

REPORT OF THE PORTFOLIO COMMITTEE ON EDUCATION; CULTURE, SPORT AND RECREATION: 2017/18 ANNUAL PERFORMANCE PLAN AND BUDGET VOTE 11 OF THE DEPARTMENT OF CULTURE, SPORT AND RECREATION - CONSIDERED BY THE COMMITTEE ON 12 MAY 2017

1. INTRODUCTION

A provincial legislature is mandated by section 114 (2) (b) of the Constitution of the Republic of South Africa, 1996 [Section 114 (2)] to perform an oversight function over the Executive arm of the provincial government. The Portfolio Committee on Education; Culture, Sport and Recreation (the Committee) conducts oversight on the Department of Culture, Sport and Recreation (the Department) in accordance with rule 131 (1) (b) of the Rules and Orders of the Mpumalanga Provincial Legislature (the Legislature).

The Committee scrutinized the 2017/18 Annual Performance Plan (APP) and budget documentation of the Department and interacted with the Department to assess whether they have specific, measurable, achievable, realistic and timeous (SMART) planned targets and sufficient budget to implement their programmes and thus deliver efficient, effective, equitable and economic services – in line with its core mandate - to all the people of the Province.

The Committee tables this report in support of the oversight work done in consideration of the Department's 2017/18 APP and budget vote 11.

2. METHOD OF WORK

The Hon Speaker referred the following documents to the Committee for consideration and report back to the House:

- Strategic Plan 2015 - 2020
- Annual Performance Plan 2017/18 and Operational Plan 2017/18
- Estimates of Provincial Revenue and Expenditure 2017/18
- Organisational Structure
- Cost per Head

On 09 May 2017, the Cross functional Team briefed the Committee on the analysis of the budget documentation and implementation of previous House Resolutions emanating from the 2016/17 budget process. Thereafter, the Committee met with the Hon MEC, the Head of the Department (HOD) and the senior management team on 12 May 2017 to deliberate on the afore-mentioned documentation. The Committee met again on 23 May 2017 to consider the draft Committee report on budget vote 11.

Other stakeholders in the meeting were the Office of the Public Service Commission, the Office of the Auditor General and the Department of Public Works, Roads and Transport (implementing agent) for the Department regarding library infrastructure projects.

3. BRIEF OUTLINE OF POLICY PRIORITIES AND STRATEGIC GOALS

3.1. Government Priorities

For the 2014-2019 electoral term the Department is mandated to focus on government priority: **Social cohesion and nation building**, which translates to MTSF **outcome 14** (a diverse, socially cohesive society with a common national identity).

3.2. Strategic Goals and Policy Priorities for 2017/18

The Department is mandated to develop, support and promote cultural, sporting and information excellence through participation of stakeholders.

The Department has the following six (6) strategic goals for the period 2015- 2020:

1. Improved knowledge and upheld values entrenched in the Constitution;
2. Equal opportunities, inclusion and redress;
3. Social Cohesion across society through increased interaction across race and class;
4. Active citizenry and broad-based leadership in society;
5. Social Impact; and
6. Seamless administration and good governance

According to the Strategic Plan 2015–2020 and 2017/18 APP of the Department, the Department aims to contribute towards the achievement of MTSF **Outcome 14** by performing key activities as outlined below:

Government priority	Department's outcome	Department's strategic goals
Social Cohesion and Nation Building	A diverse, socially cohesive society with a common national identity	<ul style="list-style-type: none"> • Foster constitutional values • Equalize opportunities, inclusion and redress • Social cohesion across society through increased interaction across race/class • Promoting active citizen and broad-based leadership • Social impact • Seamless administration and good governance

Government priority	Department's outcome	Department's strategic goals
Infrastructure development	Establishment of High Altitude Training Centre	Equal opportunities, inclusion and redress
	Establishment of Cultural Hub	To increase access to information services facilities
	Establishment of Liberation Heritage Route Infrastructure	Increase access to cultural facilities

Regarding the High Altitude Training Centre and the Mpumalanga Cultural Hub, the Committee noted the following achievements to date as reported by the Department:

- The Department is expected to rollout Phase 1 of both projects;
- The two projects are registered as one Public Private Partnership (PPP) with National Treasury;
- The Transaction Advisor (Tsebolo Minerals CC) was appointed in 2015/16 financial year (3rd quarter) to oversee the implementation of the PPP
- The 2016/17 milestones centred around attracting PPP investments for both projects;
- The 2017/18 milestones will be determined by the production of a blue print to attract investors and Public Private Partnership investment for the two projects.

On infrastructure development, the Department planned to roll out six (6) libraries in 2016/17 financial year (Mgobodzi, Acornhoek, Thusiville, Boekhouhoek, Balfour and Verena) and to upgrade two (2) libraries (Mashishing and Sabie). However, only three (3) libraries were constructed (Mgobodzi, Acornhoek and Thusiville) and one (1) upgrade completed (Sabie).

The Department will continue to implement activities towards **government priority: ICT sector** as per the outcomes indicated below:

Government priority	Department's outcome	Department's strategic goals
ICT Sector	<ul style="list-style-type: none"> • Radio frequency identification detector (RFID) • Maintenance of internet • Maintenance of a head count system • Provide and maintain security system/anti-theft device • SLIM Maintenance and rollout • Provide and maintain multi-purpose copiers 	Equal opportunities, inclusion and redress

3.3. Provincial outcomes

According to the 2017/18 APP, the Department will implement activities on the following Outcomes in the 2014-2019 Medium Term Strategic Framework (MTSF) of government:

- **Outcome 1:** Sport and Infrastructure Development
- **Outcome 3:** Liberation Heritage Route Programme
- **Outcome 4:** Promotion of Social Cohesion:
- **Outcome 6:** Provision of services through the Archives Building
- **Outcome 7:** Transformation of the geographic landscape of the Province
- **Outcome 8:** Implementation of integrated School League Programme
- **Outcome 9:** Crafting a blue print to guide implementation and realization of social impact.

The Department will continue with the following activities on Outcome 1 and Outcome 4:

- Establishment of Mpumalanga Cultural Hub and High Altitude Training Centre;
- Construction of Public Libraries
- National symbols campaign in schools and communities;
- Support of Loskop Dam Marathon and Cycling Tournaments

3.4. State of the Province Address 2017

In relation to the Department, the Hon Premier indicated in his State of the Province Address 2017 that the provincial government will in 2017/18 implement the following:

- Nomination of the *Barberton Makhonjwa World Heritage Site*.
- The draft nomination dossier was submitted to UNESCO in September 2016.

The Hon Premier had announced in his SOPA 2016 that government will support and initiate events that celebrate arts, culture, language, history and heritage inclusively. To this end, R14 500 000 was allocated in 2016/17 to support the *Innibos Festival* and to launch the *Mpumalanga Cultural Festival* on 01 November 2016 as one of the signature events geared to attract visitors to the Province.

4. POLITICAL OVERVIEW BY THE MEC

The MEC presented an overview of the Department's plans for 2017/18 FY. She reiterated the Department's commitment to fulfil Outcome 14 that seeks to create a diverse, socially cohesive society with a common national identity.

The Hon MEC indicated the following in her overview:

- a. The Committee's continual guidance and constructive inputs were appreciated as it helped the Department to carry out its mandated functions.
- b. The Department has appointed the CFO, Mr B Ngoma.
- c. The 2017/18 APP incorporates the following systems put in place by the Department to expedite service delivery in order to swiftly attend to the needs of the communities:
 - Fostering Constitutional values
 - Equalize opportunities, inclusion and redress
 - Social cohesion across society through increased interaction across race and class
 - Promoting active citizenry and broad-based leadership
- d. The Department remains committed to the articulated vision, mission, goals and objectives in order to deliver on the national and provincial outcomes through the Annual Performance Plan.
- e. The 2017/18 APP outlines the Departmental plans to efficiently and effectively deliver on its mandate. This plan is guided by the Strategic Plan 2015-2020, which reflects the Medium Term Strategic Framework (MTSF) and outcome 14, of which the following key projects will be implemented:

- **Infrastructure Development;**
 - ✓ PPP procurement for the Cultural Hub and High Altitude Training Center to secure a private investor;
 - ✓ Construction of Outside Gym; and
 - ✓ Construction of new Public Libraries and initiate project plans for implementation in the following year.
- **Implementation of Social Cohesion flagship projects;**
 - ✓ Rollout of charter of positive values and national symbols campaign in schools and communities.
 - ✓ Host social cohesion dialogues in the 3 districts.
 - ✓ Support of Loskop Marathon and Cycling Tournaments.
 - ✓ Support of Innibos Festival
 - ✓ Hosting of Mpumalanga Cultural Festival that will promote Cultural diversity.
 - ✓ Coordination of national commemorative days to promote nation building, human rights and reconciliation
- **Development and promotion of designated Languages of the Province;**
- **Repatriation of documents to the Archive Building;**
- **Transformation of the geographic landscape of the Province.**
- The Hon MEC further informed the Committee that the service provider, who had mistakenly put up a wrong sign board at Acornhoek Library, has removed it. The Committee also noted that the Acornhoek Library has not been officially handed over.

5. OBSERVATIONS AND COMMENTS

- The Department has aligned its appropriated budget of **R511 232 000** to the planned activities as reflected in its 2017/18 APP.
- The APP targets are aligned with the six (6) strategic objectives of the Department as outlined in its 2015-2020 Strategic Plan.
- Included in the appropriated budget for Vote 11 is an amount of R214 212 000 in conditional grant funding, which addresses job creation, library infrastructure development and participation in sport and recreation activities.
- The Department will continue its plans to contribute to the socio-economic development of the Province by rolling out libraries equipped with ICT technology and services.

- As per the 2017/18 APP the following seven (7) libraries will be rolled-out: Boekehouthoek (changed to Zithabiseni public library); Balfour; Verena; Thubelihle; MP Stream; KaNyamazane; Masobye and the Upgrading of 2 libraries (Mashishing and Standerton Regional Libraries).
- In the past the Department has been performing poorly on the marketing of the three museums, and there were challenges in the management of Pilgrim's Rest heritage site.
- The Committee noted that the DCSR intends to invest in tourism infrastructure facilities, such as Pilgrim Rest, Barberton and Kghodwana museums in an effort to promote cultural and heritage tourism. The Department informed the Committee that the development of a Provincial Creative Industry Strategy was in progress, which will cater for the marketing of cultural and heritage tourism in the Province
- The Committee has continually raised concerns about the poor investment in sport infrastructure in communities, especially rural areas, by the municipalities and the Department. The intervention by Sport and Recreation South Africa (SRSA) to develop sport infrastructure in five (5) municipalities is welcomed. At the same time, the Municipal Infrastructure Grant (MIG) that resides with municipalities needs to be used for development of sport infrastructure in other municipalities not assisted by SRSA.
- The Committee raised a concern that the promised stadium at Daantjie has not yet been constructed, noting that stadiums are not the competency of the Department, but of the Municipalities.

6. ANNUAL PERFORMANCE PLAN 2017/18

6.1. Compliance with the National Treasury Framework for APP's

In the main, the Committee was satisfied that the 2017/18 APP of the Department has complied with the requirements of the National Treasury Framework for APP's. The 2017/18 APP complied with the National Treasury Framework for APP's. The cover page reflected all the required details such as tabling date; the official sign-off page was also correctly done.

The MEC's foreword reflects on political priorities and outcomes over the MTSF, and long term plans as discussed in the Strategic Plan specifically on the development of infrastructure projects (libraries, Cultural Hub, High Altitude Training Centre).

The **situational analysis** in the APP presents updated performance delivery and institutional environment information of the Department as relates to the 2017/18 financial year.

7. ANALYSIS OF THE 2017/18 BUDGET ALLOCATION

7.1. BUDGET ANALYSIS

Table 1: 2017/18 budget allocation per programme over the past three (03) financial years:

PROGRAMME R'000	Outcome 2015/16	Adjusted 2016/17	Main Appropriation 2017/18
Administration	85 692	81 787	99 986
Cultural Affairs	80 182	108 838	132 743
Library & Archive Services	170 428	215 325	184 158
Sport & Recreation	86 782	91 550	94 345
Total	423 084	497 500	511 232

The Department received a main appropriation of **R511 232 000** for the 2017/18 financial year, which is an increase of R13 732 000 from the 2016/17 adjusted appropriation of R497 500 000. The 2017/18 budget allocation for Vote 11 consists of an equitable share of **R297 020 000** and Conditional Grant allocation of **R214 212 000**.

Table 2: Economic classification of the 2017/18 Budget

Economic Classification	Main 2015/16 R'000	Adjusted 2016/17 R'000	Main 2017/18 R'000
Compensation of employees (COE)	153 310	161 450	173 097
Goods and services	144 276	204 431	185 110
Transfers and subsidies	7 220	9732	10 199
Payments for capital assets	150 085	121 887	142 826
Total	454 891	497 500	511 232

All line items received an increased allocation except Goods and Services which has decreased by R19 321 000 from the adjusted budget allocation in 2016/17.

Compensation of Employees (COE) has **increased** by R11 647 000 (6.7%)

Goods and services has **decreased** by R19 321 000 (9.4%)

Transfers and Subsidies has **increased** by R467 000 (4.6%)

Payments for Capital Assets has **increased** by R20 939 000 (14.7%)

Conditional Grants

The Department has presented the conditional grants received and discussed the purpose for each grant in the 2017/18 APP. As per the Appropriation Bill, 2017 the following grants were transferred to the Department:

Community Library Services Grant	: 162 777 000.00
Mass Participation and Sport Development Grant	: 46 352 000.00
EPWP Integrated Grant for Provinces	: 2 000 000.00
Social Sector EPWP Incentive Grant for Provinces	: 3 083 000.00
Total	214 212 000.00

8. INTERACTION WITH THE DEPARTMENT

PROGRAMME 1: ADMINISTRATION

The purpose of this programme is to provide for the overall management and administrative support of the Department, in accordance with applicable National and Provincial policies, the Public Finance Management Act, the Public Service Act and other legislations and policies.

The programme consists of two (2) sub-programmes:

- Office of the MEC
- Corporate Services

It was noted that other Corporate services functions such as Communication, Legal and Security Services, International Relations and Regional Administration, Auxiliary Services, Strategic management, Financial Services, Information Technology Support and Enterprise Risk Management are outlined in the separate Operational Plan of the Department as activities that support line functions to achieve their objectives. The Operational Plan was submitted to the Legislature with the APP and budget documentation.

The table below outlines the budget per sub-programme:

'000	Outcome 2015/16	Adjusted Appropriation 2016/17	Main appropriation 2017/18
Office of the MEC	7 441	7 369	8 949
Corporate Services	78 251	74 418	91 037
TOTAL	85 692	81 787	99 986

Budget allocation

Programme 1: Administration is allocated a total budget of **R99 986 000** for 2017/18 financial year. The budget has increased by R18 199 000 (18.2%) from the 2016/17 financial year allocation of R81 787 000.

Legal Cases

On page 15-16 of the APP, under Revision to legislative and other mandates it is indicated that there are four (04) pending court cases; some of these cases date back to the 2014/15 financial year. Although the Department indicated to have dealt with two cases, they are yet to be closed.

The Committee engaged the Department on the same legal cases during the 2016/17 financial year; it was noted on the progress reports submitted to the Committee that there was no change in the status of these cases since the previous financial year 2015/16.

Subsequently, in response to the Committee questions during the 2017/18 budget deliberations on 12 May 2017, the Department reported the following progress on the legal cases:

CLAIMANT	CASE SUMMARY	CASE STATUS/PROGRESS	Prospect	AMOUNT CLAIMED
Tagtrone Solutions	Case No: CSR/070/11/MP: Provision and Installation of Book Anti-theft Devices.	The applicant's appeal was dismissed with cost on 10 February 2016. The legal services has requested our Counsel to proceed with recoupment of the cost incurred.	Finalized	R729 036.00 It should be noted that the applicants wanted to be placed back on the race of bidding process. The application in court was not a claiming sounding in money value

CLAIMANT	CASE SUMMARY	CASE STATUS/PROGRESS	Prospect	AMOUNT CLAIMED
HJ Samuels	<p>Big Swing: Case no. 23237/12</p> <p>The plaintiff sustained serious injuries in which his wife died while participating in the Big Swing for leisure and is now instituting actions against any of the 9th defendants, for a breach of which would be lawful to ensure that the business and or operation of the Big Swing was safe for persons using it.</p>	<p>An application was filed to the plaintiff attorneys to amend the particulars of claim on 24 April 2014. However the particulars of claim lack averments to sustain an action plaintiff to prosecute the claim. The legal section requested the Council to make an application for Rule 24 (Application to strike the matter off the court roll because the applicant is failing to amend the particulars of claim).</p> <p>No progress. Application in terms of rule 24 to strike the matter off the court roll has been made with the council</p>	Arguable	R580 000.00 at an interest rate of 9% per annum in terms of Prescribed Rate of interest Act, 55 of 1957, calculated from the date of demand, till date of payments order is made.
Kgokagano trading CC	<p>Case No 27778/15</p> <p>The service provider is suing the Department for services render unpaid at an amount of R4.9 Million</p>	<p>The applicant has withdrawn his application</p> <p>The legal services has requested our Counsel to proceed with recoupment of the cost incurred</p>	Arguable	R4, 9 million at an interest rate of 9% per annum in terms of Prescribed Rate of interest Act, 55 of 1957, calculated from the date of demand, till date of payments order is made.
NDH & ASV Travel Agency	<p>The Dept. had a three-year contract with the NDH & ASV Travel Agency to provide traveling and accommodation services.</p> <p>The contract was signed on or about 24 January 2008 according to the appointment letter dated 23 January 2008. The plaintiff is suing the Department for an amount of R769 773.06 for service rendered and not paid. According to our records the invoices submitted by the service provider were not paid.</p>	<p>The Dept. is currently negotiating out of court settlement with the service provider attorneys. settlement and also assessing which invoices were paid and which are not paid. (Meeting was held between the legal services and Attorneys on 4 May 2016).</p> <p>Department advised to settle the matter</p>	Arguable	R769 773 06 at an interest rate of 9% per annum in terms of Prescribed Rate of interest Act, 55 of 1957, calculated from the date of demand, till date of payments order is made

Review of Provincial Bills

The review of the two (02) provincial pieces of legislations (Mpumalanga Provincial Library and Information Service Bill 2015 and the Mpumalanga Archives and Records Service Bill, 2015) in the 2017/18 financial year is the same target as the previous financial year 2016/17.

Payment of invoices within 30 days

On page 30 of the APP, the Department anticipates to pay 100% of invoices within 30 days from the day of receipt. The Committee noted that the Department has not been successful in this target in previous financial years; the main reasons being:

- (1) Most of the infrastructure projects are managed by the Department of Public Works, Road and Transport (DPWRT). This causes delays for invoices to reach the Department as they first go via the DPWRT. The date of the invoice and the date when it reaches the Department will be more than 30 days.
- (2) The APP and the Organisational Structure does not indicate any improvement on personnel capacity in Supply Chain and or Finance.
- (3) The Department has been struggling to clear accruals for the past two financial years. Therefore, it raises doubt that the target will be successfully achieved at the end of the current financial year.

The Committee noted that the Department did not have a system in place to ensure there is an improvement in the 2017/18 financial year in terms of 100% payment of invoices within 30 days of receipt thereof.

PROGRAMME 2: CULTURAL AFFAIRS

The purpose of this programme is to promote cultural diversity, multi-faith, multi-lingualism, transformation of the heritage landscape and in the process ensure that socio-economic development takes place in the province. These processes are linked to the Mzansi Golden Economy strategy developed and adopted by the National Department of Arts and Culture.

Programme 2 is divided into four sub-programmes namely:

- Management
- Arts and Culture
- Museums and Heritage Services;
- Language Services

The table below outlines the budget per sub-programme:

'000	Outcome 2015/16	Adjusted Appropriation 2016/17	Main appropriation 2017/18
1. Management	1 605	1 732	1 768
2. Arts and Culture	57 491	85 652	106 400
3. Museum and Heritage	18 644	18 627	21 683
4. language Services	2 442	2 827	2 892
TOTAL	80 182	108 838	132 743

Budget allocation

For the financial year 2017/18, this programme is allocated a total budget of R132 743 000 to carry out its planned activities. This is an increase of R23 905 000 from the R108 838 000 adjusted allocation in the 2016/17 financial year.

Arts and Culture sub programme

The sub-programme aims to develop cultural diversity through development, promotion and preservation of arts and culture in visual arts and craft, performing art, art technology, arts industries, living culture as well as institutional governance and multi-faith religions. It also renders support to arts and culture community based structures in the Province that assists to extend rollout of the Departmental mandate.

Review of the White Paper on Arts, Culture and Heritage

The set target to review the White Paper is reflected on page 22 of the APP is driven by the National Department of Arts and Culture and is necessitated by the policy shift that no longer accommodate the new developments in the creative industry. The Department will provide inputs to the review process.

Establishment of Provincial Creative Industries Body and Provincial Policy on Creative Industry

According to page 21 of the APP, there is a Provincial Programme of Action to establish a Provincial Creative Industries Body to coordinate and promote partnership and investment in partnership with the Department of Economic Development and Tourism (DEDT).

It must be appreciated that Mpumalanga has abundant creative talent, diverse and vibrant population and rich complex history. According to the Provincial policy context, the Department is responsible for ensuring development of the creative industry sector, whilst the DEDT is responsible for creating viable market and industry development for sustainability and contribution to the local and international economy. The policy development is being led by the DEDT.

The new Creative Industry Body and the policy will be a platform to advocate for equal opportunities and create access and inclusivity in the creative industry, which will ultimately encourage Social Cohesion in the province.

The Department further indicated that the process of creating the Provincial Policy on Creative Industry will be inclusive of all key stakeholders thereby ensuring and taking into conscience the following challenges:

- (i) Severe social, economic and spatial challenges;
- (ii) Undeveloped cultural tourism particularly in rural areas;
- (iii) Growing recognized creative sector industries which has poor access to market;
- (iv) Creative industries being dominated by Black rural women and unemployed youth.

Cultural Hub

The Committee has noted the Cultural Hub is being implemented together with the High Altitude Centre as one Public Private Partnership (PPP) which is currently in progress.

During 2016/17 financial year an amount of **R41 080 000** was allocated to the Cultural Hub and in 2017/18 financial year the allocation is **R45 452 000** according to the Department's APP:

EQUITABLE SHARE FUNDED		Municipality	Start	Finish	2017/18
Cultural Hub	White River	Mbombela	01/04/2009	28/02/2022	R45 442

With the budget allocated for 2017/18 financial year the Department plans to implement Phase 1 of the Cultural Hub; PPP procurement; Managing the PPP agreement; and provision of bulk services. The Department could only commit that Phase 1 of the Cultural Hub will be implemented in 2017/18 financial year as the PPP is not concluded by National Treasury. The management of the PPP will be dependent upon the conclusion of the PPP.

Promotion of arts and culture

According to PPI 2.7 on page 45 of the APP, the Department will develop and promote arts and culture in the Province by supporting arts and craft cooperatives or Cultural and Creative Industry Federation of South Africa (CCIFSA) structures. In most cases the arts and craft institutions are dominated by females who seek to improve their socio-economic situation. The Committee noted that the Department has made arrangements for arts and crafts exhibitors to display their goods at the souvenir shop at Kruger National Park gates; the Department indicated that this souvenir shop also hosted goods from arts and crafters from the other two regions of the Province. The Department is also working with the LED sections of municipalities in 2017/18 to close the gap on economic nodal points in villages so as alleviate poverty, unemployment and migration.

Museums and Heritage Services sub programme: aims to preserve the heritage of the province through museum services and heritage resource management. Projects include the hosting of annual National Gold Panning Championships in Pilgrims Rest, driving the liberation heritage route to transform the heritage landscape of the province and the country in general.

Museum services

Page 9 of the APP (PPI 2.13-16) indicates that 1.3 million international tourists visited Mpumalanga over the past three years spending around R3 billion. In the past the Department has been performing poorly on the marketing of the three museums, and there were challenges in the management of Pilgrim Rest heritage site. The Committee noted that the DCSR intends to invest in tourism infrastructure facilities, such as Pilgrim Rest, Barberton and Kghodwana museums in an effort to promote cultural and heritage tourism. The Department informed the Committee that the development of a Provincial Creative Industry Strategy was in progress, which will cater for the marketing of cultural and heritage tourism in the Province.

Job creation – EPWP

Page 45 on PPI 2.8 shows that, the number of EPWP job opportunities created during the financial year 2017/18 will increase to 203, all in the arts and culture sector. Women, youth and people with disabilities will benefit in the form of a stipend that will assist to alleviate poverty.

Language Services sub programme: focuses on implementing the Provincial Languages Act, 2014 and thereby promote multi-lingualism and development of historically marginalised languages (indigenous languages). The programme also facilitates access to government information and services through translation, interpretation and ensuring respect for language rights in partnership with language structures within the province.

Support to arts and culture groups/local artists

The Presidency established the Presidential Creative Industries Task Team to support local artists. As per the directive from the National Department of Arts and Culture, the Department also established the Cultural and Creative Industry Federation of South Africa (CCIFSA) structures at municipalities to replace the arts and culture forums which were supporting the local artists. However, to date the CCIFSA structures are not functioning as anticipated due to lack of funding and poor communication amongst members of the various municipality-based CCIFSA structures.

Social Cohesion and Nation building

The Committee noted that Hon Premier has emphasized the importance of social cohesion in his State of the Province Address 2017. The prolonged non-finalisation of the Provincial Social Cohesion Strategy is thus a concern which the Department must address.

PROGRAMME 3: LIBRARY AND ARCHIVES SERVICES

According to the APP on page 47, the aim of this programme is to provide for and promote access to public libraries, archives and records management in the province. The priorities set for this programme include the improvement of access to facilities, the promotion of sustainable reading culture and increasing compliance legislation and policies by government institutions on the management of documentation (records).

Programme 3 consists of the following two (2) sub-programmes:

- Archives and Records Management
- Library and Information Services

The table below outlines the budget per sub-programme:

'000	Outcome 2015/16	Adjusted Appropriation 2016/17	Main appropriation 2017/18
1. Management	1	-	-
2. Library Services	156 037	203 331	180 148
3. Archives	14 390	11 994	4 010
TOTAL	170 428	215 325	184 158

Budget allocation

The allocation for Programme 3 is **R184 158 000** for the financial year 2017/18 to promote public libraries and archives in the Province. The allocation decreased by **R30 429 000** when compared to the **R215 325 000** adjusted allocation for 2016/17 financial year.

Archives and Records Management sub-programme

The central function of this sub-programme is to maintain good archival and records management practices, in line with the needs of the province. This includes the acquisition and preservation of public records with historical value, ensuring accessibility of records and promotion of their utilisation, the proper management and care of all public and private records, and the collection of records with potential provincial value and significance.

Library and Information Services sub-programme

This sub-programme caters for the provision of public library services to public libraries throughout the province, through the Community Library Conditional Grant received from the National Department of Arts and Culture and in line with the public library mandate as outlined in the Constitution of South Africa. It aims to improve access to public library services in all communities by building new libraries, upgrading, maintaining and automating them, developing and sustaining a reading culture by acquiring and processing appropriate material in all forms, and ensuring the equitable provision of access to information by all communities.

According to the National Development Plan there should be a library in every ward by 2030. Mpumalanga has 407 Wards and there are 115 libraries in the Province. The Committee noted that the Department does not have capacity currently to meet the demands of the NDP in terms of provision of libraries, considering that the Department has for the past three years been rolling out on average three libraries per financial year.

Roll-out of libraries infrastructure in 2017/18

The Department has indicated in the APP that seven (07) library infrastructure will be rolled out, of which the three libraries that were carried over from the previous financial year 2016/17 will be completed in the current financial year 2017/18 (Verena, Balfour and Boekenhouthoek).

The other four libraries to be constructed in 2017/18 are MP Stream, KaNyamazane, Masobye and Thubelihle will be initiated in the current financial year.

ICT services at libraries

The Department indicates in its APP that it will provide access to ICT and library materials to 115 libraries in the 2017/18 financial year.

Slow implementation of library projects by the implementing agent

The Committee noted the Department's explanation for the slow implementation of library infrastructure projects by the Department that they could not speed up the process as the Department of Public Works, Roads and Transport is the implementing agent. It was also noted that the Department was implementing library projects in a multi-year approach, but this was not clearly indicated to the Committee. The Department was advised to continue its efforts to strengthen monitoring and evaluation of projects in conjunction with the DPWRT.

Provision of library support materials

In terms of readiness to roll-out library materials to Verena, Balfour and Boekenhouthoek (Zithabiseni) Public Libraries by the 1st quarter of the 2017/18 financial year, the Committee

noted that books have been procured and kept at regional libraries as they are being processed (cataloguing, classification, linking and distribution).

The Committee has continually discussed with the Department the importance of proper planning for efficient rollout of libraries; hence, once a library is built there should not be a long delay until the books and other materials for the library are delivered.

Library services for the blind

The Committee noted that the Department did not have any plan to rollout services for the blind at all 115 libraries in the Province, but that the situation is being dealt with incrementally each year, according to the needs analysis conducted by the National Library for the Blind. It must be appreciated that the Department rolled out services for the blind at 14 libraries in the 2016/17 financial year and will again target 14 libraries in 2017/18 financial year. This is aimed at facilitating optimal utilization of Library Services for the Blind, marketing extensively and measuring the impact.

PROGRAMME 4: SPORT AND RECREATION

The purpose of this programme is to develop and enhance the sporting and recreation capabilities of the people of Mpumalanga by promoting activities to improve their quality of life.

The programme has four (4) sub-programmes as follows:

- Management
- Sport
- Recreation
- School Sports

The table below outlines the budget structure per sub-programme:

'000	Outcome 20w15/16	Adjusted Appropriation 2016/17	Main appropriation 2017/18
1. Management	3 027	2 795	3 068
2. Sport	37 196	39 791	42 989
3. Recreation	23 400	25 436	27 792
4. School Sports	23 159	23 528	20 496
Total	86 782	91 550	94 345

Budget allocation

In order to achieve the objectives on Programme 4 a budget of **R94 345 000** has been allocated for 2017/18, which is an increase of R2 295 000 from the 2016/17 adjusted allocation of **R91 550 000**.

Sub-programme: Sport

This sub-programme is financed through a conditional grant from Sport and Recreation South Africa (SRSA). It seeks to support high profile games to be hosted at Mbombela stadium as part of ensuring that the Mbombela Stadium is utilized.

On club development, the Department focuses on sport development at club level. It creates an opportunity for sporting clubs to be provided with playing attire and equipment as well as building capacity of coaches and technical officials to be able to run the clubs effectively and efficiently. It also includes the District Academy and support to elite athletes.

The Department has three flagship projects in Programme 4; one of these projects is located in sub-programme Sport, namely the High Altitude Training Centre.

➤ High Altitude Training Centre

EQUITABLE SHARE FUNDED		Municipality	Start	Finish	2017/18
High Altitude Training Centre	Emakhazeni	Emakhazeni	01/04/2009	28/02/2022	R24 786

During 2017/18 financial year the High Altitude Training Centre will be allocated an amount of **R24 786 000** according to the Department's APP, which the Department plans to use for:

- Implementation of Phase 1 High Altitude Training Centre;
- PPP procurement;
- Managing the PPP agreement; and
- Provision of bulk services.

The Department could not give the Committee assurance that the project construction will commence this financial year 2017/18. The Department indicated that the whole process is dependent on the National Treasury processes, which take time. This includes how the PPP will

be effectively managed, which the Committee enquired about. However, in the current year 2017/18 the Department envisages finalizing the PPP and will also initiate bulk services for both projects.

The Committee welcomes the concept of the High Altitude Training Centre and noted the site identified to be in Emakhazeni Local Municipality. It will be appreciated if construction can commence as this project has been funded for many years with no infrastructure to show for it. The progress reported to the Committee over the past two financial years 2015/16 and 2016/17 is noted (registration of the PPP, appointment of Transaction Advisor and feasibility study conducted).

The Committee noted that upon completion the facility will provide international training facilities for various sports, a high performance centre, Faculty of Sport Science and a boarding school for talented young sports people, accommodation, spectator arena and community interface. The centre will also provide sport services and support to the elite athletes and talented athletes with potential, coaches, technical officials, administrators and managers. The High Altitude Training Centre will operate in consultation with the Mpumalanga Sport Confederation, Individual Sports Federations and also in conjunction with the University of Mpumalanga.

Sub-programme School Sports aims to develop sports at a school level by providing support to schools and organising school competitions. It also provides equipment and attire for schools on a rotational basis and training of educators. It was noted that the Department of Education still caters for the coordination of sport at a school level, while the Department mandate includes taking over at the District, Provincial and National level. The activities of this programme are financed through a conditional grant from SRSA.

Poor access to sports facilities and services

Access to sport facilities and services, especially in most rural areas remains a challenge although the number of people participating in organised sport and active recreational event has gradually been increasing annually as follows:

2014/15: **24 804**

2015/16: **30 595**

2016/17: **112 927**

2017/18: planned for **118 000**

The Committee has continually raised concerns about the poor investment in sport infrastructure in communities by the municipalities and the Department, although the Department has continuously indicated that the Municipal Infrastructure Grant (MIG) resides with the municipalities and is not being used for the intended purpose. The Committee has raised this matter with the Hon MEC to be further discussed at MINMEC forums.

Rural Sport Development Programme

The Committee noted that the non-finalisation of the Provincial Social Cohesion Strategy will affect the effective roll-out of the Rural Sport Development Programme. However, the Department is currently implementing the Rural Sport Development Programme as per the National Framework. In the 2017/2018 financial year the Msogwaba and Mbuyane Traditional Councils are participating in the pilot phase of the rural sport league in Rugby Sevens, Netball, Football and Athletics. The league started at intra-traditional level and progressed to inter-traditional (Provincial). The winning teams will participate at the National Rural Sport Championships to be held in Umtata on 11-14 July 2017. The league will be progressively rolled out to other Traditional Councils in subsequent years.

Sports infrastructure development in rural areas

It was noted that the Department did not have any plans nor budget allocated in the current financial year 2017/18 for rolling out of sport facilities in rural areas. However, on page 17 of the APP it is indicated that Sport and Recreation South Africa (SRSA) has intervened by providing five (5) sporting facilities at the following local municipalities at a total budget of **R28 654 000**:

<p>1. Bushbuckridge Local Municipality</p>	<ul style="list-style-type: none"> ▪ R13, 096 for the upgrading of Acornhoek Sport facility and construction of multi-purpose courts. ▪ Progress to date: Submitted a proposal for funding and awaiting approval from Treasury, no formal feedback has been received by the Department yet. The Municipality had requested R13, 096 for the upgrading of Acornhoek Sport facility and construction multi-purpose courts.
<p>2. Thembisile Hani local Municipality</p>	<ul style="list-style-type: none"> ▪ Construction of multi- purpose Sport Centre (Phumula Sports Field) to an amount of R5,904 ▪ Progress to date: Submitted a proposal for funding and awaiting approval from Treasury, no formal feedback has been received by the Department yet. A request for the construction of multi- purpose Sport Centre to an amount of R5,904

<p>3. Mkhondo Local Municipality</p>	<ul style="list-style-type: none"> ▪ Refurbishment of multi-purpose court (Saul Mkhizeville Sporting Facilities) to the amount of R2,500 ▪ Progress to date: Submitted a proposal for funding and awaiting approval from Treasury, no formal feedback has been received by the Department yet, the Municipality proposed to do refurbishment of multi-purpose court to the amount of R2,500
<p>4. Dr Pixley ka Seme local Municipality</p>	<ul style="list-style-type: none"> ▪ Construction of Multi-purpose sport courts (Wakkerstroom and Amersfoort) at an amount of R2,500 ▪ Progress to date: Submitted a proposal for funding and awaiting approval from Treasury, no formal feedback has been received by the Department yet. The Municipality will do Construction of Multi-purpose sport courts at an amount of R2,500
<p>5. Nkomazi local Municipality</p>	<ul style="list-style-type: none"> ▪ Construction of the racing track at Kamhlushwa Sports Complex to the amount of R4,654 ▪ Submitted a proposal for funding and awaiting approval from Treasury, no formal feedback has been received by the Department yet, the Municipality will be doing the construction of the racing track at Kamhlushwa stadium to the amount of R4,654

The Committee noted that there were no timeframes provided for the completion of these projects. It was also noted that SRSA transferred the MIG financial allocations directly to the relevant Municipalities and the DCSR assists SRSA in coordination, monitoring and evaluation of Municipal performance regarding the delivery of these facilities. It was also noted that the projects are managed by the SRSA Facilities Chief Directorate. The DCSR has delegated an official to monitor project progress and facilitate Provincial delivery. The Municipalities are responsible for project delivery and reporting.

Municipalities not covered in the above five (5) infrastructure developments

Regarding municipalities not receiving SRSA funding, the Department indicated to the Committee that these municipalities should use their MIG allocations that are received through COGTA for the construction or refurbishment of their sport facilities as per their IDPs. The Committee requested the Hon MEC to keep this matter on the MUNIMEC forum agenda to ensure delivery of sport infrastructure to communities.

Sporting opportunities for people with disability

The Committee enquired about the specific sport and recreation activities implemented by the Department to improve the quality of life for people living with disabilities in the province. It was noted that Sport and Recreation programmes in the Province are implemented inclusive of people living with disability. In addition, people living with disability are included in school sport in the following codes:

- Swimming: Intellectually Impaired and Physically Impaired;
- Football, Netball, Table tennis: Intellectually Impaired;
- Football and Netball: Deaf sport; and
- Goal ball: Visually impaired

People living with disability are also included in sport and recreation in the following programmes: youth camps, community sport and recreation events, club development leagues, sport council events and the Academy programme.

9. FINDINGS

After deliberating with the Department of Culture, Sport and Recreation on the 2017/18 APP, the Committee made the following findings:

- 9.1. The Department is still not complying with Treasury Regulation 8.2.3 (payment of invoices within 30 days) and has not put in place an effective plan to address this.
- 9.2. The Department still has three (3) pending legal cases out of the four (04) cases, which have been pending since the 2015/16 and 2016/17 financial years.
- 9.3. The delay in finalizing the provincial Social Cohesion Strategy, which was in the process of being reviewed during the 2016/17 financial year, is unacceptable as the Department is responsible for Outcome 14 to ensure social cohesion and nation building.
- 9.4. During the 2017/18 financial year, the Department will continue implementation of the Mpumalanga Cultural Festival as launched in November 2016 and will also continue implementing the transformation agenda of government at the Innibos Festival.
- 9.5. The Department is participating in new developments in the creative industry due to a policy shift at national level, which will necessitate the review of the White Paper on Arts,

Culture and Heritage and a Provincial Programme of Action to establish a Provincial Creative Industries Body and development of a Provincial Policy on Creative Industry in partnership with the Department of Economic Development and Tourism (DEDT).

- 9.6. There are arts and culture groups (local artists) who are currently not being assisted in the current vacuum that exists due to the non-functionality of the municipality-based Cultural and Creative Industry Federation of South Africa (CCIFSA) structures.
- 9.7. In the 2017/18 financial year, the Department plans to finalize the Cultural Hub and High Altitude Centre PPP and implement Phase 1 of both projects (provision of bulk services).
- 9.8. There is still a challenge of insufficient and inadequate staffing at provincial libraries.
- 9.9. There is a lack of sporting facilities in rural areas of the Province. Thus, the Committee welcomes the intervention by Sport and Recreation South Africa (SRSA) to roll-out sports infrastructure development projects in five (5) local municipalities in the Province at a cost of R28 654 000 in the 2017/18 financial year.
- 9.10. The Rural Sport Development Programme will be implemented by the Department in the 2017/18 financial year as per the National Framework.
- 9.11. The Committee raised a concern about the Nokaneng Stadium in Dr JS Moroka Local Municipality, which has been incomplete for a long time.

10. RECOMMENDATIONS

The Committee recommended as follows for the Department of Culture, Sport and Recreation:

- 10.1. There must be compliance with the Treasury Regulations; all invoices for services rendered to the Department must be paid within 30 days of the receipt thereof. Provide progress by 30 June 2017 on the measures in place.
- 10.2. In terms of the legal cases of the Department:
 - (i) There must be compliance with the PFMA and Treasury Regulations in order to ensure proper litigation management;

- (ii) The Accounting Officer must ensure collection of monies incurred in irregular expenditure from the responsible official(s) and disciplinary action must be taken for failure to comply with the relevant prescripts of the law;
 - (iii) Provide a progress report on the above by 30 June 2017.
- 10.3. The Department must fast track the finalization and approval of the Provincial Social Cohesion Strategy and provide a progress report by 30 June 2017.
- 10.4. The key milestones for the 2017 Mpumalanga Cultural Festival must be implemented as planned and the Provincial government's transformation agenda must be implemented at the 2017 Innibos Festival. Provide a progress report by 30 June 2017.
- 10.5. The Department must ensure effective coordinating and monitoring of the new developments unfolding in the creative industry in the Province; provide a progress report by 30 June 2017 on:
- a) Review of the White Paper on Arts, Culture and Heritage;
 - b) Establishment of the Provincial Creative Industries Body; and
 - c) Development of the Provincial Policy on Creative Industry.
- 10.6. The Department must come up with a plan to resuscitate the non-functional municipality-based Cultural and Creative Industry Federation of South Africa (CCIFSA) structures to ensure that the local arts and culture practitioners are assisted. Provide progress in this regard by 30 June 2017.
- 10.7. The key milestones for the Cultural Hub and High Altitude Training Centre PPP must be implemented and finalized as planned for in the 2017/18 financial year. Provide a progress report by 30 June 2017.
- 10.8. All libraries in the province must be sufficiently staffed with qualified librarians and library support staff, with adequate access to ongoing training and development. Provide a progress report by 30 June 2017 on the status quo at each library, per district.
- 10.9. The Department must play its monitoring role in the implementation of the five (5) sports infrastructure development projects in rural municipalities by sport and Recreation South Africa (SRSA) and provide a progress report by 30 June 2017.

- 10.10. The Department must continue with the implementation of the Rural Sport Development Programme in the 2017/18 financial year, in line with the National Framework. Provide a progress report by 30 June 2017.
- 10.11. The Department must work together with the Dr JS Moroka Local Municipality and Sport and Recreation South Africa (SRSA) to ensure that all phases of the Nokaneng Stadium are fast tracked and completed. Provide a progress report by 30 June 2017.

11. CONCLUSION

The Chairperson wishes to express his gratitude to the Hon MEC N Mahlangu; the HOD of the Department of Culture, Sport and Recreation and his senior management team for their active involvement during the deliberations with the Committee on the 2017/18 APP and budget vote.

The Chairperson further wishes to thank the Hon. Members of the Committee for their sterling participation and input during the deliberations with the Department of Culture, Sport and Recreation. The Legislature staff is also thanked for the support provided to the Committee.

The Committee moves that the House adopt this Committee report with its recommendations and hereby approves the 2017/18 Annual Performance Plan of the Department of Culture, Sport and Recreation.

The Department must implement the resolutions of the House as contained in this Committee report and provide a progress report to the Committee by 30 June 2017.

The Committee supports the budget for Vote 11 Department of Culture, Sport and Recreation and hereby moves that the House approve the total appropriation of **R511 232 000** for the 2017/18 financial year.



HON. VV WINDVOËL, MPL

CHAIRPERSON: PORTFOLIO COMMITTEE ON
EDUCATION; CULTURE, SPORT AND RECREATION

23/05/2017
DATE