



**REPORT OF THE ARTS AND CULTURE PORTFOLIO COMMITTEE ON
2022/23 BUDGET VOTE 10 - DEPARTMENT OF SPORT, ARTS AND
CULTURE
HOUSE SITTING OF 10 MAY 2022**

1. INTRODUCTION

Hon. Speaker, the Hon. Premier, Hon. Members of the House, MEC for Sport, Arts and Culture, officials of the department and distinguished guests, a Good Morning to you.

It was on this day of the 10th of May in 1994, that South Africa welcomed her first democratic President, Dr Nelson Rolihlahla Mandela. Therefore, one is emboldened to endorse this Budget that will most certainly bring hope, which anchors the soul, to the people of this province.

Hon Speaker, this Committee would love to convey its deepest condolences to all the families that have lost their loved ones and their possessions in the disastrous floods experienced by our Province last Month.

The entire Creative Industry has also suffered because of these floods and the 2022/23 budget will instil hope in all our people.

As the Portfolio Committee of Arts and Culture, we are here to exercise our mandate as stipulated by the Constitution of the Republic of South Africa , recorded under Rule 122 of the KwaZulu-Natal Legislature. Our

obligation is to consider and adopt the budget for Vote 10 of 2022/23 Financial Year.

The Arts and Culture Portfolio Committees received briefing from the Department of Sport, Arts and Culture on the 2022/23 Final Draft APP and Vote 10 budget in a joint meeting (of Sports and Recreation and Arts and Culture Portfolio Committees) which was held on the 29th of April 2022 in uMthunzi Hotel, Port Shepstone. By that time the Arts and Culture Portfolio Committee had already consulted the public through a stakeholder engagement which was held on 10th December 2021 in Makhonyeni Hall under Jozini Local Municipality, uMkhanyakude District. This is where the Committee took all the inputs of the many artists who were present in that stakeholder engagement into consideration, and ensured that the department factors them in the drafting and finalisation of its 2022/23 Budget and 2022/23 Annual Performance Plan (APP).

2.BUDGET OVERVIEW

The Department of Sport, Arts and Culture has been allocated a budget of **R1, 489 billion for the 2022/23** financial year. The Committee has observed that the Department of Sport, Arts and Culture budget is broken down as follows in the 2022/23 MTEF:

- **Programme 1: Administration**, which has been allocated R280, 759 million in 2022/23 Budget Year, for the provision of effective management and administration of the department and to ensure effective and efficient use of financial and human resources. The committee has noted that included in this budget of R280, 759 million is a prioritised budgeted amount of R21, 538 million for the filling of forty-nine (49) critical vacant posts over the 2022/23 MTEF. The Committee will closely monitor the departments progress in

terms of filling of these forty-nine (49) posts, in line with the departments commitment of finalising the organisational structure, as per its amalgamation processes. The committee has also noted with appreciation, that the department has budgeted R1, 000 million for external bursaries under the *Transfers to Households* category in the 2022/23 MTEF, with R1, 444 million having been allocated for the 2023/24 and 2024/25 MTEF. This will go a long way in assisting the artists and athletes who want to pursue their academic dreams.

- **Programme 2: Cultural Affairs**, which has been allocated R329, 574 million in 2022/23 Budget Year, for the provision of projects and interventions in the arts, culture, language and museum services. Moreover, the Committee has noted that the main aim of this programme is to provide an environment conducive to the celebration, nourishment and growth of these sectors.

The Committee has noted with awareness, that the effect of the merger, resulted in the merged departments moving funds from Programme 1: Administration and Programme 3: Library and Archive Services (*Compensation of Employees economic category*), to an amount of R10, 872 million in 2022/23 Financial Year, to this programme to address the functions for the core functions within this programme which include arts, culture, language and museum services.

The Committee acknowledged and commended the Department for continuation of allocation of funds for the main events such as Human Rights Day, Heritage Day, Africa Day, Women's Day and World Aids Day as well as the Provincial Signature event which highlight the diversity of the province.

The Committee is also pleased by the fact that the department will also continue to support and empower artists in the current financial

year of 2022/23 through the budget that has been provided within this programme.

The Committee has also noted that the department has been allocated R2, 108 million for 2022/23 Financial Year, in relation to the Expanded Public Works Programme (EPWP) Integrated Grant for Provinces under this programme. This is to be utilised by the department, for the appointment of contract employees in continuing to assist the administration of the Infrastructure, SCM and Budgeting and Accounting units.

Under this programme, the Committee has noted with attention that, the department has budgeted to fill twenty-seven (27) critical vacant posts in the 2022/23 Financial Year, and these posts are included in the number of attrition posts recommended by Provincial Treasury. Once again, the Committee will closely monitor the departments progress in terms of filling of these twenty-seven (27) posts, in line with the departments commitment of finalising its organisational structure, as per its amalgamation processes.

- **Programme 3: Library and Archive Services**, which has been allocated R500, 548 million in 2022/23 Budget Year, for the provision of Library and Information Services, as well as Archive Services. The Committee has noted that of this R500, 568 million is an amount of R186, 891 million which relates to the Community Library Services (CLS) conditional grant, which has been classified as a sub-programme by the department under this programme. The Committee has noted that this grant funding is to be utilised for the construction of various libraries over the MTEF such as Swayimane, uMvoti, Cwaka, and oFabeni libraries; transfers to municipalities for payment of library units' salaries of cyber cadets; purchase of library materials, connectivity costs for internet access, amongst others.

Once again, under this programme, the Committee has noted with keen interest that, the department has budgeted to fill thirty-seven (37) critical vacant posts, to a budgeted amount of R11, 184 million in the 2022/23 Financial Year. Once again, the Committee will closely monitor the departments progress in terms of filling of these thirty-seven (37) posts, in line with the department's commitment of finalising the organisational structure, as per its amalgamation processes.

3. KEY FOCUS AREAS FOR 2022/23

The Committee has noted that the Departments priorities were aligned with the National Development Plan (NDP), Provincial Growth Development Plan (PGDP) and the seven (7) national government priorities, and thus will focus its non-financial oversight on priorities derived from the 2022/23 Annual Performance Plan (APP) of the Department. These include inter alia:

- Ensuring that all critical and funded posts to be filled urgently (both at local and provincial government level).
- Use government procurement to enhance localisation and create more opportunities for SMMEs.
- Intensify the implementation of the EPWP and projects for Mass Job Creation.
- Develop and implement impactful programmes for the vulnerable groups in line with their core mandate.
- Digitize all government operations, service delivery systems, and communication systems, amongst others.

4. OBSERVATIONS/ FINDINGS BY THE ARTS AND CULTURE PORTFOLIO COMMITTEE

- The Committee acknowledges and welcomes the proclamation of the President in the gazette in line with section 7(5)(b) of the Public Service Act, as per request of the Premier to amend section 2 to create the Department of Sport, Arts and Culture which is now legally recognised as of 1st April 2022.
- The Committee acknowledged the Department for maintaining to focus on its key mandate, being social cohesion and moral regeneration and job creation targeting youth, women and the disabled. This will be through the department's continuation of support for the main events and empowerment of artists in line with the prescripts of the Public Finance Management Act (PFMA) and Treasury Regulations.
- The Committee has observed with keen interest that in the 2022/23 Financial Year, the KZN Amafa and Research Institute (Amafa) has been allocated R57, 515 million, with the Playhouse Company having been allocated R8, 499 million (in terms of Transfers to Public Entities as listed in terms of Schedule 3 of the PFMA).
The Committee has observed that the entities will continue utilising these budget allocations for identification, conservation, protection, management and administration of heritage resources, as well as to conduct research within the heritage field in the province in terms Amafa entity, and for the development and promotion of artistic works that are representative of the diverse South African artistic and cultural heritage in terms of the Playhouse Company. The Committee has welcomed these budget allocations for the 2022/23 Financial Year.

- The Committee has also noted with keen interest that the upgrade and additions of uThungulu Arts Centre will proceed in 2022/23 Financial Year after the MEC: Sport, Arts and Culture has concluded her consultation processes with the technical experts currently working and conducting the study on the uThungulu Arts Centre. Moreover, the Committee has noted that the refurbishment of the Winston Churchill theatre and NGR building (used as a District Office in Ladysmith) will remain funded in 2022/23 and 2023/24 MTEF. Honourable Chairperson, the Committee has committed itself through its oversight mechanisms available to it, that it will continue to monitor closely the refurbishment of the Winston Churchill theatre and NGR building in Ladysmith and the upgrade and additions of uThungulu Arts Centre.
- Following the recently held Provincial Executive Council Lekgotla, the Committee has noted with appreciation, in its budget deliberations with the Department, that the department has identified a further R7 million to supplement the *EPWP Integrated Grant for Provinces* through its internal reprioritization. The department has indicated that these funds will be utilised for the employment of two hundred and twenty-two (222) contract employees as Library Processors, Library Practitioners and Library Assistants under the *EPWP Integrated Grant for Provinces* to assist in public libraries.
- However, the Committee wishes to bring to the attention of this House, that it has noted with disappointment that the Construction of the Music Academy in Alfred Duma will only commence in 2023/24 MTEF, and upgrades and additions of the Osizweni, Bulwer and Mbazwana Arts Centres will only commence in 2024/25 MTEF, as contained in the *'Provincial Treasury's Estimates of*

Capital Expenditures Book'. These projects had long been disregarded.

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. This is imperative since the Department transfers much of its budget to KZN arts and cultural non-profit institutions and SMMEs. The Department has a responsibility to ensure that money is used effectively and efficiently.
- Speed up the process of re-aligning the merged Departmental Organisational structure and Post Establishment to effectively execute its functions in line with its mandate and strategic direction.
- Ensure that the filling of the budgeted critical vacant posts, especially those that have a great impact on service delivery is prioritised as this Committee strongly believes that service delivery should not be compromised.
- Strengthen the focus of the key mandate of the department being social cohesion and moral regeneration and job creation targeting the youth, women and disabled.

The Committee wishes to highlight to this House that all parties supported the 2022/23 Budget and 2022/23 Final Draft APP of Department of Sport, Arts and Culture except for the Democratic Alliance which expressed reservation and needed to consult with its Caucus.

5. CONCLUSION

The Portfolio Committee on Arts and Culture recognises the critical role of nation building and social cohesion assigned to the newly merged Department of Sport, Arts and Culture and will always offer its unwavering support to the Department in fulfilling this important mandate.

The Honourable Committee Members wishes 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 the Committee support staff of the Arts and Culture Portfolio Committees for their unconditional support, guidance, and robust engagements.



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EV Dube: Chairperson for Arts and Culture PC

09/05/2022

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Date