



REPORT OF THE ARTS AND CULTURE PORTFOLIO COMMITTEE ON 2020/21 BUDGET VOTE 15 - DEPARTMENT OF ARTS AND CULTURE HOUSE SITTING OF 05 JUNE 2020

considerate

1. INTRODUCTION

Hon. Speaker, Hon. Members of the House, MEC, HOD and officials of the Department of Arts and Culture, Distinguished guests, I greet you all. It is a great honour for me to deliver the Committee report on the discussions and deliberations relating to the 2020/21 budget of Department of Arts and Culture.

The Portfolio Committee exercised its mandate as strengthened by the provisions of the Constitution of the Republic of South Africa and stipulated under Rule 122 of the KwaZulu-Natal Legislature. This oversight obligation includes consideration and adoption of the Budget for Vote 15 for the 2020/21 financial year.

The Portfolio Committee received briefings from the Department on the final APP and budget on 24 April 2020.

2. BUDGET OVERVIEW

The Department has been allocated the budget of **R1. 021 billion for the 2020/21** financial year. The Committee notes that the Department has

now assumed the heritage function which previously resided in the Office of the Premier and has taken over the KZN Amafa and Research Institute.

Programme 1: Administration: The budget allocation for this programme is R 170.368 million for the budget year 2020/21, which is an increase from 2019/20 budget. Corporate Services Sub-Programme plans to fill 97 critical vacant posts in 2020/21. The Committee urges the Department to fill these posts as planned and progress will be closely monitored

Programme 2: Cultural Affairs: Cultural Affairs: The budget allocation for this program is R322.723 million for the budget year 2020/21. Appointment of staff, as well as the continuation of hosting departmental events, such as the Reed Dance (uMkhosi Mhlanga), Freedom Day and Africa Day. Museum Sub-Programme will cater for renovation of the KwaDukuza Museum as well as ongoing provincialisation of museums. The Department responded to the Premier's call to have provincial flagship programs similar to the Macufe Festival in the Free State by allocating a budget from within this programme to the tune of R4 million for the Drakensberg Extravaganza. The Committee welcomes this new endeavour and wishes the Department well.

The Department will continue supporting His Majesty's cultural events. An allocation of R100 000 per weekend, totalling R5.2 million for the 2020/21 Financial Year, for the "improving the mood in the Province" programme has also been put in place. This allocated funding will be used in all districts within the province through a rotational basis within this financial year of 2020/21.

Programme 3: Library and Archive Services: The allocated budget for programme 3 is R527.971 million for the budget year 2020/21. Department plans on building 7 libraries at uMzumbe, Mbali, Ndaleni, Dukuduku, KwaDlangezwa, Nquthu and KwaMdakane in Dannhauser. The Department will also establish 10 modular libraries and an Archive Repository early in 2020/21.

It is noted that the Department's budget reduces from R1.132 billion to R1.021 billion (2020/21 MTEF). Reduction was due to data updates to the Provincial Equitable Share formula and fiscal consolidation cuts, which are aimed at reducing spending levels across all three spheres of government. It is however a concern that another reason for reduction of the budget is due to low spending by the department against Compensation of employees.

The Community Library Services Grant (CLSG) was also reduced from R184.417 million to R181.072 million (2020/21 MTEF).

In respect of the EPWP Integrated Grant for Provinces, the department has not been allocated funding in 2020/21 and over the MTEF, as the grant is incentive based. The Department will however continue appointing contract workers such as the appointment of reed cutters for preparation of the Reed Dance (uMkhosi Womhlanga) and workers to assist in infrastructure projects, using the equitable share.

3. KEY FOCUS AREAS FOR 2020/21

The Committee will focus on its oversight as follows on priorities derived from the APP of the Department. These include inter alia:

- Implementation of social cohesion and moral regeneration programmes
- Infrastructure projects (libraries, art centres, museums and archives)

- Empowerment for artists of KZN, funding and support to arts and cultural institutions and SMMEs
- Covid 19 Risk Adjustment Strategy - Provincial Relief Programme in support of the Cultural and Creative Industry
- Improvement on audit outcomes, achieving unqualified audit opinion with no matters of emphasis by the Department of Arts and Culture;
- Filling of critical vacant posts

4. OBSERVATIONS/FINDINGS BY THE COMMITTEE

1.The Committee noted that the Budget is presented when South Africa and the world is unfortunately experiencing the Covid-19 pandemic. The Committee appreciates the Department's response to Covid-19 and has implemented a programme to support KZN artists who can no longer sustain their livelihoods. The Committee further realises the impact this Relief programme will have on the budget of the Department.

2.The Department's priorities were aligned with the NDP, PGDP and the seven (7) national government priorities. The Department is commended for empowerment programmes for artists, especially those from previously disadvantaged background, particularly the youth, women and people with disabilities

3.The Committee noted the reduction of the Departmental budget from R1.132 billion in 2019/20 to an amount of R1.021 billion in 2020/21 MTEF period.

4.Reduction on the transfers to Provinces and Municipalities in respect of the provincialisation of libraries such as eThekwini and Umsunduzi Municipalities is noted with concern. These municipalities will now receive

less funds for operation costs for items such as cleaning, security and appointment of staff for libraries.

5.The Committee is further concerned that allocation for the construction of libraries such as uMzumbe, Mbali and Ndoleni Libraries will be reduced. It is uncertain whether these projects will be completed on time and to the required specifications considering cuts in the allocation

6.The Committee applauds the Department for working with South African Qualification Authority (SAQA) in ensuring fair appointment in filling the senior positions.

7.The Committee noted with concern the appointment of the Legal team to deal with the issue of the KZN Music House. Closure of KZN Music House has deprived artists the opportunity to record their music. The Committee trusts that this facility will soon be fully functional

8.The Committee acknowledges the commitment by the Department that the construction of the Archive Repository will commence in 2020/21.This project is critical since the history of the province needs to be stored safely and not lost.

9.It is pleasing to note that the Department continues to play a critical role in the resuscitation of the culture of reading by establishing Reading and Writing Clubs and will have 12 reading competitions in 2020/21.

4. COMMITTEE RECOMMENDATIONS

For the Department to deliver services efficiently and effectively, the Committee recommends that the Department must:

- Strengthen its monitoring and evaluation mechanisms to ensure that funds allocated to SMMEs and arts and cultural non-profit institutions is used effectively and efficiently.

- Ensure that there are signed SLAs with municipalities to whom it transfers funds for libraries and museums. SLAs enable the department to have some internal control
- Improve on infrastructure spending by ensuring that the community Library Services Grant is fully utilised to improve on the 2019/20 audit finding
- Ensure the filling of the budgeted critical vacant posts, especially those that have a great impact on service delivery
- Positively contribute to job creation by ensuring continuity in appointing contract workers using the EPWP principle.
- Capacitate arts and culture organisations on compliance issues to reduce delays in transfer payments. This will decrease under-expenditure.

The Committee wishes to highlight to this House that all parties supported the 2020/21 Budget and APP of the Department of Arts and Culture except for the Democratic Alliance which expressed reservation and needed to consult with its Caucus.

5. CONCLUSION

The Portfolio Committee recognises the critical role of nation building and social cohesion assigned to the Department and will always offer unwavering support to support the Department in fulfilling this important mandate. I wish to thank the MEC, Hon HGS Mavimbela, the HOD and senior officials of the Department for their continued cooperation and sterling work. Further gratitude goes to Members of the Committee for their unconditional support, guidance, and robust engagements.

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HON. EV DUBE

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Chairperson: Portfolio Committee on Arts and Culture

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