

REVIEW OF 2018 FIRST QUARTER BUDGET PERFORMANCE REPORT

1.0 INTRODUCTION

The 2018 People's Budget as passed by the State House of Assembly stood at One Hundred and Thirty –Four Billion, Two Hundred and Eighty Six Million, Four Hundred and Twenty – Five Thousand and Nineteen Naira (N134, 286,425,019.00). This was made up of Fifty Three Billion, Two Hundred and Forty four Million, Two Hundred and Sixteen Thousand, Four Hundred and Thirty Four Naira (N53, 244,216,434.00) or 39.65% as Recurrent Estimates, while Eighty One Billion and Forty Two Million, Two Hundred and Eight Thousand, Five Hundred and Eighty Five Naira (N 81,042,208,585.00) or 60.35% represented the Capital Estimate.

2.0 FOCUS OF 2017 BUDGET

The 2018 Peoples Budget was demand-driven and anchored on the expressed needs of the people. It is based on community participation, inclusiveness and responsiveness to the yearnings and aspirations of the people. It also aim at to consolidate on the achievements recorded and therefore, focused on the following:

- i. Completion of projects already started
- ii. Enhancement of Internal Revenue Generation
- iii. Construction of Roads and Bridges
- iv. Construction of Rural Roads Network
- v. Youth and Women Empowerment
- vi. Re-introduction of Teachers Training Colleges
- vii. Transforming Education in Niger State (TENS) Phase II

Viii Whole Hospital Development Approach

ix Development of Water works

x Continuous Monitoring and Evaluation

xi Promotion of genuine Public-Private –Partnership

3.0 REVENUE ANALYSIS

The Budget is being financed through the following sources:

(a) Statutory Allocation

(b) Internally Generated Revenue (IGR)

(c) Value-Added Tax (VAT)

(d) Capital Receipts (loans and grants)

(e) Paris Club Refund

(f) Refund from Pension Administrators

Table 1 **2018 FIRST QUARTER ESTIMATED AND ACTUAL REVENUE COLLECTIONS**

NO	ITEM	APPROVED 2018 ESTIMATE (=N=)	FIRST QUARTER PRO-RATA =N=	ACTUAL COLLECTION (=N=) JAN.-MARCH	% PERF	% SHARE
1	Statutory Allocation	63,486,813,715.00	15,871,703,428.75	12,246,407,562.36	77.16	71.40
2	IGR	12,050,465,457.00	3,012,616,364.25	1,688,336,141.57	56.04	9.84
3	VAT	9,890,656,457.00	2,472,664,114.25	2,987,006,425.36	120.80	17.41
4	Paris Club Refund	10,000,000,000.00	2,500,000,000.00	-	-	-
5	Capital Receipt	35,858,489,390.00	8,964,622,347.50	230,561,364.00	2.57	1.35
6	Refund from Pension Administrators	3,000,000,000.00	750,000,000.00	-	-	-
	Total	134,286,425,019.00	33,571,606,254.75	17,152,311,493.29	51.09	100.00

Table 2: **2017 FIRST QUARTER ESTIMATED AND ACTUAL REVENUE COLLECTIONS**

S/N	ITEM	APPROVED 2017 ESTIMATE (=N=)	FIRST QUARTER PRO-RATA	ACTUAL COLLECTION (=N=)	% PERF	% SHARE
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			ESTIMATE (=N=)			
1	Statutory Allocation	52,750,308,265.00	13,187,577,066.25	7,183,154,309.68	54.47	57.82
2	IGR	12,470,772,579.00	3,117,693,144.75	1,339,827,388.20	42.97	10.78
3	VAT	8,793,497,040.00	2,198,374,260.00	1,781,713,612.20	81.05	14.36
4	Paris Club Refund	13,400,000,000.00	3,350,000,000.00	-	-	-
5	Capital Receipt	28,781,770,370.00	7,195,442,592.00	2,116,912,153.45	29.42	17.04
	TOTAL	116,196,348,254.00	29,049,087,063.50	12,421,607,463.53	42.76	100.00

From January to March 2018, total receipt to the State from appropriated sources amounted to N17, 152,311,493.29 or 51.09% performance. This compares to N12, 421,607,463.53 or 42.76% receipt in corresponding period of 2017.

Statutory Allocation: This source includes the Federation Allocation (FA), Recovery of Exchange Bank Charges, and Forex Equalization, which netted in the sum of N12, 246,407,562.36 or (77.16%) performance and accounted for 71.40% of total inflow to the state in the First Quarter of 2018. This is in comparison to N7, 183,154,309.68 (54.47%) realised during the same period in 2017. This was as a result of the improvements in oil production, increase demand fuelled by the on-going output cuts by OPEC, in the price of crude oil in the international market as result of worldwide economic growth and the relative peace in the Niger Delta.

Internally Generated Revenue (IGR): This source recorded 56.04% performance or N1, 688,336,141.57 compared to N1, 339,827,388.20 or 42.97% during the same period in 2017. Although there was a slight improvement when compared to the previous year, IGR only accounted for (9.84%) of the total revenue realised during the period, an indication of the need for concerted efforts to improve on our IGR and broaden our revenue base.

Value-Added Tax: This source included proceeds realised from Company Income Tax (CIT), Import Duty, Excise Duty Fees, Tariffs, and Customs Duties etc. In the First Quarter of 2017, the sum of N1, 781,713,612.20 was realised. This increased to N2, 987,006,425.36 (120.80%) and accounted for 17.41% of total revenue inflow in the corresponding period of to the state in 2018. The impressive performance of this source is attributable to measures put in place to curb

leakages and corruption such the Treasury Single Account (TSA), overhauling of the operations of the Customs and the Federal Inland Revenue Service.

Capital Receipts: This consists of draw-down from Development Partners intervening in the state. The sum N230,561,364.00 representing 2.57% performance and contributed only 1.35% of total revenue inflow to the State in the First Quarter of 2017. N2, 116,912,153.45 was realised in the First Quarter of 2017. The dismay performance of this source could be attributed to the fact most development partners activities normally pick-up in July and the fact some are widen-up as the project life-cycle has ended. The state needs explore and attract more development partners to the state to complement government development efforts and to promptly pay counter-part funds requirement.

4.0 EXPENDITURE ANALYSIS

Aggregate expenditure during the First Quarter of 2018 stood at N17,286,080,592.69 or 51.49% performance , out of the pro-rated amount of N33,571,606,254.75.00. The sum of N13,385,703,213.13 (77.44%) was released as recurrent expenditure while the sum of N3,900,377,379.56 or 22.56% was released for capital expenditure.

Recurrent Expenditure Analysis

Table3: 2018 FIRST QUARTER ESTIMATED AND APPROVED RECURRENT AND ACTUAL EXPENDITURE

S/ N	ITEM	APPROVED 2018 ESTIMATE (=N=)	FIRST QUARTER PRO-RATA	AMOUNT RELEASED / EXPENDED =N=	% PERF.	% SHARE
1	Personnel Cost	31,585,051,987.00	7,896,262,996.75	7,590,075,971.36	96.12	56.70
2	Overhead Cost	11,915,700,000.00	2,978,925,000.00	4,963,257,487.54	166.61	37.08

3	Development /Capital Cost	4,871,732,223.5	1,217,933,055.88	416,184,877.12	17.09	3.11
4	Others (Loan repayment, interests on loans, other charges)	4,871,732,223.5	1,217,933,055.88	416,184,877.12	17.09	3.11
	TOTAL	53,244,216,434.00	13,311,054,108.50	13,385,703,213.13	100.56	100.00

Source: Ministry of Finance

2017 FIRST QUARTER ESTIMATED AND ACTUAL RECURRENT ESTIMATE (=N=)

4.0	ITEM	APPROVED 2017 ESTIMATE (=N=)	FIRST QUARTER PRO-RATA ESTIMATE (=N=)	AMOUNT RELEASED /EXPENDED (=N=)	% PERF	% SHARE
1	Personnel Cost	29,324,941,299.00	7,331,235,324.75	6,682,059,205.73	91.15	62.52
2	Overhead Cost	11,247,358,400.00	2,811,839,600.00	3,699,972,523.45	131.59	34.60
3	Development /Capital Cost	3,822,830,289.50	955,707,572.38	152,920,534.41	8.00	1.44
4	Others (Loan repayment, interests on loans, other charges)	3,822,830,289.50	955,707,572.38	152,920,534.41	8.00	1.44
	TOTAL	48,217,960,278.00	12,054,490,069.50	10,687,872,798.00	88.66	100.00

Source: Ministry of Finance, Minna

Personnel Cost: The sum of N7, 590,075,971.36 was expended on payment of salaries and other salary related, which represents (96.12%) performance and accounted for 56.70 % of total recurrent expenditure. This compares to the sum of N6, 682,059,205.73 during the same period in 2017. The increase was as a result of employment of 250 graduates into the civil service, the implementation of backlog of promotions, and increase in the number of political appointees.

Overhead cost recorded a performance of 166.61% of its pro-rated figure with the release of N 4,963,257,487.54. The sum of N3, 699,972,523.45 was released during the same period in 2017. The increase expenditure was due to the need to

meet some exigencies particularly curbing and nipping in the bud the threats to security challenges.

Development Cost and Other Charges performed at 34.17% with the release of N832, 359,754.23 for payment on loans, interest charges among others.

4.2 Capital Expenditure Analysis

Overall Capital expenditure performance in the First Quarter of 2018 stood at N3, 900,377,379.56 or (19.25%) as shown in the table below. This compares to the sum of N8, 747,064,952.47 released during the corresponding period in 2017.

5.0 Table 6: 2018 FIRST QUARTER APPROVED CAPITAL AND ACTUAL EXPENDITURE

S/ N	SECTOR	APPROVED 2018 ESTIMATE (=N=)	FIRST QUARTER PRO-RATA ESTIMATE (=N=)	AMOUNT RELEASED/ EXPENDED (=N=)	% PERF	% SHARE
1	Administration	12,031,966,330.00	3,007,991,582.50	328,257,337.10	10.91	6.66
2	Economic	46,902,945,270.00	11,725,736,317.50	4,341,231,631.55	37.02	88.13
3	Law and Justice	1,516,000,000.00	379,000,000.00	146,395,123.01/	38.62	2.97
4	Social	20,591,296,985.00	5,147,824,246.25	110,154,120.75	2.14	2.24
	TOTAL	81,042,208,585.00	20,260,552,146.25	4,926,038,212.41	19.25	100.00

5.0 2017 FIRST QUARTER ESTIMATED AND ACTUAL CAPITAL RELEASE

S/ N	SECTOR	APPROVED 2017 ESTIMATE (=N=)	FIRST QUARTER PRO-RATA ESTIMATE (=N=)	AMOUNT RELEASED/ EXPENDED (=N=)	% PERF	% SHARE
1	Administration	7,393,568,143.00	1,848,392,035.75	1,041,713,988.77	56.35	11.90
2	Economic	40,614,914,349.00	10,153,728,587.25	6,531,959,840.60	64.33	74.67
3	Law and Justice	1,080,000,000.00	270,000,000.00	16,978,785.76	6.28	0.19
4	Social	18,889,855,481.00	4,722,463,870.25	1,156,412,337.34	24.48	13.24
	TOTAL	67,978,337,973.00	16,994,584,493.25	8,747,064,952.47	51.41	100.00

The Administrative Sector performed at 10.91% with the release of N328, 257,337.10 as against N1, 041,713,988.77 released in the corresponding period in 2017. Highlight of activities include payment for Fire Fighting Vehicles, renovation

and rehabilitation of Green House Guest House, renovation and furnishing of Governor's Lodge Bida and relief assistance to victims of Bida Market fire disaster, and other victims of flood, fire and windstorm. Others include the draw-down from the World Bank under the Conditional Cash Transfer (CCT).

The sum of N3, 315,570,798.70 or 28.28% was released to the Economic Sector, and constitute 85.01% of total capital release. In 2017, during the corresponding period, the sum of N6, 531,959,840.60 was released. The amount released were for road construction, rehabilitation and maintenance, purchase of tractors, payment in respect of the completion of Col Sani Bello Housing Estate at Kontagora and reticulation work at Kontagora Water Works. Others are construction of concrete U- Channels and distillation of drainages in Minna. The development of standard ginger value and take-off of the Ministry of Animal Health, animal vaccination and procurement and replacement of 2.5 MVA at Mokwa received attention. Also worth mentioning are the deductions from source, the draw-down from the World Bank under the YESSO programme, counter-part payment to CSDP and the repairs/ renovation, furnishing and supply/ installation of equipment at the State Television Studio.

The Social Sector performance in the First Quarter of 2018 stood N110, 154,120.75 or 2.14% as against N1, 156,412,337.34 in the same in 2017. Key activities in the sector include payment for the completion of Orphanage Home Minna, Modern Clinic at Paiko and measles campaign and renovation of Teachers Institute at Marraba Dan-daudu. Others include payment for materials at IBBSH and consultancy on the Minna Stadium.

Law and Justice Sector received the sum of N146, 395,123.01 or 38.62% performance and constituted 3.75% of overall capital expenditure. This is in comparison to the N16,978,785.76 capital release in 2016. Activities include the N100million capital release to the Judiciary and procurement of robes for High Court Judges, Magistrates and Sharia Court Judges.

On the whole, capital releases in the First Quarter of 2018 were far lower than the corresponding period in 2017, as the budget was passed in March. It is expected that as the year passes by, there will be increase in releases to fast track the attainment of dividend of democracy and service delivery to the citizens of the State.

2018 FIRST QUARTER TOTAL BUDGET PERFORMANCE

S/ NO	ITEM	APPROVED 2018 ESTIMATE (=N=)	FIRST QUARTER PRO-RATA ESTIMATE (=N=)	ACTUAL RELEASED /EXPENDED (=N=)	% PERF	% SHARE
1.	Recurrent	53,244,216,434.00	13,311,054,108.50	13,385,703,213.13	100.56	77.44
2.	Capital	81,042,208,585.00	20,260,552,146.25	3,900,377,379.56	19.25	22.56
	TOTAL	134,286,425,019.00	33,571,606,254.75	17,286,080,592.6/9	51.49	100.00

Source: Ministry of Finance

2017 FIRST QUARTER TOTAL BUDGET PERFORMANCE

S/ NO	ITEM	APPROVED 2017 ESTIMATE (=N=)	FIRST QUARTER PRO-RATA ESTIMATE (=N=)	ACTUAL RELEASED (=N=)	% PERF	% SHARE
1.	Recurrent	48,217,960,278.00	12,054,490,070.00	10,687,872,798.00	88.6	55
2.	Capital	67,978,337,973.00	16,994,584,493.00	8,747,064,952.47	51.4	45
	TOTAL	116,196,298,251.00	29,049,074,563.00	19,434,937,750.47	56.9	100

Source: Ministry of Finance

The pro-rated figure for the First Quarter of 2018 was N33, 571,606,254.79. Actual release during the period stood at N17, 286,080,592 or (51.49%) performance as against N19, 434,937,750.47 or 56.90% in the corresponding period of 2017.

5.0 RECOMMENDATIONS

- Niger State Board of Internal Revenue and other “cash cow” Agencies to improve on their performance
- Prompt payment of counter-part funds requirements to attract more intervention by Development Partners for the development of the State
- Periodic Monitoring of capital development projects and activities of development partners by the central monitoring body of NSPC
- There is the need to provide Planning Commission with vehicles to facilitate monitoring and verification of projects in the state.
- Release of funds for capital projects should be tied to satisfactory performance report from NSPC
- Re-introduction of monthly returns to NSPC by MDAs to track expenditure pattern.

**Monitoring and Evaluation Department
Niger State Planning Commission**

2017 THIRD QUARTER ESTIMATED REVENUE AND ACTUAL COLLECTION

S/ N	ITEM	APPROVED 2017 ESTIMATE (=N=)	THIRD QUARTER PRO-RATA ESTIMATE (=N=)	ACTUAL COLLECTION JAN-SEPTEMBER (=N=)	% PERF	% SHARE
1	Statutory Allocation	52,750,308,265.00	39,562,731,198.75	26,783,051,655.80	67.70	41.14
2	IGR	12,470,772,579.00	9,353,079,434.25	4,045,948,930.48	43.25	6.21
3	VAT	8,793,497,040.00	6,595,122,780.00	7,249,457,148.03	109.92	11.13
4	Paris Club Refund	13,400,000,000.00	10,050,000,000.00	13,400,000,000.00	133.33	20.58
5.	Capital Receipts	28,781,770,370.00	21,586,327,777.50	13,630,808,617.54	63.15	20.94
	TOTAL	116,196,348,254.00	87,147,261,190.50	65,109,266,351.85	74.71	100.00

2017 THIRD QUARTER RECURRENT AND ACTUAL EXPENDITURE

S/N	ITEM	APPROVED 2017 ESTIMATE (=N=)	THIRD-QUARTER PRO-RATA ESTIMATE (=N=)	AMOUNT RELEASED (=N=) JAN-SEPTEMBER	% PERF	% SHARE
1	Personnel Cost	29,324,941,299.00	21,993,705,974.25	20,333,476,404.42	92.45	55.14
2	Overhead Cost	11,247,358,400.00	8,435,518,800.00	13,678,288,473.48	162.15	37.09
3	Consolidated Fund Charges	7,645,660,579.00	5,734,245,434.25	2,865,552,613.74	49.97	7.77
	TOTAL	48,217,960,278.00	36,163,470,208.50	36,877,317,491.64	101.97	100.00

2017 THIRD -QUARTER ESTIMATED AND ACTUAL CAPITAL RELEASE

S/ N	SECTOR	APPROVED 2017 ESTIMATE (=N=)	THIRD QUARTER PRO-RATA ESTIMATE (=N=)	AMOUNT RELEASED JAN- SEPTEMBER (=N=)	% PERF	% SHARE
1	Administration	7,393,568,143.00	5,545,176,107.25	2,705,182,396.96	48.78	11.79
2	Economic	40,614,914,349.00	30,461,185,761.75	17,144,456,368.15	56.28	74.70
3	Law and Justice	1,080,000,000.00	810,000,000.00	739,978,785.76	91.36	3.22
4	Social	18,889,855,481.00	14,167,391,610.75	2,358,824,832.19	16.65	10.28
	TOTAL	67,978,337,973.00	50,983,753,479.75	22,948,442,383.06	45.01	100.00

2017 THIRD QUARTER TOTAL BUDGET PERFORMANCE

S/N	ITEM	APPROVED 2017 ESTIMATE (=N=)	THIRD QUARTER PRO-RATA ESTIMATE (=N=)	ACTUAL RELEASED (=N=)	% PERF	% SHARE
1.	Recurrent	48,217,960,278.00	36,163,470,208.50	59,644,991,923.88	164.93	59.85
2.	Capital	67,978,337,973.00	50,983,753,479.75	40,006,029,164.28	78.49	40.15
	TOTAL	116,196,298,251.00	87,147,223,688.25	99,651,021,088.16	114.35	100