

2022/23



ANNUAL
PERFORMANCE
PLAN



Executive Authority Statement

It is my singular honour to present the Limpopo Gambling Board's Annual Performance Plan for 2022/23 to this distinguished house of honourable members.

The Annual Performance Plan is a reflection of the shared and compelling strategic intents and targets of the LGB that will also contribute and catalyse the realisation of the priorities set out in the five-year Strategic Plan.

The LGB is a schedule 3C Entity in terms of the Public Finance Management Act (PFMA), whose role is to license, regulate and monitor the operations of the industry in order to ensure compliance with the law. Additionally, the Entity contributes significantly to the economic growth of the Province as it creates jobs directly and collects revenue through taxation, which contributes to the Provincial fiscus.

Despite the challenges brought by COVID-19 on our workings and efforts to contribute to the growth and development of our Province, the Entity is able to take a tactical approach in planning, by prioritising the plans that will be able to yield changes and positive impact in the growth of the economy. In a quest to eradicate illegal gambling activities which impact negatively on revenue collection for the Province, programmes have been put in place to enable the Entity to curb the mushrooming of illegal gambling acts. Partnerships with various stakeholders, as well as the support from the Office of the MEC, will further assist in the Entity's endeavours to eradicate illegal gambling activities in the Province.

The transformation of the gambling industry remains a priority in the strategic outcomes of the Entity. Involvement of communities in that regard remains vital. There is a need to balance job creation, socio-economic development and revenue collection within the sector.

This LGB Annual Performance Plan holds a great degree of significance. It outlines the path on which the Entity must proceed in order to attain its strategic goals amidst the oscillating environment as a result of the pandemic. However, our tactical planning for the realisation of our strategic objectives remains sacrosanct in that regard.

This APP has been prepared within the context of the Entity's Strategic Plan, the National Development Plan, the Limpopo Development Plan and the Revised MTSF. The adoption of this APP will take the Entity forward in realising its strategic objectives and key results areas within the specified targets.



Honourable Thabo Mokone

Member of the Executive Council for Economic Development, Environment and Tourism



Accounting Officer Statement

The Limpopo Gambling Board was established in terms of the Limpopo Gambling Act, No. 4 of 1996 and was retained in terms of the Limpopo Gambling Act No 3 of 2013.

The Entity is contributing towards the priorities as set in the National Development Plan, Medium-Term Strategic Framework and the Limpopo Development Plan.

The plan for 2022/23 is prepared under the circumstances in which there was negative impact of COVID-19 during the previous financial years of 2020/21 and 2021/22, with the promising signs of the economic recovery in the gambling industry. The gambling industry has managed to save the jobs therein and there is improvement in revenue collection.

The preparation of the Annual Performance Plan was developed in line with the 2020-2025 Strategic Plan and in consultation with stakeholders within the gambling industry.

The Entity will focus on the following during 2022/23:

- Sustain good governance and maintain a clean audit outcome through the improvement of the internal processes, systems, and policies.
- Improve organisational performance by implementing productivity enhancement initiatives and performance management system.
- Approval of the additional applications for Limited Payout Machines licenses which will contribute towards economic growth and job creation.
- Monitor and audit the operations of the gambling Licensees to enhance regulatory compliance.
- Foster good stakeholder relations to enhance transparency and accountability.
- Promote responsible gambling programmes in collaboration with other stakeholders to address the harm that might be caused by gambling.
- Combat illegal gambling by investigating cases of illegal gambling and creating awareness about illegal gambling in collaboration with the law enforcement agencies.



Mr. M.G. Makoko

Accounting Officer: Limpopo Gambling Board



OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan:

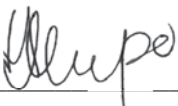
- Was developed by the Management of the Limpopo Gambling Board under the guidance of the Honourable Mr. T.A. Mokone.
- Takes into account all the relevant policies, legislation, and other mandates for which the Limpopo Gambling Board is responsible.
- Accurately reflects the Outcomes and Outputs which the Limpopo Gambling Board will endeavour to achieve over the 2022/23 period.



Mr. L.K. Mathavhane
Programme 3: Compliance



Dr. M.P. Masogo
Programme 4: Law Enforcement




Ms. M. Molepo
Acting Chief Financial Officer / Responsible for Planning



Mr. M.G. Makoko
Chief Executive Officer



Mr. M.E. Tjiane
Chairperson



Mr. T.A. Mokone
Executive Authority: Department of Economic Development, Environment and Tourism



List of Abbreviations/Acronyms

AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
BBBEE	Broad-Based Black Economic Empowerment
CA (SA)	Chartered Accountant South Africa
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COVID-19	Corona Virus Disease of 2019
CSI	Corporate Social Investment
DTIC	Department of Trade, Industry, and Competition
ENTITY	Limpopo Gambling Board
GGR	Gross Gaming Revenue
HR	Human Resources Management
IA	Internal Audit
LEDET	Limpopo Department of Economic Development, Environment and Tourism
LGB	Limpopo Gambling Board
LPM	Limited Payout Machines
MCS	Monitoring and Control Systems
MEC	Member of Executive Council
MTEF	Medium-Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
NGB	National Gambling Board
NPA	National Prosecuting Authority
PDI	Previously Disadvantaged Individuals
PFMA	Public Finance Management Act
RA	Registered Auditor
RSA	Republic of South Africa
SAPS	South African Police Service
SAQA	South African Qualifications Authority
SARS	South African Revenue Service
SCM	Supply Chain Management
SLA	Service Level Agreement
SMME	Small, Medium and Micro Enterprises
TR	Treasury Regulations



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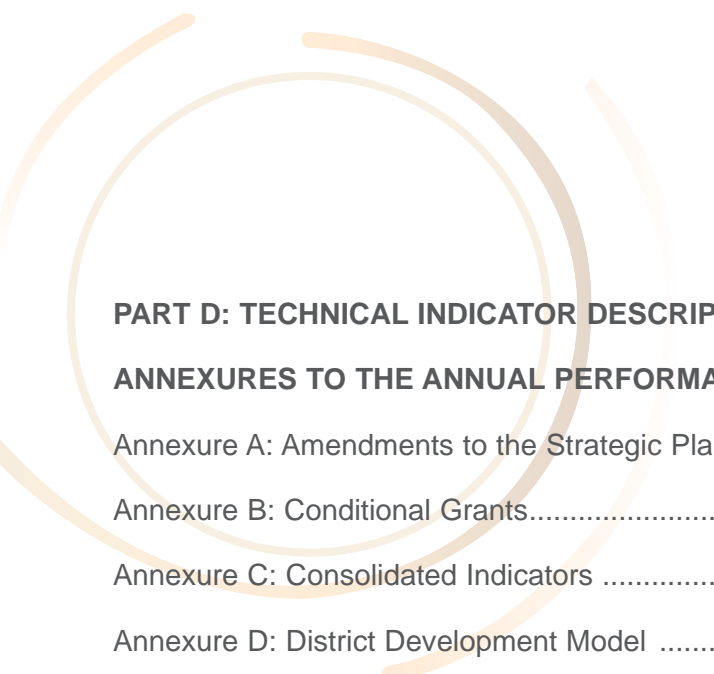
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PART A:
OUR MANDATE

1. UPDATES TO THE RELEVANT LEGISLATIVE AND POLICY MANDATES

In terms of Part A of Schedule 4 of the Constitution of the Republic of South Africa, Act No. 108 of 1996, casinos, racing, gambling and wagering are matters of concurrent National and Provincial Legislative competence.

LEGISLATIVE AND POLICY MANDATES

PUBLIC FINANCE MANAGEMENT ACT, NO. 1 OF 1999

The Public Finance Management Act is utilised to regulate the Management of finances.

In terms of the Public Finance Management Act, No.1 of 1999, the Limpopo Gambling Board is classified as a Schedule 3C Public Entity.

LIMPOPO GAMBLING ACT, NO. 3 OF 2013

The Limpopo Gambling Board was established in terms of the Limpopo Gambling Act, No. 4 of 1996 and was retained in terms of the Limpopo Gambling Act No 3 of 2013.

The Limpopo Gambling Act, No. 3 of 2013 came into operation on 1 September 2014 and it consequently repealed the Limpopo Gambling Act, No. 4 of 1996. The Act empowers the MEC to establish and appoint the Board to manage the affairs of the Entity. The objectives of the Entity are to licence, regulate and monitor gambling activities in the Province.

NATIONAL GAMBLING ACT, ACT NO.7 OF 2004

The Entity must comply with national norms and standards during the licensing process. The National Gambling Act empowers the Minister to prescribe the maximum number of casino Licences that may be granted in the Republic and in each Province.

THE CRIMINAL PROCEDURE ACT, NO 51 OF 1977

The Law Enforcement Inspectors of the Entity are declared as Peace Officers in terms of Section 334 and are conferred with the powers in terms of chapter 2 of the abovementioned Act.



OTHER RELEVANT LEGISLATION USED TO REGULATE GAMBLING

- National Lotteries Act, No. 57 of 1997 (relevant in terms of inter-governmental co-operation and illegal gambling criminal charges);
- Prevention of Organised Crime Act, No. 121 of 1998 (relevant in terms of illegal gambling activities and for the forfeiture of assets used in commission of offences);
- Prevention and Combating of Fraud and Corruption Act, No. 12 of 2004 (relevant in terms of preventing corrupt activities and fraud within the gambling industry);
- Financial Intelligence Centre Act, No. 38 of 2001 (relevant in terms of the LGB being appointed as a supervisory body to monitor the implementation of the FICA by its licensed entities); and
- Broad-Based Black Economic Empowerment Act, No. 53 of 2003 (Section 10 of the Act requires the Entity to consider BBBEE requirements in executing its functions).

2. INSTITUTIONAL POLICIES AND STRATEGIES GOVERNING THE FIVE-YEAR PLANNING PERIOD

a) National Development Plan (NDP) Vision 2030

The NDP is an overarching long-term National plan for South Africa. The main thrust of the NDP is to transform and grow the economy, eliminate poverty and reduce unemployment and inequality by 2030. The NDP further aims to build a capable, ethical and developmental state. As one of the government entities in Limpopo, LGB is expected to implement the NDP's objectives. The NDP Five-Year Implementation Plan is a medium-term plan guiding the attainment of the NDP priorities and it encapsulates the seven priorities for the current 6th administration for implementation.

b) Limpopo Development Plan (LDP)

The LDP is an overarching five-year plan for Limpopo Province, which is aligned to the NDP in terms of key focus areas. The main thrust of the LDP is industrialisation, inclusive economic growth, and job creation with trickle effects on poverty, unemployment and inequality.

c) Medium-Term Strategic Framework (MTSF) 2019-2024

The MTSF is the governments' monitoring framework for the NDP Five-Year Implementation Plan for the current 6th government administration. The MTSF reflects the commitments of the ruling political party, which is currently the African National Congress (ANC), the commitments drawn from the NDP and other policy pronouncements of government, such as the State of the Nation Address & the State of the Province Address. The MTSF sets out the tone for the implementation of seven key focus areas of this government as outlined through the State of the Nation Address in February 2019. In other words, the MTSF reflects how government will measure its performance against the commitments made in all policy documents including the election manifesto of the ruling party. Based on these policy commitments, LGB,



working together with LEDET, is expected to contribute to implementing the following priority areas at Provincial level:

- **Priority 1:** Capable, Ethical and Developmental State,
- **Priority 2:** Economic Transformation and Job Creation,
- **Priority 6:** Social Cohesion and Safe Communities, and
- **Priority 7:** A better Africa and World.

d) **The following policy mandates are key to the Entity in its endeavour to achieve its legislative mandates;**

RESPONSIBLE GAMBLING STRATEGY

The South African Responsible Gambling Foundation in partnership with the Limpopo Gambling Board addresses 'problem gambling' by conducting various activities; being research and monitoring, public education and awareness, training, treatment and counselling.

LIMPOPO GAMBLING REGULATIONS, SEPTEMBER 1997

The Limpopo Gambling Regulations were promulgated in terms of the Limpopo Gambling Act No. 4 of 1996 to provide for the regulation of the various forms of gambling in the Province. New Regulations in terms of the Limpopo Gambling Act No. 3 of 2013 is in the process of being finalised by LEDET.

3. UPDATES TO RELEVANT COURT RULINGS

None





PART B:
OUR STRATEGIC FOCUS

1. UPDATED SITUATIONAL ANALYSIS

GLOBAL GAMBLING OUTLOOK

Since 2011, the LGB has been a member of the International Association of Gambling Regulators (IAGR), consisting of representatives from gambling jurisdictions throughout the world. Its mission is to advance the effectiveness and efficiency of gambling regulation. The association explores issues of leadership in the gambling industry that involve a greater public policy advocacy role, establishing international best practice standards, advancing common standards and practices towards greater harmonisation and accreditation for regulatory professionals, evaluations, and education delivery. The LGB benefits from the conferences, workshops and networking sessions organized by IAGR, as well as collaborations with fellow jurisdictional members.

Current global issues which will influence the outlook of gambling in the next five years include the opening of sports betting in the United States of America, the shift to online gambling as fuelled by the COVID-19 pandemic, and the role played by technological advancements in the process towards gambling regulation.

The outbreak COVID-19 has acted as a massive restraint on the gambling market in 2020 as governments globally imposed lockdowns and restricted domestic and international travel, limiting the need for services offered by the gambling establishments. While the pandemic and lockdowns have largely benefitted the gambling industry, the gambling industry has been less lucky faced with a tepid outlook and a mixed bag of opportunities and challenges. With 74.6% of revenues coming from the offline brick and mortar sector, a sudden fall in revenues and profits as a result of demand disruptions has resulted in less revenues collected by gambling Regulators, workforce pruning and retrenchments.

Rapid technological advancement facilitate innovation and introduce new products that disrupt the gambling industry. This is more evident with the advent of the Fourth Industrial Revolution technologies in the regulatory and consumer protection space, which will influence potential applications to enhance public policy and regulatory outcomes. The Fourth Industrial Revolution will require Regulators and Gambling Operators to put more measures in place to ensure consumer protection from problem gambling.

Various research and reviews show that the most pressing challenges for Regulators are regulatory developments in other jurisdictions, cross-border marketing of online gambling, betting on e-sports, social gambling, and gambling with cryptocurrencies. On the other hand, the top five areas of concern regarding gambling-related crime are illegal gambling, money laundering, cheating, sport-fixing and underage gambling.

The increase in ownership of smartphones, exponential proliferation of mobile gambling applications, per capita income, high adoption, growing interest, and the rising number of dual-income households will



augment the transformation of the global gambling market. Meanwhile the global gambling market is also driven by increasing penetration of online gambling and betting across the North American and European regions. The demand for online games and increasing penetration of mobile applications across jurisdictions will help attract new players in the gambling market until 2025. The exponential popularity and rising number of live casinos will help in the development of the global gambling market in the medium-term period. The increase in e-sport competitions in the form of video gaming, pro-gaming or professional video gaming is driving the growth of the global gambling market.

The online gambling industry has utilised the opportunity to use digital currency and gambling on block chain-based platforms to ensure that a higher number of consumers use these modes of payment in the global market. The increasing number of cryptocurrency transactions will augment the development of the global gambling market.

The gambling market has set a new trend of game content through socialisation and mobilisation. Players use social networks and mobile gadgets to play which helps in cash-less transactions. This has boosted the interaction and communication among people through social games. Also new regulatory acts adopted by many countries paved favourable conditions for the growth of the gambling market, for example, free-to-play format games draw more people to join the online gambling industry.

The demand for gambling is expected to be driven by the changing gambling habits of consumers. The increasing popularity of gambling applications and social gambling will propel the growth of the market going forward. The global social casino market is expected to reach \$4.64 billion by 2020, growing at a Compound Annual Growth Rate (CAGR) of 5%. The increasing adoption of mobile devices and increasing internet penetration will drive the demand for online gambling, driving the gambling market growth.

The global economy was projected to grow 6.0% in 2021 and by a lower percentage of 4.9% in 2022, and thus full recovery of the gambling market may be delayed further. Although online casinos are well suited for safe indulgence in gambling during a pandemic situation, this sector is still fledgling and is plagued with legality issues. Online casinos are illegal in most parts of the United States of America, and in countries where online casinos are legal confusion over legal boundaries of betting and gambling is a chief restraint to growth. Underdeveloped online funds transfer platforms also add another layer of challenge to growth. In Europe, the region with a well-developed online and offline gambling infrastructure, casino owners are innovating in digital payments by using digital wallet services to transfer funds to customers.

Globenewswire.com records that globally, a return to complete normalcy will begin only after barriers to access gambling destinations are completely removed. The casino market is projected to reach US\$159.3 billion by the year 2027. Few of the factors expected to drive growth in the post pandemic period include migration from cards to crypto currency gambling; continued evolution of online casinos supported by rapid proliferation of mobile devices and growing penetration of smart phones and tablets; development of sophisticated gambling applications; growing participation of women in casinos; resurgence in casino



tourism; relaxation in gambling regulations and legalisation of gambling in several nations given the casinos' contribution to national income and development of local tourism.

As casinos begin to reopen as lockdowns are cautiously eased worldwide, they face the challenge of falling consumer confidence and spending as well as the still prostrate travel and tourism sector. Gambling operators from Macau to Las Vegas are all anticipating a rough restart after gambling properties are allowed to reopen. In the Chinese gambling mecca of Macau, a few gambling properties have reopened but could not see desirable outcomes. This extreme drop in visitor numbers is due to stringent border restrictions being followed since the month of March 2020. Limited options for transportation and quarantine rules make it difficult for players to visit gambling destinations.

The global gambling market is expected to grow from \$465.76 billion in 2020 to \$516.03 billion in 2021. The growth is mainly due to the gambling operators rearranging operations and recovering from the COVID-19 impact, which had earlier led to restrictive containment measures involving social distancing, remote working, and the closure of commercial activities that resulted in operational challenges. The global gambling market is eventually expected to reach \$674.7 billion in 2025.

Asia Pacific was the largest region in the global gambling market, accounting for 38% of the market in 2020. North America was the second largest region accounting for 29% of the global gambling market. The Middle East was the smallest region in the global gambling market. On the other hand, the global market for Casinos which was estimated at US\$123.4 Billion in 2020, is projected to reach a revised size of US\$159.3 Billion by 2027. Gambling Machines are projected to generate US\$77.4 Billion by 2027. After a thorough analysis of the business implications of the pandemic and its induced economic crisis, growth in the Gambling tables segment is readjusted to a revised 3.5% CAGR for the next 7-year period.

Casinos market in the United States of America was estimated at US\$44 Billion in the year 2021. Asia-Pacific is forecast to reach a projected market size of US\$36.2 Billion by the year 2027. Among the other noteworthy geographic markets are Canada and Europe, each forecast to grow at 3% and 3.3% respectively over the 2020-2027 period.

The global online gambling market is expected to grow from \$66.7 billion in 2020 to \$72.02 billion in 2021 and \$92.9 billion in 2023. The growth is mainly due to the companies resuming their operations and adapting to the new normal while recovering from the COVID-19 impact. The market is expected to reach US\$112.09 billion in 2025 at a CAGR of 12%.

LOCAL PERSPECTIVE

The LGB licensed five Bingo Operators and seven Bingo Sites to operate in Lephalale, Bela-Bela, Senwabarwana, Musina, Tzaneen, Phalaborwa, and Groblersdal. Collectively the Bingo operators are licensed to operate a minimum of 751 bingo seats and a Maximum of 2 800 bingo seats; however, they operate 1125 bingo seats.



The third Casino Licence issued in December 2010, to Peermont Global Tubatse (Pty) Ltd trading as Thaba Moshate Hotel Casino and Convention Centre, started operating on 01 April 2015, bringing the number of licensed casinos to three. The facility also offers a hotel, restaurant, bar, child-minding facility, a beauty spa and conferencing facilities.

The number of operational Bookmakers has grown substantially to 63 in the past five years, based on Bookmaker Licences issued in 2012 and 2013. At the same time, the number of operational Totalizator Sites has declined from 27 to 25 Totalizator Sites.

The prominent rise of illegal online gambling facilities in Limpopo poses a threat to Licensed gambling entities, as they contribute to the reduction of revenue generated by Licensed entities and in some cases closure of the Licensed sites, due to declining revenues.

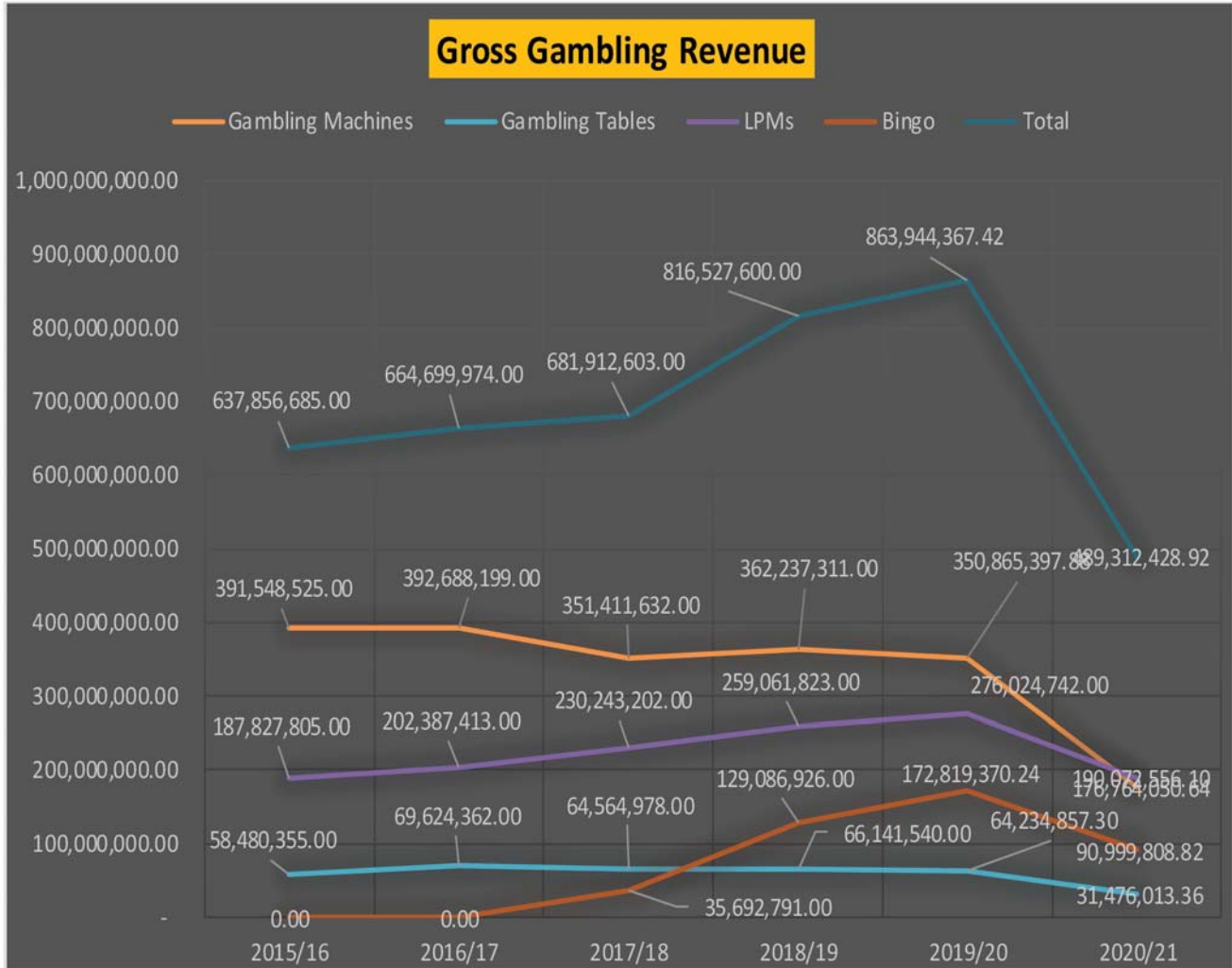
There are 230 LPM sites licensed to operate 1 365 LPMs in Limpopo in the first phase of licensing 1 500 LPMs out of the 3 000 LPMs allocated. Overall, 84% of the first phase LPM allocation had been rolled out by the end of the second quarter of 2020/21 and this constitutes 45.5% of the total LPM allocation for Limpopo.

The Minister of the DTIC will conduct a socio-economic impact study of LPMs in Limpopo prior to giving a directive on Phase 2 of LPMs licensing in Limpopo.

The split of Gross Gambling Revenue and Levies between gambling slot machines, Gambling Tables, Bingo, and Limited Payout Machines in Limpopo Province since 2015/16 was as follows:



Gross Gambling Revenue

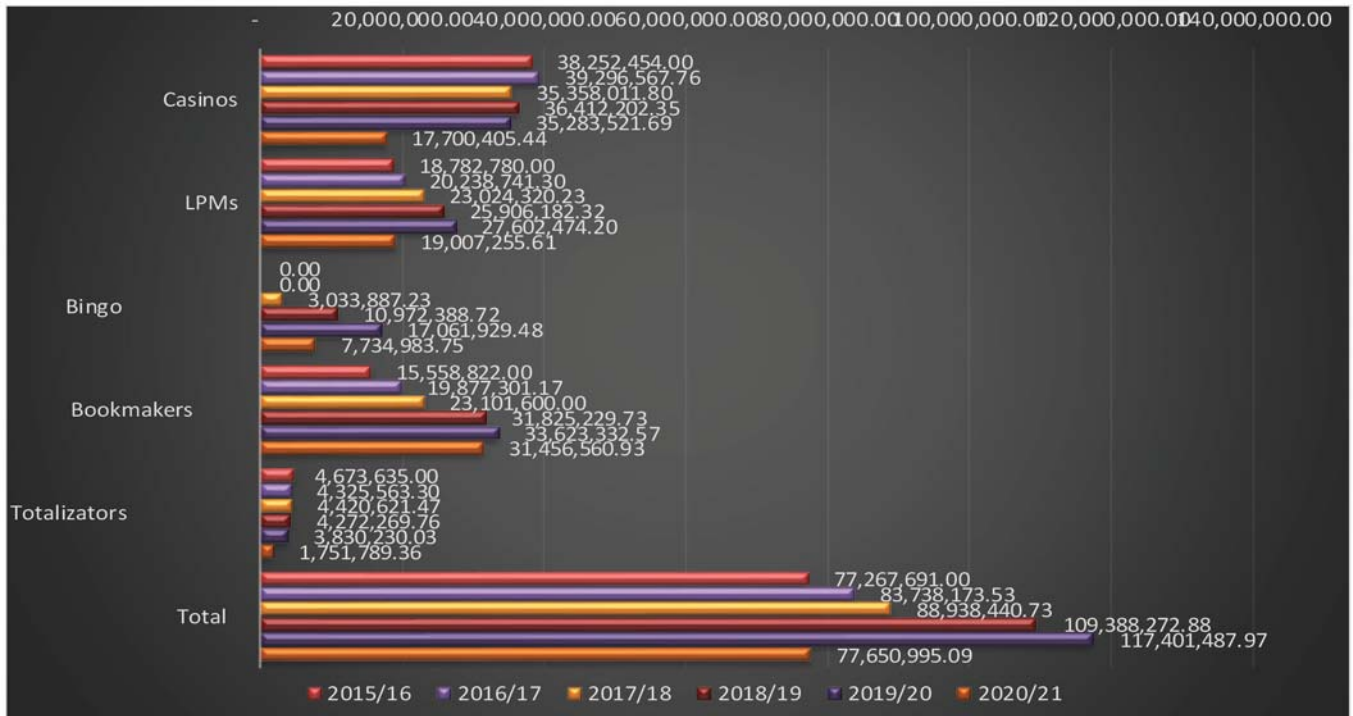


Year	Gambling Machines	Gambling Tables	LPMs	Bingo	Total
2015/16	391,548,525.00	58,480,355.00	187,827,805.00	0.00	637,856,685.00
2016/17	392,688,199.00	69,624,362.00	202,387,413.00	0.00	664,699,974.00
2017/18	351,411,632.00	64,564,978.00	230,243,202.00	35,692,791.00	681,912,603.00
2018/19	362,237,311.00	66,141,540.00	259,061,823.00	129,086,926.00	816,527,600.00
2019/20	350,865,397.88	64,234,857.30	276,024,742.00	172,819,370.24	863,944,367.42
2020/21	176,764,050.64	31,476,013.36	190,072,556.10	90,999,808.82	489,312,428.92
Variance	- 174,101,347.24	- 32,758,843.94	- 85,952,185.90	- 81,819,561.42	- 374,631,938.50
Variance %	-50%	-51%	-31%	-47%	-43%



The Total levies paid by Licensees for the financial years 2015/16 and 2020/21 were as follows:

Gambling Levies



Year	Casinos	LPMs	Bingo	Bookmakers	Totalizators	Total
2015/16	38,252,454.00	18,782,780.00	0.00	15,558,822.00	4,673,635.00	77,267,691.00
2016/17	39,296,567.76	20,238,741.30	0.00	19,877,301.17	4,325,563.30	83,738,173.53
2017/18	35,358,011.80	23,024,320.23	3,033,887.23	23,101,600.00	4,420,621.47	88,938,440.73
2018/19	36,412,202.35	25,906,182.32	10,972,388.72	31,825,229.73	4,272,269.76	109,388,272.88
2019/20	35,283,521.69	27,602,474.20	17,061,929.48	33,623,332.57	3,830,230.03	117,401,487.97
2020/21	17,700,405.44	19,007,255.61	7,734,983.75	31,456,560.93	1,751,789.36	77,650,995.09
Variance	-17,583,116.25	- 8,595,218.59	- 9,326,945.73	- 2,166,771.64	-2,078,440.67	- 39,750,492.88
Variance %	-50%	-31%	-55%	-6%	-54%	-34%

The GGR for Gambling Machines and Gambling Tables have been declining over the past five years. The overall Casino Levies have fluctuated over the past five years, culminating in a decline in Levies collected from Casino in 2020/21 by 50% in comparison to 2019/20. The decline is in line with the decline in the GGR for Gambling Machines and Gambling Tables by the same percentage and the nominal decrease of 28% in the total money wagered at the Casino.

The GGR and Levies for Gambling Machines have been declining over the past five years. The levies for 2020/21 were 5% less than the levies for 2015/16; meanwhile, the 2019/20 GGR and levies for Gambling Tables increased by 50% in comparison 2015/16. Overall, Casino levies have fluctuated over the past five years, culminating in a decline in levies collected from casinos in 2020/21 by 50% in comparison to



2019/20. The decline is in line with the decline in the GGR for Gambling Machines and Gambling Tables by the same percentage, despite a nominal increase of 0.26% in the total money wagered at the casinos.

Levies from LPM and Bingo Operators have decreased by 31% in 2020/21 due to COVID-19 restrictions in the 2020/21 financial year. The decline in levies from LPM Operators in 2020/21 is contrary to the steady increases over the past five years, despite 14 Type A LPM Sites. On the other hand, the decrease in Bingo levies is despite six out of seven Bingo sites being operational since 2017/18, and Galaxy Bingo Musina and Galaxy Bingo Bochum increasing Bingo seats to 209 and 112 respectively during 2020/21. In comparison with the first year of operation (2017/18) Bingo levies were 155% higher, despite the COVID-19 restriction even though there were only two bingo sites in 2017/18 operational and compared to six bingo sites in 2020/21.

The Horseracing sector (Bookmakers and Totalizators) have performed poorly in the 2020/21 financial year due to restrictions of COVID-19. The impact of the pandemic has led to the Totalizator (Phumelela Gaming and Leisure) being placed under business rescue.

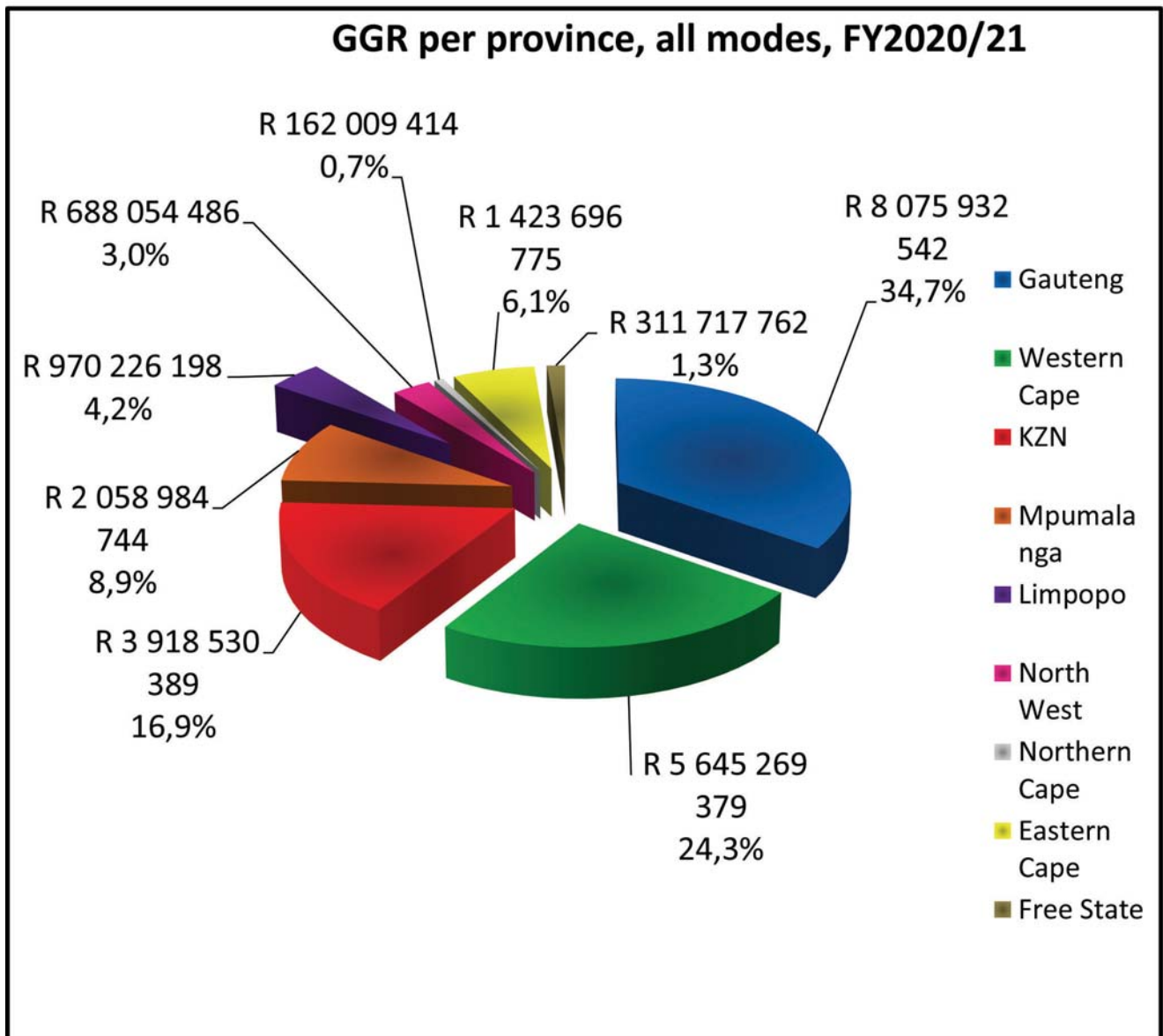
The decrease in levies from Bookmakers by 6% in comparison to the 2019/20 financial year is despite the opening of one more Bookmaker sites during the 2020/21 financial year. Bookmaker levies in 2020/21 were 36% higher than the levies collected in 2015/16.

The Totalizator sector has not been performing well in terms of levies generated in past five years. This is reflected by the fact that levies collected grew by 2% in 2016/17 and declined in 2015/16, 2017/18 by 7% and 3% respectively, leading to a decline of 10% in 2019/20 despite the opening of two Totalizator sites during 2019/20. The poor performance of the Totalizator sector may be due to the exponential growth of fixed odds betting on the results of local and international sports and lotteries over the past ten years in Limpopo Province.

It is largely expected that due to the relaxation of COVID-19 Disaster Management Regulations and the progressing immunisation of the population, Licensees will continue to recover in the 2022/23 financial year after the devastating effects of COVID-19 in the 2020/21 financial year; thus, the financial performance of the Licensees is expected to gradually grow as more punters return to the gambling establishments, whilst more punters will also be expected to embrace online betting.

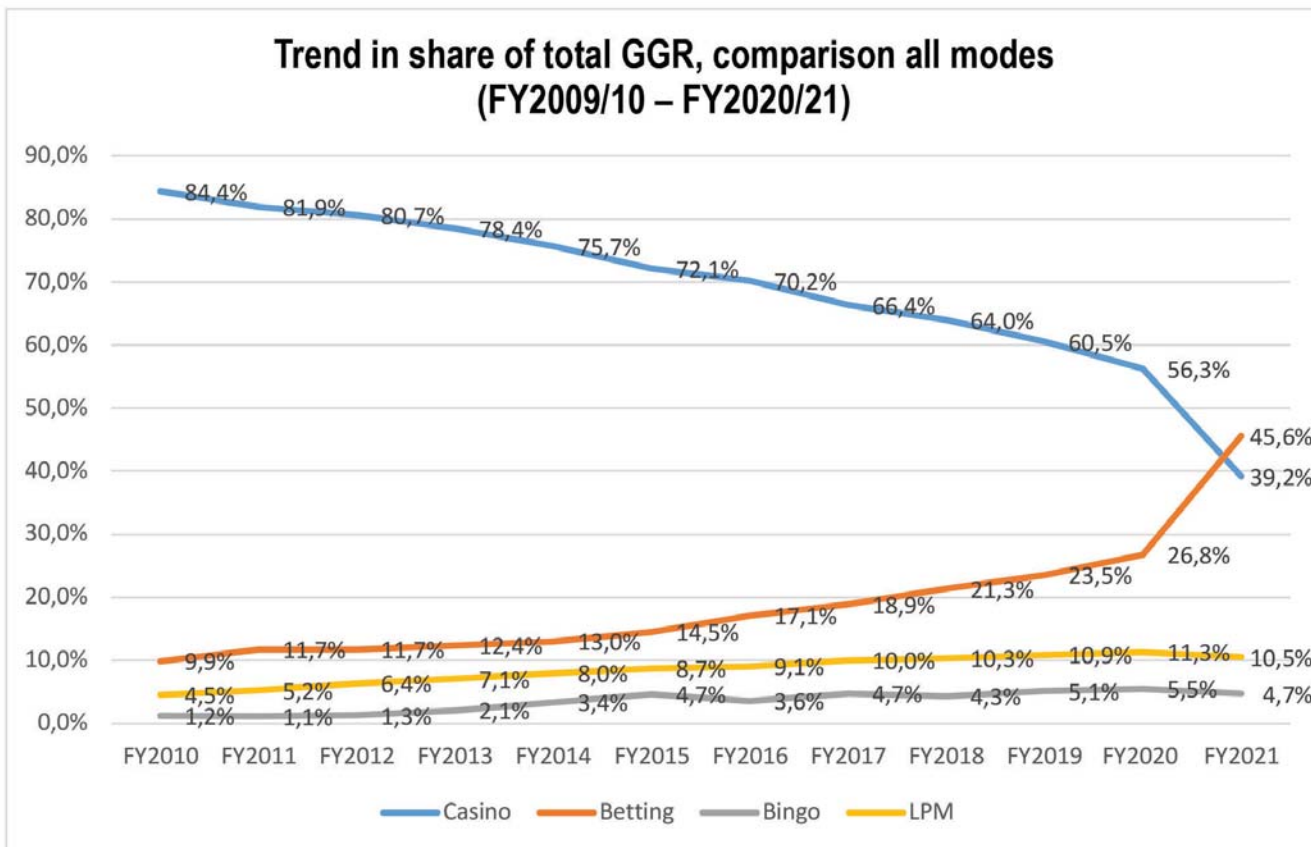


In the 2020/21 financial year Limpopo Province has contributed 4.2 % to R 23 254 421 689 GGR generated nationally. The contribution declined from 4.5% in 2019/20.



Source: National Gambling Board

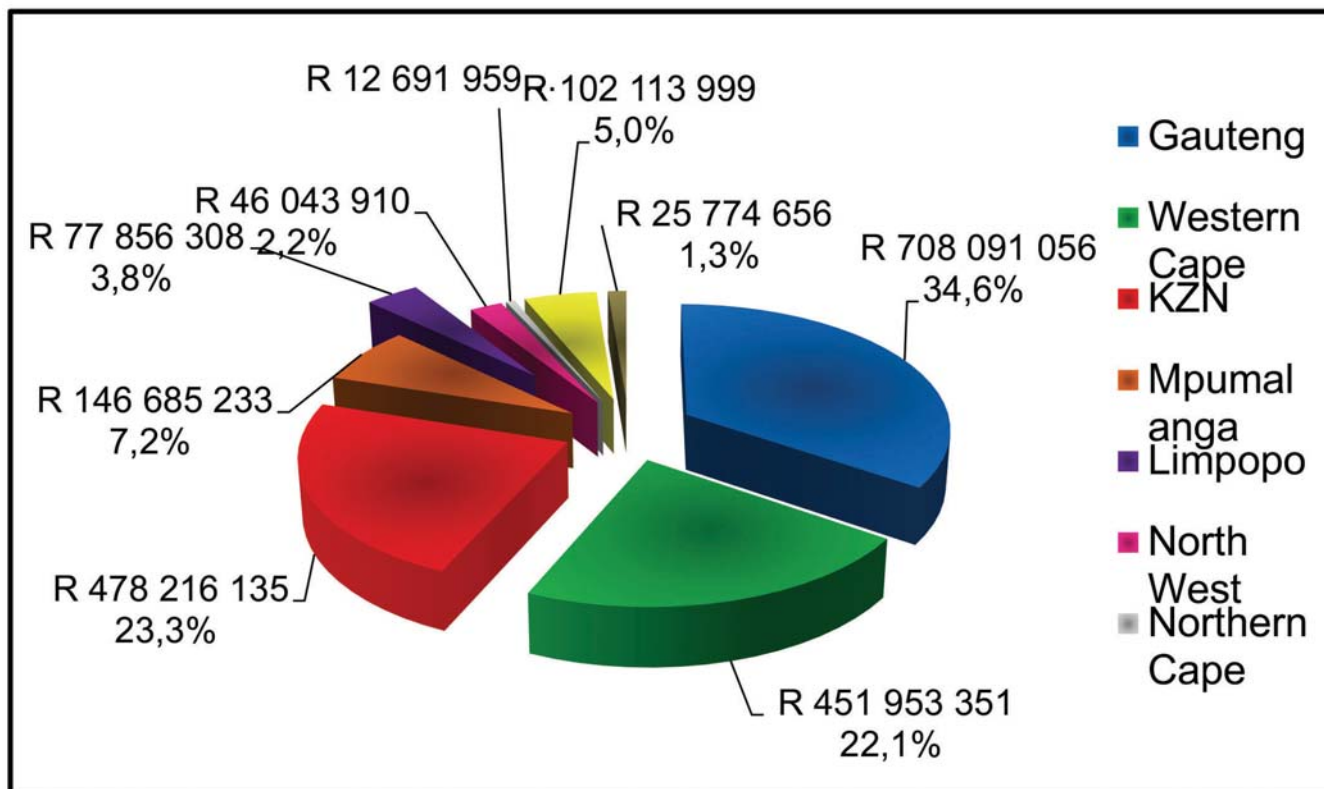
At the same time, the GGR trends per gambling mode over the past ten years show that Casino GGR as a percentage of total national GGR for all modes of gambling has been declining from 84% in 2009/10 to 39.2% in 2020/21. On the contrary, the GGR for Betting as a percentage of total national GGR for all modes of gambling has been on an upward trajectory from 9.9% in 2010 to 45,6% in 2021. The GGR for LPMs or Bingo grew, nationally by 6% and 3.5% respectively.



Source: National Gambling Board



The same GGR trends reflect in the levies collected during the same period. On the other hand, Limpopo Province generated gambling levies amounting to 3.8% of levies collected nationally in 2020/21 i.e., R2 049 426 607.



Source: National Gambling Board

The NGB further records a total amount of R2,0 billion levies were collected during the 2020/21 financial year, further that, the gambling industry subsequently lost over R1 billion in taxes from gambling in the 2020/21 financial year from the previous year due to the impact of COVID-19.

As per NGB records, R326 billion was wagered in the 2020/21 financial year which declined by 27.9% (R452 billion) from the 2019/20 the financial year due to the ripple effects of the COVID-19 pandemic on the gambling industry.

The NGB asserts that the casino industry has been the worst affected industry, with its recovery poised to take the longest given it was already showing a negative growth rate even before the pandemic. The Bingo and LPM industries have also been negatively affected by the pandemic but the NGB forecasts that their recovery to the peak will be quicker than the casino sector. The betting industry is the only industry that was not impacted by the pandemic, instead growing to levels even beyond its peak before the pandemic.

LAW ENFORCEMENT BUSINESS UNIT

The mandate of the Entity is also to investigate and eradicate all forms of illegal gambling activities within the Province. This is done through collaborations with SAPS, NPA, and other government departments. In addition to investigations, the Entity also conducts crime awareness campaigns to the entire community of Limpopo in line with the principles of Community Policing approach. The Province is faced with a challenge of illegal gambling activities which have a negative impact on the ability of the licensed sites to raise revenue and also depriving the Province of the revenue.

Law Enforcement Business Unit of LGB has partnered with the South African Police Services (SAPS), the National Prosecuting Authority (NPA), and other relevant Stakeholders responsible for the eradication of illegal gambling activities within the Province. This assists in the protection and enhancement of the economy of the Province, as illegal gambling activities have a negative impact on revenue collection by the Province.

The Province is currently experiencing a huge influx of illegal gambling machines (Chinese roulettes) and the mushrooming of illegal online/computer or server-based gambling dens. The matter had been brought to the attention of the SAPS at national level with an aim of formulating National and Provincial task teams.

There is currently an active partnership between the Firearm, Liquor and Second Hand Goods (FLASH) Unit of the South African Police Service (SAPS) within Limpopo Province to eradicate illegal gambling activities.

Due to the onset of the COVID-19 pandemic during March 2020, investigations of illegal gambling activities and crime awareness campaigns were cut down, and the Entity only focused on invitations received from SAPS on emergency matters.

During the 2020/21 financial year, a total of 61 illegal gambling operators were arrested during investigations, and R10 300.00 admissions of guilt fines were paid. A total number of 52 cases were investigated in the current financial year, 4 of which were carried over from the previous financial year. The investigations also resulted in the confiscation of 3 illegal gambling machines and 79 computers.

Various interventions were made during the 2020/21 financial year, which yielded positive results such as seven (07) raids were conducted Polokwane Cas456/03/2021, Zebediela Cas102/03/2021, Polokwane Cas566/11/2020, Saseleman Cas56/10/2020, Hlanganani Cas156/10/2020, Lebowakgomo Cas87/07/2020 and Seshego Cas253/06/2020. During the raids 37 suspects were arrested, 222 computers and an amount of R41 653.70 confiscated.

During the financial year, the Entity destroyed a total of 137 illegal gambling machines in the form of Chinese Roulette. These machines were confiscated from various spaza shops or taverns throughout the Province.



The current observed trend compared to the previous years is that illegal gambling operators are operating within locked gates and locked doors, with a guard positioning himself far away from the illegal shop. This approach makes it difficult for both SAPS and Inspectors of the Gambling Board to access or penetrate some illegal gambling dens.

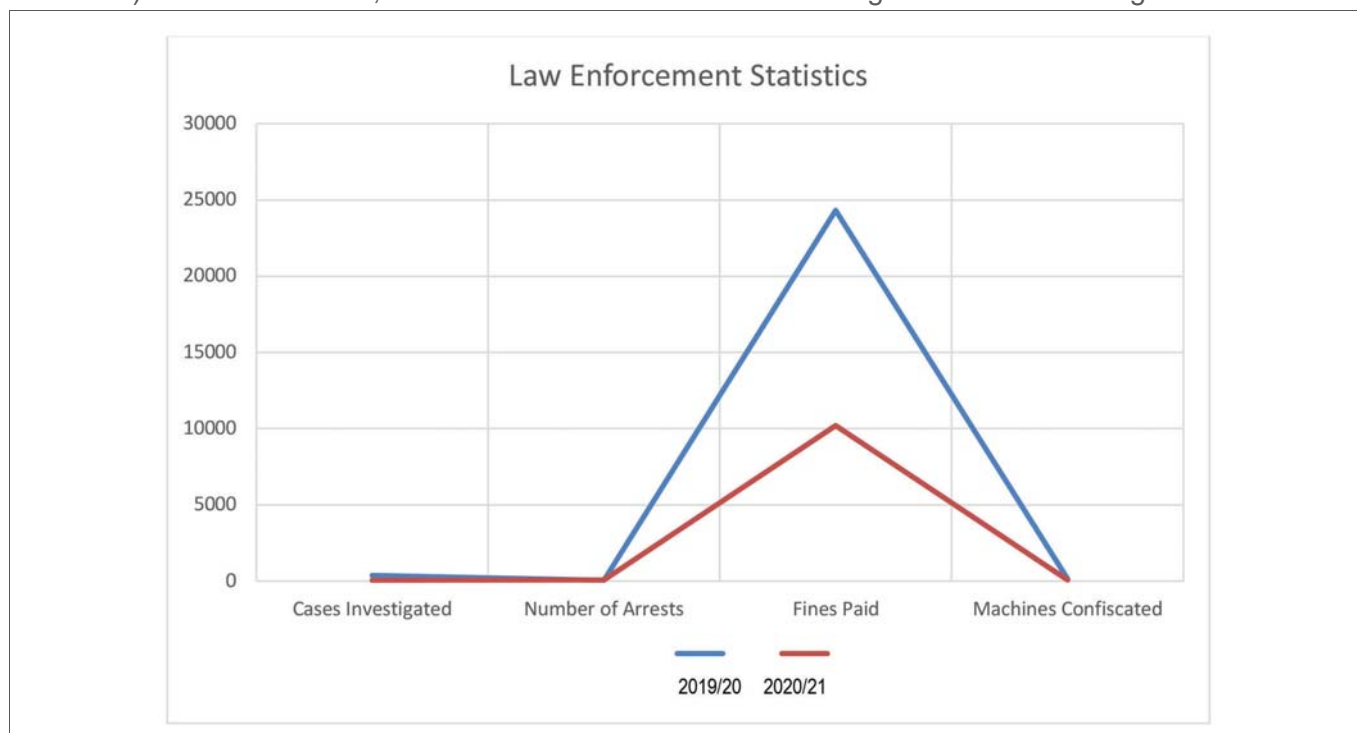
Like any other Province in South Africa, Limpopo was not isolated from the COVID-19 Pandemic and its various alert regulations levels. Restrictions of individual movements made it difficult to monitor and combat illegal gambling activities within the Province. The Governments’ approach on budget cuts through Provincial Treasury made things worse as the Law Enforcement Business Unit was bound to halt its planned operational activities.

Illegal gambling operations also changed their modus operandi and made it more difficult for Law Enforcement Agencies to combat the scourge.

During the 2019/20 financial year, illegal gambling operators operated through closed and locked doors with security guards guarding the outside building.

Despite the above challenges, 354 cases were investigated, 52 illegal gambling operators were arrested and a total amount of R24 315.00 was paid as admission of guilt fines. 137 illegal gambling machines (Chinese Roulettes) were confiscated within five Municipal Districts.

During 2020/21, a total of 52 cases were investigated, 61 illegal gambling operators were arrested and a total amount of R10 300.00 was paid as admission of guilt fines. 62 illegal gambling machines (Chinese Roulettes) were confiscated, with the bulk of these machines being from the Waterberg District.



The table below illustrates the trend in terms of illegal gambling activities per District. During the stated period, the Law Enforcement Unit had been able to conduct investigations around Capricorn, Vhembe and Waterberg as directed by informer network and SAPS crime pattern and statistics. The most prevalent illegal gambling activities noticed are illegal gambling machines, including illegal online gambling.

Through observations and considering crime statistics, the other Districts will also have fahfi/mochaina, illegal gambling machines, illegal online gambling including cards and dice.

Investigations with Arrests 2020/21

NO	CASE NUMBER	JURISDICTION	DISTRICT	DESCRIPTION
1	270/04/2020	Senwabarwana	Capricorn	Illegal gambling machines
2	272/04/2020	Senwabarwana	Capricorn	Illegal gambling machines
3	27/09/2020	Botlokwa	Capricorn	Illegal online gambling
4	350/11/2020	Westenburg & Moletjie	Capricorn	Illegal online gambling
5	48/01/2021	Vaalwater	Waterberg	Illegal online gambling
6	50/01/2021	Vaalwater	Waterberg	Illegal online gambling
7	53/01/2021	Vaalwater	Waterberg	Illegal online gambling
8	54/01/2021	Vaalwater	Waterberg	Illegal online gambling
9	55/01/2021	Vaalwater	Waterberg	Illegal online gambling
10	56/01/2021	Vaalwater	Waterberg	Illegal online gambling
11	57/01/2021	Vaalwater	Waterberg	Illegal online gambling
12	58/01/2021	Vaalwater	Waterberg	Illegal online gambling
13	59/01/2021	Vaalwater	Waterberg	Illegal online gambling
14	60/01/2021	Vaalwater	Waterberg	Illegal online gambling
15	61/01/2021	Vaalwater	Waterberg	Illegal online gambling
16	62/01/2021	Vaalwater	Waterberg	Illegal online gambling
17	63/01/2021	Vaalwater	Waterberg	Illegal online gambling
18	64/01/2021	Vaalwater	Waterberg	Illegal online gambling

Illegal Online Gambling Sites Raided

NO	CASE NUMBER	JURISDICTION	DISTRICT	DESCRIPTION
1	Cas 456/03/2021	Polokwane	Capricorn	Illegal online gambling
2	Cas 102/03/2021	Zebediela	Capricorn	Illegal online gambling
3	Cas 566/11/2020	Polokwane	Capricorn	Illegal online gambling
4	Cas 56/10/2020	Saselemanne	Vhembe	Illegal online gambling
5	Cas 156/10/2020	Hlanganani	Vhembe	Illegal online gambling
6	Cas 87/07/2020	Lebowakgomo	Capricorn	Illegal online gambling
7	Cas 253/06/2020	Seshego	Capricorn	Illegal online gambling

2. EXTERNAL ENVIRONMENT ANALYSIS

(PESTLE)

	Opportunities (External)	Threat (External)	Strategy to leverage on opportunities and minimise impact of threats
Political	1. New Political Administration.	1. Political interference.	1. To strengthen the independence of the Entity by allowing the Entity to take its own decisions in terms of legislation governing the Entity.
Economic	1. Licensing of online gambling.	1. High unemployment. 2. Low economic growth. 3. Illegal gambling. 4. Labour Disputes. 5. COVID-19 impact on budget.	1. Legalising other forms of gambling, including online gambling. 2. Collaboration with various Stakeholders and Community Leaders. 3. Obtain buy-in from Political leaders to enact the online gambling bill. 4. Ensure labour contracts are in place. 5. Developing innovative ways to run the operations.
Social	1. Creation of job opportunities through the issuing of Licences. 2. Ability to contribute to Corporate Social Responsibility projects.	1. Community Unrest. 2. Retrenchments by operators. 3. Excessive/ irresponsible gambling. 4. Proliferation of Gambling. 5. COVID-19 impact on the socio-economic landscape of the Province and the Entity's operations.	1. Strengthen Licence Conditions on CSI and employment. 2. Monitoring and review of Licence Conditions continuously. 3. Ensuring operators follow the law when retrenching staff. 4. Proper socio-impact study on gambling. 5. Issuing of licences.



	Opportunities (External)	Threat (External)	Strategy to leverage on opportunities and minimise impact of threats
Technology	1. 4 th Industrial Revolution and advancement in technology.	1. 4 th Industrial Revolution.	1. Upskilling of staff. 2. Automation and Modernisation of LGB processes. 3. Collaboration with Departments and other Entities.
Legal	1. Amended National Gambling Bill 2. Partnership with the judiciary and social departments.	1. Outdated Legislation 2. Amended National Gambling Bill does not address interactive gambling.	1. Prioritisation of duties to review legislation. 2. DTIC to review legislation frequently.
Environment	1. Implementation of the green economy.	1. Climate Change.	1. Moving towards a paperless and green environment.

3. INTERNAL ENVIRONMENT ANALYSIS

(PFILMS)

	Strength (Internal)	Weaknesses (Internal)	Strategy to address weaknesses and sustain strengths
Personnel	1. Competent and skilled staff.	1. Lack of staff capacity. 2. Inadequate performance Management and development system. 3. Low Staff Morale. 4. Inadequate resources (working tools).	1. Review of Organisational Structure and filling of positions. 2. Optimal usage of the Performance Management System. 3. Compulsory and Mandatory programs. 4. Attendance of training and conferences by relevant employees performing those functions. 5. Proper compensation and Performance bonus Reprioritisation of the budget.

	Strength (Internal)	Weaknesses (Internal)	Strategy to address weaknesses and sustain strengths
Finance	<ol style="list-style-type: none"> 1. Significant contribution towards Provincial Revenue. 2. Provincial Revenue Enhancement Strategy (incentive on revenue generated). 3. Compliant Licensees. 4. Ability to contribute to Corporate Social Responsibility projects. 	<ol style="list-style-type: none"> 1. Grant Dependent. 	<ol style="list-style-type: none"> 1. Funding through own revenue. 2. Reprioritisation of the budget based on the needs and performance of the Entity.
Infrastructure	<ol style="list-style-type: none"> 1. Green economy compliant building. 2. Modernisation (Operations Management System, Audit Software, Data Analysis Software). 	<ol style="list-style-type: none"> 1. Unsafe Building. 	<ol style="list-style-type: none"> 1. Proper building maintenance. 2. Compliance with occupancy procedures and the Health and Safety Act.
Leadership	<ol style="list-style-type: none"> 1. Functional Board 2. Competent. 3. Management. 4. Consultative leadership. 	<ol style="list-style-type: none"> 1. Lack of succession planning. 	<ol style="list-style-type: none"> 1. Development and implementation of succession plan (Identification of successors). 2. Prioritisation of internal staff for vacant positions. 3. Review of organisational structure hierarchy.



	Strength (Internal)	Weaknesses (Internal)	Strategy to address weaknesses and sustain strengths
Management	<ol style="list-style-type: none"> Objective supervision and decisions. Effective policies in place. Organisational structure in place. Unqualified audit opinion. Recognised Labour Union. 	<ol style="list-style-type: none"> Management override of subordinate recommendations. Lack of adherence to timeframes. Vague policies (Different interpretation). Lack of transparency in communication. Labour Union influence. 	<ol style="list-style-type: none"> Consequence Management. Dissemination of Information to all internal Stakeholders. Development of communication strategy. Management to involve subordinates on issues. Review of recognition agreement.
Systems	<ol style="list-style-type: none"> Organisational Policies and Procedures. 	<ol style="list-style-type: none"> Lack of record Management system. Lack of automated systems. Transversal policies are not customised to the LGB environment. 	<ol style="list-style-type: none"> Development of record Management system. Mechanism for approving Licences beneficial to the Province. Conduct Research Surveys. Develop a modernisation strategy for implementation. Review Transversal policies and customise to the LGB environment.

3.1. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The Entity has required Licensees to comply with the BBEE levels set in the licence conditions of respective Licensees in terms of the BBEE Act no. 53 of 2003. Licensees have substantially complied with the set licence conditions in this regard.

The BBEE arrangements of Licensees include worker, community, and Historically Disadvantaged Individuals ownership. Licensees are also required to implement the prescripts of the Employment Equity Act no.55 of 1998 to eliminate gender and race wage disparity in the gambling industry.



The Entity regards women, youth, and persons with disabilities as part of Previously Disadvantaged individuals (PDIs), and as part of its redress programme for PDIs the Entity requires that Licensees comply with the BBBEE Act by prescribing respective BBBEE levels in the licence conditions. Licensees are also expected to comply with the Employment Equity Act as encapsulated in the licence conditions. The majority of Licensees have met the licence conditions on BBBEE levels and Employment Equity Act. The Board has instituted remedial actions against the Licensees that are failing to comply with these licence conditions. The Entity is in the process of standardising the BBBEE licence conditions and aims for all Licensees to be at Level 2 BBBEE status by 2025.

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013, and as determined by the Department of Trade and Industry.

Has the Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion <i>(include a discussion on your response and indicate what measures have been taken to comply)</i>
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	Yes	The Entity has in line with section 10 of the BBBEE Act, required Licensees to comply with the BBBEE levels set in the licence conditions of respective Licensees. Licensees have substantially complied with the set licence conditions. Remedial actions have been instituted on Licensees that do not comply with the set BBBEE licence conditions.
Developing and implementing a preferential procurement policy?	No	The Entity implements the Preferential Procurement Policy Framework Act. The Entity uses the said Act in assessing the functionality of a potential service provider and in evaluating bids/ quotations for pricing and BBBEE status level. The Act assists in ensuring that the correct/ appropriate service providers, as guided in the Act, are given preference as per the Act.
Determining qualification criteria for the sale of state-owned enterprises?	No	Not applicable



Has the Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:

Criteria	Response Yes / No	Discussion <i>(include a discussion on your response and indicate what measures have been taken to comply)</i>
Developing criteria for entering into partnerships with the private sector?	No	Not applicable
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad-Based Black Economic Empowerment?	No	Not applicable

3.2. ORGANISATIONAL ENVIRONMENT

The Entity has an approved organisational structure with 71 posts, 52 of which are currently filled.

The Senior Management posts and status is indicated below:

- CEO
- CFO (Vacant)
- Senior Manager Finance
- Senior Manager Compliance
- Senior Manager Legal Services
- Senior Manager Law Enforcement
- Senior Manager Corporate Services (Vacant)
- Company Secretary (Vacant)

Age analysis of staff

The table depicts that the Entity has 58% males and 42% females. The Entity has developed an employment equity plan to address the disparity. The table further shows that the Entity has 19% of the youth in the employ of the Entity. The table also depicts that the employees who are between 36 – 39 constitute 31% of the workforce. The above implies that 50% of the workforce are below 40 years, 31% of the employees are in the age range of 40 – 50, whilst those who are above 50 – 60 years constitute 13% of the workforce. Those who are over 60 years constitute 6% of the workforce and two (2) of them will be due for retirement during 2023/24. The above implies that the Entity should invest more in the



development of employees who are below 40 years as they constitute a higher percentage of the workforce. The employees who are 40 years are being encouraged to share their skills in order to maintain institutional memory.

Employee Head Count Report:

		African		Coloured		Indian		White		Grand Total
Age Group	Age	Female	Male	Female	Male	Female	Male	Female	Male	
20 to 30	26						1			1
30 to 40	30	1								1
	31	1								1
	33	1	1							2
	34		1							1
	35	2	2							4
	36	2						1		3
	37	3								3
	38	2	3						1	6
	39		2	1					1	4
30 to 40 Total		12	9	1			1	1	2	26
40 to 50	40		1							1
	41	2	1							3
	42		1							1
	43		2							2
	44		1			1				2
	45		2							2
	46							1		1
	49	2	2							4
40 to 50 Total		4	10			1		1		16
50 to 60	50		2							2
	52				1					1
	55									
	56		1							1
	58	1	2							3
50 to 60 Total		1	5		1					7
60 and over	61	1								1
	63		2							2
60 and over Total		1	2							3
Grand Total		18	26	1	1	1	1	2	2	52



The Entity has appointed seven (7) interns for a period of two years.

The next interns' intake will be in the 2022/23 and 2023/24 Financial Periods.

The recruitment plan for the MTEF will be implemented as indicated below:

	POSTS	2021/22	2022/23
1	Company Secretary		X
2	Senior Corporate Manager	X	
3	Labour Relations Manager		X
4	Manager Law Enforcement	X	
5	HR Officer (X2)	X	X
6	Finance Administrator	X	
7	Compliance Auditors (X2)	X	
8	Investigation Officer	X	
9	Licensing Officer	X	
10	Inspector Gambling Control	X	
11	Supply Chain Officer (X2)	X	X
12	Chief Financial Officer	X	
13	Manager Supply Chain	X	
14	Office Assistant (X2)	X	
15	Inspector Law Enforcement		X
16	Liaison Officer		X

Challenges:

The Entity has 20 vacant posts. The vacant posts have been prioritised for 2021/22 and 2022/23 as indicated in the table above. The Entity will also have another intake for ten (10) interns in the 2022/23 financial year. The HR Unit is understaffed and is operating with one employee from 01 November 2021. The Entity is in the process of filling two (2) vacant HR officer posts. Filling of the posts for the Entity might take longer than anticipated due to limited capacity within the HR Division.

3.3. STRATEGIC PLANNING PROCESS

The following Stakeholders were consulted during the process:

- Board Members of Limpopo Gambling Board
- Senior Management and staff of Limpopo Gambling Board
- Department of Economic Development, Environment and Tourism (LEDET)
- Provincial Treasury
- Office of the Premier
- Gambling operators



The table below depicts the process that was followed in the development of the Annual Performance Plan:

September 2021	Planning meetings with Units
September 2021	Consultation with Licensees
October 2021	Planning Session with Senior Management & Stakeholders
October 2021	Consultation with the Board, LEDET, OTP & MEC
October 2021	First Draft 2022/23 APP submission to LEDET
December 2021	Submission of the 2022/23 APP to the Board for approval
December 2021	Assessment feedback from OTP & DPME
January 2022	Strategic Planning Session with the Board
January 2022	Review of APP by Internal Audit
March 2022	Finalisation and approval of 2022/23 APP by the MEC
March 2022	Submission of approved 2022/23 APP to the Legislature for tabling





PART C:

**MEASURING OUR
PERFORMANCE**

1. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

1.1. PROGRAMME 1: GOVERNANCE

Purpose: The purpose of this programme is to provide executive and strategic direction to the Board.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
A sustainable, efficient and effective organisation	Improved Governance of the Entity	Percentage of compliance to declaration of interest at each Board and Committee meeting	N/A	N/A	100%	100%	100%	100%	100%
		Percentage of compliance to disclosure of financial interests by the Executive Management	N/A	N/A	100%	100%	100%	100%	100%



Output Indicators: Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Percentage of compliance to declaration of interest at each Board and Committee meeting	100%	100%	100%	100%	100%
Percentage of compliance to disclosure of financial interests by the Executive Management	100%	100%	0%	0%	0%

Summary of payments and estimates by Economic Classification: Programme: Governance

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised Estimate	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current Payments	11 000	11 018	6 727	5 724	7 590	7 590	6 996	6 996	7 283
Compensation of employees	3 738	4 564	5 548	5 724	6 274	6 274	6 171	6 171	6 240
Goods and services	7 262	6 454	1 179	-	1 316	1 316	825	825	1 043
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfer and subsidies to:	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations & private enterprises	-	-	-	-	-	-	-	-	-
Foreign governments and international org	-	-	-	-	-	-	-	-	-
Non-profit making institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payment for capital assets	16	-	-	-	-	5	-	-	-
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	16	-	-	-	-	5	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	11 016	11 018	6 727	5 724	7 590	7 595	6 996	6 996	7 283

The Governance programme houses mainly Board matters and Board related costs, Board fees and oversight activities. The programme is also responsible for implementing the priority on better Africa and the world through participation in the programmes of International Association of Gaming Regulators and Africa Gaming Regulators Forum. In addition, it is responsible for coordinating communication and CSI projects for the Entity.

This Business Unit houses funding for governance structures such as the funding of the Board fees and its committees. These are non-negotiable costs funded under this Business Unit. The allocation for the next financial year is not sufficient to fund the non-negotiable costs, more so in the 23/24 financial year. The funding starts to rise in the outer year and considering the current costs seems to be sufficient, but costs in that year are likely to increase beyond the current allocation. The unit's goods and services allocation will be considered for additional allocation during the budget adjustment.

Explanation of Planned Performance over the medium-term Period

Limpopo Gambling Board derives its mandate from the Constitution of the Republic of South Africa, Act No.108 of 1996 which regulates gambling activities as concurrent competence by both the Provincial and National sphere. The Limpopo Gambling Board is tasked to regulate, monitor and licence gambling activities in the Province, while promoting economic growth. In the quest to realise the strategic objective of the Entity which also seeks to contribute to the overall objective of the National Development Plan (NDP) and Limpopo Development Plan (LDP), the Entity has developed its five-year Strategic Plan for 2020 – 2025.

This programme provides the overall support and Management of the Entity in accordance with the Limpopo Gambling Act, the PFMA and other relevant legislation to achieve the mandate of the institution.

The Governance Business Unit's core responsibility in the Entity is to drive mainly the implementation of the sustainable, efficient and effective organisation as part of consolidating a capable and ethical developmental state as envisaged in the NDP vision 2030. As part of enforcing that, Board Members declare their interests in all the Board and Committee meetings to promote transparency and accountability.

The 2020-2025 Strategic Plan of the Entity was reviewed as a result of the outbreak of the COVID-19 pandemic.

The Entity continued the efforts to attain good governance, which is evident in the previous two financial years where the Entity attained a clean audit opinion from Auditor-General of South Africa (AGSA); the Entity will continue with the records management programme training employees to capacitate themselves on issues relating to records as they are central around issues of audits.

Having an efficient and effective organisation that is sustainable will assist the Entity to contribute towards achieving a capable, ethical and a developmental state that the country aspires to become. This will in



turn assist the Entity to have an impact on the lives of ordinary people in the gambling fraternity by having a regulated, fully compliant, and socially responsible gambling environment in Limpopo.

1.2. PROGRAMME 2: FINANCE

Purpose: The purpose of this programme is to provide financial and administrative support to all (04) programmes.

1.2.1 Sub-Programme 2.1: Chief financial officer

Purpose: The purpose of this sub-programme is to ensure efficient and effective utilisation of resources through strategic prioritisation.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited / Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
A sustainable, efficient and effective organisation	Audit opinion maintained	Unqualified Audit outcome maintained	N/A	N/A	1	1	Maintain an unqualified audit opinion	Maintain an unqualified audit opinion	Maintain an unqualified audit opinion

Output Indicators: Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Unqualified Audit outcome maintained	Maintain an unqualified audit opinion	0	Unqualified audit opinion maintained	0	0



Summary of payments and estimates by Economic Classification: Programme: Finance

R thousand	Outcome			Main	Adjusted	Revised	Medium-term estimates		
	2018/19	2019/20	2020/21	Appropriation	appropriation	Estimate	2022/23	2023/24	2024/25
Current Payments	8 803	11 020	8 367	5 399	9 164	9 164	8 176	8 176	8 320
Compensation of employees	5 517	6 968	6 023	5 399	5 963	5 963	5 800	5 800	5 780
Goods and services	3 286	4 052	2 344	-	3 201	3 201	2 376	2 376	2 540
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfer and subsidies to:	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations & private enterprises	-	-	-	-	-	-	-	-	-
Foreign governments and international or	-	-	-	-	-	-	-	-	-
Non-profit making institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	5	-	-	-
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	5	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	8 803	11 020	8 367	5 399	9 164	9 169	8 176	8 176	8 320

The programme has three vacancies which are expected to be filled in the current and outer years.

This Business Unit houses other non-negotiable costs such as those of the internal and external auditors; from the figure indicated above, the unit will not be able to fund the external and internal auditors. The same will occur in the following financial years; the Entity will evaluate additional funding during the budget adjustment to cater for all the expenses that should be catered for under this Business Unit.

1.2.2 Sub-Programme 2.2: Human Resources Management

Purpose: The purpose of this sub-programme is to ensure a well governed and capable organisation.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
A sustainable, efficient and effective organisation	Accountability and consequence Management enforced	Percentage of Performance agreements signed	N/A	N/A	100%	100%	100%	100%	100%
		Percentage of annual performance assessment conducted	N/A	N/A	100%	100%	100%	100%	100%

Output Indicators: Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Percentage of Performance agreements signed	100%	100%	0%	0%	0%
Percentage of annual performance assessment conducted	100%	0%	100%	0%	0%



Summary of payments and estimates by Economic Classification: Programme: Human Resource Management

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised Estimate	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current Payments	3 697	4 213	3 860	3 798	5 395	5 395	5 242	5 242	5 410
Compensation of employees	3 014	3 253	3 343	3 798	4 154	4 154	4 645	4 645	4 660
Goods and services	683	960	517	-	1 241	1 241	597	597	750
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfer and subsidies to:	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations & private enterprises	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Non-profit making institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 697	4 213	3 860	3 798	5 395	5 395	5 242	5 242	5 410

This is one unit that is under-funded but hosts the core of the human capital of the Entity. Funding in this unit is mainly due to limited funds. With the funds allocated to the unit, funding is mainly for headcount and close to nothing allocated for goods and services. The unit has non-negotiable costs such as workmen's compensation that must be paid amongst other things, as well as continuous professional development. Funding allocated is not sufficient and will be evaluated for possible additional funding during the budget adjustment.

1.2.3 Sub-Programme 2.3: Supply Chain Management

Purpose: The purpose of this sub-programme is to ensure compliance with procurement prescripts.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
A sustainable, efficient and effective organisation	Invoices paid within 30 days	Percentage of invoices paid within 30 days of receipt	N/A	N/A	100%	100%	100%	100%	100%

Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Percentage of invoices paid within 30 days of receipt	100%	100%	100%	100%	100%



Summary of payments and estimates by Economic Classification: Programme: Supply Chain Management

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised Estimate	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current Payments	17 621	19 268	19 456	21 607	21 541	21 541	23 780	23 780	26 253
Compensation of employees	3 110	3 320	2 478	2 607	2 844	2 844	4 421	4 421	4 907
Goods and services	14 511	15 948	16 978	19 000	18 697	18 697	19 359	19 359	21 346
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfer and subsidies to:	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations & private enterprises	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Non-profit making institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payment for capital assets	168	3	12	-	-	-	-	-	-
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	168	3	12	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	17 789	19 271	19 468	21 607	21 541	21 541	23 780	23 780	26 253

The unit houses the bulk of the Entity's contracts and fixed costs. The contractual obligations are expected to increase in line with the signed contracts where increases within these contracts range from 5% to 10%. This has been catered for under the unit.

Explanation of Planned Performance over the medium-term Period

This programme provides support to the core programmes to achieve the mandate of the institution by providing guidance to all other Business Units regarding finance, personnel, information technology and procurement to utilise the resources efficiently and effectively in line with the PFMA.

Attainment of an unqualified audit outcome report from the independent auditors, the AGSA, will be used as a yard stick to measure the sustainability, efficiency, and effectiveness of the Board in discharging its functions.

Further, the Entity will strive to sustain an unqualified audit outcome with no findings, which is a clear demonstration of the high level of compliance with all the laws and regulations governing the preparations and submission of Annual Financial Statements.



To achieve all these strategic outcomes and impact, the Entity will require the necessary resources such as the funds, ICT tools and human capital to be able to discharge its constitutional responsibilities. The Entity has been negatively impacted in the 2020/21 and 2021/22 financial years by the outbreak of the corona virus in the country. This has been seen through the decline in revenue collections by the Entity, as well as the operators themselves only being able to keep afloat. As a result of the pandemic, the Entity had to change its ways of providing services as most of the service for the Core Business Units is through contact-mode. The Entity is considering looking at modes of providing the service through available ICT models and inventing new ways of reaching the people of the Province.

1.3. PROGRAMME 3: COMPLIANCE

Purpose: The purpose of this programme is to:

- Promote responsible gambling through visibility and awareness, and
- To ensure that gambling activities are compliant with relevant legislations.

1.3.1 Sub-Programme 3.1: Responsible Gambling Campaigns and Research

Purpose: To promote responsible gambling and build a base of empirical evidence for decision-making.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Responsible gambling and compliance with legislations improved in Limpopo.	Responsible Gambling promoted	Number of responsible gambling campaigns conducted	4	40	0	40	22	90	90

Output Indicators: Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of responsible gambling campaigns conducted	22	4	4	10	4

1.3.2 Sub-Programme 3.2: Licensing and Investigation

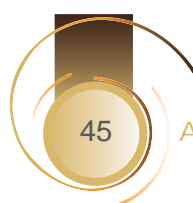
Purpose: To issue corporate and individual Licences to candidates who meet regulatory requirements.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Transformed gambling industry that creates sustainable jobs in Limpopo.	Corporate Licences issued	Percentage of corporate applications processed quarterly within the standard timeframe of 6 months	N/A	N/A	100%	100%	100%	100%	100%

Output Indicators: Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Percentage of corporate applications processed quarterly within the standard timeframe of 6 months	100%	100%	100%	100%	100%



1.3.3 Sub-Programme 3.3: Gambling Control

Purpose: To ensure that Licensees are compliant with technical regulatory requirements and protect the public from unscrupulous practices and the negative effects of gambling.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Responsible gambling and compliance with legislations improved in Limpopo.	Compliance Inspections on Licensees performed	Number of compliance inspections conducted	48	56	23	16	56	56	56

Output Indicators: Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of compliance inspections conducted	56	14	14	14	14



1.3.4 Sub-Programme 3.4: Compliance Audit

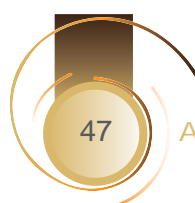
Purpose: To ensure that Licensees are compliant with general and financial regulatory requirements.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Responsible gambling and compliance with legislations improved in Limpopo.	Compliance Audit on Licensees performed	Number of compliance audits conducted	46	44	22	28	28	44	44

Output Indicators: Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of compliance audits conducted	28	5	8	7	8



1.3.5 Sub-Programme 3.5: Stakeholder Management

Purpose: To build good relations with Stakeholders.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Improved Local and International relations with other gambling regulators and related institutions.	Regional integration and trade promoted	Number of Stakeholder engagement sessions held	N/A	N/A	2	2	2	2	2
		Number of formal collaborations established	N/A	N/A	1	2	2	2	2

Output Indicators: Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of stakeholder engagement sessions held	2	0	1	0	1
Number of formal collaborations established	2	0	1	0	1

Summary of payments and estimates by Economic Classification: Programme 3: Compliance


R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised Estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2021/22	2022/23	2023/24
Current Payments	15 635	17 068	15 049	14 483	17 093	17 093	19 053	19 053	19 350
Compensation of employees	12 496	13 667	14 475	14 483	16 064	16 064	18 153	17 853	18 350
Goods and services	3 139	3 401	574	-	1 029	1 029	900	1 200	1 000
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfer and subsidies to:	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations & private enterprises	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Non-profit making institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payment for capital assets	441	-	385	-	-	-	-	-	-
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	441	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	385	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	16 076	17 068	15 434	14 483	17 093	17 093	19 053	19 053	19 350

This Business Unit is one of the core units of the Entity, with the allocation for the MTEF covering mainly the headcount. In the next financial year, only R 0.900 million is allocated for goods and services and this is not sufficient considering the unit is mainly field-based and incurs a huge chunk on travel and accommodation costs. From the 23/24 financial year, there is an increase for goods and services allocated to the unit. Although still not where the Entity would like the allocation for the unit to be, additional allocation will be considered during the budget adjustment.

Explanation of Planned Performance over the medium-term Period

From the onset when gambling was legalised, the ownership structure of the gambling industry was generally not transformed, thus excluding the previously disadvantaged individuals. The regulation and monitoring of gambling in Limpopo is aimed at ensuring that the gambling industry is inclusive, contributes to economic development and creates more jobs by 2025. During 2020 – 2025 the Entity will amend Licence Conditions to ensure that the Licensees comply with the BBBEE Act. In addition, the Entity will monitor the implementation of the Licence Conditions through Compliance audits.





In line with Section 4(1)(b) of the Limpopo Gambling Act no. 3 of 2013, the LGB aims to protect the public from the negative effects of gambling and ensure responsible gambling. This will be achieved by conducting 22 responsible gambling awareness campaigns in collaboration with the Licensees and the South African Responsible Gambling Foundation (SARGF).

The SARGF provides research, education and awareness, treatment, and counselling to problem gamblers. Overall, the LGB ensures compliance with legislation and aims to ensure better compliance with relevant legislation by Licensees. The achievement of the identified outcomes will assist the Entity to realise its impact and eventually contribute towards full implementation of the two MTSF priorities. To achieve all the above, the Entity will require collaboration from all relevant Stakeholders. Further resources in terms of funding, personnel and ICT tools are very essential to enable the Entity to achieve its outcomes and impact. The Entity notes the uncertainty relating to the COVID-19 pandemic, and that it may disrupt the face-to-face responsible gambling campaigns planned. Alternatively, the Entity will implement responsible gambling campaigns that will require little or no person-to-person contact with the public.

1.4. PROGRAMME 4: LAW ENFORCEMENT

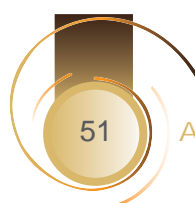
Purpose: The purpose of this programme is to combat illegal gambling throughout the Province by conducting investigations of illegal gambling activities and crime awareness campaigns.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
All modes of illegal gambling activities combatted	Investigations on illegal gambling activities conducted.	Number of investigations conducted on illegal gambling activities	367	355	25	0	150	360	360
	Crime awareness campaigns conducted.	Number of crime awareness campaigns conducted	133	133	0	24	30	120	130

Output Indicators: Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of investigations conducted on illegal gambling activities	150	50	50	25	25
Number of crime awareness campaigns conducted	30	08	08	07	07



Summary of payments and estimates by Economic Classification: Programme 2: Law Enforcement

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised Estimate	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current Payments	6 180	6 685	5 415	5 576	6 741	6 740	7 368	7 368	7 320
Compensation of employees	4 792	5 051	5 271	5 576	6 122	6 122	6 568	6 168	6 320
Goods and services	1 388	1 634	144	-	619	618	800	1 200	1 000
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfer and subsidies to:	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations & private enterprises	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Non-profit making institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	6 180	6 685	5 415	5 576	6 741	6 740	7 368	7 368	7 320

This Business Unit is one of the core Business Units of the Entity. The unit is mainly field based and spends mainly on travel and accommodation. The funding as depicted above mainly focuses on funding the headcount in the unit and R0.800 million allocated for goods and services for the 22/23 financial year. The allocation for goods and services increases in the outer years to R 1.2 million. The current year allocation for goods and services will be evaluated for possible additional funding during the budget adjustment.

Explanation of Planned Performance over the medium-term Period

In collaboration with the South African Police Services (SAPS), National Prosecuting Authority (NPA) including other government Departments, Law Enforcement Unit will continue to co-ordinate the reinforcement of partnership towards Community Policing approach as a style of policing recommended by the Constitution of the Republic of South Africa. Through these endeavours, the community will be empowered and informed regarding all impacts and consequences of illegal gambling activities within the Province. There will also be an enhancement of the SAPS crime intelligence network through involvement of community-based organisations.

Law Enforcement Unit will ensure the involvement of NPA at the beginning of the investigation, Assets Forfeiture Units from both SAPS and NPA, and the shutdown of all illegal online/computer/server-based gambling sites or shops, as well as the complete involvement of SARS, Department of Home Affairs and Labour. Together as a team, we should be able to combat all forms or modes of illegal gambling activities in the Province.

To achieve this constitutional mandate, resources in terms of additional personnel, IT tools and the budget are required to enable the Entity, through Law Enforcement Business Unit, to function effectively. In addition, collaboration with all relevant law enforcement agencies in the Country is key.

2. PROGRAMME RECOURSE CONSIDERATIONS

Summary of payment and estimates: Limpopo Gambling Board

	Outcome			Main Appropriation	Adjust appropriation	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2021/22	2022/23	2023/24
1. Administration	43 432	47 849	41 731	40 593	51 819	51 829	49 230	49 230	52 388
2. Law Enforcement	6 180	6 685	5 415	5 576	6 741	6 740	7 368	7 368	7 320
3. Compliance	16 076	17 068	15 434	14 483	17 093	17 093	19 053	19 053	19 350
Total	65 688	71 602	62 580	60 652	75 652	75 662	75 652	75 651	79 058

In comparison to the 2017/18 to 2019/20 period, the Entity's allocated grant was growing at an average rate of 4.1%. However, over the next MTEF period, the picture is not the same. This is mainly due to the impact of the pandemic not only on the Province, but for the entire Country. The continuous decreasing allocation over the next MTEF will unfortunately limit the activities that the Entity will be able to execute in terms of its mandate. This will affect issues such as licensing and the socio-economic impact study that is underway, as well as the investigation of illegal gambling. Revenue collected by the Entity may decrease as limited levy audits, licensing and inspections will be performed.



SUMMARY OF ECONOMIC CLASSIFICATION

Summary of payments and estimates by Economic Classification: Limpopo Gambling Board

R thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2021/22	2022/23	2023/24
Economic Classification									
Current Payments	65 063	69 849	61 725	60 652	74 152	74 152	75 152	75 651	79 058
Compensation of employees	34 233	38 503	38 863	39 500	43 501	43 501	47 758	47 057	48 306
Goods and services	30 830	31 346	22 862	21 152	30 652	30 651	27 394	28 594	30 752
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfer and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations & private enterprises	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Non-profit making institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payment for capital assets	625	1 753	855	-	1 500	1 510	500	-	-
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	625	1 753	470	-	1 500	1 510	500	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	385	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	65 688	71 602	62 580	60 652	75 652	75 662	75 652	75 651	79 058

Compensation of Employees - The amount of cost of employees increases in the next financial year as a result of vacant posts being taken into account.

Goods and Services - Budget cuts throughout the Province has led to some of the Goods and Services for the Entity being limited. With the allocated figure, the Entity will not be able to cater for all its contractual costs and non-negotiable costs. The Entity will incur great budget pressures in the next financial year to try ensure that all necessary costs are catered for.

Payment for Capital Assets – Capex budget relates to replacement of IT equipment for the Entity.

REVENUE

Entity's Receipt: Limpopo Gambling Board

R thousand	Outcome			Main	Adjusted	Revised	Medium-term estimates		
	2018/19	2019/20	2020/21	Appropriation	appropriation	Estimate	2022/23	2023/24	2024/25
Tax revenue	109 388	117 980	79 541	68 200	112 724	112 724	121 742	131 481	142 000
Non-tax revenue	12 620	12 620	11 424	20 795	14 895	14 895	16 084	17 371	18 761
Sales of goods and services other than capital assets	10 822	11 469	10 668	19 269	14 269	14 269	15 411	16 644	17 976
Of which									
Administration fees									
Sales by market establishments									
Other sales	10 822	11 469	10 668	19 269	14 269	14 269	15 411	16 644	17 976
ANNUAL LICENCE FEES	7 903	9 248	9 131	14 615	12 115	12 115	13 084	14 131	15 261
HORSE RACING FEES, LPM APPLICATION FEES & LPM LICENCE FEES	513	634	537	1 020	520	520	562	607	656
MANUFACTUREE LICENCES, BINGO & CERTIFICATE OF SUITABILITY	630	26	18	60	60	60	65	70	76
INVESTIGATION FEES & SUNDRY INCOME	1 038	590	282	494	494	494	534	577	623
EMPLOYEE REGISTRATION FEES	738	971	700	3 080	1 080	1 080	1 166	1 259	1 360
Entity revenue other than sales	1 798	1 151	756	1 526	626	781	673	727	785
Fines, penalties and forfeits	640	-	167			155			
Interest, dividends and rent on land	1 158	1 151	589	1 526	626	626	673	727	785
Interest	1 158	1 151	589	1 526	626	626	673	727	785
Dividends									
Rent on land									
Transfers received	68 086	72 117	61 381	60 652	75 652	59 074	75 652	75 652	79 056
Social contributions received (social security funds only)									
Departmental transfers	68 086	72 117	61 381	60 652	75 652	59 074	75 652	75 652	79 056
GRANT FROM LEDET	68 086	72 117	61 381	60 652	75 652	59 074	75 652	75 652	79 056
Total entity operation receipts	190 094	202 717	152 346	149 647	203 271	186 693	213 478	224 504	239 817

The main source of revenue for the Entity is received from all gambling Licensees.

The table above indicates the following:

- The grant amount estimated to be received for 2022/23 amounts to R75 million.
- The Entity will surrender levies on a monthly basis as they are collected from the licensees.



3. UPDATED KEY RISKS AND MITIGATIONS FROM THE STRATEGIC PLAN

Outcome	Key Risk	Risk Mitigation
A sustainable, efficient and effective organisation.	Non-compliance with Corporate Governance.	Continuous communication of good corporate governance values and principles.
	Lack of sufficient budget.	Continuously engaging LEDET and Provincial Treasury for additional funding.
	COVID-19 Pandemic.	Implementation and continuous review of the COVID-19 Risk Strategy.
Transformed gambling industry that creates sustainable jobs in Limpopo.	Non-compliance with BBBEE Licence Conditions by new Licensees.	Monitoring of Licensees through compliance audits. Verification of new applicants' BBBEE status.
Responsible gambling and compliance with legislations improved in Limpopo.	Increased incidents of Problem Gambling.	Conducting more visible responsible gambling campaigns.
Improved Local and International relations with other gambling regulators and related institutions.	Lack of advanced knowledge of the gambling industry and methods of gambling regulation.	Benchmarking with other gambling regulators and related institutions. Collaboration in research.
All modes of illegal gambling activities combatted.	Increased illegal gambling activities.	Investigations and raids by Law Enforcement Business Unit.

4. PUBLIC ENTITITES

Not Applicable.

5. INFRASTRUCTURE PROJECTS

Not Applicable.



6. PUBLIC PRIVATE PARTNERSHIPS

PPP	Purpose	Outputs	Current Value of Agreement	End Date of Agreement
South African Responsible Gambling Foundation.	To reduce instances of problem gambling.	Research reports. To provide a therapeutic intervention programme. To provide an education awareness programme.	R 1 084 842.50	2023





PART D:

**TECHNICAL INDICATOR
DESCRIPTION (TID)**

PROGRAMME 1: GOVERNANCE

Indicator Title	Percentage of compliance to declaration of interest at each Board and Committee meeting
Definition	To facilitate the declaration of interests by the Board and Committee Members to promote transparency and accountability
Source of data	Declaration of interest by Board and Committee members
Method of Calculation / Assessment	Actual number of signed declaration of interest forms submitted over/divided/in relation to the total number of Board and Committee members who attended the meeting
Means of verification	Signed Declaration of interest forms completed by Board and Committee members
Assumptions	Implement accountability
Disaggregation of Beneficiaries	Not Applicable
Spatial Transformation	Not Applicable
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Decisions which are ethical, objective and unbiased
Indicator Responsibility	Chief Executive Officer

Indicator Title	Percentage of compliance to disclosure of financial interests by the Executive Management
Definition	To facilitate the annual disclosure of financial interests by the Executive Management.
Source of data	Financial interest disclosure by Executives
Method of Calculation / Assessment	Actual number of financial interest disclosure forms signed divided by total number of Executives
Means of verification	Financial interest disclosure forms complete and signed by Executives
Assumptions	Implement accountability
Disaggregation of Beneficiaries	Not Applicable
Spatial Transformation	Not Applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired performance	Decisions which are ethical, objective and unbiased
Indicator Responsibility	Chief Executive Officer



PROGRAMME 2: FINANCE

Indicator Title	Unqualified Audit outcome maintained
Definition	To maintain a professional and transparent administration and accountability.
Source of data	AGSA Year-End Audit
Method of Calculation / Assessment	Audit report indicating audit outcome as submitted by AGSA
Means of verification	Audit report by AGSA
Assumptions	To have continued professional, transparent, and accountable administration
Disaggregation of Beneficiaries	Not Applicable
Spatial Transformation	Not Applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired performance	Sustained unqualified audit outcome
Indicator Responsibility	Chief Financial Officer

Indicator Title	Percentage of Performance Agreements signed
Definition	Completed Performance agreements for the financial year submitted to the HR Unit by the 7 th of May for the current financial year. For new appointments, the performance agreement should be submitted within 2 months of the appointment.
Source of data	Signed Quarterly Performance Agreements submitted to HR Unit
Method of Calculation / Assessment	Actual number of performance agreements developed over/divided/ in relation to the total number of LGB employees, and/or Performance Assessment Report.
Means of verification	Signed Performance Agreements
Assumptions	Elimination of low morale
Disaggregation of Beneficiaries	Not Applicable
Spatial Transformation	Not Applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired performance	Improving staff performance
Indicator Responsibility	Chief Financial Officer



Indicator Title	Percentage of annual performance assessment conducted
Definition	Performance Assessment conducted by Management and the HR Unit for the previous financial year by the end of the 2 nd Quarter of the current financial year.
Source of data	Bi-Annual Performance Appraisals
Method of Calculation / Assessment	Actual number of performance assessments signed over/divided/in relation to the total number of performance assessments conducted
Means of verification	Performance Assessment Report
Assumptions	Elimination of low morale and poor performance
Disaggregation of Beneficiaries	Not Applicable
Spatial Transformation	Not Applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired performance	Improving staff performance
Indicator Responsibility	Chief Financial Officer

Indicator Title	Percentage of invoices paid within 30 days of receipt
Definition	Invoices paid within 30 days of receipt of a valid invoice and statement after services have been fully rendered.
Source of data	Invoice Register
Method of calculation & Assessment	Actual number of invoices paid within 30 days over/divided/in relation to total number of invoices received.
Means of verification	Valid Invoices and Invoice Register
Assumptions	All valid invoices received are paid within 30 days
Disaggregation of Beneficiaries	All Suppliers
Spatial Transformation	Not Applicable
Calculation Type	Cumulative year-end
Reporting cycle	Quarterly
Desired performance	100% of valid invoices paid within 30 days
Indicator responsibility	Chief Financial Officer



PROGRAMME 3: COMPLIANCE

Indicator Title	Number of Responsible Gambling Campaigns conducted.
Definition	Responsible Gambling Awareness Campaigns conducted including, physical or online and public educational and awareness campaigns. The campaigns will include planned activities to raise public awareness on the effects of excessive gambling and the services offered by the South African Responsible Gambling Foundation.
Source of data	Audiences /attendees or social media platforms/posts or radio broadcasts
Method of calculation & Assessment	Count number of Responsible Gambling Campaigns conducted.
Means of verification	Attendance registers and/or LGB Social Media Pages Statistics reports and/or Radio listenership reports
Assumptions	The public will be aware of the effect of gambling irresponsibly
Disaggregation of Beneficiaries	Not Applicable
Spatial Transformation	Not Applicable
Calculation Type	Cumulative year-end
Reporting cycle	Quarterly
Desired performance	Reduce the incidents of problem gambling
Indicator responsibility	Senior Manager: Compliance

Indicator Title	Percentage of corporate applications processed quarterly within the standard timeframe of 6 months.
Definition	This includes, but is not limited to, the percentage of Bingo Operator, Bingo Site, Bookmaker Operator, Bookmaker Site, Totalizator Site, LPM Site and Certificate of Suitability applications processed within 6 months by Management, based on completed applications received.
Source of data	Investigations conducted and license application register.



Method of calculation & Assessment	<p>Divide the total number of complete Investigation reports finalised during the 6-months period by the total number of complete Corporate Licence applications received at the beginning of the 6-months period.</p> <p>Notes: If some Investigation reports are finalised prior to the 6-months period and the calculation for the quarter is less than 100%, and the 6-months period has not yet lapsed, the actual achievement will be regarded as 100%.</p> <p>An application for a corporate licence will be regarded as processed when the CEO has signed off the Investigation report.</p>
Means of verification	Investigation reports and Licence applications received
Assumptions	All the licensed entities meet the licensing requirements
Disaggregation of Beneficiaries	Women, Youth and Persons with disabilities
Spatial Transformation	Not Applicable
Calculation Type	Cumulative
Reporting cycle	Quarterly
Desired performance	Finalising investigation of all completed applications received
Indicator responsibility	Senior Manager: Compliance

Indicator Title	Number of Compliance inspections conducted
Definition	Number of Compliance inspections conducted on Casino, Bingo and LPM site Licensees to ensure that Licensees adhere to gambling legislation and Licence Conditions
Source of data	Compliance inspections.
Method of calculation & Assessment	Count number of Compliance inspection reports produced
Means of verification	Compliance inspection reports
Assumptions	Operators will adhere to Licence Conditions and legislations
Disaggregation of Beneficiaries	Not Applicable
Spatial Transformation	Not Applicable
Calculation Type	Cumulative year-end
Reporting cycle	Quarterly
Desired performance	Licensees compliant with applicable legislation and licence conditions
Indicator responsibility	Senior Manager: Compliance



Indicator Title	Number of compliance audits conducted
Definition	Conduct Compliance audits or Levy audits or Monitoring reviews to ensure that Licensees adhere to gambling legislation and Licence conditions.
Source of data	Compliance audit reports and/or Levy Audit reports and/or Monitoring reports
Method of calculation & Assessment	Count the number of Compliance audits and/or Levy audits and/or Monitoring reports
Means of verification	Compliance audits and/or Levy audits and/or Monitoring reports
Assumptions	Licensees will adhere to Licence conditions and legislation
Disaggregation of Beneficiaries	Not Applicable
Spatial Transformation	Licensees will adhere to Licence conditions and legislation
Calculation Type	Cumulative year-end
Reporting cycle	Quarterly
Desired performance	Licensees compliant with applicable legislation
Indicator responsibility	Senior Manager: Compliance

Indicator Title	Number of Stakeholder engagement sessions held
Definition	To build good relationships with Stakeholders by engaging Stakeholders through interactive sessions to discuss various regulatory issues.
Source of data	Stakeholder Engagement Sessions
Method of calculation & Assessment	Count number of Attendance registers or Stakeholder session Minutes or Stakeholder Session report
Means of verification	Attendance registers or stakeholder engagement session Minutes or Stakeholder Session report
Assumptions	The LGB will build good relationships with Stakeholders
Disaggregation of Beneficiaries	Not Applicable
Spatial Transformation	Not Applicable
Calculation Type	Cumulative year-end
Reporting cycle	Bi-Annual
Desired performance	Good relationships with Stakeholders
Indicator responsibility	Senior Manager : Compliance



Indicator Title	Number of formal Collaborations established
Definition	To establish and maintain formal collaborations with local and international Gambling Regulators and Organisations for the purpose of benchmarking and collaborating on various regulatory issues.
Source of data	Formal Collaborations
Method of calculation & Assessment	Count and review the number of signed Memorandum of Understanding/Agreement
Means of verification	Memorandum of Understanding/Agreement signed
Assumptions	The LGB will build good relationships with other Regulators and organisations.
Disaggregation of Beneficiaries	Not Applicable
Spatial Transformation	Not Applicable
Calculation Type	Cumulative year-end
Reporting cycle	Bi-Annual
Desired performance	Effective collaborations with other Regulators or Organisation
Indicator responsibility	Senior Manager : Compliance



PROGRAMME 4: LAW ENFORCEMENT

Indicator Title	Number of investigations conducted on illegal gambling activities
Definition	Conduct investigations on identified illegal gambling activities
Source of data	Investigations on illegal gambling activities
Method of calculation & Assessment	Count the number of investigations conducted
Means of verification	Investigation Reports
Assumptions	Reduced illegal gambling activities
Disaggregation of Beneficiaries	Not Applicable
Spatial Transformation	Rural and Urban
Calculation Type	Cumulative year-end
Reporting cycle	Quarterly
Desired performance	Eradication of illegal gambling activities
Indicator responsibility	Senior Manager: Law Enforcement.

Indicator Title	Number of crime awareness campaigns conducted.
Definition	Educate and empower society and Stakeholders about the consequences, impact and the danger of illegal gambling activities through online methods.
Source of data	Physical campaigns or Social media posts or webinars or radio broadcasts.
Method of calculation & Assessment	Count number of crime awareness campaigns conducted.
Means of verification	Attendance registers and/or Social media posts and/or webinars (i.e. recording/screenshot/register) and/or radio broadcasts listenership statistics.
Assumptions	Reduced illegal gambling activities, Increase the reporting of illegal activities
Disaggregation of Beneficiaries	Not Applicable
Spatial Transformation	Not Applicable
Calculation Type	Cumulative year-end
Reporting cycle	Quarterly
Desired performance	Public aware of the consequences, impact and the danger of illegal gambling activities.
Indicator responsibility	Senior Manager: Law Enforcement.





ANNEXURES TO THE ANNUAL PERFORMANCE PLAN

ANNEXURE A: AMENDMENTS MADE TO THE STRATEGIC PLAN

The Entity revised the 2020 – 2025 Strategic Plan during 2020, due to the outbreak of the COVID-19 pandemic.

The amended Strategic Plan was subsequently approved by the MEC in July 2020 and the amendments made were detailed in the 2021/22 APP.

The following amendment was made to the 2020-2025 Strategic Plan:

Original:

MTSF Priority	Priority 1: Capable, Ethical and Developmental State		
Outcome	OUTCOME INDICATOR	BASELINE (2014 – 2019)	FIVE-YEAR TARGET (2020 - 2025)
A sustainable, efficient and effective organisation	Unqualified Audit outcome	New indicator	5

MTSF Priority	Priority 2: Economic Transformation and Job Creation Priority 7: A Better Africa and World		
Outcome	OUTCOME INDICATOR	BASELINE (2014 – 2019)	FIVE-YEAR TARGET (2020 - 2025)
Transformed gambling industry that creates sustainable jobs in Limpopo.	Percentage of Licensees on level 2 BBBEE Status	New indicator	100%
	Number of new job opportunities created	New indicator	140
Responsible gambling and compliance with legislations improved in Limpopo.	Percentage of compliance with legislations by Licensees	New indicator	98%
Improved Local and International relations with other gambling regulators and related institutions.	Functional Memorandum of Understanding / Agreements in place	New indicator	10

Revised:

MTSF Priority	Priority 1: Capable, Ethical and Developmental State		
Outcome	OUTCOME INDICATOR	BASELINE (2014 – 2019)	FIVE-YEAR TARGET (2020 - 2025)
A sustainable, efficient and effective organisation	Unqualified Audit outcome	New indicator	Unqualified Audit

MTSF Priority	Priority 2: Economic Transformation and Job Creation Priority 7: A Better Africa and World		
Outcome	OUTCOME INDICATOR	BASELINE (2014 – 2019)	FIVE-YEAR TARGET (2020 - 2025)
Transformed gambling industry that creates sustainable jobs in Limpopo.	Percentage of corporate applications processed quarterly within the standard timeframe of 6 months	Existing indicator in APP, but new indicator in Strategic Plan	100%
Responsible gambling and compliance with legislations improved in Limpopo.	Percentage of compliance with legislations by Licensees	New indicator	98%
Improved Local and International relations with other gambling regulators and related institutions.	Functional Memorandum of Understanding / Agreements in place	New indicator	10

ANNEXURE B: CONDITIONAL GRANTS

Not Applicable.

ANNEXURE C: CONSOLIDATED INDICATORS

Not Applicable.

ANNEXURE D: DISTRICT DEVELOPMENT MODEL

Not Applicable.



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