



Limpopo Gambling Board



Quarterly Annual Performance Plan 1st Quarter 2020/2021

Submitted By:

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Acting Chief Financial Officer

31/07/2020

Date

Approved By:

Mr. M.G Makoko
Chief Executive Officer

31/07/2020

Date



Limpopo Gambling Board

First Quarter Report

Performance Indicator	Annual Target	Target for the Quarter (1st)	Actual	Gaps	Intervention
Programme 1: Governance The purpose of this programme is to provide executive and strategic direction to the Board.					
Number of Established corporate social investment projects implemented	5	3	0	-3	Reasons for Under-Achievement: No CSI projects were done due to the budget cut. Allocated CSI budget reprioritized and re-allocated to provincial Covid-19 budget. Intervention: The APP will be revised during Quarter 2.
Percentage of compliance to disclosure of interests by the Board	100%	100%	100%	0	None
Percentage of compliance to disclosure of financial interests by the Executive Management	100%	100%	100%	0	None



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Performance Indicator	Annual Target	Target for the Quarter (1st)	Actual	Gaps	Intervention
Programme 2: Finance The purpose of this programme is to provide financial and administrative support to all (04) programmes.					
Unqualified Audit outcome	1	0	0	0	Auditing not yet completed, to be finalised in 2 nd Quarter.
Percentage of Performance agreements developed	100%	100%	39%	-61%	<u>Reasons for Under-Achievement:</u> Submission of performance agreements deferred to 2 nd quarter as per DPSA directive due to the State of National Disaster and the National Lockdown <u>Intervention:</u> Outstanding performance agreements to be submitted during 2 nd quarter.
Percentage of annual performance assessment conducted	100%	100%	0%	0%	None. To be finalised in 2 nd Quarter.
Percentage of LGB newly appointed employees whose qualifications are verified	100%	100%	100%	0	None



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Performance Indicator	Annual Target	Target for the Quarter (1st)	Actual	Gaps	Intervention
Percentage of vacancies on organogram maintained below the acceptable norm	10%	10%	23%	-13%	<p><u>Reasons for Under-Achievement:</u> No appointments made to holding of appointments as per Provincial Treasury directive and reduction COE budget to fund provincial Covid-19 programmes/projects.</p> <p><u>Intervention:</u> Review the targets due to budget cut.</p>
Percentage of personnel trained according to the work skills plan	100%	100%	0%	-100%	<p><u>Reasons for Under-Achievement:</u> No training was conducted due budget cut for training</p> <p><u>Intervention:</u> Review the targets due to budget cut for training.</p>
Percentage of invoices paid within 30 days of receipt	100%	100%	100%	0	None



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Performance Indicator	Annual Target	Target for the Quarter (1st)	Actual	Gaps	Intervention
Programme 3: Compliance The purpose of this programme is to: <ul style="list-style-type: none"> Promote responsible gambling through visibility and awareness To ensure that gambling activities are compliant with relevant Legislations. 					
Number of responsible gambling campaigns conducted	90	15	0	-15	<u>Reasons for Under-Achievement:</u> No Responsible Gambling Campaigns conducted as social interaction activities are not allowed due lockdown as a result of the State of National Disaster and budget cut <u>Intervention:</u> The APP will be revised during Quarter 2 due to the budget cut.
Number of research projects completed	1	0	0	0	None
Percentage of key employee applications processed within the standard timeframe of 4 months	100%	100%	0%	0	<u>Reasons for Under-Achievement:</u> No key employee applications processed as the gambling operators were closed due to lockdown.



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Performance Indicator	Annual Target	Target for the Quarter (1st)	Actual	Gaps	Intervention
					<p><u>Intervention:</u> The APP will be revised during Quarter 2 and applications will be processed once the gambling industry has opened.</p>
Percentage of corporate applications processed within the standard timeframe of 6 months	100%	100%	100%	0	None
Number of compliance inspections conducted	56	14	0	-14	<p><u>Reasons for Under-Achievement:</u> No compliance inspections conducted as the gambling sites were still closed for operations due lockdown.</p> <p><u>Intervention:</u> The APP will be revised during Quarter 2 and inspections will be conducted once the gambling industry has opened.</p>



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Performance Indicator	Annual Target	Target for the Quarter (1st)	Actual	Gaps	Intervention
Number of compliance audits conducted	44	10	0	-10	<p>Reasons for Under-Achievement: No Compliance Audits conducted as the gambling sites were still closed for operations due lockdown.</p> <p>Intervention: The APP will be revised during Quarter 2 and audits will be once the gambling industry has opened.</p>
Number of Stakeholder engagement sessions held	2	1	0	-1	<p>Reasons for Under-Achievement: No Stakeholder engagement sessions held due to the State of National Disaster and the National Lockdown</p> <p>Intervention: The APP will be revised during Quarter 2. Sessions will be done once the gambling industry is fully operational</p>
Number of formal Collaborations established	2	0	0	0	None



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Performance Indicator	Annual Target	Target for the Quarter (1st)	Actual	Gaps	Intervention
Programme 4: Law Enforcement The purpose of this programme is to reduce illegal gambling activities throughout the Province.					
Number of investigations conducted on illegal gambling activities	360	90	08	-82	<u>Reasons for Under-Achievement:</u> Only 08 investigations were conducted on illegal gambling activities due to the State of National Disaster and budget cut <u>Intervention:</u> The APP will be revised during Quarter 2 and number of investigations will be reduced due to budget cut.
Number of crime awareness campaigns conducted	120	35	0	-35	<u>Reasons for Under-Achievement:</u> No crime awareness campaigns were conducted as the social interaction activities are not allowed due lockdown and budget cut <u>Intervention:</u> The APP will be revised during Quarter 2 due lockdown and the budget cut which affect this indicator.



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BUDGET VS ACTUAL FOR THE PERIOD APRIL TO JUNE 2020

PROGRAMME	MAIN APPROPRIATION 2020/21	ACTUAL EXPENDITURE AS AT 30 JUNE 2020	CASH FLOW PROJECTION AS AT 30 JUNE 2020	ACTUAL EXPENDITURE VS CASH FLOW PROJECTION	% SPENDING AGAINST MAIN APPROPRIATION	%SPENDING AGAINST CASH FLOW PROJECTIONS
2020/21						
GOVERNANCE	11 826	1 466	1 776	120%	12%	83%
FINANCE	11 375	1 737	1 910	110%	15%	91%
HUMAN RESOURCE	4 573	1 186	1 221	103%	26%	97%
INFORMATION TECHNOLOGY	3 033	1 012	1 002	99%	33%	101%
LAW ENFORCEMENT	7 624	1 296	1 261	97%	17%	103%
COMPLIANCE	19 284	3 562	3 677	103%	18%	97%
SUPPLY CHAIN MANAGEMENT	20 606	4 817	5 132	107%	23%	94%
TOTAL	78 321	15 076	15 983	102%	19%	94%
ECONOMIC CLASSIFICATION						
COMPENSATION OF EMPLOYEES	46 501	9 664	9 851	102%	21%	98%
GOODS AND SERVICES	31 500	4 954	6 132	124%	16%	81%
PAYMENT OF CAPITAL ASSETS	320	458	0	0%	143%	0%
TOTAL	78 321	15 076	15 983	102%	19%	94%



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ITEMS	MAIN APPROPRIATION 2020/21	ACTUAL EXPENDITURE AS AT 30 JUNE 2020	CASH FLOW PROJECTION AS AT 30 JUNE 2020	ACTUAL EXPENDITURE VS CASH FLOW PROJECTION	% SPENDING AGAINST MAIN APPROPRIATION	% SPENDING AGAINST CASH FLOW PROJECTIONS
2020/21						
LEASE MANAGEMENT	8 608	3 501	3 501	100%	41%	0%
CORPORATE SERVICE INVESTMENT (CSI)	3 085	0	0	0%	0%	0%
COMPLIANCE	2 800	0	0	0%	0%	0%
CRIME AWARENESS	700	2	0	0%	0%	0%
TOTAL	15 193	3 503	3 501	100%	23%	100%
2020/21						
REVENUE	MAIN APPROPRIATION	ACTUAL REVENUE COLLECTED AS AT 30 JUNE 2020	PROJECTIONS UNTIL 30 JUNE 2020	VARIANCE BETWEEN MAIN BUDGET AND ACTUAL COLLECTION	% COLLECTION AGAINST MAIN APPROPRIATION	% COLLECTION AGAINST PROJECTIONS
2020/21						
LEVIES	107 000	473	26 750	106 527	0%	2%
ANNUAL LICENCE FEES	10 578	8 743	10 578	1 835	83%	83%
INTEREST	1 370	175	343	1 195	13%	51%
OTHER SALES	3 535	1	881	3 534	0%	0%
TOTAL	122 483	9 392	38 552	113 091	8%	24%



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EXECUTIVE SUMMARY

ITEM	SPENDING	ROOT CAUSE	INTERVENTIONS	PROGRESS		TIMEFRAME & RESPONSIBILITY
A. Compensation of Employees	R9.8 million cumulative cash flow requested from LEDET and spent R9.7 million which is 92 %, the Board has under spent by 8%	Increase on salaries not implemented.	N/A	Negotiation still taking place between labour and the board.		July 2020
B. Number of vacant posts 2020/21	Advertised	Short listed	Interviewed	Screening	Filled	Outstanding
5	3	0	0	0	2	0
C. Goods and Services	R6.1 million cumulative amount was requested from LEDET and R4.9 million was spent which is 81%, the Board has under spent by 19%.	The IYM template does not provide for accruals therefore commitments cannot be recognised during the period of occurrence. There were limited services during this month and spending minimal.	N/A	The board will realise savings due to limited services being provided by the board during this time. The Board will reduce their budget by R16.9million for COVID 19		September 2020



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ITEM	SPENDING	ROOT CAUSE	INTERVENTIONS	PROGRESS	TIMEFRAME & RESPONSIBILITY
D. Transfers and Subsidies	N/A	N/A	N/A	N/A	N/A
E. Payment for Capital Assets	R0 million cumulative cash flow requested amounts from LEDET and R0.458 million has been spent.	No funds were requested for capex.	N/A	N/A	N/A
F. Conditional Grants	R3.5 million cumulative amount was requested from LEDET and R3.5 million was spent which is 100%.	N/A	N/A	N/A	N/A
G. Infrastructure	N/A	N/A	N/A	N/A	N/A
H. Own Revenue	Total Revenue projected amounts of R38.5 million and actual collection of R9.4 million which is 24%. Levies cumulative projections amount to R26.7 million and collected revenue of R	There has been limited to no service offered by the operators and hence the collection of revenue is quite minimal. A good collection is in relation to the annual licence fees.	N/A	N/A	Ongoing



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ITEM	SPENDING	ROOT CAUSE	INTERVENTIONS	PROGRESS	TIMEFRAME & RESPONSIBILITY
	0.473 million, which is 2%, which is surrendered on a monthly basis to the shareholder. Annual license fees were projected at R10.6 million and actual amount collected to date amounted to R8.7 million which is 83%, the funds are surrendered at year end.				



ANALYSIS

Grant

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

Own Revenue

- Own revenue has not been performing due to Covid-19.

COE

- Spending of employee cost is in line with the budget although the effect of the annual increment has not been effected.

Goods and Services

- Spending under goods and services has declined in comparison with prior year first quarter as a result of Covid-19.

Depreciation

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

Capital

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



HIGHLIGHTS & CHALLENGES

COMPLIANCE UNIT

Highlights

- None

Challenges

- Performance targets could not be achieved due to the State of National Disaster and the National Lockdown.
- Boss Gaming Limpopo (Pty) Ltd could not commence with the preparation of the Phalaborwa Bingo Site for opening in April 2020, due to the State of National Disaster and the National Lockdown.

Intervention:

- The APP will be revised during Quarter 2.

LAW ENFORCEMENT UNIT

Highlights

- The unit was able to conduct investigations on illegal gambling activities with stakeholders, even during the Nationwide lockdown.

Challenges

- Covid-19 pandemic.

Intervention:

- The APP will be revised during Quarter 2.

HUMAN RESOURCES UNIT

Highlights

- The annual training report was submitted to CATHSSETA.

Challenges

- Insufficient funds for training and bursaries since online training is available.



FINANCE UNIT

Highlights

- The business unit has been able to make payments to service providers even during the time tough times that the country is facing.

Challenges

- The entity has seen the impact of the pandemic greatly on the revenue collection during the first quarter..

SUPPLY CHAIN UNIT

Highlights

- Facilitated for fumigation, deep cleaning, and sanitizing of offices
- Coordinated for the appointment of two (02) relief cleaners for HRM
- Appointed service provider for the fixing of IT server
- Appointment of Bid Committee members
- Facilitated for the Bid Specification Committee meeting for the following projects as per the LGB procurement plan:
 - ✓ The layout, design, proof reading, editing, development, printing and delivery of Annual Reports and Annual Performance Plans for a period of three (03) years
 - ✓ Hygiene maintenance for a period of three (03) years

Challenges

- All purchasing orders were issued manually (did not utilize SAGE evolution)
- No separation of powers due to lack of staff (rotation of staff due to Covid-19 regulations)
- Non-response from service providers when SCM request quotations
- Unable to receive documents using tender box
- Service providers submit their tender documents using email as per the instruction from Treasury and as a results, it is difficult for SCM to evaluate their BBBEE status level (In terms of PPPFA, service providers can only claim for BBBEE points if they submit original Sworn Affidavit or certified copy of BBBEE certificate).