>Transfers and subsidies to:</b>	<b>493 751</b>	<b>519 070</b>	<b>813 330</b>	<b>761 491</b>	<b>727 628</b>	<b>727 628</b>	<b>769 901</b>	<b>803 070</b>	<b>846 441</b>
Provinces and municipalities	2 686	2 028	3 353	3 319	3 319	3 319	3 209	3 385	3 568
Departmental agencies and accounts	476 926	506 172	799 346	746 700	713 591	713 591	757 094	790 709	833 407
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	135	-	-	-	-	-	-	-	-
Non-profit institutions	-	643	-	754	-	-	750	800	850
Households	14 004	10 227	10 631	10 718	10 718	10 718	8 848	8 176	8 616
<b>Payments for capital assets</b>	<b>12 932</b>	<b>68 764</b>	<b>96 707</b>	<b>78 362</b>	<b>78 160</b>	<b>78 160</b>	<b>56 130</b>	<b>59 993</b>	<b>63 233</b>
Buildings and other fixed structures	1 711	22 159	63 363	54 481	52 207	52 207	40 917	43 167	45 498
Machinery and equipment	11 221	46 605	33 344	23 881	25 953	25 953	15 213	16 826	17 735
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	0	-	-	-	-	-
<b>Payments for financial assets</b>	<b>355</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total economic classification</b>	<b>1 153 443</b>	<b>1 312 225</b>	<b>1 681 908</b>	<b>1 665 374</b>	<b>1 665 374</b>	<b>1 665 374</b>	<b>1 722 710</b>	<b>1 805 669</b>	<b>1 903 175</b>
<b>Less: Unauthorised expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Baseline Available for Spending</b>	<b>1 153 443</b>	<b>1 312 225</b>	<b>1 681 908</b>	<b>1 665 374</b>	<b>1 665 374</b>	<b>1 665 374</b>	<b>1 722 710</b>	<b>1 805 669</b>	<b>1 903 175</b>

**Compensation of Employment** grows by 5.9 percent in the 2019/20 financial year from the 2018/19 financial year allocation. The allocation will cater for salary adjustments for OSD liabilities settled in the 2018/19 financial year and new posts as per the proposed recruitment plan.

**Goods and Services** – The budget allocation increases by 4.0 percent in 2019/20. The budget is reprioritized to ensure that fixed contractual obligations and operational costs are fully funded. Included in the allocation is earmarked for maintenance and repairs in the State Owned Nature Reserve (SONR)

**Transfers and Subsidies** – The budget allocation increases by 3.6 percent in 2019/20 financial year. A decline in Transfers and Subsidies is due to a decreasing number of bursary holders due to financial constraints. The allocation comprises of transfers to Public Entities as implementing Agencies for the Department.

**Payments of Capital Assets Item** decreases by 4.5 percent in 2019/20 financial year due to once off allocation for procurement of motor vehicles that which funded through earmarked funds. All infrastructure projects are funded through ring-fenced allocation except for construction of market stalls to the value of R62.0 million

## Infrastructure payments

### Departmental infrastructure payments

Table 6.2 (c) below provides summary of infrastructure expenditure and estimates by category over the seven-year period.

Table 6.2(c) Summary-Payments and estimates by nature of investment

Rand thousand	Outcome			Main appropriation	Adjusted appropriation	Revised baseline	Medium term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
<b>Existing infrastructure assets</b>	48 481	30 000	56 759	52 000	32 691	62 197	42 650	50 980	73 110
Maintenance and repairs		5 950		20 618	15 991	20 618	4 350	6 523	13 010
Upgrades and additions	48 481	24 050	56 759	31 382	11 100	41 579	38 300	44 457	60 100
Rehabilitation and refurbishment	-	-	-	-	5 600	-	-	-	-
<b>New infrastructure assets</b>	-	3 918	6 605	-	22 634	-	-	-	-
<b>Infrastructure transfers</b>	2 749	249	-	2 481	2 481	2 481	2 617	2 761	2 913
Infrastructure transfers - Current									
Infrastructure transfers - Capital	2 749	249		2 481	2 481	2 481	2 617	2 761	2 913
<b>Infrastructure: Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Infrastructure: Leases</b>	-	-	-	-	-	-	-	-	-
<b>Non Infrastructure</b>	-	-	-	-	-	-	-	-	-
<b>Total Infrastructure (including non infrastructure item</b>	<b>51 230</b>	<b>34 167</b>	<b>63 364</b>	<b>54 481</b>	<b>57 806</b>	<b>64 678</b>	<b>45 267</b>	<b>53 741</b>	<b>76 023</b>

The infrastructure budget in 2019/20 financial year is funded by equitable share through earmarked funding amounting to R38 million for upgrading and rehabilitation of nature reserves and upgrading of resorts as part of Revenue Enhancement Strategy. Amongst other projects within the resorts there is Nylsvlei Resort, Wolkberg and Lekgalametse Resort which are prioritised within the ring-fenced Revenue Enhancement Allocation. Maintenance and repairs has been allocated an amount of R 4.3 million. The department has conducted a research during 2018/19 financial year and will implement the recommendations from the research from 2019/20 financial year by constructing new market stalls for an amount of R2.617 million.

## Transfers

### Transfers to Public Entities

Table 6.3 provides summary of departmental transfers to public entities over the seven-year period.

**Table 6.3 : Summary of departmental transfers to public entities**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Entity 1 : Limpopo Economic Development Agency (LEDA)	261 329	355 616	628 697	565 876	543 067	543 067	582 424	606 426	639 173
Entity 2 : Limpopo Gambling Board (LGB)	48 559	61 273	67 502	71 486	68 085	68 085	75 417	79 565	83 862
Entity 3 : Limpopo Tourism Agency (LTA)	156 195	89 262	103 125	109 209	102 309	102 309	99 216	104 673	110 325
<b>Total departmental transfers to public entities</b>	<b>466 083</b>	<b>506 151</b>	<b>799 324</b>	<b>746 571</b>	<b>713 461</b>	<b>713 461</b>	<b>757 057</b>	<b>790 664</b>	<b>833 359</b>

Allocation to departmental entities increased by 3.7 percent in 2019/20 financial year of which an amount of R303.7 million is allocated as earmarked funds. The earmarked projects are amongst others; Special Economic Zones for R58.0 million, Broadband for R196.0 million, and Provincial Marketing for R35.2 million.

### Transfers to Local Government

Table 6.4 provides for transfers to municipalities by transfer type and category over the seven-year period.

**Table 6.4 : Summary of departmental transfers to local government by category**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Category B	1 501	1 232	1 815	3 139	3 139	3 139	3 019	3 185	3 357
Category C	455	600	650	700	700	700	-	-	-
<b>Total departmental transfers to local government</b>	<b>1 956</b>	<b>1 832</b>	<b>2 465</b>	<b>3 839</b>	<b>3 839</b>	<b>3 839</b>	<b>3 019</b>	<b>3 185</b>	<b>3 357</b>

The transfers above are allocated to three biosphere reserves namely Vhembe biosphere reserve, Kruger to Canyon Biosphere region and Waterberg biosphere reserve for the development and maintenance in the districts on an annual basis. The department will also hold the greenest Municipality competition in the Limpopo Province.

## Programme description

### Programme 1: Administration

#### *Programme purpose*

The purpose of the programme is to provide strategic direction, financial, administrative and information management support to the Department in line with available prescripts to ensure efficient service delivery.

#### *Programme objectives*

- Provision of corporate services to the Department.
- Provision of sound financial management for the Department.
- Provision of innovative, efficient, reliable and responsive Information Technology, Records Management and Communication Services.

### Summary of payments and estimates: Programme 1: Administration

Table 6.5 (a) and 6.5 (b) below provide a summary of payments and estimates per sub-programme and economic classification over the seven the year period.

**Table 6.5(a): Summary of payments and estimates: Programme 1: Administration**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
<b>Subprogramme</b>									
Office of the MEC	8 144	8 567	8 753	8 940	9 508	9 508	9 358	9 872	10 405
Office of the HOD	6 438	6 999	7 642	10 222	10 222	10 222	8 667	9 144	9 638
Financial Management	64 847	70 274	76 817	73 931	80 871	80 871	82 862	87 420	92 141
Corporate Services	228 375	257 111	271 385	301 198	300 157	300 157	304 051	321 226	338 572
<b>Total payments and estimates</b>	<b>307 804</b>	<b>342 951</b>	<b>364 597</b>	<b>394 291</b>	<b>400 758</b>	<b>400 758</b>	<b>404 938</b>	<b>427 662</b>	<b>450 756</b>
Less: Unauthorised expenditure	-	-	-	-	-	-	-	-	-
<b>Baseline Available for Spending</b>	<b>307 804</b>	<b>342 951</b>	<b>364 597</b>	<b>394 291</b>	<b>400 758</b>	<b>400 758</b>	<b>404 938</b>	<b>427 662</b>	<b>450 756</b>

**Table 6.5(b): Summary of payments and estimates by economic classification: Programme 1: Administration**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
<b>Current payments</b>	<b>287 503</b>	<b>309 208</b>	<b>335 829</b>	<b>361 897</b>	<b>372 423</b>	<b>372 423</b>	<b>390 567</b>	<b>412 070</b>	<b>434 324</b>
Compensation of employees	161 992	177 937	178 193	192 442	198 434	198 434	201 760	212 858	224 353
Goods and services	125 511	131 271	157 636	169 454	173 989	173 989	188 807	199 212	209 971
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>11 029</b>	<b>7 613</b>	<b>7 551</b>	<b>10 042</b>	<b>10 042</b>	<b>10 042</b>	<b>8 086</b>	<b>7 378</b>	<b>7 775</b>
Provinces and municipalities	1 613	1 428	2 211	2 619	2 619	2 619	3 209	3 385	3 568
Departmental agencies and accounts	27	21	22	130	130	130	37	45	47
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	9 389	6 164	5 318	7 293	7 293	7 293	4 840	3 948	4 160
<b>Payments for capital assets</b>	<b>8 917</b>	<b>26 130</b>	<b>21 217</b>	<b>22 352</b>	<b>18 293</b>	<b>18 293</b>	<b>6 285</b>	<b>8 214</b>	<b>8 657</b>
Buildings and other fixed structures	-	60	-	-	-	-	-	-	-
Machinery and equipment	8 917	26 070	21 217	22 352	18 293	18 293	6 285	8 214	8 657
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>355</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total economic classification</b>	<b>307 804</b>	<b>342 951</b>	<b>364 597</b>	<b>394 291</b>	<b>400 758</b>	<b>400 758</b>	<b>404 938</b>	<b>427 662</b>	<b>450 756</b>
Less: Unauthorised expenditure	-	-	-	-	-	-	-	-	-
<b>Baseline Available for Spending</b>	<b>307 804</b>	<b>342 951</b>	<b>364 597</b>	<b>394 291</b>	<b>400 758</b>	<b>400 758</b>	<b>404 938</b>	<b>427 662</b>	<b>450 756</b>

The programme indicate a positive growth rate of 2.7 percent which mainly caters for operational costs such as leases of office buildings, Government Garage (GG) vehicles purchases, maintenance and security services are centralized in this programme.

## Programme 2: Economic Development

**Programme purpose:** The purpose of this programme is to promote economic growth and job creation through economic planning and research, enterprise development, investment promotion and business regulations

### Programme objectives

- Ensuring the promotion of economic planning, conducting research and implementation and monitoring of economic development programmes.
- Creating an enabling environment for SMMEs and Cooperatives to succeed in order to improve the quality of life of the people of Limpopo Province.
- Industrialization through trade and investment promotion.
- Regulation of businesses in all sectors and protection of consumers Programme objectives

- To transform Limpopo into a world class knowledge society that uses ICT as an enabler of socio-economic development and ICT as a production sector.
- Researched and planned targeted interventions in competitive sectors.
- Developed sustainable SMMEs and Cooperatives in all sectors.
- Facilitated transformation of the economy to promote industrial development, investment, competitiveness and employment creation.
- Ensured a regulated, equitable and socially responsible business environment.
- Ensure the establishment of the Centre of Excellence for the development of broadband infrastructure and regional innovation programs

Tables 6.6 (a) and 6.6 (b) below provide a summary of payments and estimates per sub-programme and economic classification over the seven the year period.

**Table 6.6 (a): Summary of payments and estimates: Programme 2: Economic Development**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
<b>Subprogramme</b>									
Integrated Economic Development Services	312 855	380 122	650 870	595 801	577 927	577 927	611 892	637 509	671 934
Trade and Sector Development	12 694	14 768	18 480	21 666	19 549	19 549	22 255	23 479	24 747
Business Regulation and Governance	88 345	101 363	106 977	118 599	112 918	112 918	121 800	128 500	135 439
Economic Planning	10 794	10 275	9 915	13 498	11 063	11 063	13 940	14 707	15 502
<b>Total payments and estimates</b>	<b>424 688</b>	<b>506 528</b>	<b>786 242</b>	<b>749 564</b>	<b>721 457</b>	<b>721 457</b>	<b>769 887</b>	<b>804 195</b>	<b>847 622</b>
<b>Less: Unauthorised expenditure</b>	-	-	-	-	-	-	-	-	-
<b>Baseline Available for Spending</b>	<b>424 688</b>	<b>506 528</b>	<b>786 242</b>	<b>749 564</b>	<b>721 457</b>	<b>721 457</b>	<b>769 887</b>	<b>804 195</b>	<b>847 622</b>

**Table 6.6 (b): Summary of payments and estimates by economic classification: Programme 2: Economic Development**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
<b>Current payments</b>	<b>109 805</b>	<b>87 473</b>	<b>87 106</b>	<b>109 422</b>	<b>106 992</b>	<b>106 992</b>	<b>109 113</b>	<b>115 110</b>	<b>121 326</b>
Compensation of employees	78 550	65 404	64 144	78 965	69 475	69 475	79 831	84 216	88 765
Goods and services	31 255	22 069	22 962	30 457	37 517	37 517	29 282	30 894	32 561
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>311 185</b>	<b>418 372</b>	<b>696 551</b>	<b>637 660</b>	<b>611 451</b>	<b>611 451</b>	<b>658 157</b>	<b>686 324</b>	<b>723 386</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	309 888	416 889	696 199	637 361	611 152	611 152	657 841	685 991	723 035
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 297	1 483	352	299	299	299	316	333	351
<b>Payments for capital assets</b>	<b>3 698</b>	<b>683</b>	<b>2 586</b>	<b>2 482</b>	<b>3 014</b>	<b>3 014</b>	<b>2 617</b>	<b>2 761</b>	<b>2 910</b>
Buildings and other fixed structures	1 711	249	-	2 481	2 482	2 482	2 617	2 761	2 910
Machinery and equipment	1 987	434	2 586	-	532	532	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	0	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total economic classification</b>	<b>424 688</b>	<b>506 528</b>	<b>786 243</b>	<b>749 564</b>	<b>721 457</b>	<b>721 457</b>	<b>769 887</b>	<b>804 195</b>	<b>847 622</b>
<b>Less: Unauthorised expenditure</b>	-	-	-	-	-	-	-	-	-
<b>Baseline Available for Spending</b>	<b>424 688</b>	<b>506 528</b>	<b>786 243</b>	<b>749 564</b>	<b>721 457</b>	<b>721 457</b>	<b>769 887</b>	<b>804 195</b>	<b>847 622</b>

The programme shares the highest allocation against the overall departmental budget. Included in the programme is two implementing agencies namely LEDA at R582.4 million and LGB at R75.4 million. Both entities are funded under transfers and Subsidies which shares 3.1 percent of the programme's allocation.

LEDA receives earmarked funding for implementation of SEZ & Broadband in the province and LGB is allocated earmarked funds for Corporate Social Investment projects, Compliance and law enforcement awareness campaigns.

### Service Delivery Measures

Programme 2 : Economic Development	Estimated Annual Targets		
	2019/20	2020/21	2021/22
Number of economic development reports compiled on economic indicators	4	4	4
Number of provincial social dialogue hosted	1	1	1

Programme 2 : Economic Development	Estimated Annual Targets		
	2019/20	2020/21	2021/22
Number of economic strategies developed.	2	1	–
Number of economic development research studies completed.	3	3	3
Number of supported SMMEs in the prioritised sectors monitored	290	290	290
Number of supported cooperatives in the prioritised sectors monitored.	130	150	200
Number of target specific programmes implemented	5	5	5
Number of LED capacity building interventions implemented in Municipalities.	1	1	1
Number of monitoring reports on trade and investment produced.	4	4	4
Number of productivity management programmes implemented.	3	3	3
number of industrial development interventions facilitated through various industry programmes.	3	3	3
Number of monitoring reports produced on high impact industrialisation projects packaged.	1	1	1
Number of reports produced on the implementation of the Limpopo Business Registration Act(LIBRA) in local Municipalities.	4	4	4
Percentage of liquor applications finalised within 120 days of receipt.	100%	100%	100%
Number of liquor business regulated	7,944	7,944	7,944
Percentage of investigations on consumer com-plaints finalised within 90 days	100%	100%	100%

### Programme 3: Environmental Affairs

**Programme purpose:** *The purpose of this program is to ensure the regulation and management of environment and natural resources including biodiversity and conservation matters in a manner that facilitate sustainable economic growth and development in Limpopo Province.*

#### Programme Objectives

*The strategic objectives are:*

- *Ensure sustainable environmental management, utilisation and regulation*
- *Ensure protection and sustainable natural resource management and utilisation in the Province*

- Provide environmental empowerment support services
- Ensure the planning, development and maintenance of infrastructure in the provincial nature reserves.

Table 6.7 (a) and 6.7 (b) below provide a summary of payments and estimates per programme and economic classification over the seven year period.

**Table 6.7 (a): Summary of payments and estimates: Programme 3: Environmental Affairs**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
<b>Subprogramme</b>									
Environmental Trade and Protection	71 610	86 203	147 219	105 281	134 705	134 705	123 357	130 123	137 141
Biodiversity and Natural Resources Management	143 113	182 368	167 391	181 412	208 879	208 879	212 181	219 224	231 062
Environmental Empowerment Services	19 975	22 687	22 322	23 972	28 063	28 063	26 852	28 336	29 873
Limpopo Wildlife Resorts	-	54 197	61 645	73 065	40 623	40 623	55 882	58 956	62 140
<b>Total payments and estimates</b>	<b>234 698</b>	<b>345 455</b>	<b>398 577</b>	<b>383 730</b>	<b>412 270</b>	<b>412 270</b>	<b>418 272</b>	<b>436 640</b>	<b>460 216</b>
Less: Unauthorised expenditure	-	-	-	-	-	-	-	-	-
<b>Baseline Available for Spending</b>	<b>234 698</b>	<b>345 455</b>	<b>398 577</b>	<b>383 730</b>	<b>412 270</b>	<b>412 270</b>	<b>418 272</b>	<b>436 640</b>	<b>460 216</b>

**Table 6.7 (b): Summary of payments and estimates by economic classification: Programme 3: Environmental Affairs**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
<b>Current payments</b>	<b>230 079</b>	<b>299 727</b>	<b>319 572</b>	<b>325 622</b>	<b>351 591</b>	<b>351 591</b>	<b>366 602</b>	<b>382 927</b>	<b>403 595</b>
Compensation of employees	200 840	255 299	257 858	276 688	296 186	296 186	298 927	315 371	332 402
Goods and services	28 852	44 079	61 104	48 014	54 485	54 485	66 705	66 533	70 115
Interest and rent on land	387	349	610	920	920	920	970	1 023	1 078
<b>Transfers and subsidies to:</b>	<b>4 302</b>	<b>3 777</b>	<b>6 103</b>	<b>4 580</b>	<b>3 826</b>	<b>3 826</b>	<b>4 442</b>	<b>4 695</b>	<b>4 955</b>
Provinces and municipalities	1 073	600	1 142	700	700	700	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	135	-	-	-	-	-	-	-	-
Non-profit institutions	-	643	-	754	-	-	750	800	850
Households	3 094	2 534	4 961	3 126	3 126	3 126	3 692	3 895	4 105
<b>Payments for capital assets</b>	<b>317</b>	<b>41 951</b>	<b>72 904</b>	<b>53 528</b>	<b>56 853</b>	<b>56 853</b>	<b>47 228</b>	<b>49 018</b>	<b>51 666</b>
Buildings and other fixed structures	-	21 850	63 363	52 000	49 725	49 725	38 300	40 406	42 588
Machinery and equipment	317	20 101	9 541	1 528	7 128	7 128	8 928	8 612	9 078
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total economic classification</b>	<b>234 698</b>	<b>345 455</b>	<b>398 579</b>	<b>383 730</b>	<b>412 270</b>	<b>412 270</b>	<b>418 272</b>	<b>436 640</b>	<b>460 216</b>
<b>Total payments and estimates</b>	<b>234 698</b>	<b>345 455</b>	<b>398 579</b>	<b>383 730</b>	<b>412 270</b>	<b>412 270</b>	<b>418 272</b>	<b>436 640</b>	<b>460 216</b>
Less: Unauthorised expenditure	-	-	-	-	-	-	-	-	-
<b>Baseline Available for Spending</b>	<b>234 698</b>	<b>345 455</b>	<b>398 579</b>	<b>383 730</b>	<b>412 270</b>	<b>412 270</b>	<b>418 272</b>	<b>436 640</b>	<b>460 216</b>

The department received additional earmarked funds to an amount of R32.0 million for upgrading of Limpopo Wildlife Resorts to enhance revenue collection. The department in 2019/20 has prioritized R22.0 million for infrastructure development at Nylsvlei, Wolkberg and Lekgalametse and remaining R10.0 million for maintenance of various resorts. An amount of R30.0 million is also ring-fenced for upgrading of infrastructure in the State Owned Nature Reserve

## Service Delivery Measures

Programme 3 : Environmental Affairs	Estimated Annual Targets		
	2019/20	2020/21	2021/22
Percentage of complete EIA applications finalised within legislated timeframes.	100%	100%	100%
Number of S24G applications finalised.	6	4	4
Number of administrative enforcement notices issued for non-compliance with environmental management legislation.	80	80	80
Number of completed criminal investigations handed to the NPA for prosecution.	4	4	4
Number of compliance inspections conducted.	1 000	1 200	1 200
Number of permits issued within legislated timeframes.	11 000	11 500	11 500
Percentage of Atmospheric Emission Licenses issued within legislated timeframes.	100%	100%	100%
Percentage of waste license applications finalised within legislated timeframes.	100%	100%	100%
Number of waste recycling initiatives supported.	60	70	80

## Programme 4: Tourism

**Programme purpose:** *The purpose of this programme is to ensure transformation of tourism industry through development, promotion and regulation of tourism in the Province.*

**Programme objective:**

*The strategic objectives are:*

- *Create enabling environment through tourism planning, policy development and regulation.*
- *Contribute towards sustainable tourism destination development, growth and transformation.*

Tables 6.8 (a) and 6.8 (b) below provide a summary of payments and estimates per sub-programme and economic classification over the seven the year period.

Table 6.8 (a): Summary of payments and estimates: Programme 4: Tourism

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
<b>Subprogramme</b>									
Tourism Planning and Development	186 253	117 291	132 489	137 789	130 889	130 889	129 613	137 173	144 581
<b>Total payments and estimates</b>	<b>186 253</b>	<b>117 291</b>	<b>132 489</b>	<b>137 789</b>	<b>130 889</b>	<b>130 889</b>	<b>129 613</b>	<b>137 173</b>	<b>144 581</b>
Less: Unauthorised expenditure	-	-	-	-	-	-	-	-	-
<b>Baseline Available for Spending</b>	<b>186 253</b>	<b>117 291</b>	<b>132 489</b>	<b>137 789</b>	<b>130 889</b>	<b>130 889</b>	<b>129 613</b>	<b>137 173</b>	<b>144 581</b>

Table 6.8 (b): Summary of payments and estimates by economic classification: Programme 4: Tourism

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Current payments</b>	<b>19 018</b>	<b>27 983</b>	<b>29 364</b>	<b>28 580</b>	<b>28 580</b>	<b>28 580</b>	<b>30 397</b>	<b>32 500</b>	<b>34 256</b>
Compensation of employees	10 838	13 335	13 736	16 887	16 887	16 887	17 624	18 597	19 603
Goods and services	8 180	14 648	15 628	11 693	11 693	11 693	12 773	13 903	14 653
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>167 235</b>	<b>89 308</b>	<b>103 125</b>	<b>109 209</b>	<b>102 309</b>	<b>102 309</b>	<b>99 216</b>	<b>104 673</b>	<b>110 325</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	167 011	89 262	103 125	109 209	102 309	102 309	99 216	104 673	110 325
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	224	46	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total economic classification</b>	<b>186 253</b>	<b>117 291</b>	<b>132 489</b>	<b>137 789</b>	<b>130 889</b>	<b>130 889</b>	<b>129 613</b>	<b>137 173</b>	<b>144 581</b>
Less: Unauthorised expenditure	-	-	-	-	-	-	-	-	-
<b>Baseline Available for Spending</b>	<b>186 253</b>	<b>117 291</b>	<b>132 489</b>	<b>137 789</b>	<b>130 889</b>	<b>130 889</b>	<b>129 613</b>	<b>137 173</b>	<b>144 581</b>

The increase in Compensation of Employees is due to allocated earmarked funds to support the Tourism activities in Municipalities within 2019/20 financial year for Youth Development. Goods and Services allocation increased by 9.2 percent from 2018/19 financial year. Included in the allocation are funds for annual hosting of Marula Festival, which is a huge economic drive on tourism spending, accommodation, and general trade within local municipalities. Transfers & Subsidies shares the highest allocation, which include earmarked funds of R35.3 million for Integrated Destination Marketing implemented by LTA.

## Service Delivery Measures

Programme 4 : Tourism	Estimated Annual Targets		
	2019/20	2020/21	2021/22
Number of tourism capacity building programs facilitated.	4	4	4
Number of targeted tourism awareness programs implemented.	4	4	4
Number of tourism destination development initiatives supported.	5	5	5

## Other Programme information

### Personnel numbers and costs

Tables 6.9 below provide a summary of personnel estimates by programme and personnel estimates breakdown per categories over the seven the year period.

Table 6.9 : Summary of departmental personnel numbers and costs by component : Economic Development, Environmental Affairs and Tourism

R thousands	Actual						Revised estimate				Medium-term expenditure estimate						Average annual growth over MTEF		
	2015/16		2016/17		2017/18		2018/19				2019/20		2020/21		2021/22		2018/19 - 2021/22		
	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Filled posts	Additional posts	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel growth rate	Costs growth rate	% Costs of Total
<b>Salary level</b>																			
1 – 6	705	116 732	632	130 813	584	128 470	551	120	671	147 223	691	162 678	712	171 625	712	181 161	2.0%	7.2%	26.6%
7 – 10	493	178 039	477	206 857	449	209 984	442	-	442	257 758	454	255 772	452	289 837	457	283 966	1.1%	3.3%	43.2%
11 – 12	105	84 627	101	101 780	94	103 111	122	1	123	106 990	130	108 563	128	114 534	129	120 834	1.6%	4.1%	18.2%
13 – 16	58	64 740	45	55 239	43	53 480	42	1	43	61 069	49	65 129	47	68 716	48	72 483	3.7%	5.9%	10.8%
Other	127	8 082	208	17 286	236	18 886	110	-	110	7 941	90	6 000	100	6 331	100	6 679	-3.1%	-5.6%	1.1%
<b>Total</b>	<b>1 488</b>	<b>452 220</b>	<b>1 463</b>	<b>511 975</b>	<b>1 406</b>	<b>513 931</b>	<b>1 267</b>	<b>122</b>	<b>1 389</b>	<b>580 982</b>	<b>1 414</b>	<b>598 142</b>	<b>1 439</b>	<b>631 042</b>	<b>1 446</b>	<b>665 123</b>	<b>1.3%</b>	<b>4.6%</b>	<b>100.0%</b>
<b>Programme</b>																			
1. Administration	626	161 992	500	177 937	479	178 193	375	71	446	198 433	443	201 760	466	212 668	466	224 353	1.5%	4.2%	33.9%
2. Economic Development	158	78 550	121	65 404	112	64 144	108	-	108	69 475	116	79 832	116	84 216	122	88 765	4.1%	8.5%	12.9%
3. Environmental Affairs	681	200 840	790	255 299	795	257 858	770	-	770	296 186	789	298 926	789	315 370	789	332 402	0.8%	3.9%	50.3%
4. Tourism	23	10 838	52	13 335	20	13 736	14	51	65	16 887	66	17 624	68	18 597	69	19 603	2.0%	5.1%	2.9%
Direct charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1 488</b>	<b>452 220</b>	<b>1 463</b>	<b>511 975</b>	<b>1 406</b>	<b>513 931</b>	<b>1 267</b>	<b>122</b>	<b>1 389</b>	<b>580 982</b>	<b>1 414</b>	<b>598 142</b>	<b>1 439</b>	<b>631 042</b>	<b>1 446</b>	<b>665 123</b>	<b>1.3%</b>	<b>4.6%</b>	<b>100.0%</b>

Personnel numbers decreased as a result of natural attrition (retirements and deceased) mainly in programme three and internship programme for Tourism that is ending at the end of 2018/19 financial year. Department anticipate to finalize the review of the organizational structure in 2019/20 financial year. Priority will be afforded to fill the posts of Field Rangers and implement the shift system in that space.

## Training

**Table 6.10(b): Information on training: Economic Development, Environment and Tourism**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Number of staff	1 488	1 463	1 406	1 389	1 389	1 389	1 414	1 439	1 446
Number of personnel trained	1 313	1 374	1 164	1 281	1 281	1 281	1 408	1 549	1 549
of which									
Male	578	605	705	776	776	776	853	938	938
Female	735	769	459	505	505	505	555	611	611
Number of training opportunities	1 314	1 373	684	753	753	753	824	911	911
of which									
Tertiary	788	824	355	391	391	391	426	473	473
Workshops	137	143	198	218	218	218	240	264	264
Seminars	32	33	64	70	70	70	77	85	85
Other	357	373	67	74	74	74	81	89	89
Number of bursaries offered	100	60	60	30	30	30	33	36	36
Number of interns appointed	150	96	125	60	60	60	55	73	73
Number of learnerships appointed	60	60	63	180	180	180	180	218	218
Number of days spent on training	1 153	1 206	1 266	1 393	1 393	1 393	1 532	1 685	1 685
<b>Payment on training by programme</b>									
Programme 1: Administration	9 924	10 423	7 626	11 586	11 586	11 586	12 745	14 019	14 790
Programme 2: Economic Development	-	-	-	-	-	-	-	-	-
Programme 3: Environmental Affairs	-	-	-	-	-	-	-	-	-
Programme 4: Tourism	-	-	-	-	-	-	-	-	-
<b>Total payment on training</b>	<b>9 924</b>	<b>10 423</b>	<b>7 626</b>	<b>11 586</b>	<b>11 586</b>	<b>11 586</b>	<b>12 745</b>	<b>14 019</b>	<b>14 790</b>

The training budget decreases by 5.0 percent mainly due to reduction of tertiary education bursaries and workshops.

# **Annexure to Vote:6**

## **Economic Development, Environment and Tourism**

Table 6.11: Specification of receipts: Economic Development, Environmental Affairs and Tourism

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
<b>Tax receipts</b>	<b>77 901</b>	<b>88 303</b>	<b>93 833</b>	<b>109 575</b>	<b>104 700</b>	<b>104 700</b>	<b>110 726</b>	<b>111 069</b>	<b>117 178</b>
Casino taxes	56 600	58 749	59 604	73 774	58 436	58 436	59 897	60 496	62 311
Horse racing taxes	18 001	26 130	30 860	32 001	42 601	42 601	46 972	46 504	50 574
Liquor licences	3 300	3 424	3 369	3 800	3 663	3 663	3 857	4 069	4 293
Motor vehicle licences	-	-	-	-	-	-	-	-	-
<b>Sale of goods and services other than capital assets</b>	<b>19 830</b>	<b>15 158</b>	<b>16 710</b>	<b>26 628</b>	<b>23 143</b>	<b>23 143</b>	<b>21 211</b>	<b>22 377</b>	<b>23 608</b>
Sales of goods and services produced by department	19 818	15 145	16 709	26 052	23 126	23 126	21 191	22 354	23 586
Sales by market establishments	-	-	2 739	-	-	-	-	-	-
Administrative fees	27 440	5 885	5 948	15 603	5 469	3 103	3 280	3 464	3 654
Other sales	1 622	13 933	6 458	36 050	14 320	19 100	20 189	21 319	22 491
Of which	-	-	-	-	-	-	-	-	-
Rental	3 696	3 387	2 628	14 300	3 307	4 300	4 545	4 800	5 064
Management Fees	13 400	4 140	468	16 950	-	-	-	-	-
Parking Fees	149	135	111	122	107	122	129	136	144
Sale of bird, fish and game	759	444	792	677	973	677	716	775	797
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	12	13	1	576	17	17	20	23	22
<b>Transfers received from:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 413</b>	<b>5 413</b>	<b>5 700</b>	<b>6 013</b>	<b>6 344</b>
Other governmental units	-	-	-	-	5 413	5 413	5 700	6 013	6 344
Universities and technicians	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
<b>Fines, penalties and forfeits</b>	<b>1 250</b>	<b>2 411</b>	<b>1 685</b>	<b>1 763</b>	<b>2 383</b>	<b>2 383</b>	<b>2 509</b>	<b>2 647</b>	<b>2 793</b>
<b>Interest, dividends and rent on land</b>	<b>1 222</b>	<b>759</b>	<b>314</b>	<b>2 627</b>	<b>154</b>	<b>154</b>	<b>162</b>	<b>171</b>	<b>180</b>
Interest	1 222	759	314	2 627	154	154	162	171	180
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Sales of capital assets</b>	<b>2 159</b>	<b>3 194</b>	<b>984</b>	<b>1 546</b>	<b>3 185</b>	<b>3 185</b>	<b>3 354</b>	<b>3 538</b>	<b>3 733</b>
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Other capital assets	2 159	3 194	984	1 546	3 185	3 185	3 354	3 538	3 733
<b>Transactions in financial assets and liabilities</b>	<b>22 195</b>	<b>13 648</b>	<b>22 024</b>	<b>18 779</b>	<b>11 963</b>	<b>11 963</b>	<b>15 279</b>	<b>21 866</b>	<b>23 069</b>
<b>Total departmental receipts</b>	<b>124 557</b>	<b>123 473</b>	<b>135 550</b>	<b>160 918</b>	<b>150 941</b>	<b>150 941</b>	<b>158 941</b>	<b>167 683</b>	<b>176 905</b>

Table 6.12(a): Payments and estimates by economic classification: Economic Development, Environmental Affairs and Tourism

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2020/21	2021/22
<b>Current payments</b>	<b>646 405</b>	<b>724 391</b>	<b>771 868</b>	<b>825 520</b>	<b>859 586</b>	<b>859 586</b>	<b>896 679</b>	<b>942 606</b>	<b>993 501</b>
Compensation of employees	452 220	511 975	513 931	564 982	580 982	580 982	598 142	631 041	665 123
Salaries and wages	395 169	448 791	441 328	500 106	509 703	509 703	521 552	550 299	580 020
Social contributions	57 051	63 184	72 603	64 877	71 279	71 279	76 590	80 742	85 103
Goods and services	193 798	212 067	257 327	259 618	277 684	277 684	297 567	310 542	327 300
of which									
Administrative fees	1 328	179	198	243	243	243	256	271	286
Advertising	3 633	3 918	2 956	5 163	2 327	2 327	3 993	4 213	4 442
Assets less than the capitalisation threshold	1 088	1 468	1 075	3 472	2 475	2 475	2 124	2 260	2 382
Audit cost: External	3 961	4 341	6 209	5 107	5 107	5 107	5 466	5 767	6 078
Bursaries: Employees	897	764	1 379	1 846	1 847	1 847	1 800	1 899	2 002
Catering: Departmental activities	2 397	1 901	3 222	2 900	5 158	5 158	3 702	3 926	4 137
Communication (G&S)	7 313	7 213	11 019	8 462	9 995	9 995	12 562	13 253	13 969
Computer services	9 507	9 859	11 067	12 627	11 542	11 542	15 063	15 892	16 750
Consultants and professional services: Business and advisory services	19 063	16 308	34 959	17 911	26 425	26 425	16 536	17 446	18 379
Consultants and professional services: Infrastructure and planning	-	-	-	-	-	-	-	-	-
Consultants and professional services: Laboratory services	-	-	-	-	-	-	-	-	-
Consultants and professional services: Scientific and technological services	-	-	-	-	-	-	-	-	-
Consultants and professional services: Legal costs	-	2 671	2 756	2 580	2 580	2 580	2 722	2 871	3 026
Contractors	8 799	23 927	22 103	19 789	24 111	24 111	32 675	30 659	32 313
Agency and support / outsourced services	18 379	17 596	1 503	2 140	1 692	1 692	1 436	2 006	2 115
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	13 393	11 643	14 946	14 200	15 708	15 708	16 167	17 077	17 999
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	469	518	772	622	622	814	859	905
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	153	79	115	-0	-	-	-	-	-
Consumable supplies	5 085	7 362	6 816	10 878	10 751	10 751	15 531	16 384	17 268
Consumable: Stationery, printing and office supplies	863	977	1 156	1 429	1 414	1 414	1 637	1 727	1 820
Operating leases	41 517	44 317	48 540	55 298	54 898	54 898	59 679	62 960	66 360
Property payments	9 167	9 736	34 911	37 151	37 147	37 147	43 707	46 111	48 601
Transport provided: Departmental activity	78	112	28	80	80	80	97	103	109
Travel and subsistence	33 718	34 608	39 376	38 106	43 623	43 623	41 804	44 495	46 897
Training and development	1 925	2 509	2 918	5 625	5 007	5 007	6 328	6 676	7 037
Operating payments	5 428	2 899	3 877	6 967	6 703	6 703	6 607	7 179	7 567
Venues and facilities	4 725	5 026	3 535	4 201	4 976	4 976	3 940	4 214	4 441
Rental and hiring	1 381	2 185	2 145	2 669	3 253	3 253	2 921	2 294	2 417
Interest and rent on land	387	349	610	920	920	920	970	1 023	1 078
Interest	-	-	-	-	-	-	-	-	-
Rent on land	387	349	610	920	920	920	970	1 023	1 078
<b>Transfers and subsidies to<sup>1</sup>:</b>	<b>493 751</b>	<b>519 070</b>	<b>813 330</b>	<b>761 491</b>	<b>727 628</b>	<b>727 628</b>	<b>769 901</b>	<b>803 070</b>	<b>846 441</b>
Provinces and municipalities	2 686	2 028	3 353	3 319	3 319	3 319	3 209	3 385	3 568
Provinces <sup>2</sup>	112	196	184	180	180	180	190	200	211
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	112	196	184	180	180	180	190	200	211
Municipalities <sup>3</sup>	2 574	1 832	3 169	3 139	3 139	3 139	3 019	3 185	3 357
Municipalities	2 574	1 832	3 169	3 139	3 139	3 139	3 019	3 185	3 357
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	476 926	506 172	799 346	746 700	713 591	713 591	757 094	790 709	833 407
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers <sup>4</sup>	476 926	506 172	799 346	746 700	713 591	713 591	757 094	790 709	833 407
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises <sup>5</sup>	135	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	135	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	135	-	-	-	-	-	-	-	-
Non-profit institutions	-	643	-	754	-	-	750	800	850
Households	14 004	10 227	10 631	10 718	10 718	10 718	8 848	8 176	8 616
Social benefits	6 834	5 024	7 296	4 981	5 107	5 107	4 340	4 578	4 824
Other transfers to households	7 170	5 203	3 335	5 737	5 611	5 611	4 508	3 598	3 792
<b>Payments for capital assets</b>	<b>12 932</b>	<b>68 764</b>	<b>96 707</b>	<b>78 362</b>	<b>78 160</b>	<b>78 160</b>	<b>56 130</b>	<b>59 993</b>	<b>63 233</b>
Buildings and other fixed structures	1 711	22 159	63 363	54 481	52 207	52 207	40 917	43 167	45 498
Buildings	1 711	309	62 813	54 481	52 207	52 207	40 917	43 167	45 498
Other fixed structures	-	21 850	550	-	-	-	-	-	-
Machinery and equipment	11 221	46 605	33 344	23 881	25 953	25 953	15 213	16 826	17 735
Transport equipment	2 985	16 322	17 391	10 776	10 776	10 776	819	2 447	2 579
Other machinery and equipment	8 236	30 283	15 953	13 105	15 177	15 177	14 394	14 379	15 156
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	0	-	-	-	-	-
<b>Payments for financial assets</b>	<b>355</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total economic classification: Programme (number and name)</b>	<b>1 153 443</b>	<b>1 312 225</b>	<b>1 681 905</b>	<b>1 665 374</b>	<b>1 665 374</b>	<b>1 665 374</b>	<b>1 722 710</b>	<b>1 805 669</b>	<b>1 903 175</b>
<b>Less: Unauthorised expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Baseline available for spending</b>	<b>1 153 443</b>	<b>1 312 225</b>	<b>1 681 905</b>	<b>1 665 374</b>	<b>1 665 374</b>	<b>1 665 374</b>	<b>1 722 710</b>	<b>1 805 669</b>	<b>1 903 175</b>

Table 6.12(b): Payments and estimates by economic classification: Programme 1 Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
<b>Current payments</b>	<b>287 503</b>	<b>309 208</b>	<b>335 829</b>	<b>361 897</b>	<b>372 423</b>	<b>372 423</b>	<b>390 567</b>	<b>412 070</b>	<b>434 324</b>
Compensation of employees	161 992	177 937	178 193	192 442	198 434	198 434	201 760	212 858	224 353
Salaries and wages	141 420	154 939	154 201	168 352	172 778	172 778	175 552	185 213	195 216
Social contributions	20 572	22 998	23 992	24 091	25 656	25 656	26 208	27 645	29 137
Goods and services	125 511	131 271	157 636	169 454	173 989	173 989	188 807	199 212	209 971
of which									
Administrative fees	869	179	198	243	243	243	256	271	286
Advertising	2 403	3 234	2 511	2 582	1 688	1 688	2 734	2 885	3 041
Assets less than the capitalisation threshold	719	1 135	890	1 874	2 047	2 047	1 677	1 769	1 865
Audit cost: External	3 961	4 341	6 209	5 107	5 107	5 107	5 466	5 767	6 078
Bursaries: Employees	897	764	1 379	1 846	1 847	1 847	1 800	1 899	2 002
Catering: Departmental activities	519	605	823	1 023	1 411	1 411	1 241	1 308	1 378
Communication (G&S)	7 307	7 208	11 014	8 403	9 956	9 956	12 492	13 179	13 891
Computer services	9 507	9 859	11 067	12 627	11 542	11 542	15 063	15 892	16 750
Consultants and professional services: Business and advisory services	77	72	8	145	189	189	110	116	122
Consultants and professional services: Infrastructure and planning	-	-	-	-	-	-	-	-	-
Consultants and professional services: Laboratory services	-	-	-	-	-	-	-	-	-
Consultants and professional services: Scientific and technological services	-	-	-	-	-	-	-	-	-
Consultants and professional services: Legal costs	-	2 656	2 756	2 576	2 576	2 576	2 718	2 867	3 022
Contractors	823	779	622	1 306	1 110	1 110	1 358	1 433	1 510
Agency and support / outsourced services	16 266	15 997	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	13 344	11 572	14 818	14 126	15 325	15 325	16 068	16 972	17 888
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	72	79	115	-0	-	-	-	-	-
Consumable supplies	2 544	2 628	2 631	3 413	4 218	4 218	5 103	5 382	5 672
Consumable: Stationery, printing and office supplies	851	961	1 148	1 409	1 394	1 394	1 617	1 706	1 798
Operating leases	41 506	44 239	48 540	55 298	54 898	54 898	59 679	62 960	66 360
Property payments	9 167	9 677	33 471	36 964	36 934	36 934	38 959	41 102	43 322
Transport provided: Departmental activity	69	112	28	80	80	80	97	103	109
Travel and subsistence	10 494	11 449	13 907	13 329	15 712	15 712	15 062	15 891	16 750
Training and development	1 746	1 685	2 756	3 006	2 869	2 869	3 171	3 345	3 526
Operating payments	1 825	1 544	2 230	2 957	3 570	3 570	3 052	3 220	3 394
Venues and facilities	545	496	515	1 140	1 073	1 073	1 084	1 145	1 207
Rental and hiring	-	-	-	-	200	200	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to<sup>1</sup>:</b>	<b>11 029</b>	<b>7 613</b>	<b>7 551</b>	<b>10 042</b>	<b>10 042</b>	<b>10 042</b>	<b>8 086</b>	<b>7 378</b>	<b>7 775</b>
Provinces and municipalities	1 613	1 428	2 211	2 619	2 619	2 619	3 209	3 385	3 568
Provinces <sup>2</sup>	112	196	184	180	180	180	190	200	211
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	112	196	184	180	180	180	190	200	211
Municipalities <sup>3</sup>	1 501	1 232	2 027	2 439	2 439	2 439	3 019	3 185	3 357
Municipalities	1 501	1 232	2 027	2 439	2 439	2 439	3 019	3 185	3 357
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	27	21	22	130	130	130	37	45	47
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers <sup>4</sup>	27	21	22	130	130	130	37	45	47
Universities and technicians	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises <sup>5</sup>	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	9 389	6 164	5 318	7 293	7 293	7 293	4 840	3 948	4 160
Social benefits	2 219	961	1 983	1 556	1 682	1 682	332	350	368
Other transfers to households	7 170	5 203	3 335	5 737	5 611	5 611	4 508	3 598	3 792
<b>Payments for capital assets</b>	<b>8 917</b>	<b>26 130</b>	<b>21 217</b>	<b>22 352</b>	<b>18 293</b>	<b>18 293</b>	<b>6 285</b>	<b>8 214</b>	<b>8 657</b>
Buildings and other fixed structures	-	60	-	-	-	-	-	-	-
Buildings	-	60	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	8 917	26 070	21 217	22 352	18 293	18 293	6 285	8 214	8 657
Transport equipment	2 985	16 322	13 919	10 776	10 776	10 776	819	2 447	2 579
Other machinery and equipment	5 932	9 748	7 298	11 576	7 517	7 517	5 466	5 767	6 078
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>355</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total economic classification</b>	<b>307 804</b>	<b>342 951</b>	<b>364 597</b>	<b>394 291</b>	<b>400 758</b>	<b>400 758</b>	<b>404 938</b>	<b>427 662</b>	<b>450 756</b>
<b>Less: Unauthorised expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Baseline available for spending</b>	<b>307 804</b>	<b>342 951</b>	<b>364 597</b>	<b>394 291</b>	<b>400 758</b>	<b>400 758</b>	<b>404 938</b>	<b>427 662</b>	<b>450 756</b>

Table 6.12(c): Payments and estimates by economic classification: Programme 2: Economic Development

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
<b>Current payments</b>	<b>109 805</b>	<b>87 473</b>	<b>87 105</b>	<b>109 422</b>	<b>106 992</b>	<b>106 992</b>	<b>109 113</b>	<b>115 110</b>	<b>121 326</b>
Compensation of employees	78 550	65 404	64 144	78 965	69 475	69 475	79 831	84 216	88 765
Salaries and wages	71 911	58 537	56 436	71 396	61 547	61 547	71 110	75 016	79 068
Social contributions	6 639	6 867	7 708	7 569	7 928	7 928	8 721	9 200	9 697
Goods and services	31 255	22 069	22 961	30 457	37 517	37 517	29 282	30 894	32 561
of which									
Administrative fees	449	-	-	-	-	-	-	-	-
Advertising	365	202	235	612	362	362	100	106	112
Assets less than the capitalisation threshold	281	11	-	-	130	130	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	909	696	1 035	1 107	2 172	2 172	1 314	1 386	1 461
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Consultants and professional services: Business and advisory services	15 398	9 728	10 713	12 234	17 319	17 319	11 441	12 071	12 722
Consultants and professional services: Infrastructure and planning	-	-	-	-	-	-	-	-	-
Consultants and professional services: Laboratory services	-	-	-	-	-	-	-	-	-
Consultants and professional services: Scientific and technological services	-	-	-	-	-	-	-	-	-
Consultants and professional services: Legal costs	-	-	-	4	4	4	4	4	4
Contractors	-	724	300	886	366	366	784	827	872
Agency and support / outsourced services	95	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	78	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	12	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	9	-	-	-	-	-	-	-	-
Travel and subsistence	9 178	7 836	8 252	9 171	10 888	10 888	9 421	9 938	10 474
Training and development	-	493	-	2 319	1 638	1 638	2 340	2 469	2 602
Operating payments	2 693	779	948	2 032	2 046	2 046	2 011	2 122	2 237
Venues and facilities	1 788	1 600	1 478	2 092	2 592	2 592	1 867	1 971	2 077
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to<sup>1</sup>:</b>	<b>311 185</b>	<b>418 372</b>	<b>696 551</b>	<b>637 660</b>	<b>611 451</b>	<b>611 451</b>	<b>658 157</b>	<b>686 324</b>	<b>723 386</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces <sup>2</sup>	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities <sup>3</sup>	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	309 888	416 889	696 199	637 361	611 152	611 152	657 841	685 991	723 035
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers <sup>4</sup>	309 888	416 889	696 199	637 361	611 152	611 152	657 841	685 991	723 035
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises <sup>5</sup>	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 297	1 483	352	299	299	299	316	333	351
Social benefits	1 297	1 483	352	299	299	299	316	333	351
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>3 698</b>	<b>683</b>	<b>2 586</b>	<b>2 482</b>	<b>3 014</b>	<b>3 014</b>	<b>2 617</b>	<b>2 761</b>	<b>2 910</b>
Buildings and other fixed structures	1 711	249	-	2 481	2 482	2 482	2 617	2 761	2 910
Buildings	1 711	249	-	2 481	2 482	2 482	2 617	2 761	2 910
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 987	434	2 586	-	532	532	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	1 987	434	2 586	-	532	532	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	0	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total economic classification</b>	<b>424 688</b>	<b>506 528</b>	<b>786 242</b>	<b>749 564</b>	<b>721 457</b>	<b>721 457</b>	<b>769 887</b>	<b>804 195</b>	<b>847 622</b>
<b>Less: Unauthorised expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Baseline available for spending</b>	<b>424 688</b>	<b>506 528</b>	<b>786 242</b>	<b>749 564</b>	<b>721 457</b>	<b>721 457</b>	<b>769 887</b>	<b>804 195</b>	<b>847 622</b>

Table 6.12(d): Payments and estimates by economic classification: Programme 3: Environmental Affairs

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
<b>Current payments</b>	<b>230 079</b>	<b>299 727</b>	<b>319 570</b>	<b>325 622</b>	<b>351 591</b>	<b>351 591</b>	<b>366 602</b>	<b>382 927</b>	<b>403 595</b>
Compensation of employees	200 840	255 299	257 858	276 688	296 186	296 186	296 927	315 371	332 402
Salaries and wages	172 451	223 599	218 627	245 212	260 232	260 232	259 103	273 411	288 176
Social contributions	28 389	31 700	39 231	31 476	35 954	35 954	39 824	41 959	44 226
Goods and services	28 852	44 079	61 102	48 014	54 485	54 485	66 705	66 533	70 115
of which									
Administrative fees	10	-	-	-	-	-	-	-	-
Advertising	182	366	182	1 727	277	277	1 123	1 184	1 248
Assets less than the capitalisation threshold	88	322	185	1 598	298	298	447	491	517
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	649	496	1 127	643	1 447	1 447	913	985	1 038
Communication (G&S)	6	5	5	59	39	39	70	74	78
Computer services	-	-	-	-	-	-	-	-	-
Consultants and professional services: Business and advisory services	3 588	6 502	23 743	5 532	8 917	8 917	4 985	5 259	5 535
Consultants and professional services: Infrastructure and planning	-	-	-	-	-	-	-	-	-
Consultants and professional services: Laboratory services	-	-	-	-	-	-	-	-	-
Consultants and professional services: Scientific and technological services	-	-	-	-	-	-	-	-	-
Consultants and professional services: Legal costs	-	15	-	-	-	-	-	-	-
Contractors	4 427	13 153	11 181	8 347	13 663	13 663	20 049	17 338	18 273
Agency and support / outsourced services	2 018	1 599	1 503	2 140	1 692	1 692	1 436	2 006	2 115
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	49	71	128	74	383	383	99	105	111
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	469	518	772	622	622	814	859	905
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	81	-	-	-	-	-	-	-	-
Consumable supplies	2 406	4 497	3 905	7 465	6 523	6 523	10 428	11 002	11 596
Consumable: Stationery, printing and office supplies	-	16	8	20	20	20	20	21	22
Operating leases	11	78	-	0	-	-	-	-	-
Property payments	-	59	1 440	187	213	213	4 748	5 009	5 279
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	12 217	13 123	13 673	14 111	14 909	14 909	15 913	16 754	17 658
Training and development	179	331	87	300	500	500	817	862	909
Operating payments	842	477	670	1 688	1 038	1 038	1 239	1 515	1 597
Venues and facilities	718	315	602	679	891	891	683	775	817
Rental and hiring	1 381	2 185	2 145	2 669	3 053	3 053	2 921	2 294	2 417
Interest and rent on land	387	349	610	920	920	920	970	1 023	1 078
Interest	-	-	-	-	-	-	-	-	-
Rent on land	387	349	610	920	920	920	970	1 023	1 078
<b>Transfers and subsidies to<sup>1</sup>:</b>	<b>4 302</b>	<b>3 777</b>	<b>6 103</b>	<b>4 580</b>	<b>3 826</b>	<b>3 826</b>	<b>4 442</b>	<b>4 695</b>	<b>4 955</b>
Provinces and municipalities	1 073	600	1 142	700	700	700	-	-	-
Provinces <sup>2</sup>	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities <sup>3</sup>	1 073	600	1 142	700	700	700	-	-	-
Municipalities	1 073	600	1 142	700	700	700	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers <sup>4</sup>	-	-	-	-	-	-	-	-	-
Universities and technicians	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises <sup>5</sup>	135	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	135	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	135	-	-	-	-	-	-	-	-
Non-profit institutions	-	643	-	754	-	-	750	800	850
Households	3 094	2 534	4 961	3 126	3 126	3 126	3 692	3 895	4 105
Social benefits	3 094	2 534	4 961	3 126	3 126	3 126	3 692	3 895	4 105
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>317</b>	<b>41 951</b>	<b>72 904</b>	<b>53 528</b>	<b>56 853</b>	<b>56 853</b>	<b>47 228</b>	<b>49 018</b>	<b>51 666</b>
Buildings and other fixed structures	-	21 850	63 363	52 000	49 725	49 725	38 300	40 406	42 588
Buildings	-	-	62 813	52 000	49 725	49 725	38 300	40 406	42 588
Other fixed structures	-	21 850	550	-	-	-	-	-	-
Machinery and equipment	317	20 101	9 541	1 528	7 128	7 128	8 928	8 612	9 078
Transport equipment	-	-	3 472	-	-	-	-	-	-
Other machinery and equipment	317	20 101	6 069	1 528	7 128	7 128	8 928	8 612	9 078
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total economic classification</b>	<b>234 698</b>	<b>345 455</b>	<b>398 577</b>	<b>383 730</b>	<b>412 270</b>	<b>412 270</b>	<b>418 272</b>	<b>436 640</b>	<b>460 216</b>
<b>Less: Unauthorised expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Baseline available for spending</b>	<b>234 698</b>	<b>345 455</b>	<b>398 577</b>	<b>383 730</b>	<b>412 270</b>	<b>412 270</b>	<b>418 272</b>	<b>436 640</b>	<b>460 216</b>

Table 6.12(e): Payments and estimates by economic classification: Programme 4: Tourism

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
<b>Current payments</b>	<b>19 018</b>	<b>27 983</b>	<b>29 364</b>	<b>28 580</b>	<b>28 580</b>	<b>28 580</b>	<b>30 397</b>	<b>32 500</b>	<b>34 256</b>
Compensation of employees	10 838	13 335	13 736	16 887	16 887	16 887	17 624	18 597	19 603
Salaries and wages	9 387	11 716	12 064	15 146	15 146	15 146	15 787	16 659	17 560
Social contributions	1 451	1 619	1 672	1 741	1 741	1 741	1 837	1 938	2 043
Goods and services	8 180	14 648	15 628	11 693	11 693	11 693	12 773	13 903	14 653
of which									
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	683	116	28	242	-	-	36	38	41
Assets less than the capitalisation threshold	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	320	104	237	127	128	128	234	247	260
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Consultants and professional services: Business and advisory services	-	6	495	0	-	-	-	-	-
Consultants and professional services: Infrastructure and planning	-	-	-	-	-	-	-	-	-
Consultants and professional services: Laboratory services	-	-	-	-	-	-	-	-	-
Consultants and professional services: Scientific and technological services	-	-	-	-	-	-	-	-	-
Consultants and professional services: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	3 549	9 271	10 000	9 250	8 972	8 972	10 484	11 061	11 658
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	57	237	280	-	10	10	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	1 829	2 200	3 544	1 495	2 114	2 114	1 408	1 912	2 015
Training and development	-	-	75	-	-	-	-	-	-
Operating payments	68	99	29	289	49	49	305	322	339
Venues and facilities	1 674	2 615	940	290	420	420	306	323	340
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to<sup>1</sup>:</b>	<b>167 235</b>	<b>89 308</b>	<b>103 125</b>	<b>109 209</b>	<b>102 309</b>	<b>102 309</b>	<b>99 216</b>	<b>104 673</b>	<b>110 325</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces <sup>2</sup>	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities <sup>3</sup>	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	167 011	89 262	103 125	109 209	102 309	102 309	99 216	104 673	110 325
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers <sup>4</sup>	167 011	89 262	103 125	109 209	102 309	102 309	99 216	104 673	110 325
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises <sup>5</sup>	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	224	46	-	-	-	-	-	-	-
Social benefits	224	46	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total economic classification</b>	<b>186 253</b>	<b>117 291</b>	<b>132 489</b>	<b>137 789</b>	<b>130 889</b>	<b>130 889</b>	<b>129 613</b>	<b>137 173</b>	<b>144 581</b>
<b>Less: Unauthorised expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Baseline available for spending</b>	<b>186 253</b>	<b>117 291</b>	<b>132 489</b>	<b>137 789</b>	<b>130 889</b>	<b>130 889</b>	<b>129 613</b>	<b>137 173</b>	<b>144 581</b>

**Table 6.13: Conditional grant payments and estimates by economic classification : EPWP : Environmental Affairs**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
<b>Current payments</b>	<b>2 482</b>	<b>3 443</b>	<b>2 567</b>	<b>3 376</b>	<b>3 376</b>	<b>3 376</b>	<b>3 563</b>	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	<b>2 482</b>	<b>3 443</b>	<b>2 567</b>	<b>3 376</b>	<b>3 376</b>	<b>3 376</b>	<b>3 563</b>	-	-
of which	-	-	-	-	-	-	-	-	-
Uniform	-	-	-	-	-	-	-	-	-
Contractors	2 482	3 443	2 567	3 376	3 376	3 376	3 563	-	-
Spare parts and accessories	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to<sup>1</sup>:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces <sup>2</sup>	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities <sup>3</sup>	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers <sup>4</sup>	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises <sup>5</sup>	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total economic classification</b>	<b>2 482</b>	<b>3 443</b>	<b>2 567</b>	<b>3 376</b>	<b>3 376</b>	<b>3 376</b>	<b>3 563</b>	<b>-</b>	<b>-</b>

# **Public Entities Vote 06**

# Limpopo Gambling Board

---

*To be appropriated by Vote in 2019/20*

*R 75 417 000*

*Responsible MEC*

*MEC of Economic Development, Environment and Tourism*

*Administering Department*

*Department of Economic Development, Environment and Tourism*

*Accounting officer*

*Head of Department Economic Development, Environment Affairs and Tourism*

---

## Overview

### Vision

The innovative and leading gambling regulator in Africa.

### Mission

To regulate the gambling industry in a responsible and ethical manner for the benefit of the people of the Province by ensuring compliance with the legislation, promoting responsible gambling and facilitating sustainable local economic development.

### Values

The Limpopo Gambling Board (LGB) has identified the following values as the principles that will govern behaviour of all employees within the organisation:

- Integrity
- Responsibility
- Consultation
- Transparency
- Diversity
- Teamwork

### Main Service

- The mandate of the Board is to regulate, control and monitor gambling activities in the Province in accordance with the Limpopo Gambling Act, Act No 3 of 2013.
- To contribute towards upliftment of the disadvantaged communities within the province.
- Promoting responsible gambling.

- Facilitating sustainable local economic development.
- Ensuring compliance with the legislation

### **Legislative mandates**

- Limpopo Gambling Act, 2013 (Act No. 3 of 2013)
- National Gambling Act, (Act no 7 of 2004) as amended.
- Criminal Procedure Act, (Act No 51 of 1977)
- National Lotteries Act, (Act No57 of 1997)
- Prevention of Organized Crime Act, (Act No 121 of 1998)
- Prevention, Combating of Fraud and Corruption Act, (Act No 12 of 2004)
- Public Finance Management Act (Act 1 of 1999 as amended)
- Companies Act (Act 71 of 2008 as amended)

### **Review of the current year financial year (2018/19)**

The Board focused on the set priorities which are the core business of the Board. These priorities are promoting social awareness and upliftment, promoting economic growth and development. The activities undertaken in implementing these priorities have direct impact on growing the provincial economy.

The Board appointed a Chief Executive Officer during the year under review who will assist the Board with the implementation of the mandate and strategy.

### **Service delivery**

The following targets were achieved by the end of the 3<sup>rd</sup> quarter for the 2018/19 financial year:

- The Board had implemented 11 corporate social investment initiatives and among others these includes purchasing of school uniform for two schools in Mopani and learning tools for one school in Capricorn and distribution of sanitary towels to one school in Mopani and Waterberg District.
- The Board conducted youth summits in the 5 districts and training to disability youth in the Province.
- The Board conducted 16 responsible gambling campaigns throughout the province
- The Board conducted 76 crime awareness campaigns for the 3<sup>rd</sup> quarter in Mopani, Sekhukhune and Waterberg District.

- And 194 illegal gambling investigations were conducted
- For the year under review the Board has issued 9 corporate licenses to the licensees
- and has performed compliance audits at the various licensees and issued 12 compliance audit reports

### **Outlook for the coming financial year (2019/20)**

During the 2019/20 financial year, the Entity will ensure that the licensees are compliant to their licence obligations. Additionally, the Board will host gambling awareness programs to promote responsible gambling and monitor gambling control by performing compliance inspections. The Board will continue to intensify its compliance and enforcement programme in partnership with other law enforcement agencies such as the SAPS and SANDF.

The Board anticipates to issue more corporate licenses during 2019/20 financial year. Corporate Social Investment programs will be coordinated in order to uplift the community and the province.

The Board is engaging on purchasing a system for revenue management and reporting for the 2019/20 financial year after provisional approval by the Provincial Treasury. The introduction of the system will assist the Audit and Gambling control teams to provide a higher level of assurance that the levies and fees collected are accurate, complete, and valid and were paid timeously and at the same time it will enable advanced analysis of Licensing activities and trends.

### **Reprioritization for 2019/20**

The board is granted approval to procure Operations Management System and online operational management system under Compliance Business Unit. This is one of the projects that the province will be embarking on as a revenue enhancement project. The Entity will be allocated provisionally an amount of R15.8 million for acquisition of online operations management system at R15.0 million and Data analysis software system at R0.800 million. The proposed system will be used internally by the Compliance Business Unit and other relevant business units to provide services to the public and externally by all licensees, licence applicants and other stakeholders to procure services from or submit information to the Board.

The system will keep a database of the different activities and have various reporting functions. It will also the board to provide a higher level of assurance that the levies and fees collected are accurate, complete, valid and are paid timeously.

The Entity will reprioritise within its allocation to begin the process, funds will be allocated during revision of budget estimates for 2019/20 financial year.

## Receipts and Financing

### Summary of receipts

Table 6.14(a) below provide summary of Public Entity receipts per main category over the MTEF

Table 6.14(a) Summary of receipts: Limpopo Gambling Board

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Government grant & subsidies	48 559	61 273	67 502	71 486	68 085	68 085	75 417	79 565	83 862
<b>Total</b>	<b>48 559</b>	<b>61 273</b>	<b>67 502</b>	<b>71 486</b>	<b>68 085</b>	<b>68 085</b>	<b>75 417</b>	<b>79 565</b>	<b>83 862</b>

The entity is funded by equitable shares through government grant received from Limpopo Economic Development, Environment and Tourism.

### Summary of Entity actual and budget revenue collection

Table 6.14(b) Summary of actual and budgeted receipts LGB

R'000	Audited outcome			Main Appropriation	Adjusted Appropriation	Revised Estimates	BUDGET	BUDGET	BUDGET
	2015/16	2016/17	2017/18				2018/19	2020/21	2021/22
<b>Tax receipts</b>	<b>73 471</b>	<b>83 738</b>	<b>88 941</b>	<b>101 037</b>	<b>101 037</b>	<b>101 037</b>	<b>106 869</b>	<b>107 000</b>	<b>112 885</b>
Casino taxes	73 471	83 738	88 941	58 436	58 436	58 436	59 897	60 496	62 311
Horse racing taxes				42 601	42 601	42 601	46 972	46 504	50 574
Liquor licences						-			
Motor vehicle licences						-			
<b>Sales of goods and services other than capital assets</b>	<b>6 535</b>	<b>14 541</b>	<b>10 118</b>	<b>14 578</b>	<b>14 578</b>	<b>14 578</b>	<b>15 994</b>	<b>16 823</b>	<b>17 743</b>
Sales of goods and services produced by department (excl. capital assets)	6 535	14 541	10 118	14 578	14 578	14 578	15 994	16 823	17 743
Other sales	6 535	14 541	10 118	14 578	14 578	14 578	15 994	16 823	17 743
Of which						-			
Operating revenue	6 535	13 113	9 668	14 578	14 578	14 578	15 994	16 823	17 743
<b>Transfers received from:</b>									
<b>Fines, penalties and forfeits</b>						-			
<b>Interest, dividends and rent on land</b>	<b>1 488</b>	<b>1 107</b>	<b>1 330</b>	<b>345</b>	<b>1 365</b>	<b>1 365</b>	<b>1 446</b>	<b>1 526</b>	<b>1 602</b>
Interest	1 488	1 107	1 330	345	1 365	1 365	1 446	1 526	1 602
<b>Sales of capital assets</b>									
<b>Total departmental own source receipts</b>	<b>81 494</b>	<b>99 386</b>	<b>100 389</b>	<b>115 960</b>	<b>116 980</b>	<b>116 980</b>	<b>124 309</b>	<b>125 349</b>	<b>132 230</b>

The main source of revenue for the Entity is casino taxes. The budget is growing by 5.7 in 2019/20 and 4.6 percent over the MTEF period. The growth is inflationary related.

## Payment summary

### Key assumptions

The major key assumptions used in the compilation of the budget estimates for the Entity are as follows:

- Consumer Price Index (CPI) is 5.6 percent in 2019/20 and 5.4 percent in 2020/21 and 5.4 percent in 2021/22.
- Compensation of Employees (CoE) – Board had considered the improvement of condition of services of CPI plus 1.0 percent for, 2019/20, and 2020/21, 2021/22 financial years as well as filling of vacant positions.
- Goods and Services increases are based on the revised CPI guidelines over the MTEF as well as an increase in recurring contracts.

## Overview of the 2019/20 budget and MTEF estimates

Table 6.15(a) reflects summary of payments and estimates over seven-year period

Table 6.15(a): Summary of payments and estimates: Limpopo Gambling Board

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
	1. Governance	9 695	11 480	10 067	12 720	12 913	12 913	12 532	13 234
2. Finance	7 583	8 335	9 567	11 009	9 329	9 329	10 204	10 775	11 367
3. Human Resource Management	3 477	3 836	4 004	4 695	4 243	4 243	4 379	4 451	4 693
4. Information Technology	2 297	2 162	2 711	3 683	3 907	3 907	3 862	3 124	2 757
5. Law Enforcement	4 731	6 286	5 348	6 871	6 567	6 567	6 611	6 774	7 146
6. Compliance	13 503	16 524	15 635	17 824	16 634	16 634	18 313	20 494	21 622
7. Supply Chain Management	14 416	15 688	17 126	18 383	18 192	18 192	19 516	20 713	21 777
<b>baseline available for spending</b>	<b>55 702</b>	<b>64 311</b>	<b>64 458</b>	<b>75 185</b>	<b>71 785</b>	<b>71 785</b>	<b>75 417</b>	<b>79 565</b>	<b>83 322</b>

The budget grows from R75.185 million in 2018/19 to R75.417 in 2019/20. A minimal growth of 0.3 percent is due to correction of R4.820 million on non-cash item budget.

- Information Technology has overall increase of 5.0 percent due for purchasing of server and licensee fee for Microsoft.
- The Auditor General fees has increased in comparison to the 2018/19 financial year.
- Compliance has overall increase due to ear mark funding.
- Supply Chain has overall increase of R1.250 million or 6.0 percent due to contracts price escalation and 1.0 percent increase VAT.
- The provinces cost containment measures have been implemented by the Entity.

## Budget per Economic Classification

Table 6.15(b) below indicates payments and estimates per economic classification over seven-year period.

**Table 6.15(b) Summary of payments and estimates by Economic Classification: Limpopo Gambling Board**

R thousand	Outcome			Main	Adjusted	Revised	Medium-term estimates		
	2015/16	2016/17	2017/18	Appropriation	appropriation	estimate	2019/20	2020/21	2021/22
				2018/19					
<b>Total</b>				<b>75 185</b>	<b>71 785</b>	<b>71 785</b>	<b>75 417</b>		<b>83 322</b>
<b>Economic Classification</b>									
<b>Current Payments</b>	53 903	60 336	63 671	<b>74 160</b>	<b>70 454</b>	<b>70 454</b>	<b>74 420</b>	<b>79 424</b>	<b>83 249</b>
Compensation of employees	33 355	35 673	34 332	42 705	38 912	38 912	41 700	44 103	45 937
Goods and services	20 548	24 663	29 339	31 455	31 542	31 542	32 720	35 321	37 312
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfer and subsidies</b>	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
<b>Payment for capital assets</b>	<b>1 799</b>	<b>3 975</b>	<b>787</b>	<b>1 025</b>	<b>1 331</b>	<b>1 331</b>	<b>997</b>	<b>141</b>	<b>73</b>
Building and other fixed structures	500	425	32	38	168	168	(3)	82	11
Machinery and equipment	1 299	2 946	755	987	1 163	1 163	1 000	59	62
Heritage assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	604	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>55 702</b>	<b>64 311</b>	<b>64 458</b>	<b>75 185</b>	<b>71 785</b>	<b>71 785</b>	<b>75 417</b>	<b>79 565</b>	<b>83 322</b>

Compensation of Employees decreases by R1.005 million or 2.4 percent from 2018/19 to 2019/20 financial year. Provision for leave which is non-cash item has been removed from the budget. The organizational structure of the institution has been approved to be implemented in the 2019/20 financial.

Goods and Services increase by four percent overall in 2019/20. Included in the allocation is ring-fenced allocation for Corporate Social Investment (CSI), compliance and law enforcement awareness.

Payment of Capital Assets- the decrease is due to once off allocation from 2018/19 financial year for procurement of server. The Entity will continue with the procurement of online operating system and data analysis software system during 2019/20 financial year.

### Programme 1: Governance

**Purpose of the programme:** To strengthen and effectively manage their system and procedures to ensure sound practices are adhered to.

**Objective of the programme:** To provide strategic support to all programmes.

Tables 6.16(a) and 6.16(b) reflects payments and estimates over seven-year period

**Table 6.16(a): Summary of payments and estimates by Economic Classification: Programme 1**

R thousand	Outcome			Main	Adjusted	Revised	Medium-term estimates		
	2015/16	2016/17	2017/18	Appropriation	appropriation	estimate	2019/20	2020/21	2021/22
<b>Sub-programme</b>					2018/19				
CEO	9 695	11 480	10 067	12 720	12 752	12 752	12 532	13 234	13 960
<b>Sub Total</b>	<b>9 695</b>	<b>11 480</b>	<b>10 067</b>	<b>12 720</b>	<b>12 752</b>	<b>12 752</b>	<b>12 532</b>	<b>13 234</b>	<b>13 960</b>

**Table 6.16(b) Summary of payments and estimates by Economic Classification: Programme 1 :**

R thousand	Outcome			Main	Adjusted	Revised	Medium-term estimates		
	2015/16	2016/17	2017/18	Appropriation	appropriation	estimate	2019/20	2020/21	2021/22
<b>Current Payments</b>	<b>9 695</b>	<b>11 189</b>	<b>10 055</b>	<b>12 720</b>	<b>12 752</b>	<b>12 752</b>	<b>12 532</b>	<b>13 206</b>	<b>13 931</b>
Compensation of employees	3762	5213	4966	4 984	4 972	4 972	6 214	6 306	6 653
Goods and services	5933	5976	5089	7 736	7 780	7 780	6 318	6 900	7 278
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfer and subsidies to:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
<b>Households</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payment for capital assets</b>	<b>-</b>	<b>291</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28</b>	<b>29</b>
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	291	12	-	-	-	-	28	29
Heritage assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>9 695</b>	<b>11 480</b>	<b>10 067</b>	<b>12 720</b>	<b>12 752</b>	<b>12 752</b>	<b>12 532</b>	<b>13 234</b>	<b>13 960</b>

The budget for Governance has decreased on Goods & Service due to implementation of cost containment measures on travel for board members. Compensation of Employees indicate a positive growth rate of R1.230 million or 24.7 percent the increase will cater for new appointments to support the office of the Chief Executive Officer in implementing the board strategy.

### Service delivery measures

Programme 1 :Governance		Estimated Annual Targets		
		2019/20	2020/21	2021/22
1.1	Number of internal audit coverage plans produced	1	1	1
1.2	Number of Risk reports produced	4	4	4
1.3	Number of quarterly performance reports submitted to LEDET	4	4	4
1.4	Number of CSI projects initiated	9	11	13

## Programme 2: Finance

*Purpose of the programme:* To maintain an effective and efficient financial management system through compliance to PFMA legislation.

*Objective of the programme:* Financial and administrative support to all programmes provided.

Table 6.17(a) and 6.17(b) reflects programme payments and estimates over seven year period

**Table 6.17(a): Summary of payments and estimates by Economic Classification: Programme 2:**

R thousand	Outcome			2018/19			Medium-term estimates			
				Main Appropriation	Adjusted appropriation	Revised estimate				
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22	
<b>Sub-programme</b>										
Finance	7 583	8 335	9 567	11 009	9 365	9 365	10 204	10 775	11 367	
<b>Sub Total</b>	<b>7 583</b>	<b>8 335</b>	<b>9 567</b>	<b>11 009</b>	<b>9 365</b>	<b>9 365</b>	<b>10 204</b>	<b>10 775</b>	<b>11 367</b>	

**Table 6.17.(b) Summary of payments and estimates by Economic Classification: Programme 2 :**

R thousand	Outcome			2018/19			Medium-term estimates		
				Main Appropriation	Adjusted appropriation	Revised estimate			
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
<b>Current Payments</b>	<b>7 583</b>	<b>8 012</b>	<b>9 422</b>	<b>11 009</b>	<b>9 365</b>	<b>9 365</b>	<b>10 204</b>	<b>10 775</b>	<b>11 367</b>
Compensation of employees	5833	5876	6082	7 858	6 214	6 214	6 816	6 745	6 524
Goods and services	1750	2136	3340	3 151	3 151	3 151	3 388	4 030	4 843
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfer and subsidies to:</b>									
Provinces and municipalities	-	-	-	-	-	-	-	-	-
<b>Households</b>									
<b>Payment for capital assets</b>		<b>323</b>	<b>145</b>						
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	323	145	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>7 583</b>	<b>8 335</b>	<b>9 567</b>	<b>11 009</b>	<b>9 365</b>	<b>9 365</b>	<b>10 204</b>	<b>10 775</b>	<b>11 367</b>

The programme has capacitated the structure by the appointment of the Senior Manager after the post has been vacant for two years. Goods & Services increases due to the cost of external audit in relation to the current inflationary rates. The increase under Goods & Services will cater for trainings and refresher trainings/ courses in the 2019/20 financial year

**Service delivery measures**

Programme 2 : Finance		Estimated Annual Targets		
		2019/20	2020/21	2021/22
2.1	Number of in year monitoring reports submitted to Provincial Treasury and LEDET.	12	12	12

**Programme 3: Human Resources Management**

*Purpose of the program:* To ensure compliance to the HR processes and relevant Legislation.

*Objective of the program:* To ensure that the right people are employed.

Table 6.18 (a) and 6.(18)b indicates programme summary of payments and estimates over seven-year period

Table 6.18(a): Summary of payments and estimates by Economic Classification: Programme 3:

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
					2018/19				
<b>Sub-programme</b>									
3. Human Resource Management	3 477	3 836	4 004	4 695	4 250	4 250	4 379	4 451	4 693
<b>Sub Total</b>	<b>3 477</b>	<b>3 836</b>	<b>4 004</b>	<b>4 695</b>	<b>4 250</b>	<b>4 250</b>	<b>4 379</b>	<b>4 451</b>	<b>4 693</b>

Table 6.18(b) Summary of payments and estimates by Economic Classification: Programme 3 :

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
<b>Current Payments</b>	<b>3 477</b>	<b>3 737</b>	<b>3 947</b>	<b>4 695</b>	<b>4 250</b>	<b>4 250</b>	<b>4 379</b>	<b>4 451</b>	<b>4 693</b>
Compensation of employees	3038	3196	3034	3 871	3 343	3 343	3 404	3 680	3 882
Goods and services	439	541	913	824	907	907	975	771	811
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfer and subsidies to:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Non-profit making institutions	-	-	-	-	-	-	-	-	-
<b>Households</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payment for capital assets</b>	<b>-</b>	<b>99</b>	<b>57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	99	57	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3 477</b>	<b>3 836</b>	<b>4 004</b>	<b>4 695</b>	<b>4 250</b>	<b>4 250</b>	<b>4 379</b>	<b>4 451</b>	<b>4 693</b>

The programme has decreased from 2018/19 to 2019/20 financial year and over the MTEF. The decrease is due to the removal of non-cash item (provision for leave). The increase in goods & service is to cater for training which is centralized under this programme.

### Service delivery measures

Programme 3: Human Resource		Estimated Annual Targets		
		2019/20	2020/21	2021/22
1	Number of HR reports produced	4	4	4

### Programme 4: Information Technology

*Purpose of the program:* Monitoring of ICT network performance in the organization.

*Objective of the program:* To ensure the Board complies with the ICT framework.

Table 6.19(a) and 6.19(b) reflects programme summary of payments and estimates over seven-year period

Table 6.19(a) Summary of payments and estimates by Economic Classification: Programme 4:

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
<b>Sub-programme</b>									
Information Technology	2 297	2 162	2 711	3 683	3 922	3 922	3 862	3 124	2 757
<b>Sub Total</b>	<b>2 297</b>	<b>2 162</b>	<b>2 711</b>	<b>3 683</b>	<b>3 922</b>	<b>3 922</b>	<b>3 862</b>	<b>3 124</b>	<b>2 757</b>

Table 6.19(b) Summary of payments and estimates by Economic Classification: Programme 4 :

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
	<b>Current Payments</b>	<b>1 797</b>	<b>1 855</b>	<b>2 249</b>	<b>2 696</b>	<b>2 759</b>	<b>2 759</b>	<b>2 862</b>	<b>3 093</b>
Compensation of employees	1390	1522	1441	1 885	1 759	1 759	1 679	1 815	1 915
Goods and services	407	333	808	811	1 000	1 000	1 183	1 278	809
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfer and subsidies to:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Non-profit making institutions	-	-	-	-	-	-	-	-	-
<b>Households</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payment for capital assets</b>	<b>500</b>	<b>307</b>	<b>462</b>	<b>987</b>	<b>1 163</b>	<b>1 163</b>	<b>1 000</b>	<b>31</b>	<b>33</b>
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	500	307	462	987	1 163	1 163	1 000	31	33
Heritage assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>2 297</b>	<b>2 162</b>	<b>2 711</b>	<b>3 683</b>	<b>3 922</b>	<b>3 922</b>	<b>3 862</b>	<b>3 124</b>	<b>2 757</b>

There is a minor increase of 4.8 percent. The budget is mainly for procurement of server hence the decrease in the outer years.

Programme 4: Information Technology		Estimated Annual Targets		
		2019/20	2020/21	2021/22
1	Number of IT reports produced	12	12	12

## Programme 5: Law Enforcement

*Purpose of the programme:* To promote responsible gambling and contribute towards the upliftment of the disadvantaged communities within the province.

*Objective of the programme:* Reduced illegal gambling thought the Province.

Table 6.20(a) and 6.20(b) reflects programme summary of payments and estimates over seven-year period

Table 6.20(a) Summary of payments and estimates by Economic Classification: Programme 5:

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
	<b>Sub-programme</b>								
Law Enforcement	4 731	6 286	5 348	6 871	6 551	6 551	6 611	6 774	7 146
<b>Sub Total</b>	<b>4 731</b>	<b>6 286</b>	<b>5 348</b>	<b>6 871</b>	<b>6 551</b>	<b>6 551</b>	<b>6 611</b>	<b>6 774</b>	<b>7 146</b>

Table 6.20(b) Summary of payments and estimates by Economic Classification: Programme 5:

R thousand	Outcome			Main	Adjusted	Revised	Medium-term estimates		
	2015/16	2016/17	2017/18	Appropriation	appropriation	estimate	2019/20	2020/21	2021/22
<b>Current Payments</b>	<b>4 731</b>	<b>5 736</b>	<b>5 348</b>	<b>6 871</b>	<b>6 551</b>	<b>6 551</b>	<b>6 611</b>	<b>6 774</b>	<b>7 146</b>
Compensation of employees	4491	4739	4398	5 563	5 263	5 263	5 401	5 838	6 159
Goods and services	240	997	950	1 308	1 288	1 288	1 210	936	987
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfer and subsidies to:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Non-profit making institutions	-	-	-	-	-	-	-	-	-
<b>Households</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payment for capital assets</b>	<b>-</b>	<b>550</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	550	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>4 731</b>	<b>6 286</b>	<b>5 348</b>	<b>6 871</b>	<b>6 551</b>	<b>6 551</b>	<b>6 611</b>	<b>6 774</b>	<b>7 146</b>

The law enforcement department will be expanding as new investigator will be appointed in the 2019/20 financial year to assist in enforcing and curbing illegal gambling in the province.

The programme is allocated earmarked funds for law enforcement awareness amounting to R0.500 million.

### Service delivery measures

Programme 5 : Law Enforcement		Estimated Annual Targets		
		2019/20	2020/21	2021/22
1	Number of crime awareness campaigns conducted	140	140	140
2	Number of investigations on illegal gambling activities conducted.	360	360	380

### Programme 6: Compliance

*Purpose of the programme:* To ensure that all gambling activities conducted within the province are compliant with the legislation

*Objective of the programme:* Ensured regulated equitable and socially responsible gambling environment.

Table 6.21(a) and 6.21(b) reflects programme summary of payments and estimates over seven-year period.

Table 6.21(a) Summary of payments and estimates by Economic Classification: Programme 6:

R thousand	Outcome			Main	Adjusted	Revised	Medium-term estimates		
	2015/16	2016/17	2017/18	Appropriation	appropriation	estamate	2019/20	2020/21	2021/22
				2018/19					
<b>Sub-programme</b>									
Compliance	13 503	16 524	15 635	17 824	16 719	16 719	18 313	20 494	21 622
<b>Sub Total</b>	<b>13 503</b>	<b>16 524</b>	<b>15 635</b>	<b>17 824</b>	<b>16 719</b>	<b>16 719</b>	<b>18 313</b>	<b>20 494</b>	<b>21 622</b>

Table 6.21(b) Summary of payments and estimates by Economic Classification: Programme 6 :

R thousand	Outcome			Main	Adjusted	Revised	Medium-term estimates		
	2015/16	2016/17	2017/18	Appropriation	appropriation	estamate	2019/20	2020/21	2021/22
				2018/19					
<b>Current Payments</b>	<b>12 704</b>	<b>15 148</b>	<b>15 556</b>	<b>17 824</b>	<b>16 719</b>	<b>16 719</b>	<b>18 313</b>	<b>20 494</b>	<b>21 622</b>
Compensation of employees	11 879	12 529	11 532	14 913	13 964	13 964	14 822	16 837	17 763
Goods and services	825	2 619	4 024	2 911	2 755	2 755	3 491	3 657	3 859
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfer and subsidies to:</b>	<b>-</b>	<b>-</b>	<b>-</b>						
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Non-profit making institutions	-	-	-	-	-	-	-	-	-
<b>Households</b>	<b>-</b>	<b>-</b>	<b>-</b>						
<b>Payment for capital assets</b>	<b>799</b>	<b>1 376</b>	<b>79</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	799	1 376	79	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>13 503</b>	<b>16 524</b>	<b>15 635</b>	<b>17 824</b>	<b>16 719</b>	<b>16 719</b>	<b>18 313</b>	<b>20 494</b>	<b>21 622</b>

The programme is one of the core programme in the institution which shares 24.2 percent of the overall allocation. The positive growth rate relates to staff accommodation and travelling & Subsistence for performance of compliance audits.

Compensation of Employees increase will cater for appointment of auditors and internship programme. Included in the allocation it's a provisional allocation of **R15.8 million** for acquisition of online operations management system at **R15.0 million** and Data analysis software system at **R0.800 million**.

### Service delivery measures

Programme 6 : Compliance		Estimated Annual Targets		
		2019/20	2020/21	2021/22
1	Number of responsible gambling campaigns conducted	4	4	4
2	Number of corporate licenses issued	10	10	10
3	Number of compliance inspection reports produced	48	48	48

4	Number of compliance audit reports produced	24	24	24
5	Number of levy audits reports produced	18	18	18
6	Number of monitoring reports produced	2	2	2

## Programme 7: Supply Chain Management

*Purpose of the programme : Ensure that the procurement of goods and services to be acquired are in line with the National Supply Chain Management Framework as provided in the Procurement Plan.*

*Objective of the programme: Ensure that the processes of acquiring goods and services are in line with the Constitution of the RSA and relevant legislation and also to ensure that they are fair, equitable, competitive and cost effective.*

Table 6.22(a) and 6.22(b) reflects programme summary of payments and estimates over seven-year period

**Table 6.22(a) Summary of payments and estimates by Economic Classification: Programme 7:**

R thousand	Outcome			2018/19			Medium-term estimates			
				Main Appropriation	Adjusted appropriation	Revised estimate				
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22	
<b>Sub-programme</b>										
Supply Chain Management	14 416	15 688	17 126	18 383	18 226	18 226	19 516	20 713	21 777	
<b>Sub Total</b>	<b>14 416</b>	<b>15 688</b>	<b>17 126</b>	<b>18 383</b>	<b>18 226</b>	<b>18 226</b>	<b>19 516</b>	<b>20 713</b>	<b>21 777</b>	

**Table 6.22(b) Summary of payments and estimates by Economic Classification: Programme 7 :**

R thousand	Outcome			2018/19			Medium-term estimates		
				Main Appropriation	Adjusted appropriation	Revised estimate			
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
<b>Current Payments</b>	<b>13 916</b>	<b>14 659</b>	<b>17 094</b>	<b>18 345</b>	<b>18 058</b>	<b>18 058</b>	<b>19 519</b>	<b>20 631</b>	<b>21 766</b>
Compensation of employees	2962	2598	2879	3 631	3 397	3 397	3 364	2 882	3 041
Goods and services	10954	12061	14215	14 714	14 661	14 661	16 155	17 749	18 725
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfer and subsidies to:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Non-profit making institutions	-	-	-	-	-	-	-	-	-
<b>Households</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payment for capital assets</b>	<b>500</b>	<b>1 029</b>	<b>32</b>	<b>38</b>	<b>168</b>	<b>168</b>	<b>(3)</b>	<b>82</b>	<b>11</b>
Building and other fixed structures	500	425	32	38	168	168	(3)	82	11
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	604	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>14 416</b>	<b>15 688</b>	<b>17 126</b>	<b>18 383</b>	<b>18 226</b>	<b>18 226</b>	<b>19 516</b>	<b>20 713</b>	<b>21 777</b>

## Other Programme information

### Personnel numbers and costs

The table below indicates the cost of employees per band for the 2018/19 financial year and the budgeted cost for the 2019/20 financial year. It also indicates vacant positions that are planned to be filled.

**Table 6.23 Summary of personnel numbers and costs**

2018/19				2019/20				2020/21			
Band	Number of employees	Cost	Positions to be filled	Band	Number of employees	Cost	Position to be filled	Band	Number of employees	Cost	Position to be filled
A	4	938 735.28	Office Assistant	A	5	1 005 000.00		A	5	1 083 390.000	
B	14	5 580 848.40	PA to CEO Secretary: Legal	B	16	7 161 000.00		B	16	7 719 558.000	
C	22	12 534 995.28	Investigations officer	C	23	15 900 000.00	Compliance: Audit Compliance: Licensing Compliance: Gaming Control (Insp)	C	26	17 140 200.000	Finance Administrator HR Officer
D	7	6 290 221.20		D	7	7 514 000.00	Manager: Law Enforcement	D	8	8 100 092.000	
E	4	5 233 183.44	Company Secretary	E	5	6 390 000.00	Senior Manager: Corporate Services	E	6	6 888 420.000	
F	2	3 809 765.28		F	2	3 731 000.00		F	2	4 022 018.000	
Interns	10	639 960.00		Interns	10	675 158.00		Interns	10	727 820.324	

The Board's organizational structure has been approved with 13 new positions that have been determined crucial to the functioning of the Board in order to provide service delivery. In 2019/20 the headcount will increase by 5 and by 2 in 2020/21. The Board is currently evaluating salary scales in order to determine minimum and maximum notch to be implemented in the 2019/20 financial year.

### Training numbers and costs

Table 6.24 below indicates the number of employees trained for the year under review as at 31 December 2018.

**Table 6.24 Number of employees trained**

Business Unit	Training expenditure	Number of employees trained	Average training cost per employee
CEO and Board	-	0	-
Finance	-	0	-
Law enforcement	21 600.00	8	2 700.00
Supply Chain	-	0	-
Human resource	-	0	-
Compliance	30 075.00	3	10 025.00
IT	-	0	-
<b>Total</b>	<b>51 675.00</b>	<b>11</b>	<b>12 725.00</b>

The Board incurs training costs as a measure of equipping and enabling its employees to have high performance culture and provide service delivery that is above standard.

# Limpopo Tourism Agency

---

*To be appropriated by Vote in 2019/20*

*R 99 216 000*

*Responsible MEC*

*MEC of Economic Development, Environment and Tourism*

*Administrating Department*

*Department of Economic Development, Environment and Tourism*

*Accounting officer*

*Chief Executive Officer Limpopo Tourism Agency*

---

## Overview

### Vision

To position Limpopo as a leading tourism destination in Southern Africa.

### Mission

To promote and offer a sustainable and diverse tourism experience through strategic marketing (destination marketing) and support and facilitate tourism development programmes, collaborations with stakeholders and sector transformation

### Main services

Limpopo Tourism Agency is, amongst others, mandated to implement destination tourism promotion with strong emphasis on domestic and Regional (SADC) marketing. Aiming to increase tourist visits to Limpopo, the Agency will also embark on providing marketing support to tourism entrepreneurs to access tourism markets. In doing so, the transformation agenda within the tourism industry is supported and the impact on the provincial economic development and growth plan is increased.

The main aim of promoting tourism by the entity is to contribute to the economic growth of the Province through marketing Limpopo as a leading tourism destination in Southern Africa. This will be done through promoting leisure business travel, hosting business and events and facilitate the provision of quality service standards to both international and domestic tourism visitors.

## **Legislative and other mandates:**

The Limpopo Tourism Act 2/2009 is currently undergoing review with the advent of Limpopo Tourism Bill. The Bill is currently before the Legislature for consideration.

The following Acts are relevant at provincial level:

- Limpopo Tourism Act 2/2009 (Draft Tourism Bill)
- Section 2 provides for the development, management and promotion of Tourism in the Province as well as establishment of the Tourism Agency to assist in achieving the objectives of the Act.
- Public Finance Management Act 1/1999 (as amended)
- Companies Act 71/2008
- The white paper on Development and Promotion of Tourism in South Africa, 1996
- Tourism Act 3/2014
- Constitutional Act 108/1996.

## **Review of the current financial year (2018/2019)**

- The entity has an approved organizational structure to be implemented in 2019/20 financial year.
- The Entity has started with the process of migrating from Patterson to Evaluate system in line with DPSA job evaluation system.
- The entity participated in Tour deLimpopo cycling which is run by cycling SA during May 2018/19 in Mopani District.
- The entity collaborated with Department of Sport Art and Culture to market Mapungubwe Art Festival.
- **The entity partnered with the following institutions with the intention to market domestic arrivals and expose Limpopo tourism attraction:**
  - ✓ SA Run for Cancer
  - ✓ Praise and Worship in Sekhukhune
  - ✓ Limpopo Holiday SAIR
  - ✓ Phalaphala Royal Festival
  - ✓ Cycling SA
  - ✓ Kudu Golf
  - ✓ Three Limpopo Soccer clubs in Premier Soccer League
  - ✓ Endaweni Media

## Outlook for the coming financial year (2019/20)

- The entity will continue partnership with the following institutions for the purpose of marketing domestic arrivals and exposing Limpopo tourism attraction.
  - SA Run for Cancer
  - Praise and Worship in Sekhukhune
  - Limpopo Holiday SAIR
  - Phalaphala Royal Festival
  - Cycling SA
  - Kudu Golf
  - Three Limpopo Soccer clubs in Premier Soccer League
  - Endaweni Media
  - Partnership with Sport Art and Culture for Mapungubwe Arts Festival.
- The Entity will continue to collaborate with Limpopo Economic Development, Environment and Tourism to fund Marula Festival in 2019/20 financial year.
- The Entity will host Inter-denomination Bodies in Waterberg District in 2019/20 financial year.
- The Entity is funding Lilizela competition awards for best performer in tourism attraction such as accommodation, the winner represent the Province at National Level.
- Tourism entrepreneurs in the Province across all Districts are supported with market access, exhibition, workshop and expo in Botswana in 2019/20 financial year.

## Receipts and Financing

Table 6.25(a) below provide the sources of funding for the public entity over the seven-year period.

Table 6.25(a) Summary of receipts: Limpopo Tourism Agency

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Government grant & subsidies	156 424	89 262	103 125	109 209	102 309	93 919	99 216	104 673	110 325
<b>Total</b>	<b>156 424</b>	<b>89 262</b>	<b>103 125</b>	<b>109 209</b>	<b>102 309</b>	<b>93 919</b>	<b>99 216</b>	<b>104 673</b>	<b>110 325</b>

The entity is funded through equitable shares as grant transfers from Limpopo Economic Development, Environment and Tourism. The allocation for 2019/20 decreases by R 16.0 million after the acquisition of the office building by Department of Public Works Roads & Infrastructure.

Table 6.25(b) reflects the actual and budgeted receipts collection over seven-year period

Limpopo Tourism Agency

TABLE 6.25(b) Summary of actual and budgeted own source receipts:Limpopo Tourism Agency

R'000	Audited outcome			Main Appropriation	Adjusted Appropriation	Revised Estimates	BUDGET	BUDGET	BUDGET
	2015/16	2016/17	2017/18				Medium-term estimates		
							2018/19	2018/19	2018/19
Tax receipts	-	-	-	-	-	-	-	-	-
Sales of goods and services other than capital assets	9 510	156	40	-	-	-	-	-	-
Sales of goods and services produced by department (excl. capital asset)	9 510	156	40	-	-	-	-	-	-
Sales by market establishments						-			
Administrative fees						-			
Other sales	9 510	156	40	-	-	-	-	-	-
Transfers received from:									
Fines, penalties and forfeits						-			
Interest, dividends and rent on land	1 152	958	537	795	795	795	841	887	936
Interest	1 152	958	537	795	795	795	841	887	936
Dividends						-			
Rent on land						-			
Sales of capital assets	-	-	-	-	-	-	-	-	-
Other capital assets				-	-	-	-	-	-
Financial transactions in assets and liabilities									
<b>Total departmental own source receipts</b>	<b>10 662</b>	<b>1 114</b>	<b>577</b>	<b>795</b>	<b>795</b>	<b>795</b>	<b>841</b>	<b>887</b>	<b>936</b>

Own revenue is mainly generated from interest received from the bank and occasional sales of tender documents. The entity has taken into consideration the consumer price index and as such, the budget has been escalated by 5.4 percent in 2019/20 and 5.5 percent over the MTEF.

## Payment summary

### Key assumptions

The major key assumptions used in the compilation of the budget estimates for the Entity are as follows:

- Consumer Price Index (CPI) is 5.6 percent in 2019/20, 5.6 percent in 2020/21 and 5.4 percent in 2021/22
- Compensation of Employees (CoE) – the entity considered new positions created as per the new organizational structure and identified prioritized vacant positions to be filled. Performance bonus and pay progression of between 1 to 2 percent of the wage bill was considered for 2019/20, 2020/21, and 2021/22 financial years.
- Goods and Services increases are based on the revised CPI guidelines over the MTEF as well as an increase in recurring contracts.

## Programme summary.

Table 6.26(a) below provide summary of payments and estimates per programme over the seven-year period.

Table 6.26(a) :Summary of payments and estimates: Limpopo Tourism Agency

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Office of CEO	9 020	9 400	12 046	12 513	11 087	12 075	13 239	13 967	14 735
2. Corporate Services	7 158	6 178	10 826	15 998	15 582	13 683	16 925	17 856	18 839
3. Financial Management	40 248	27 459	25 497	30 369	25 701	20 001	15 804	16 673	17 484
4. Integrated Destination Marketing	11 664	36 361	47 490	50 329	49 939	44 180	53 248	56 177	59 267
5. Limpopo Wildlife Resorts	97 660	-	-	-	-	-	-	-	-
<b>baseline available for spending</b>	<b>165 750</b>	<b>79 398</b>	<b>95 859</b>	<b>109 209</b>	<b>102 309</b>	<b>89 939</b>	<b>99 216</b>	<b>104 673</b>	<b>110 325</b>

The entity has experienced a decrease of R9.993 million or 9.1 percent in 2019/20 allocation and over MTEF due to lapsing of finance lease for office building. The building was purchased by Department of Public Works Roads & Infrastructure as the custodian of immovable properties in the province.

## Summary of economic classification

Table 6.26(b) below provides a summary of payments and estimates per economic classification over the seven the year period

Table 6.26(b) :Summary of payments and estimates by Economic Classification: Limpopo Tourism Agency

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
<b>Economic Classification</b>									
<b>Current Payments</b>	<b>165 426</b>	<b>79 178</b>	<b>95 149</b>	<b>107 414</b>	<b>95 624</b>	<b>88 208</b>	<b>98 263</b>	<b>103 812</b>	<b>109 378</b>
Compensation of employees	29 101	26 913	28 405	39 934	33 034	32 943	42 250	44 648	47 076
Goods and services	125 315	38 791	51 944	67 480	62 590	55 265	56 013	59 164	62 302
Interest and rent on land	11 010	13 474	14 800	-	-	-	-	-	-
<b>Transfer and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
<b>Payment for capital assets</b>	<b>324</b>	<b>220</b>	<b>710</b>	<b>1 795</b>	<b>6 685</b>	<b>1 731</b>	<b>953</b>	<b>861</b>	<b>947</b>
Building and other fixed structures	-	-	-	-	4 500	-	-	-	-
Machinery and equipment	324	220	710	1 795	2 185	1 731	953	861	947
Heritage assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>165 750</b>	<b>79 398</b>	<b>95 859</b>	<b>109 209</b>	<b>102 309</b>	<b>89 939</b>	<b>99 216</b>	<b>104 673</b>	<b>110 325</b>

**Compensation of Employment** grows by 7.9 percent in the 2019/20 financial year from the 2018/19 financial year allocation as a result of new prioritized positions to be filled as per the approved organizational structure.

**Goods and Services**, included in the allocation is ring-fenced grant for Integrated Destination marketing.

**Interest of land**, the item decreases to zero from 2019/20 and over the MTEF. The item was used for payment of lease payment. The office building was acquired through Department of Public Works Roads and Infrastructure.

**Payments of capital assets** – The item was allocated once off grant during budget adjustment for refurbishment of Visitors Information Centers (VIC) in Mopani and Vhembe district. Included in the machinery & Equipment is the acquisition of vehicle for corporate services.

## Programme Description

### Programme 1: Office of Chief Executive Officer (CEO)

**Programme purpose:** *To ensure the effective and efficient management of the entity to achieve its mandate*

#### Programme objectives

- To ensure the effective and efficient management of the entity to achieve its mandate

Table below provides a summary of payments and estimates per sub-programme and economic classification.

Table 6.27(a) :Summary of payments and estimates by Economic Classification: Programme 1 - Office of the CEO

	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
R thousand									
<b>Sub-programme</b>									
Office of CEO	9 020	9 400	12 046	12 513	11 087	12 075	13 239	13 967	14 735
<b>Sub Total</b>	<b>9 020</b>	<b>9 400</b>	<b>12 046</b>	<b>12 513</b>	<b>11 087</b>	<b>12 075</b>	<b>13 239</b>	<b>13 967</b>	<b>14 735</b>

Table 6.27(b) :Summary of payments and estimates by Economic Classification: Programme 1 : Office of the CEO

R thousand	Outcome			Main	Adjusted	Revised	Medium-term estimates		
	2015/16	2016/17	2017/18	Appropriation	appropriation	estimate	2019/20	2020/21	2021/22
					2018/19				
<b>Current Payments</b>	<b>8 939</b>	<b>9 367</b>	<b>11 900</b>	<b>12 463</b>	<b>11 037</b>	<b>12 025</b>	<b>13 186</b>	<b>13 911</b>	<b>14 676</b>
Compensation of employees	5697	5754	6135	6 480	7 524	7 596	6 856	7 254	7 626
Goods and services	3 242	3613	5 765	5 983	3 513	4 429	6 330	6 657	7 050
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfer and subsidies to:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Non-profit making institutions	-	-	-	-	-	-	-	-	-
<b>Households</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payment for capital assets</b>	<b>81</b>	<b>33</b>	<b>146</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>53</b>	<b>56</b>	<b>59</b>
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	81	33	146	50	50	50	53	56	59
Heritage assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>9 020</b>	<b>9 400</b>	<b>12 046</b>	<b>12 513</b>	<b>11 087</b>	<b>12 075</b>	<b>13 239</b>	<b>13 967</b>	<b>14 735</b>

The programme allocation has increased from R 12,055 million in 2018/19 to R 13, 239 million in 2019/20 financial year. The increase resulted from consultant & professional fees and travelling and subsistence allowance.

## Programme 2: Corporate Services

**Programme purpose:** To provide effective and efficient corporate support services in the Limpopo Tourism Agency.

Table 6.28 (a) and 6.28(b) below provide a summary of payments and estimates per sub-programme and economic classification over the seven the year period.

Table 6.28(a) :Summary of payments and estimates by Economic Classification: Programme 2: Corporate Services

R thousand	Outcome			Main	Adjusted	Revised	Medium-term estimates		
	2015/16	2016/17	2017/18	Appropriation	appropriation	estimate	2019/20	2020/21	2021/22
					2018/19				
<b>Sub-programme</b>									
Corporate Services	7 158	6 178	10 826	15 998	15 582	13 683	16 925	17 856	18 839
<b>Sub Total</b>	<b>7 158</b>	<b>6 178</b>	<b>10 826</b>	<b>15 998</b>	<b>15 582</b>	<b>13 683</b>	<b>16 925</b>	<b>17 856</b>	<b>18 839</b>

Table 6.28(b) :Summary of payments and estimates by Economic Classification: Programme 2 : Corporate Services

R thousand	Outcome			Main	Adjusted	Revised	Medium-term estimates		
	2015/16	2016/17	2017/18	Appropriation	appropriation	estimate	2019/20	2020/21	2021/22
					2018/19				
<b>Current Payments</b>	<b>7 148</b>	<b>6 154</b>	<b>10 524</b>	<b>14 998</b>	<b>14 332</b>	<b>12 735</b>	<b>16 175</b>	<b>17 206</b>	<b>18 153</b>
Compensation of employees	6613	5864	5941	8 632	7 966	7 218	9 132	9 662	10 193
Goods and services	535	290	4583	6 366	6 366	5 517	7 043	7 544	7 960
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfer and subsidies to:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Non-profit making institutions	-	-	-	-	-	-	-	-	-
<b>Households</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payment for capital assets</b>	<b>10</b>	<b>24</b>	<b>302</b>	<b>1 000</b>	<b>1 250</b>	<b>948</b>	<b>750</b>	<b>650</b>	<b>686</b>
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	10	24	302	1 000	1 250	948	750	650	686
Heritage assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>7 158</b>	<b>6 178</b>	<b>10 826</b>	<b>15 998</b>	<b>15 582</b>	<b>13 683</b>	<b>16 925</b>	<b>17 856</b>	<b>18 839</b>

Compensation of employee increases by 16.3 percent. The allocation will cater for new posts as per the approved structure.

### Programme 3: Financial Management

**Programme purpose:** To ensure sound financial management and accountability in Limpopo Tourism Agency

Table below provides a summary of payments and estimates per programme and economic classification over the seven-year period.

Table 6.29(a) :Summary of payments and estimates by Economic Classification: Programme 3: Financial Management

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
<b>Sub-programme</b>									
Financial Management	40 248	27 459	25 497	30 369	25 701	20 001	15 804	16 673	17 484
<b>Sub Total</b>	<b>40 248</b>	<b>27 459</b>	<b>25 497</b>	<b>30 369</b>	<b>25 701</b>	<b>20 001</b>	<b>15 804</b>	<b>16 673</b>	<b>17 484</b>

Table 6.29(b) :Summary of payments and estimates by Economic Classification: Programme 3 : Financial Management

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
<b>Current Payments</b>	<b>40 129</b>	<b>27 357</b>	<b>25 350</b>	<b>30 269</b>	<b>21 011</b>	<b>19 926</b>	<b>15 754</b>	<b>16 623</b>	<b>17 430</b>
Compensation of employees	7282	5289	5614	7 852	5 964	5 891	8 307	8 789	9 272
Goods and services	21837	8594	4936	22 417	15 047	14 035	7 447	7 834	8 158
Interest and rent on land	11010	13474	14800				-		-
<b>Transfer and subsidies to:</b>									
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
<b>Payment for capital assets</b>	<b>119</b>	<b>102</b>	<b>147</b>	<b>100</b>	<b>4 690</b>	<b>75</b>	<b>50</b>	<b>50</b>	<b>54</b>
Building and other fixed structures	-	-	-	-	4 500		-	-	-
Machinery and equipment	119	102	147	100	190	75	50	50	54
Heritage assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Payments for financial assets									
<b>Total</b>	<b>40 248</b>	<b>27 459</b>	<b>25 497</b>	<b>30 369</b>	<b>25 701</b>	<b>20 001</b>	<b>15 804</b>	<b>16 673</b>	<b>17 484</b>

### Programme 4: Integrated Destination Marketing

**Programme purpose:** The purpose of this programme is to market Limpopo as a leading tourism destination to domestic, regional and international markets

#### Programme Objectives

- To build destination brand equity
- To increase tourist arrivals through domestic, regional and international marketing initiatives.

- To support tourism SMMEs to gain market access to contribute to jobs creation
- To provide strategic market intelligence
- To ensure effective tourism information dissemination.

Table 6.30(a) and 6.30(b) below provide a summary of payments and estimates per sub-programme and economic classification over the seven the year period.

Table 6.30(a): Summary of payments and estimates by Economic Classification: Programme 4: Integrated Destination Marketing

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
<b>Sub-programme</b>									
Integrated Destination Marketing	11 664	36 361	47 490	50 329	49 939	44 180	53 248	56 177	59 267
<b>Sub Total</b>	<b>11 664</b>	<b>36 361</b>	<b>47 490</b>	<b>50 329</b>	<b>49 939</b>	<b>44 180</b>	<b>53 248</b>	<b>56 177</b>	<b>59 267</b>

Table 6.30(b): Summary of payments and estimates by Economic Classification: Programme 4 : Integrated Destination Marketing

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
<b>Current Payments</b>	<b>11 550</b>	<b>36 300</b>	<b>47 375</b>	<b>49 684</b>	<b>49 244</b>	<b>43 522</b>	<b>53 148</b>	<b>56 072</b>	<b>59 119</b>
Compensation of employees	9509	10006	10715	16 970	11 580	12 238	17 955	18 943	19 985
Goods and services	2041	26294	36660	32 714	37 664	31 284	35 193	37 129	39 134
Interest and rent on land							-		-
<b>Transfer and subsidies to:</b>									
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
<b>Households</b>									
<b>Payment for capital assets</b>	<b>114</b>	<b>61</b>	<b>115</b>	<b>645</b>	<b>695</b>	<b>658</b>	<b>100</b>	<b>105</b>	<b>148</b>
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	114	61	115	645	695	658	100	105	148
Heritage assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>									
<b>Total</b>	<b>11 664</b>	<b>36 361</b>	<b>47 490</b>	<b>50 329</b>	<b>49 939</b>	<b>44 180</b>	<b>53 248</b>	<b>56 177</b>	<b>59 267</b>

## Programme 5: Limpopo Wild Life Resorts

Table 6.31(a): Summary of payments and estimates by Economic Classification: Programme 5: Limpopo Wild Life Resorts

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
<b>Sub-programme</b>									
LWR	97 660	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>97 660</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Table 6.31(b): Summary of payments and estimates by Economic Classification: Programme 5:Limpopo Wild Life Resorts

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
<b>Current Payments</b>	<b>97 660</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Compensation of employees									
Goods and services	97660								
Interest and rent on land									
<b>Transfer and subsidies to:</b>									
Provinces and municipalities	-	-	-	-	-	-	-	-	-
<b>Households</b>									
<b>Payment for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>									
<b>Total</b>	<b>97 660</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The function for Limpopo Wild Life Resorts has been transferred to the Limpopo Economic Development, Environment and Tourism

## Other Programme information

### Personnel numbers and costs

Table 6.32 below provide a summary of personnel estimates by programme and cost

#### Limpopo Tourism Agency

Table 6.32 provide detail of approved establishment and personnel numbers per programme

	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
	Audited outcome		Actual outcome	Main budget (Approved)	Adjusted budget (Approved)	Revised estimate	Medium-term estimates		
<b>Headcount</b>									
<b>Board Members</b>									
Personnel cost (R thousand)	1 725	1 702	1 832	1 158	959	959	1 219	1 286	1 357
Personnel numbers (head count)	11	10	12	12	12	3	3	3	3
Unit cost	157	170	153	97	80	320	406	429	452
<b>Executive Management</b>									
Personnel cost (R thousand)	2 126	2 879	2 349	3 427	3 090	3 090	3 260	3 439	3 628
<i>of which</i>									
Chief Financial Officer remuneration (R thousand)	1 251	1 338	1 432	1 696	1 373	1 373	1 428	1 507	1 589
Chief Executive officer remuneration (R thousand)	875	1 541	917	1 731	1 717	1 717	1 832	1 933	2 039
Personnel numbers (head count)	2	2	2	2	2	2	2	2	2
Unit cost	1 063	1 440	1 175	1 714	1 545	1 545	1 630	1 720	1 814
<b>Senior Management</b>									
Personnel cost (R thousand)	5 057	3 645	3 889	4 363	4 390	4 390	4 565	4 816	5 081
Personnel numbers (head count)	4	3	3	3	3	2	3	3	3
Unit cost	1 264	1 215	1 296	1 454	1 463	2 195	1 522	1 605	1 694
<b>Middle Management</b>									
Personnel cost (R thousand)	18 029	12 560	12 708	18 433	13 629	13 629	20 632	21 767	22 964
Personnel numbers (head count)	21	13	13	18	14	14	20	20	20
Unit cost	859	966	978	1 024	974	974	1 032	1 088	1 148
<b>Professionals</b>									
Personnel cost (R thousand)	8 859	6 840	7 004	9 635	7 636	7 636	9 382	9 898	10 442
Personnel numbers (head count)	27	18	18	20	17	17	22	22	22
Unit cost	328	380	389	482	449	449	426	450	475
<b>Semi-skilled</b>									
Personnel cost (R thousand)	15 378	1 750	2 053	2 192	2 437	2 437	2 411	2 544	2 684
Personnel numbers (head count)	98	10	10	10	11	11	11	11	11
Unit cost	157	175	205	219	222	222	219	231	244
<b>Very low skilled</b>									
Personnel cost (R thousand)	3 787	1 024	1 021	1 104	1 072	1 072	1 270	1 340	1 414
Personnel numbers (head count)	41	7	7	7	7	7	8	8	8
Unit cost	92	146	146	158	153	153	159	167	177
<b>Total for entity</b>									
Personnel cost (R thousand)	<b>54 961</b>	<b>30 400</b>	<b>30 856</b>	<b>40 312</b>	<b>33 213</b>	<b>33 213</b>	<b>42 739</b>	<b>45 090</b>	<b>47 570</b>
Personnel numbers (head count)	204	63	65	72	66	56	69	69	69
Unit cost	<b>269</b>	<b>483</b>	<b>475</b>	<b>560</b>	<b>503</b>	<b>593</b>	<b>619</b>	<b>653</b>	<b>689</b>

# Limpopo Economic Development Agency

---

*To be appropriated by Vote in 2019/20*

*R 2 006 180*

*Responsible MEC*

*MEC of Economic Development, Environment and Tourism*

*Administering public entity*

*Limpopo Development Agency*

*Accounting Authority*

*Board of directors*

---

## Overview

### Vision

*A leader in sustainable innovative economic growth and development.*

### Mission

To accelerate economic growth, development and job creation in Limpopo, through industrialization, Promotion and facilitation of trade, investment & finance, Creation and support of sustainable enterprises and Continued innovation

### Main Services

- To ensure accelerated industrialization through refurbish and maintain existing parks;
- Increased access to manufacturing incentives, develop agro-processing strategy and implementation plan;
- Expedite rollout and implementation, refurbish of (Special Economic Zones) SEZ and manufacture buses, and increase the black industrialist programme uptake;
- Ensure implementation of innovation, science and Technology Park and rollout of broadband network telecommunication;
- Target skills development for the economy;
- To ensure enhanced access to innovative products and services;
- Increase sustainability enterprise in the targeted sector of the economy;
- Increased trade & investment in strategic sector; and
- Ensure sound corporate governance and high performance organization.

### **Legislative mandate**

- Limpopo Economic Development Agency Act No.5 of 2016
- Limpopo Development Corporations Act, Act no 5 of 1994
- National Development Plan (NDP)
- Limpopo Development Plan (LDP)
- Constitution of the Republic of SA
- Broad –Based Economic Empowerment Act, 53 of 2003
- Labour Relations Act, 66 of 1995
- Compensations Act, 89 of 1998
- Control of access to Public Premises and Vehicle Act , 53 of 1985
- Criminal Procedure Act, 51 of 1977
- Compensation for Occupational Injuries and Diseases Act 130 of 1993
- Criminal Procedure Act, 51 of 1997
- Copyright Act, 98 of 1978
- Employment Equity Act, 55 of 1998
- Environmental Conservation Act 73 of 1989
- Financial Markets Act, 19 of 1012
- Firearms Control Act, 60 of 2000
- Hazardous Substance Act, 15 of 1973
- National Road Traffic Act, 93 of 1996
- National Water Act, 36 of 1998
- Occupational Health and Safety Act, 85 of 1993
- Prevention and Combating of Corrupt Activities Act, 12 of 2004
- Prescription Act, 68 of 1969
- Promotion of Access to Information Act, 2 of 2000
- Promotion of Administrative Justice Act, 3 of 2000
- Promotion of Equality and Prevention of Unfair Discrimination Act, 4 of 2000
- Protected Disclosures Act, 26 of 2000
- Pension Fund Act, 24 of 1956
- Public Finance Management Act, 1 of 1999
- Protection of Personal Information Act, 4 of 2013
- Skills Development Act, 97 of 1998
- Skills Development Levies Act, 9 of 1999
- Unemployment Insurance Contributions Act, 4 of 2002
- Use of Official Languages Act, 12 of 2012
- Municipal By-laws

- Treasury Regulations, March 2005
- National Qualifications Framework Act, 67 Of 2008
- Special Economic Zones (SEZs) Act No. 16 of 2014

## **Review of the current financial year (2018/19)**

**Broadband through Limpopo Connexion-** During the current financial year, the entity managed to rollout the following:

- The Future State Architecture for the rollout of broadband in Limpopo has been finalized. The associated high and low level designs for the broadband network have also been finalized.
- As part of the broadband marketing initiative, an agreement was reached with Polokwane Municipality that free Wi-Fi would be deployed within the municipality as a “proof of concept” while the rollout of fibre is in process. Wi-Fi Hotspots are available at Library Gardens and Polokwane Civic Centre as from 31 August 2018.
- The Network Operating Control Centre (NOCC) and Call Centre, which are the operations and management facilities of the network, are being constructed and are expected to be completed by end February 2019.
- The fibre rollout has commenced in Polokwane City with the initial 32 LEDA sites expected to be completed by end March 2019. Moreover, 22 sites connected and functional in partnership with USAASA and SA Connect in Vhembe district.

**New Era insurance-**The entity has invested in New Era investment which shows potential to increase own revenue and contribute to the financial sustainability of the entity.

**Special Economic Zone (SEZ)-**The board for SEZ has been appointed in the current financial year, the board will assist to speed up the process for implementation of the industrialisation and agricultural revitalization through investment pipeline propelled by two SEZs (Tubatse and Musina-Makhado).

This investment is projected to contribute a further 10 percent to the GDP of Limpopo and will have a multiplier effect on job creation, skills development, growth in infrastructure stock, etc. The structure of the Limpopo economy will change and will increase its regional domestic product (to national) from the historical 7 percent with estimated direct job creation of 88 000.

Work in progress till the end of the financial year:

- Environmental Impact Assessment

- External Master Plan
- Water Availability
- Various Due Diligence Activities
- Internal Master Plan

**Agri-business** - The division of potato processing in Capricorn district and Molemole municipality has been implemented.

### **Mining**

Mining opportunities could not be realized due to lack of funding, Processes are underway from multiple fronts, but are yet to reach fruition points. Some efforts are contingent on the feasibility study (at Tshepong mine) which is yet to be completed.

**Limpopo Film Commission-** The LEDA board has approved business plan for the establishment of a Film Commission in Limpopo which has been completed. The Steering Committee for the establishment of the commission has also been established comprising: LEDA, National Film and Video Foundation, National Department of Arts and Culture, Department of Trade and Industry Industry-Film Incentive, Provincial Arts and Culture and Department of Economic Development, Environment and Tourism. The board has secured partnerships with the University of Limpopo and the National Film and Video Foundation.

**Enterprise Development Finance-** The establishment of training and development institute which offers business and technical skills training programs. Offers business developmental support services (non-financial services), to facilitate the establishment of Business Incubation hubs within each district depending on the competitive advantage of each district: Automotive Hub, Manufacturing Hub, Green Economy Waste Management hub, Agricultural Hubs, Construction Hubs and Tourism Hubs.

Centers has exceeded the target by 203 learners due to high demand.

The target exceeded by 39 due to higher than expected demand for LEDA skills training programs

Partnerships could not be signed due to lack of accreditation

**Great North Transport** – The subsidiary is still operating under a difficult financial position since 2018/19 financial year. The company continues to receive financial bail-out to address the critical

short term working capital requirements. The company is operating with old fleet which puts the lives of the community at risk.

The company projects to maintain & repair 120 buses and disposal those that cannot be repaired, this is anticipated to increase the passenger rate to 30 million.

### **One Stop Investment Centre**

The establishment of the call for proposals to retrofit the one stop investment was not concluded due to delay by DTI delays.

## **Outlook for the coming financial year (2019/20)**

**Restructuring and Redesign of the institution** - The organizational structure of the entity has been approved by the board and the entity received concurrence from LEDET. The structure will be implemented during 2019/20 financial year.

**Broadband project** is implemented in phases, during the 2019/20 financial year, the entity will connect Polokwane Municipality, Greater Tzaneen Local Municipality and Greater Letaba Municipality.

**Industrialization** - The entity will continue with implementation of SEZ in the 2019/20 financial year, focus will be on the capital project for Infrastructure development phase 1(fencing, fire break and fire control).

**Agri-Business** - Memorandum of Agreement for Limpopo agro-processing strategy will be entered into for chicken Abattoir and Masalal Citrus Pack house.

**Development of Local Economic Development (LED) Strategy**- LEDA built capacity in the development of LED's strategies. The following Municipalities have been identified for assistance in development of LED programmes: Musina, Makhado, Tzaneen, Mogalakwena, Tubatse Fetakgomo, Greater Sekhukhune, Lephalale and Modimolle.

LEDA will assist the municipalities in the review of LED strategies, implementation of LED plans, training of LED officials, mobilizing resources for the implementation of LED plans etc.

Roll out of the programme will commence in March 2019 for implementation in 2019/20 financial year.

### **The Limpopo Science and Technology Park**

The entity has obtained Municipal Council Resolution Number CR/108/02/18 for land lease to the area size of 242ha. The Environmental Impact Assessment(EIA) has being conducted and the entity will continue with the master plan. A total grant of R1.0 million as part of co-funding from DST for the planning of the Science and Technology Park.

**Limpopo Film Commission-** The entity will continue supporting the Limpopo Film Commission in the 2019/20 financial year and five films in Limpopo at different stages of development will be supported.

### **Reprioritization**

Reprioritization has been done from Enterprise Development Finance to key projects such as Agribusiness, Land and Properties and Great North Transport that will contribute to revenue growth. LEDA will focus more on projects that will contribute to self-sustainability, self-reliant and impact.

### **Procurement**

The agency as the is the implementing body has human resource capacity and technical capacity to implement some of the projects. Some of the major projects are contracted, like for networking of broadband projects, fencing & bush clearing at Musina Makhado SEZ and development of Master plans

### **Receipts and Financing**

## Summary of receipts

Table 6.33 (a) provides summary of receipts over seven-year period

Table 6.33(a) Summary of receipts: Limpopo Economic Development Agency

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
Government grant & subsidies	261 329	355 616	628 697	565 876	543 067	543 067	582 424	606 426	639 173
Receipts	1 229 344	1 134 576	1 096 902	1 581 292	1 614 192	1 614 192	1 423 756	1 511 787	1 595 541
<b>Total</b>	<b>1 490 673</b>	<b>1 490 192</b>	<b>1 725 599</b>	<b>2 147 168</b>	<b>2 157 259</b>	<b>2 157 259</b>	<b>2 006 180</b>	<b>2 118 213</b>	<b>2 234 714</b>

Source of funding for the entity is through departmental grant received from LEDET and its own revenue. The total grant from 2018/19 to 2019/20 increases by 2.9 percent, 4.1 percent and 5.4 percent for 2020/21 and 2021/22 financial years respectively. Included in the grant is earmarked funds for SEZ and Limpopo broadband. The revenue targets indicate a negative growth of 9.9 percent and positive growth rate of 6.1 percent and 5.5 percent over the MTEF.

Table 6.33(b) below provides summary of the entity receipts per main category over the MTEF period.

Table 6.33(b) Summary of actual and budgeted own source receipts : Limpopo Economic Development Agency

R'000	Audited outcome			Main Appropriation	Adjusted Appropriation	Revised Estimates	BUDGET	BUDGET	BUDGET
	2015/16	2016/17	2017/18				2018/19	2018/19	2018/19
<b>Tax receipts</b>	-	-	-	-	-	-	-	-	-
<b>Sales of goods and services other than capital assets</b>	<b>740 739</b>	<b>957 191</b>	<b>1 207 387</b>	<b>797 034</b>	<b>807 909</b>	<b>807 909</b>	<b>758 852</b>	<b>800 589</b>	<b>844 621</b>
Sales of goods and services produced by department (excl. capital asset)	740 739	957 191	1 207 387	797 034	807 909	807 909	758 852	800 589	844 621
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	740 739	957 191	1 207 387	797 034	807 909	807 909	758 852	800 589	844 621
Of which									
operating revenue	609 234	899 283	806 029	742 247	752 375	752 375	718 922	758 462	800 178
Income/loss from equity investments	46 513	4 153	37 223	3 656	3 706	3 706	3 902	4 117	4 343
Agro sales	18 736	15 494	21 201	38 999	39 531	39 531	19 156	20 210	21 321
<b>Transfers received from:</b>									
<b>Fines, penalties and forfeits</b>									
<b>Interest, dividends and rent on land</b>	<b>148 481</b>	<b>142 582</b>	<b>108 772</b>	<b>148 332</b>	<b>149 514</b>	<b>149 514</b>	<b>226 347</b>	<b>238 797</b>	<b>251 930</b>
Interest	47 497	58 746	16 248	53 636	54 063	54 063	100 534	106 064	111 897
Dividends	1 129	2 126	4 576	6 396	6 447	6 447	8 177	8 627	9 101
Rent on land	99 855	81 710	87 948	88 300	89 004	89 004	117 636	124 106	130 932
<b>Sales of capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Land and subsoil assets	-	-	-	-	-	-	-	-	-
<b>Financial transactions in assets and liabilities</b>									
<b>Total departmental own source receipts</b>	<b>889 220</b>	<b>1 099 773</b>	<b>1 316 159</b>	<b>945 366</b>	<b>957 423</b>	<b>957 423</b>	<b>985 199</b>	<b>1 039 386</b>	<b>1 096 551</b>

Total receipts show an increase over the years. Own revenue is mainly generated from factory rentals, bus tickets, agri sales, business and housing loans. The entity has taken into

consideration the consumer price index and as such, the budget has been escalated by 5.6 percent in 2019/20 and 5.4 percent in 2020/21), and 5.4 percent 2021/22.

## Payment summary

### Key assumptions

The major key assumptions used in the compilation of the budget estimates for the entity are as follows:

- Consumer Price Index (CPI) is 5.6 percent in 2020/21, 5.4 percent in 2021/22 and 5.4 percent in 2020/21
- Compensation of Employees (CoE) – The agency considered the improvement of condition of services of CPI plus 1.0 percent for, 2019/20, and 2020/21,2021/22 financial years as well as filling of vacant positions.
- Goods and Services increases are based on the revised CPI guidelines over the MTEF as well as an increase in recurring contracts.

### Programme summary

Table 6.34(a) below provide summary of payments and estimates per programme over the seven-year period.

Table 6.34(a) Summary of payments and estimates: Limpopo Economic Development Agency

R thousand	Outcome			2018/19			Medium-term estimates		
				Main Appropriation	Adjusted appropriation	Revised estimate	2019/20	2020/21	2021/22
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Managing Director's Office (Support)	126 490	185 535	210 643	241 310	241 310	241 310	245 902	261 189	275 555
2. Enterprise Development Finance Division	151 167	77 716	83 620	157 940	176 940	176 940	200 540	211 500	223 133
3. Industrialisation	51 653	100 154	92 763	262 928	262 928	262 928	141 289	149 060	157 258
4. Information Technology	4 039	13 168	12 480	21 587	21 587	21 587	32 733	34 533	36 433
5. Trade and Investment Promotion	45 590	19 523	11 967	36 346	50 246	50 246	47 979	50 618	53 402
6. Subsidiaries	1 081 734	1 094 096	1 314 126	1 427 057	1 404 248	1 404 248	1 337 737	1 411 313	1 488 935
<b>baseline available for spending</b>	<b>1 460 673</b>	<b>1 490 192</b>	<b>1 725 599</b>	<b>2 147 168</b>	<b>2 157 259</b>	<b>2 157 259</b>	<b>2 006 180</b>	<b>2 118 213</b>	<b>2 234 714</b>

Programme six (Subsidiaries) shares the major part of the allocation at 66.6 percent. The allocation mainly caters for SEZ, Broadband and Great North Transport (GNT).

Table 6.34(b) provides a summary of payments and estimates per economic classification over the seven-year period.

Table 6.34(b) Summary of payments and estimates by Economic Classification: Limpopo Economic Development Agency

R thousand	Outcome			2018/19			Medium-term estimates		
	2015/16	2016/17	2017/18	Appropriation	appropriation	estimate	2019/20	2020/21	2021/22
<b>Total</b>	<b>1 460 673</b>	<b>1 490 192</b>	<b>1 725 599</b>	<b>2 147 168</b>	<b>2 157 259</b>	<b>2 157 259</b>	<b>2 006 180</b>	<b>2 118 213</b>	<b>2 234 714</b>
<b>Economic Classification</b>									
<b>Current Payments</b>	1 460 673	1 412 979	1 635 501	1 452 835	1 476 431	1 476 431	1 502 297	1 586 616	1 673 880
Compensation of employees	609 999	585 369	641 304	707 003	632 171	632 171	769 649	811 980	856 639
Goods and services	846 635	827 588	994 185	718 736	811 446	811 446	696 112	736 091	776 576
Interest and rent on land	4 039	22	12	27 096	32 814	32 814	36 536	38 545	40 665
<b>Transfer and subsidies</b>	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
<b>Payment for capital assets</b>	-	77 213	90 098	694 333	680 828	680 828	503 883	531 597	560 834
Building and other fixed structures	-	32 126	37 937	76 700	13 900	13 900	-	-	-
Machinery and equipment	-	45 087	52 161	587 075	637 970	637 970	498 804	526 238	555 181
Heritage assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	30 558	28 958	28 958	5 079	5 358	5 653
Land and subsoil assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1 460 673</b>	<b>1 490 192</b>	<b>1 725 599</b>	<b>2 147 168</b>	<b>2 157 259</b>	<b>2 157 259</b>	<b>2 006 180</b>	<b>2 118 213</b>	<b>2 234 714</b>

Table 6.3.3 Summary of payments and estimates by Economic Classification: Limpopo Economic Development Agency

R thousand	Outcome			2018/19			Medium-term estimates		
	2015/16	2016/17	2017/18	Appropriation	appropriation	estimate	2019/20	2020/21	2021/22
<b>Total</b>	<b>1 460 673</b>	<b>1 490 192</b>	<b>1 725 599</b>	<b>2 147 168</b>	<b>2 157 259</b>	<b>2 157 259</b>	<b>2 006 180</b>	<b>2 118 213</b>	<b>2 234 714</b>
<b>Economic Classification</b>									
<b>Current Payments</b>	1 460 673	1 412 979	1 635 501	1 452 835	1 476 431	1 476 431	1 502 297	1 586 616	1 673 880
Compensation of employees	609 999	585 369	641 304	707 003	632 171	632 171	769 649	811 980	856 639
Goods and services	846 635	827 588	994 185	718 736	811 446	811 446	696 112	736 091	776 576
Interest and rent on land	4 039	22	12	27 096	32 814	32 814	36 536	38 545	40 665
<b>Transfer and subsidies</b>	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations & private enterprises	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Non-profit making institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
<b>Payment for capital assets</b>	-	77 213	90 098	694 333	680 828	680 828	503 883	531 597	560 834
Building and other fixed structures	-	32 126	37 937	76 700	13 900	13 900	-	-	-
Machinery and equipment	-	45 087	52 161	587 075	637 970	637 970	498 804	526 238	555 181
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	30 558	28 958	28 958	5 079	5 358	5 653
Land and subsoil assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1 460 673</b>	<b>1 490 192</b>	<b>1 725 599</b>	<b>2 147 168</b>	<b>2 157 259</b>	<b>2 157 259</b>	<b>2 006 180</b>	<b>2 118 213</b>	<b>2 234 714</b>

**Compensation of Employees** grows by 8.9 percent from 2018/19 to 2019/20 financial year. The allocation is prioritized to fill executive management posts and other key vacant posts as per the organizational structure.

**Goods and Services** – The item indicate a negative growth of 3.1 percent to 2019/20 financial year and a positive growth rate of 5.7 percent, 5.5 percent in 2020/21 and 2021/22 financial year respectively. The decrease in 2019/20 financial year is due to minimization of outsourced services and centralization of services within the LEDA Group.

**Payments of capital assets** – The budget increases by 34.8 percent, the increase is mainly for items funded from earmarked allocation.

### Programme 1: Managing Director's Office

**Strategic Objective:** Sound corporate governance and high performing LEDA organization

The objective seeks to direct the efforts of LEDA towards ensuring sound governance and high performance, through a focus on:

- Enhanced corporate governance across the Group
- Capacitated and performing human capital contributing to enhanced organisational performance

Table 6.35(a) Summary of payments and estimates by Economic Classification: Programme 1

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
<b>Sub-programme</b>									
Managing Director's Office	42125	22884	31260	43 586	43 586	43 586	50 798	53 592	56 539
Finance	24530	72139	92842	42 085	42 085	42 085	44 950	47 537	50 151
Corporate Services	59 835	90512	86 541	155 639	155 639	155 639	150 154	160 060	168 864
<b>Sub Total</b>	<b>126 490</b>	<b>185535</b>	<b>210 643</b>	<b>241 310</b>	<b>241 310</b>	<b>241 310</b>	<b>245 902</b>	<b>261 189</b>	<b>275 555</b>

Table 6.35(b): Summary of payments and estimates by Economic Classification: Programme 1 :

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
<b>Current Payments</b>	<b>126 490</b>	<b>185 218</b>	<b>210 643</b>	<b>237 770</b>	<b>238 400</b>	<b>238 400</b>	<b>235 122</b>	<b>249 816</b>	<b>263 556</b>
Compensation of employees	68 308	76 165	82 461	97 493	96 851	96 851	132 926	140 237	147 950
Goods and services	54 143	109 031	128 170	140 269	135 823	135 823	101 866	109 231	115 239
Interest and rent on land	4 039	22	12	8	5 726	5 726	330	348	367
<b>Transfer and subsidies to:</b>									
Provinces and municipalities	-	-	-	-	-	-	-	-	-
<b>Households</b>									
<b>Payment for capital assets</b>		<b>317</b>		<b>3 540</b>	<b>2 910</b>	<b>2 910</b>	<b>10 780</b>	<b>11 373</b>	<b>11 998</b>
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	317	-	2 240	2 910	2 910	10 780	11 373	11 998
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	1 300	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>									
<b>Total</b>	<b>126 490</b>	<b>185 535</b>	<b>210 643</b>	<b>241 310</b>	<b>241 310</b>	<b>241 310</b>	<b>245 902</b>	<b>261 189</b>	<b>275 555</b>

**Compensation of employees** grows by 36.3 percent in the 2019/20 from the 2018/19 financial year. The programme include the office of the Chief Financial Officer (CFO) and Corporate Services. The programme has been operating with skeleton structure for the past years, including the vacant post of the CFO and Senior Manager Finance services. The allocation will mainly fund the key identified posts. Decrease in **Goods & Services** is mainly due to implementation of austerity measures. The allocation fund centralized contracts like security

services, Telecommunication. **Payments for Capital Assets** budget constitute funds for purchase of plant and equipment

## Programme 2: Enterprise Development and Finance

**Strategic Objective:** An increase in sustainable enterprises in targeted sectors of the economy

The objective seeks to direct the efforts of LEDA towards support (both financial and non-financial) for the establishment and sustainability of SMME and Cooperative enterprises in the province, with the longer term outcome of the total number of active enterprises supported

Table 6.36(a): Summary of payments and estimates by Economic Classification: Programme 2:

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
<b>Sub-programme</b>									
Enterprise Development Finance Division	151 167	77 716	83 620	157 940	176 940	176 940	200 540	211 500	223 133
<b>Sub Total</b>	<b>151 167</b>	<b>77 716</b>	<b>83 620</b>	<b>157 940</b>	<b>176 940</b>	<b>176 940</b>	<b>200 540</b>	<b>211 500</b>	<b>223 133</b>

Table 6.36(b): Summary of payments and estimates by Economic Classification: Programme 2 :

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
<b>Current Payments</b>	<b>151 167</b>	<b>77 716</b>	<b>83 620</b>	<b>141 140</b>	<b>160 440</b>	<b>160 440</b>	<b>183 165</b>	<b>193 170</b>	<b>203 795</b>
Compensation of employees	87704	63532	63766	102 634	66 889	66 889	107 983	113 922	120 188
Goods and services	63463	14184	19854	38 506	93 551	93 551	75 182	79 248	83 607
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfer and subsidies to:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
<b>Households</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payment for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16 800</b>	<b>16 500</b>	<b>16 500</b>	<b>17 375</b>	<b>18 330</b>	<b>19 338</b>
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	16 500	16 500	16 500	17 375	18 330	19 338
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	300	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>151 167</b>	<b>77 716</b>	<b>83 620</b>	<b>157 940</b>	<b>176 940</b>	<b>176 940</b>	<b>200 540</b>	<b>211 500</b>	<b>223 133</b>

**Compensation of employees** grows by 5.2 percent in the 2019/20 financial year from the 2018/19 financial year, allocation for the current staff complement and the filling of key vacant positions.

**Goods and services** is mainly for the contract costs relating to training material for students and **Payment of Capital Assets** for the training equipment required at the training centers.

### Programme 3: Industrialisation

#### Strategic Objective

Accelerated industrialization in Limpopo through strategic economic development interventions. The objective seeks to promote greater industrialization in the Limpopo province with longer term outcome of LEDA being:

- An increase in the contribution of the manufacturing/beneficiation/production sector to the Provincial GDP/per region (GCP)
- An increase in the number of jobs created by the manufacturing/beneficiation/production sector in Limpopo

Table 6.37 (a): Summary of payments and estimates by Economic Classification: Programme 3:

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
<b>Sub-programme</b>									
Industrialisation	51 653	100 154	92 763	262 928	262 928	262 928	141 289	149 060	157 258
<b>Sub Total</b>	<b>51 653</b>	<b>100 154</b>	<b>92 763</b>	<b>262 928</b>	<b>262 928</b>	<b>262 928</b>	<b>141 289</b>	<b>149 060</b>	<b>157 258</b>

Table 6.37(b): Summary of payments and estimates by Economic Classification: Programme 3 :

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
<b>Current Payments</b>	<b>51 653</b>	<b>98 761</b>	<b>92 763</b>	<b>185 178</b>	<b>185 178</b>	<b>185 178</b>	<b>129 668</b>	<b>136 800</b>	<b>144 324</b>
Compensation of employees	9600	45950	21033	36 515	36 515	36 515	41 358	43 633	46 032
Goods and services	42053	52811	71730	148 663	148 663	148 663	88 310	93 167	98 291
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfer and subsidies to:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
<b>Households</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payment for capital assets</b>	<b>-</b>	<b>1 393</b>	<b>-</b>	<b>77 750</b>	<b>77 750</b>	<b>77 750</b>	<b>11 621</b>	<b>12 260</b>	<b>12 934</b>
Building and other fixed structures	-	541	-	76 750	76 750	76 750	-	-	-
Machinery and equipment	-	852	-	-	-	-	10 568	11 149	11 762
Heritage assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	1 000	1 000	1 000	1 053	1 111	1 172
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>51 653</b>	<b>100 154</b>	<b>92 763</b>	<b>262 928</b>	<b>262 928</b>	<b>262 928</b>	<b>141 289</b>	<b>149 060</b>	<b>157 258</b>

**Compensation of employees** The item indicates a positive growth rate of 13.3 percent to 2019/20 financial year. The programme has more vacant posts on executive management level, the increase will cater for new appointment as per the approved organizational structure. **Goods & Services** include the costs related to key accounts for rates and maintenance of the existing properties.

**Payments of Capital Assets** budget relates to the upgrading of industrial parks

#### Programme 4: Information Technology

**Strategic Objective:** Centers of technical and business training excellence that develop skills for the economy.

The objective seeks to direct the efforts of LEDA towards the strengthening of the technical and business skills training centers it manages, towards them becoming centers of excellence in their field, and in developing the targeted skills required by the Limpopo economy as reflected by:

- An increase in the absorption rate of trainee beneficiaries

Table 6.38(a): Summary of payments and estimates by Economic Classification: Programme 4:

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
<b>Sub-programme</b>									
Information Technology	4 039	13 168	12 480	21 587	21 587	21 587	32 733	34 533	36 433
<b>Sub Total</b>	<b>4 039</b>	<b>13 168</b>	<b>12 480</b>	<b>21 587</b>	<b>21 587</b>	<b>21 587</b>	<b>32 733</b>	<b>34 533</b>	<b>36 433</b>

Table 6.38(b): Summary of payments and estimates by Economic Classification: Programme 4 :

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
<b>Current Payments</b>	<b>4 039</b>	<b>12 678</b>	<b>12 480</b>	<b>14 237</b>	<b>14 237</b>	<b>14 237</b>	<b>28 383</b>	<b>29 944</b>	<b>31 591</b>
Compensation of employees	2320	4831	4 629	4 831	4 831	4 831	17 155	18 099	19 094
Goods and services	1719	7847	7 851	9 406	9 406	9 406	11 228	11 846	12 497
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfer and subsidies to:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Non-profit making institutions	-	-	-	-	-	-	-	-	-
<b>Households</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payment for capital assets</b>	<b>-</b>	<b>490</b>	<b>-</b>	<b>7 350</b>	<b>7 350</b>	<b>7 350</b>	<b>4 350</b>	<b>4 589</b>	<b>4 842</b>
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	490	-	3 900	3 900	3 900	350	369	390
Heritage assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	3 450	3 450	3 450	4 000	4 220	4 452
Land and subsoil assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>4 039</b>	<b>13 168</b>	<b>12 480</b>	<b>21 587</b>	<b>21 587</b>	<b>21 587</b>	<b>32 733</b>	<b>34 533</b>	<b>36 433</b>

**Compensation of employees-** The item indicate a major growth rate of 255.1 percent which will cater for current staff establishment and key posts identified to be filled in the 2019/20 financial year. **Goods & Services** increases by 19.4 percent mainly for Information Technology (IT) contract support costs and software licenses. **Payment of Capital Assets** increases on the item for software and other intangible. The entity plans to acquire new computer equipment.

## Programme 5: Trade and Investment Promotion

**Strategic Objective:** An increase in trade and investment in targeted sectors in Limpopo

The objective seeks to direct the efforts of LEDA towards the relevant and meaningful facilitation of investment and trade opportunities for the Province; reflected in:

- An increase in investments into the Province as a proportion of GDP per Region
- An increase in the value and volume of exports into key strategic markets including A.U, BRICS, E.U and ASEAN

Table 6.39(a): Summary of payments and estimates by Economic Classification: Programme 5:

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
<b>Sub-programme</b>									
Trade and Investment Promotion	45 590	19 523	11 967	36 346	50 246	50 246	47 979	50 618	53 402
<b>Sub Total</b>	<b>45 590</b>	<b>19 523</b>	<b>11 967</b>	<b>36 346</b>	<b>50 246</b>	<b>50 246</b>	<b>47 979</b>	<b>50 618</b>	<b>53 402</b>

Table 6.39(b): Summary of payments and estimates by Economic Classification: Programme 5:

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
<b>Current Payments</b>	<b>45 590</b>	<b>19 523</b>	<b>11 967</b>	<b>35 762</b>	<b>35 762</b>	<b>35 762</b>	<b>47 678</b>	<b>50 300</b>	<b>53 067</b>
Compensation of employees	36360	12681	10340	18 329	18 329	18 329	22 595	23 838	25 149
Goods and services	9230	6842	1627	17 433	17 433	17 433	25 083	26 463	27 918
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfer and subsidies to:</b>	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Non-profit making institutions	-	-	-	-	-	-	-	-	-
<b>Households</b>	-	-	-	-	-	-	-	-	-
<b>Payment for capital assets</b>	-	-	-	<b>584</b>	<b>14 484</b>	<b>14 484</b>	<b>301</b>	<b>318</b>	<b>335</b>
Building and other fixed structures	-	-	-	-	13 900	13 900	0	0	0
Machinery and equipment	-	-	-	559	559	559	275	290	306
Heritage assets	-	-	-	-	-	-	0	0	0
Specialised military assets	-	-	-	-	-	-	0	0	0
Biological assets	-	-	-	-	-	-	0	0	0
Software and other intangible assets	-	-	-	25	25	25	26	27	29
Land and subsoil assets	-	-	-	-	-	-	0	0	0
Payments for financial assets	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>45 590</b>	<b>19 523</b>	<b>11 967</b>	<b>36 346</b>	<b>50 246</b>	<b>50 246</b>	<b>47 979</b>	<b>50 618</b>	<b>53 402</b>

**Compensation of employees** grows by 23.3 percent in the 2019/20. The allocation includes funds for the filling of key vacant positions. **Goods & services** increases by 43.9 percent to fund exhibitions and outward mission to attract investment in the Province. **Payment of Capital Assets** indicates a negative growth rate of 48.5 percent due to once off allocation under building & other fixed structure during 2018/19 financial year.

## Programme 6: Subsidiaries

**Strategic Objective:** An increase in access to socio-economic development through innovative products and services offered by the Group's subsidiaries and tertiary divisions

The objective seeks to direct the efforts of LEDA and its subsidiaries towards sustainability and a positive return on equity and assets through innovative products and services; by a focus on:

- The proportion of Group income generated by the LEDA Group's subsidiaries and tertiary divisions

Table 6.40(a): Summary of payments and estimates by Economic Classification: Programme 6:

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
<b>Sub-programme</b>									
Subsidiaries	1 081 734	1 094 096	1 314 126	1 427 057	1 404 248	1 404 248	1 337 737	1 411 313	1 488 935
<b>Sub Total</b>	<b>1 081 734</b>	<b>1 094 096</b>	<b>1 314 126</b>	<b>1 427 057</b>	<b>1 404 248</b>	<b>1 404 248</b>	<b>1 337 737</b>	<b>1 411 313</b>	<b>1 488 935</b>

Table 6.40(b): Summary of payments and estimates by Economic Classification: Programme 6 :

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
<b>Current Payments</b>	<b>1 081 734</b>	<b>1 019 083</b>	<b>1 224 028</b>	<b>842 416</b>	<b>842 415</b>	<b>842 415</b>	<b>878 281</b>	<b>926 586</b>	<b>977 549</b>
Compensation of employees	405707	382210	459075	408 756	408 756	408 756	447 632	472 252	498 226
Goods and services	676027	636873	764953	406 572	406 571	406 571	394 443	416 137	439 025
Interest and rent on land				27 088	27 088	27 088	36 206	38 197	40 298
<b>Transfer and subsidies to:</b>	-	-	-	-	-	-	-	-	-
Provinces and municipalities									
<b>Households</b>									
<b>Payment for capital assets</b>	<b>-</b>	<b>75 013</b>	<b>90 098</b>	<b>584 641</b>	<b>561 833</b>	<b>561 833</b>	<b>459 456</b>	<b>484 726</b>	<b>511 386</b>
Building and other fixed structures		31 585	37 937	-	-	-	-	-	-
Machinery and equipment		43 428	52 161	560 159	537 350	537 350	459 456	484 726	511 386
Biological assets									
Software and other intangible assets				24 482	24 483	24 483			
Land and subsoil assets									
Payments for financial assets									
<b>Total</b>	<b>1 081 734</b>	<b>1 094 096</b>	<b>1 314 126</b>	<b>1 427 057</b>	<b>1 404 248</b>	<b>1 404 248</b>	<b>1 337 737</b>	<b>1 411 313</b>	<b>1 488 935</b>

**Compensation of employees** The item indicates a positive growth rate of 13.3 percent to 2019/20 financial year. The increase will cater for appointed SEZ board members and other key officials under subsidiaries like GNT and Limpopo Connexion. Included in **Goods & Services**, amongst others are operational costs for implementation of Makhado-Musina SEZ, Broadband operational cost, maintenance & repairs, diesel for GNT buses and Corridor mining resources

**Payment of Capital** The item indicate a major decrease of 21.4 percent from 2018/19 to 2019/20 financial year. The allocation under Machinery & equipment is for procurement of GNT purchase and refurbishment of buses.

## Other Programme information

### Personnel numbers and costs

Table 6.41 below provide a summary of personnel estimates per category over the seven-year period

Table 6.41 summary of personnel estimates by programme and cost

	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
	Audited outcome		Actual outcome	Main budget (Approved)	Adjusted budget (Approved)	Revised estimate	Medium-term estimates		
<b>Headcount</b>									
<b>Board Members</b>									
Personnel cost (R thousand)	18	11	11	18	18	18	27	27	27
Personnel numbers (head count)	259	538	445	268	268	268	630	674	721
Unit cost	-	-	-	-	-	-	-	-	-
<b>Executive Management</b>									
Personnel cost (R thousand)	-	-	-	-	-	-	-	-	-
<i>of which</i>									
CFO remuneration (R thousand)	3 538	2 504	2 681	2 643	2 643	2 643	3 782	4 047	4 330
CEO remuneration (R thousand)	11	12	13	13	13	13	12	12	12
Personnel numbers (head count)	1 696	1 770	1 867	1 840	1 840	1 840	3 271	3 451	3 641
Unit cost	-	-	-	-	-	-	-	-	-
<b>Senior Management</b>									
Personnel cost (R thousand)	71	72	72	104	104	104	287	287	287
Personnel numbers (head count)	649	797	749	557	557	557	975	1 028	1 085
Unit cost	-	-	-	-	-	-	-	-	-
<b>Middle Management</b>									
Personnel cost (R thousand)	210	216	216	247	147	147	450	450	450
Personnel numbers (head count)	504	474	520	449	754	754	691	729	769
Unit cost	-	-	-	-	-	-	-	-	-
<b>Professionals</b>									
Personnel cost (R thousand)	1 433	1 281	1 481	1 406	1 191	1 191	865	865	865
Personnel numbers (head count)	260	270	262	272	321	321	119	125	132
Unit cost	-	-	-	-	-	-	-	-	-
<b>Semi-skilled</b>									
Personnel cost (R thousand)	-	-	-	-	-	-	-	-	-
Personnel numbers (head count)									
Unit cost	-	-	-	-	-	-	-	-	-
<b>Very low skilled</b>									
Personnel cost (R thousand)	244	248	248	196	196	196	213	213	213
Personnel numbers (head count)	225	234	235	294	294	294	173	182	192
Unit cost	-	-	-	-	-	-	-	-	-
<b>Total for entity</b>									
Personnel cost (R thousand)	1 987	1 840	2 041	1 984	1 669	1 669	1 854	1 854	1 854
Personnel numbers (head count)	304	321	314	321	382	382	424	448	473
Unit cost	-	-	-	-	-	-	-	-	-

LEDA group maintained an average headcount of 1956 between 2015 and 2018 at an annual LEDA cost estimated at R611.938 million.