

Limpopo Gambling Board



Quarterly Annual Performance Plan 3rd Quarter Report (2025/2026)

Submitted By:

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Manager: CEO Support

29/01/2026

Approved By:

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Mr. M.G. Makoko
Chief Executive Officer

29/01/2026

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1. **VISION**

To be the leading, exemplary and innovative regulator in the world.

2. **MISSION**

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

3. **VALUES**

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

VALUES	DESCRIPTION
Integrity	To operate in accordance with the highest moral and ethical standards.
Accountability	To accept responsibility towards our most important resources, our employees, and to maximise the development and utilisation thereof.
Consultation	To strive towards a healthy relationship through interactive communication and consultation with our Stakeholders.
Transparency	To openly fulfil the commitment to our Stakeholders with honesty and integrity.
Inclusivity	To create an environment where everyone feels welcome, valued, and respected, regardless of their background or identity. To afford equal opportunity to all.
Diversity	To accept and respect the uniqueness and difference of all people

4. **IMPACT STATEMENT**

A regulated, fully compliant and socially responsible gambling environment in Limpopo.

5. MTDP AND LDP PRIORITIES VS LGB PROGRAMMES

MTDP PRIORITIES	LDP PRIORITIES	LGB OWNERSHIP
1. Drive Inclusive Growth & Job Creation	Economic transformation, job creation and international cooperation	Priority 1 (Compliance) LGB Outcomes 3; 4 and 5
2. Reduce Poverty & Tackle the High Cost of Living	Accelerate social change and improve the quality of life of Limpopo's citizens	Priority 2 (Law Enforcement) LGB Outcome 6
	Strengthen crime prevention and build safer communities	
3. Build a Capable, Ethical & Developmental State	Transform public service for effective and efficient service delivery	Priority 3 (Governance, Corporate Services & Finance) LGB Outcomes 1 and 2

6. LGB OUTCOMES

- ☐ **Outcome 1** : A sustainable, efficient and effective organisation
- ☐ **Outcome 2** : Improved Local and International relations with other gambling regulators and related institutions.
- ☐ **Outcome 3** : Improved responsible gambling in Limpopo
- ☐ **Outcome 4** : Transformed gambling industry that enables sustainable jobs in Limpopo
- ☐ **Outcome 5** : Improved compliance with legislation
- ☐ **Outcome 6** : All modes of illegal gambling activities combatted

7. STATUS OF THE GAMBLING INDUSTRY

There are 373 licensed sites in the province. The Gambling industry employs 3 166 people at various sites in the province. Over 90,9% of employees are Previously Disadvantaged Individuals and 49.49% of employees are youth.

8. PERFORMANCE INFORMATION

8.1 EXECUTIVE SUMMARY – OUTPUT INDICATORS

PROGRAMME	PURPOSE OF PROGRAMME	NUMBER OF THE ANNUAL TARGETS	NUMBER OF THE QUARTER TARGETS	NUMBER OF THE QUARTER TARGETS ACHIEVED	PERCENTAGE OF QUARTER TARGETS ACHIEVED
Governance	The purpose of this programme is to provide executive and strategic direction to the Board.	03	0	0	100%
Corporate Services	The purpose of this sub-programme is to ensure a well governed and capable organisation	03	0	0	100%
Finance	The purpose of this programme is to provide financial and administrative support to all (04) programmes.	05	01	01	100%
Compliance	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.	04	04	04	100%
Law Enforcement	The purpose of this programme is to combat illegal gambling throughout the Province by conducting investigations of illegal gambling activities and crime awareness campaigns.	02	02	02	100%
TOTAL		17	07	07	100%

8.2 HIGHLIGHTS, CHALLENGES & INTERVENTIONS

8.2.1 COMPLIANCE BUSINESS UNIT MATTERS

Highlights

- The Board processed two applications for the procurement of 26% financial interest in 4Racing (Pty) Ltd, by the 4Racing BBBEE Trust (16%) and the 4Racing Employees Trust (10%). The two acquisitions are in fulfilment of BBBEE licence condition. The fulfilment of this Licence condition will empower employees at 4Racing (Pty) Ltd through the 4Racing Employees Trust as well as the Grooms or Stables man who take care of the horses through the 4Racing BBBEE Trust . The Compliance and Enforcement Committee approved the 4Racing BBBEE Trust acquisition of 16% in 4Racing (Pty) Ltd. The remaining transaction of 4Racing Employees Trust (10%) will be considered by the Compliance and Enforcement Committee in quarter 4 of the financial year.
- Galaxy Bingo Bochum closed for business due to various challenges, including economic conditions, post covid -19 effects, online betting and illegal gambling.
- The new National Central Electronic Monitoring System (NCEMS) commissioned by the National Gambling Board in terms of the National Gambling Act no. 7 of 2004 has come into operation on 222 December 2025. The NCEMS is connected to all Limited Payout Machines (LPM) in the province and the rest of the country, for the purpose of managing, monitoring and recording LPM and related transactions and activities. The NCEMS Operator will run the system for seven years. The changeover from Evolution NCEMS to Infinity NCEMS concluded without challenges.

Challenges

- The closure of Galaxy Bingo Bochum has resulted in:
 - a) a loss of 36 jobs,
 - b) a loss of levy revenue to the Provincial Government averaging R 100 000 per month,
 - c) a loss of Community Social Responsibility contributions which amounted an average R 170 000 per annum in the previous years,
 - d) expected reduction of cash dividends to the Local BBBEE shareholders which averaged R 1, 500 000 per annum in the past financial years, and
 - e) loss to the local community of an entertainment facility which housed 102 Electronic Bingo Terminals.

Interventions

- The Board will engage the Licensee to find a way forward in terms of operationalizing the Bingo Site in the near future. Further the Board will continue to address issues relating to illegal gambling. The Board is further involved in the engagements with other Regulators and the Department of Trade, Industry and Competition in the National Gambling Policy Council to address various challenges in the gambling sector including illegal online gambling amongst others.

- Poor performance of Land based Sites that lead to closure of certain Site (Bingo Sites and LPM Sites) due to the booming performance of online gaming and illegal gambling Sites.

8.2.2 LAW ENFORCEMENT BUSINESS UNIT MATTERS

Highlights

- The unit met its quarterly investigation target by successfully conducting 66 investigations which included joint operations at eight (8) illegal online gambling outlet in Moletlane (1), Polokwane (1) and Tzaneen (6).
- The unit successfully apprehended forty-seven (47) individuals, thirty-nine (39) involved in illegal online gambling and eight (8) in illegal gambling machines.
- The unit also conducted twenty-one (21) awareness campaigns and managed to engage 1 503 individuals through participation in various public events, including the Men's conference, Responsible Gambling Month, SASSA ICROP, International World's AIDS Day and Mapungubwe Festival.

Challenges

- None.

Interventions

- The unit continues to collaborate with SAPS on its operational plans.

8.2.3 GOVERNANCE BUSINESS UNIT MATTERS

- **Oversight by the Board:** The Board played its oversight role during the quarter. The Board and committee meetings were held as planned during the quarter, however there were several special board and committee meetings held over and above the plan. The Board and committees considered and approved the various quarterly reports within the quarter.
- **Audit matters:** The Internal audit process is ongoing, and reports were presented to Management.
- **CSI Projects:** The school shoes handover was done in the Capricorn District for four districts.
- **Stakeholder Session:** No planned stakeholder session for the quarter, however ongoing stakeholder sessions held as and when required.

8.2.4 CORPORATE SERVICES BUSINESS UNIT MATTERS

a) Employment Equity Status

- Overall (66): 52% female (34) and 48% male (32).
- SMS level: 50% female (3) and 50% male (3)
- People with disability (1) 2%.

b) Vacancy Rate (73 Approved Posts vs 66 Filled Posts)

- The vacancy rate is 10% for the 3rd quarter.

c) Youth Employment

- There are currently 13 employees (20%) between 18 and 35 years.

d) Occupational Health and Safety

- 3 Monthly inspections were conducted.
- 1 Quarterly Meeting conducted.
- The Entity complied to all occupational health and safety act requirements.

Challenges

- None.

Interventions

- None.

8.2.5 **FINANCE BUSINESS UNIT MATTERS**

Highlights

- Approval of additional budget. The effect of the budget will be reported on starting the month of January 2026.
- SCM procurement from previously disadvantaged ie women owned businesses and youth is performing well beyond the set targets

Challenges

- Revenue collections are not growing at the rate they have been growing at over the past years.
- SCM procurement from businesses owned by ie disabled people and military veterans not performing as expected and therefore below set targets.

Interventions

- The entity is yet to look into the matter of expanding into online licencing of gambling and online casino bets. The entity believes that these will improve the revenue collection for the province.
- Provincial treasury and OTP are looking at possible ways the province can improve on procurement from businesses owned by disabled people and military veterans.

8.3 DETAILED PERFORMANCE INFORMATION PER PROGRAMME

OUTPUT INDICATOR	ANNUAL TARGET	PREVIOUS QUARTER PERFORMANCE	TARGET FOR THE QUARTER (3 rd)	ACTUAL	GAPS	REASONS FOR DEVIATION	CORRECTIVE MEASURES
PROGRAMME 1: GOVERNANCE							
The purpose of this programme is to provide executive and strategic direction to the Board.							
Percentage of compliance to disclosure of financial interests by the Board and Committees Management	100%	0%	0%	0%	0%	N/A	N/A
Percentage of compliance to disclosure of financial interests by the Executive Management	100%	0%	0%	0%	0%	N/A	N/A
Number of Stakeholder engagement sessions held	02	01	0	0	0	N/A	N/A
PROGRAMME 2: CORPORATE SERVICES							
The purpose of this programme is to provide executive and strategic direction to the Board.							
Percentage of implementation of the approved WSP	100%	0%	0%	0%	0%	N/A	N/A
Percentage of Performance agreements signed	100%	0%	0%	0%	0%	N/A	N/A
Percentage of annual performance assessment conducted	100%	100%	0%	0%	0%	N/A	N/A

OUTPUT INDICATOR	ANNUAL TARGET	PREVIOUS QUARTER PERFORMANCE	TARGET FOR THE QUARTER (3 rd)	ACTUAL	GAPS	REASONS FOR DEVIATION	CORRECTIVE MEASURES
PROGRAMME 3: FINANCE The purpose of this programme is to provide financial and administrative support to all (04) programmes.							
Sub-Programme 3.1: Chief Financial Officer The purpose of this sub-programme is to ensure efficient and effective utilisation of resources through strategic prioritisation.							
Unqualified Audit outcome maintained	Maintain an unqualified audit opinion	Unqualified Audit outcome maintained	0	0	0	N/A	N/A
Sub-Programme 3.2: Supply Chain Management The purpose of this sub-programme is to ensure compliance with procurement prescripts.							
Percentage of invoices paid within 30 days of receipt	100%	99.4%	100%	100%	0%	N/A	N/A
Percentage of procurement budget spent on women owned businesses	40%	0%	0%	0%	0%	N/A	N/A
Percentage of procurement budget spent on youth owned businesses	30%	0%	0%	0%	0%	N/A	N/A
Percentage of procurement budget spent on persons with disability owned businesses	07%	0%	0%	0%	0%	N/A	N/A
PROGRAMME 4: COMPLIANCE The purpose of this programme is to: - Promote responsible gambling through visibility and awareness, - To ensure that gambling activities are compliant with relevant Legislations.							
Sub-Programme 4.1: Responsible Gambling Campaigns and Research To promote responsible gambling and build a base of empirical evidence for decision making.							

OUTPUT INDICATOR	ANNUAL TARGET	PREVIOUS QUARTER PERFORMANCE	TARGET FOR THE QUARTER (3 rd)	ACTUAL	GAPS	REASONS FOR DEVIATION	CORRECTIVE MEASURES
Number of responsible gambling campaigns conducted	100	39	50	57	+07	Invitations received from other stakeholders	N/A
Sub-Programme 4.2: Licensing and Investigation To issue corporate and individual Licences to candidates who meet regulatory requirements.							
Percentage of corporate applications processed quarterly within the standard timeframe of 6 months	100%	100%	100%	100%	0%	N/A	N/A
Sub-Programme 4.3: Gambling Control To ensure that Licensees are compliant with technical regulatory requirements and protect the public from unscrupulous practices and the negative effects of gambling.							
Number of compliance inspections conducted	60	15	15	15	0	N/A	N/A
Sub-Programme 4.4: Compliance Audit To ensure that Licensees are compliant with general and financial regulatory requirements.							
Number of compliance audits conducted	50	15	10	10	0	N/A	N/A
PROGRAMME 5: LAW ENFORCEMENT The purpose of this programme is to combat illegal gambling throughout the Province by conducting investigations of illegal gambling activities and crime awareness campaigns.							
Number of investigations conducted on illegal gambling activities	240	74	60	66	+06	Target exceeded by 06 due to reports and tip offs	The unit will monitor investigations conducted on a monthly

OUTPUT INDICATOR	ANNUAL TARGET	PREVIOUS QUARTER PERFORMANCE	TARGET FOR THE QUARTER (3 rd)	ACTUAL	GAPS	REASONS FOR DEVIATION	CORRECTIVE MEASURES
						received from the public which requires immediate response	basis to ensure alignment with planned targets
Number of crime awareness campaigns conducted	50	16	20	21	+01	Target exceeded by 01 due the invitation received	The unit will engage stakeholders during planning to accommodate invitations

9. BUDGET VS ACTUAL FOR THE PERIOD OCTOBER TO DECEMBER 2025

PROGRAMME	MAIN APPROPRIATION 2025/26	ADJUSTMENT BUDGET	ACTUAL EXPENDITURE AS AT 31 DECEMBER 2025	Variances (Adjustment less spending to date)	CASH FLOW PROJECTION AS AT 31 DECEMBER 2025	ACTUAL EXPENDITURE VS CASH FLOW PROJECTION	% SPENDING AGAINST MAIN APPROPRIATION	%SPENDING AGAINST CASH FLOW PROJECTIONS
Governance	9 615	17 515	11 874	5 641	9 098	2 776	123%	131%
Finance	11 446	14 296	9 429	4 867	8 837	592	82%	107%
Human Resource Management	6 276	7 276	5 706	1 570	5 733	-27	91%	100%
Information Technology	5 779	8 529	4 578	3 951	4 149	429	79%	110%
Law Enforcement	8 505	10 105	6 266	3 839	6 495	-229	74%	96%
Compliance	21 921	26 821	19 341	7 480	18 763	578	88%	103%
Supply Chain Management	8 601	10 601	6 636	3 965	6 089	547	77%	109%
TOTAL	72 143	95 143	63 830	31 313	59 164	4 666	88%	108%
Compensation of employees	55 306	57 806	42 324	15 482	44 194	-1 870	77%	96%
Goods and services	16 837	34 187	20 967	13 220	14 970	5 997	125%	140%
Payment of capital assets	0	3 150	539	2 611	0	539	0%	0%
TOTAL	72 143	95 143	63 830	31 313	59 164	4 666	88%	108%
REVENUE	MAIN APPROPRIATION 2025/26	ADJUSTMENT BUDGET	ACTUAL EXPENDITURE AS AT 31 DECEMBER 2025	Variances (Appropriation subtract collection)	Projections	Variance between Main budget and Actual Collections	%collection against main appropriation	% spending against Projections
Levies	324 686	324 686	254 654	70 032	243 513	70 032	78%	105%
Annual licence fees	8 895	8 080	8 080	0	8 080	815	91%	100%
Interest	2 055	1 655	1 049	606	1 440	1 006	51%	73%
Other sales	2 412	1 212	1 521	-309	1 509	891	63%	101%
TOTAL	338 048	335 633	265 304	70 329	254 542	72 744	78%	104%

9.1 EXECUTIVE SUMMARY

ITEM	EXPENDITURE		ROOT CAUSE	INTERVENTIONS	PROGRESS	TIMEFRAME & RESPONSIBILITY
A. Compensation of Employees	R44.1million cash flow requested from LEDET and spent R42.3million which is 96%.		The board requested more funds than the actual spending to cater for the 13 th cheque, however the requested funds were still more.	To be corrected in the next grant projections.	N/A	January 2025
B. Number of vacant posts - carried over from 2024/25	Advertised	Short listed	Interviewed	Screening	Filled	Not yet filled but shortlisted
5	3	3	3	3	2	3
C. Goods and Services	R14.9million cash flow projection requested and 20.9 million spent which is 140%.		There are commitments that are funded by prior year budget which are included in the variance. In addition, there are overspending line items due to limited funding.	The entity has requested additional funds through the budget adjustment and has been granted R 23 million. The adjustment will be taken into account in the next variance report.	N/A	N/A
D. Transfers and Subsidies	N/A		N/A	N/A	N/A	N/A
E. Payment for Capital Assets	The board has spent R 539 thousand, of which R381 is the commitment of prior year		These transactions are funded by the prior year budget, and the furniture for	N/A	N/A	N/A

ITEM	EXPENDITURE	ROOT CAUSE	INTERVENTIONS	PROGRESS	TIMEFRAME & RESPONSIBILITY
	and R158 thousand the furniture for law enforcement, respectively.	law enforcement funds were reprioritized within the business unit.			
F. Conditional Grants	N/A	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 R254.5million and actual collection to date of R265.3million which is 104%. Levies cumulative projections amount to R243.5million and collected levies of R254.6million, which is 105%, which is surrendered monthly to the shareholder. Annual license fees were projected at R8.0million and actual amount collected to date amounted to R8.0million which is 100%, the funds	The was an increase of collection during the month of May and July, May month could be related to Easter promotions by bookmakers and July due to Hollywood Durban July event.	The entity should fast-track looking into the matter of online gambling for the province. However, to note is the performance of levies (Both casino and horseracing levies) that has decreased in comparison to the same period of the prior financial year. These could have been attributed to by the closure of	N/A	Ongoing

9.2 ANALYSIS

Grant

- A grant is requested by the Entity to fund operational costs. The request is done monthly from the shareholder, LEDET. The grant allocation of the current year is R 72,1 million which has increased from the previous financial year.

Own Revenue

- Revenue collection is not performing as per prior year, for the same period. Horseracing betting over the years was surpassing expected projections however in the current year that is not the case. Casino levies continue to dwindle as well. Some operator sites have closed, with other operators reducing machines on site and online gambling increasing.

COE

- Spending on salaries is in line with budget.

Goods and Services

- Spending under goods and services seems to be high, however the greatest contributor is the underfunding of budget allocation for the entity therefore reflecting as though the entity is overspending.

Depreciation

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

Capital

- R539 thousand was spent on capital assets. A portion is funded by prior year budget as it was a commitment and another portion relates to a purchase of the current year.

