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Finance, Economy & Enterprise Development
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Media Statement

North West Finance MEC Nelson calls for prudent spending of budget

The North West MEC for Finance, Economy and Enterprise Development Wendy Nelson informed the provincial legislature that there is a need to reduce inefficiency, wastage to ensure that funds are directed towards key programmes that will make an impact to the lives of citizens of the province.

Nelson said this during the presentation of the 2014/15 North West mid-term budget which has been adjusted upwards by R718, 3 million resulting in a net increase of R643.980 million from R31.8 billion to R32.4 billion

Nelson said the largest contributor to the adjustment budget remained rollovers at 64 per cent and while there is no additional equitable share funding from national treasury, the province managed to raise R231,6 million from over collection of revenue in the previous financial years.

Nelson cautioned against spending on non-essential items and said funds should be reprioritized and redirected to key government programmes.

The 2014 Adjustment Budget indicates to us that our financial resources are under tremendous pressure and that only prudent financial management can pull us through. Continuously and collectively, within the *saamtrek-Saamwerk* philosophy we need to pursue greater efficiency and value for money in achieving our goals.

We need to contain expenditure on non-essential items such as travel, catering, consultants and general administration and allocate a greater share of goods and services budgets towards core priority areas of service delivery.

The tabling of the adjustment budget, said Nelson takes place during exciting times in the Province with renewed public confidence in government service delivery initiatives following the launch of *Bua le Puso* and *Setsokotsane* programmes spearheaded by the premier with the full support of Executive Council of *Bokone Bophirima*.



Together moving *Bokone Bophirima* forward.

She said in line with the Repositioning, Rebranding and Renewal vision of the Peoples Province of Bokone Bophirima, service delivery in particular the provision of basic services like water, electricity, sanitation, refuse removal, housing and road infrastructure need to be fast-tracked to reach those in need.

Provincial Departments and Public Entities will need to reduce inefficiency and waste, and minimize the impact on front-line service delivery, by targeting non-essential items and uncommitted resources. Spending on core social obligations, ACT initiatives and key provincial priorities must be protected in the current financial year and over the MTEF period,+she said.

She further said departments that fail to implement prudent financial management and efficiency will be subjected to Section 18 of the Public Finance Management Act within the spirit of protecting the provincial fiscus and to maximize service delivery in the province.

She added that the executive council will continue to closely monitor the provincial spending and performance of departments to ensure value for money.

End

Issued by the Department of Finance:

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