

Limpopo Gambling Board



Quarterly Annual Performance Plan 4th Quarter 2020/2021 Report

Submitted By:

Handwritten signature of Ms. M. Molepo in black ink.

Ms. M. Molepo
Acting Chief Financial Officer

30/04/2021

Date

Approved By:

Handwritten signature of Mr. M.G Makoko in black ink.

Mr. M.G Makoko
Chief Executive Officer

30/04/2021

Date

Performance Indicator	Annual Target	Previous Quarter Performance	Target for the Quarter (4th)	Actual	Gaps	Reasons
Programme 1: Governance						
The purpose of this programme is to provide executive and strategic direction to the Board.						
Number of Established corporate social investment projects implemented	0	0	0	0	0	None
Percentage of compliance to disclosure of interests by the Board	100%	100%	100%	100%	0%	None
Percentage of compliance to disclosure of financial interests by the Executive Management	100%	0%	0%	0%	0%	None
Programme 2: Finance						
The purpose of this programme is to provide financial and administrative support to all (04) programmes.						
Unqualified Audit outcome	1	0	0	0	0	None
Percentage of Performance agreements developed	100%	0%	0%	0%	0%	None

Performance Indicator	Annual Target	Previous Quarter Performance	Target for the Quarter (4th)	Actual	Gaps	Reasons
Percentage of annual performance assessment conducted	100%	100%	0%	0%	0%	The moderations for all 4 quarters will be held in May 2021.
Percentage of LGB newly appointed employees whose qualifications are verified	100%	0%	100%	0%	-100%	<u>Reasons for Underachievement:</u> No appointments were made, since the filling of posts has been put on hold due to reconfiguration of entities.
Percentage of vacancies on organogram maintained below the acceptable norm	0%	0%	0%	0%	0%	None
Percentage of personnel trained according to the work skills plan	0%	0%	0%	0%	0%	None
Percentage of invoices paid within 30 days of receipt	100%	100%	100%	100%	0%	None

Performance Indicator	Annual Target	Previous Quarter Performance	Target for the Quarter (4th)	Actual	Gaps	Reasons
Programme 3: Compliance The purpose of this programme is to: <ul style="list-style-type: none"> Promote responsible gambling through visibility and awareness, To ensure that gambling activities are compliant with relevant Legislations. 						
Number of responsible gambling campaigns conducted	0	0	0	0	0	None
Number of research projects completed	0	0	0	0	0	None
Percentage of key employee applications processed within the standard timeframe of 4 months	100%	61%	100%	53%	47%	Reasons for Underachievement: Manual processing of applications and incomplete applications received.
Percentage of corporate applications processed within the standard timeframe of 6 months	100%	100%	100%	100%	0%	None
Number of compliance inspections conducted	23	09	11	11	0	None
Number of compliance audits conducted	22	14	09	09	0	None

Performance Indicator	Annual Target	Previous Quarter Performance	Target for the Quarter (4th)	Actual	Gaps	Reasons
Number of Stakeholder engagement sessions held	2	01	01	01	0	None
Number of formal Collaborations established	1	0	0	0	0	None
Programme 4: Law Enforcement The purpose of this programme is to reduce illegal gambling throughout the Province.						
Number of investigations conducted on illegal gambling activities	25	22	10	13	+03	Reasons for Overachievement: More investigations were conducted due to invitations from SAPS and the mushrooming of illegal gambling activities throughout the Province.
Number of crime awareness campaigns conducted	0	0	0	0	0	None

BUDGET VS ACTUAL FOR THE PERIOD JANUARY TO MARCH 2021

PROGRAMME	MAIN APPROPRIATION 2020/21	ADJUSTED BUDGET FOR 2020/21	ACTUAL EXPENDITURE AS AT 31 March 2021	CASH FLOW PROJECTIONS AS AT 31 March 2021	VARIANCE BETWEEN ADJUSTED BUDGET AND ACTUAL SPENDING	% SPENDING AGAINST ADJUSTED APPROPRIATION	%SPENDING AGAINST CASH FLOW PROJECTIONS
	2020/21						
GOVERNANCE	11 876	6 378	6 663	5 808	-285	104%	115%
FINANCE	11 325	8 302	7 953	9 399	349	96%	85%
HUMAN RESOURCE	4 573	4 118	3 790	3 371	328	92%	112%
INFORMATION TECHNOLOGY	3 033	2 884	3 271	2 410	-387	113%	136%
LAW ENFORCEMENT	7 624	5 577	5 295	5 642	282	95%	94%
COMPLIANCE	19 434	14 595	14 579	15 109	16	100%	96%
SUPPLY CHAIN MANAGEMENT	20 456	19 527	19 333	19 642	194	99%	98%
TOTAL	78 321	61 381	60 884	61 381	497	99%	99%
ECONOMIC CLASSIFICATION							
COMPENSATION OF EMPLOYEES	46 480	37 780	37 860	38 401	-80	100%	99%
GOODS AND SERVICES	31 521	23 561	22 554	22 923	1 007	96%	98%
PAYMENT OF CAPITAL ASSETS	320	40	470	57	-430	1175%	0%
TOTAL	78 321	61 381	60 884	61 381	497	99%	99%

items	MAIN APPROPRIATION 2020/21	ADJUSTED BUDGET FOR 2020/21	ACTUAL EXPENDITURE AS AT 31 March 2021	CASH FLOW PROJECTION AS AT 31 March 2021	VARIANCE BETWEEN ADJUSTED BUDGET AND ACTUAL SPENDING	% SPENDING AGAINST ADJUSTED APPROPRIATION	%SPENDING AGAINST CASH FLOW PROJECTIONS
2020/21							
LEASE MANAGEMENT CORPORATE SERVICE INVESTMENT (CSI)	8 608	8 608	8 608	8 608	0	100%	100%
COMPLIANCE	3 085	0	0	0	0	0%	0%
CRIME AWARENESS	2 844	0	0	0	0	0%	0%
	700	0	0	0	0	0%	0%
	15 237	8 608	8 608	8 608	0	56%	100%

	MAIN APPROPRIATION 2020/21	ADJUSTED BUDGET FOR 2020/21	ACTUAL REVENUE COLLECTED AS AT 31 March 2021	CASH FLOW PROJECTION AS AT 31 March 2021	VARIANCE BETWEEN ADJUSTED BUDGET AND ACTUAL SPENDING	%collection against adjusted appropriation	% spending against Projections
Revenue							
LEVIES	107 000	62 000	77 073	62 000	-15 073	124%	124%
ANNUAL LICENCE FEES	10 578	9 576	9 167	9 576	409	96%	96%
INTEREST	1 370	765	589	765	176	77%	77%
OTHER SALES	3 535	615	1 508	615	-893	245%	245%
	122 483	72 956	88 337	72 956	-15 381	121%	121%

EXECUTIVE SUMMARY

ITEM	SPENDING	ROOT CAUSE	INTERVENTIONS	PROGRESS		TIMEFRAME & RESPONSIBILITY
A. Compensation of Employees	R37.7 million was the budgeted amount for the year and spent R37.9 million which is 100%	N/A	N/A	N/A		N/A
B. Number of vacant posts -20/21	Advertised	Short listed	Interviewed	Screening	Filled	Not yet filled and shortlisted
6	3	0	0	0	2	0

C. Goods and Services	R23.5 million was the budget for the year and R22.6 million was spent which is 96%, the Board has underspent by 4%.	The IYM template does not provide for accruals therefore commitments cannot be recognised during the period of occurrence.	N/A		N/A
D. Transfers and Subsidies	N/A	N/A	N/A	N/A	N/A
E. Payment for Capital Assets	R0.57 million cumulative cash flow requested amounts from LEDET and R 0.470 million has been spent.	N/A	N/A	N/A	N/A

F. Conditional Grants	R8.6 million cumulative amount was requested from LEDET and R8.6 million was spent which is 100%.	N/A	N/A	N/A	N/A
G. Infrastructure	N/A	N/A	N/A	N/A	N/A
H. Own Revenue	Total Revenue projected amounts of R72.9 million and actual collection of R88.3 million which is 121%. Levies cumulative projections amount to R62.0 million and collected Levies of R77.0 million, which is 124%, which is surrendered monthly to the shareholder. Annual license fees were projected at R9.6 million and actual amount collected to date amounted to	There has been limited to no service offered by the operators and hence the collection of revenue is quite minimal. A good collection is in relation to the annual license fees.	N/A	N/A	Ongoing

	R9.1 million which is 95%, the funds are surrendered at year end.				
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ANALYSIS

Grant

- Grant has been requested by the entity to be able to fund fixed costs of the entity. This is requested from the shareholder monthly. The grant allocation of the current year has been reduced from R 78 million to R 61 million, with the reduction being directed to funding Covid.

Own Revenue

- Own revenue has not been performing due to Covid-19; however, it has been picking up and performed well when compared to the adjusted figures.

COE

- Spending of employee cost is in line with the budgeted figures.

Goods and Services

- Spending under goods and services has slightly increased and above what was requested mainly due to commitments from the previous financial year.

Depreciation

- Depreciation is in line with the expectations as per budget.

Capital

- For the budget allocated in the current year no funds have been used for capital expenses. The expense that has been incurred is in relation to a prior year commitment.

HIGHLIGHTS, CHALLENGES AND INTERVENTIONS

FINANCE UNIT

Highlights

- Collection of levies has increased overall when compared to the adjusted budget figures.

Challenges

- Making deliverables possible through the tight budget.

Interventions

- Trying to re-prioritise spending.

COMPLIANCE UNIT

Highlights

- The Compliance and Enforcement Committee resolved that Boss Gaming Phalaborwa must open its Bingo site by 30 November 2021. The site is the last of the seven Bingo licences issued in 2017 that is not yet operational.

Challenges

- Budget restrictions, resulting in an inability to carry out some operational regulatory activities.
- Lack of electronic application system for issuing of licences.

Interventions

- Licensees have been requested to keep full record of all the activities that would have required the presence of an Official of the Board to finalize.

LAW ENFORCEMENT UNIT

Highlights

- Two shops offering illegal online gambling activities under the guise of Internet Cafe were investigated and successfully raided in Polokwane, Cas 456/03/2021 was registered and in Zebediela, Cas 102/03/2021 was also registered.

Challenges

- Due to Covid-19 Pandemic and regulations, fewer investigations on illegal gambling activities were conducted as the focus was on invitations received from SAPS members including crime trend and complaints from communities.
- Provincial budget cut also played a negative part in that Inspectors were unable to travel around the province as there are no funds.

Interventions

- More investigations need to be conducted, which will require more budget. This will assist in curbing the ever mushrooming of illegal gambling activities.

HUMAN RESOURCES UNIT

Highlights

- Fire drill training was done.

Challenges

- As the Board are not able to fill the vacant position of Office Assistant, cleaning of the offices according to the COVID-19 Regulations are a challenge.

Interventions

- Appointment of outsourced cleaning services, which are cost effective till appointment can be finalized.

SUPPLY CHAIN UNIT

Highlights

- All invoices were paid within 30 days.

Challenges

- None.

Interventions

- None.

INFORMATION TECHNOLOGY UNIT

Highlights

- The downtime for our applications is very minimum.
- Microsoft Teams is now recording.

Challenges

- Internet Bandwidth is small and need to be upgraded as employees are working from home.
- Upgrade our finance application for employees to work from home.
- The offsite backup must be done.

Interventions

- Requests about the fiber line will be done during the 1st quarter.
- IT is busy with the service provider about the upgrade.
- Offsite back-up will be finalized this financial year.