

ANNUAL REPORT

2021/22



“A United, Active and Winning Province Through Sport, Recreation, Arts, Culture & Heritage”

Celebrating the life and times of
Rev JOHN KNOX BOKWE
Writer | Educator | Liberator

*A 20th Century African Intellectual, who liberated his people
through Education, Music and love for Language*



Province of the
EASTERN CAPE
SPORT, RECREATION,
ARTS & CULTURE



Contents

PART A: GENERAL INFORMATION	4
1. DEPARTMENT GENERAL INFORMATION	5
2. LIST OF ABBREVIATIONS/ACRONYMS	6
3. FOREWORD BY THE MEC	8
4. REPORT OF THE ACCOUNTING OFFICER	9
5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT	13
6. STRATEGIC OVERVIEW	14
VISION	14
MISSION	14
VALUES	14
7. LEGISLATIVE AND OTHER MANDATES	14
8. ORGANISATIONAL STRUCTURE	17
9. ENTITIES REPORTING TO THE MINISTER/MEC	18
PART B: PERFORMANCE INFORMATION	19
1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES	20
2. OVERVIEW OF DEPARTMENTAL PERFORMANCE	20
2.1 SERVICE DELIVERY ENVIRONMENT	20
2.2 SERVICE DELIVERY IMPROVEMENT PLAN	23
2.3 ORGANISATIONAL ENVIRONMENT	26
1.2 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES	28
2. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES	29
3. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION	30
3.1 PROGRAMME 1: ADMINISTRATION	31
3.2 PROGRAMME 2: CULTURAL AFFAIRS	43
3.3 PROGRAMME 3: LIBRARY AND ARCHIVES SERVICES	64
3.4 PROGRAMME 4: SPORT AND RECREATION	76
4. TRANSFER PAYMENTS	91
4.1 TRANSFER PAYMENTS TO PUBLIC ENTITIES	91
4.2 TRANSFER PAYMENTS TO ALL ORGANISATIONS OTHER THAN PUBLIC ENTITIES	91
5. CONDITIONAL GRANTS	94
5.1 CONDITIONAL GRANTS AND EARMARKED FUNDS PAID	94
5.2 CONDITIONAL GRANTS AND EARMARKED FUNDS RECEIVED	94
6. DONOR FUNDS	97
6.1 DONOR FUNDS RECEIVED	97
7. CAPITAL INVESTMENT	98
7.1 CAPITAL INVESTMENT, MAINTENANCE, AND ASSET MANAGEMENT PLAN	98
PART C: GOVERNANCE	100
1. INTRODUCTION	101
2. RISK MANAGEMENT	101
3. FRAUD AND CORRUPTION	101
4. MINIMISING CONFLICT OF INTEREST	101
5. CODE OF CONDUCT	102
6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES	102
7. PORTFOLIO COMMITTEES	102
8. SCOPA RESOLUTIONS	108
9. PRIOR MODIFICATIONS TO AUDIT REPORTS	112

10.	INTERNAL CONTROL UNIT	112
11.	INTERNAL AUDIT AND AUDIT COMMITTEES	112
12.	AUDIT COMMITTEE REPORT	115
13.	B-BBEE COMPLIANCE PERFORMANCE INFORMATION	119
 PART D: HUMAN RESOURCE MANAGEMENT		120
1.	INTRODUCTION	121
2.	OVERVIEW OF HUMAN RESOURCES	121
3.	HUMAN RESOURCES OVERSIGHT STATISTICS	122
 PART E: FINANCIAL INFORMATION		154
1.	REPORT OF THE AUDITOR GENERAL	155
2.	ANNUAL FINANCIAL STATEMENTS	164



PART A

GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

PHYSICAL ADDRESS:	No. 5 Eales Street King Williams Town 5600
POSTAL ADDRESS:	Private Bag X0020 BHISHO 5605
TELEPHONE NUMBER/S:	043 492 0296
FAX NUMBER:	043 604 4093
EMAIL ADDRESS:	connie@ecsrac.gov.za
WEBSITE ADDRESS:	www.ecsrac.gov.za

2. LIST OF ABBREVIATIONS/ACRONYMS

Acronym	Definition
AC	Audit Committee
AOP	Annual Operational Plan
APP	Annual Performance Plan
ARP	Annual Recruitment Plan
AWE	Accelerated Women Empowerment
BBBEE	Broad-Based Black Economic Empowerment
BCM	Buffalo City Metropolitan
BEC	Bid Evaluation Committee
CATHSSETA	Culture, Arts, Tourism, Hospitality and Sport SETA
CCIFSA	Creative Cultural Industries Federation of South Africa
CDP	Club Development Programme
COGTA	Corporate Governance and Traditional Affairs
CRL	Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities
CSD	Central Supplier Database
DAC	Department of Arts and Culture
DEDEAT	Department of Economic Development, Environmental Affairs and Tourism
DM	District Municipality
DNA	Deoxyribonucleic acid
DoE	Department of Education
DoH	Department of Health
DoRA	Division of Revenue Act
DOT	Department of Transport
DPSA	Department of Public Service and Administration
DRDAR	Department of Rural Development and Agrarian Reform
DSD	Department of Social Development
DSRAC	Department of Sport, Recreation, Arts and Culture
EADP	Elite Athlete Development Programme
EC	Eastern Cape
ECACA	Eastern Cape Art Centre Association
ECAS	Eastern Cape Academy of Sport
ECD	Early Childhood Development
ECDC	Eastern Cape Development Corporation
ECPACC	Eastern Cape Provincial Arts and Culture Council
ECPGNC	Eastern Cape Provincial Geographical Names Committee
ECPHRA	Eastern Cape Provisional Heritage Resource Authority
ECPTA	Eastern Cape Parks and Tourism Agency
ECSC	Eastern Cape Sport Confederation
ECSECC	Eastern Cape Socio Economic Consultative Council
ECTA	Electronic Communications and Transactions Act
EPWP	Expanded Public Works Programme
FS	Free State
GEMS	Government Employees Medical Scheme

Acronym	Definition
GP	Gauteng Province
GRV	Goods Received Voucher
HDI	Historically Disadvantaged Individuals
HOD	Head of Department
HR	Human Resource
HRD	Human Resource Development
HRM	Human Resource Management
ICT	Information and Communications Technology
IG	Indigenous Games
IGR	Inter-Governmental Relations
IT	Information Technology
IYM	In Year Monitoring
KSD	King Sabata Dalindyebo
KWT	King Williams Town
KZN	KwaZulu Natal
LED	Local Economic Development
LM	Local Municipality
LTAD	Long-Term Athlete Development
MEC	Member of the Executive Council
MGE	Mzansi Golden Economy
MIG	Municipal Infrastructure Grant
MISS	Minimum Information Security Standards
MP	Mpumalanga
MPSA	Microsoft Product and Services Agreement
MPTT	Missing Persons Task Team
MTEF	Medium Term Expenditure Framework
MYPE	Mid-year Population Estimates
NGO	Non- Government Organization
NHC	National Heritage Council
NMM	Nelson Mandela Metropolitan
NPA	National Prosecuting Authority
OTP	Office of the Premier
PAIA	Promotion of Access to Information
PAJA	Promotion of Administrative Justice Act
PE	Port Elizabeth
PFMA	Public Finance Management Act
PILIR	Policy and Procedure on Incapacity Leave and Ill-Health Retirement
PMC	Performance Management Committee
PMDS	Performance Management and Development System
POE	Portfolio of Evidence
POPIA	Promotion of Personal Information Act
PSJ	Port St Johns
ORELM	Quarterly Review of the Eastern Cape Labour Market
RPL	
RSDP	Rural Sport Development Programme
SA	South Africa
SAFA	South African Football Association

Department of Sport, Recreation, Arts and Culture
Province of the Eastern Cape | Vote No. 14 | Annual Report
2021/22 Financial Year

Acronym	Definition
SACO	South African Cultural Observatory
SAGNC	South African Geographical Names Council
SAHRA	South African Heritage Resources Agency
SALB	South African Library for the Blind
SARS	South African Revenue Service
SASCOC	South African Sport Confederation and Olympic Committee
SCM	Supply Chain Management
SMME's	Small, Medium and Micro Enterprise Sector

Acronym	Definition
SMS	Senior Management Service
SRSA	Sport and Recreation South Africa
SRV	Sundays River Valley
SSS	Senior Secondary School
Stats SA	Statistics South Africa
TC	Traditional Council
TJRDP	Township Junior Rugby Development Programme
UNISA	University of South Africa
WIL	Work Integrated Learners

3. FOREWORD BY THE MEC

I am delighted to present the 2021/22 Annual Report. This report highlights the innovative, inclusive, and great range and variety of progressive programmes and initiatives the department and its partners have delivered; and the impact they have had on key target populations, including the harder to reach communities across the province.

The department has been actively sticking to its values to serve the community, live its mission and build relationships in the most innovative way possible. We and our partners continued to support people to stay active and share in the enjoyment of cultural and heritage festivities, taking advantage of the gradual revision of the lockdown regulations during the reporting period. This was realised through optimising the targeted use of social media, live video feeds and Zoom calls as well as the more traditional print and radio media channels, leaflets and booklet drops to ensure that everyone has access to our programmes and initiatives.



Ms N. Kontsiwe
Executive Authority

Our partners in conjunction with sport and recreation organisations/federations, and cultural and heritage institutions have engaged our target group (e.g., artists, sport volunteers, coaches, and participants) through inspiring and thought-provoking training and education opportunities. To this end, the partnerships we have had demonstrated that sector opportunities are available, accessible, and fully inclusive at all levels.

During the year under review the department has effectively planned and coordinated a horizontal approach to involving government departments, municipalities and the private sector in key commemorative and partnership programmes. Various interdepartmental sector committees (e.g., local organising committee for sport or culture) were a key mechanism in coordinating involvement, developing focus, identifying areas for collaboration, and raising the profile of each significant event across the hosting municipalities, towns, and villages. Subsequently, planning for events (e.g., national day celebrations, cultural festivals, sport tournaments, recreation festivals, etc.) has improved during the reporting period. The partnerships established through these committees and agreements entered into during the year contributed to the creation of economies of scale, prevented duplication, increased leveraged funds, and fostered better project planning.

I would like to take this opportunity to thank those who contributed to the success of our sectors across the province, ensuring sport, recreation, arts, culture, heritage, library, and archives continue to have a positive impact on so many aspects of life including health and wellbeing, social and community development, economic activity, educational performance, and life-long learning. I would also like to acknowledge all sector specific organisations/institutions for their ongoing commitment to ensuring equal access to sport, recreation, arts, culture, heritage, library, and archives for all.

On a final note, on behalf of the department, we would like to acknowledge and sincerely thank all the staff members and volunteers who contributed to the successful delivery and accessibility of opportunities at a local community level. These individuals have played a vital role in connecting people and communities during unprecedented times.

A handwritten signature in black ink, appearing to read 'N. Kontsiwe', written over a horizontal line.

N. KONTSIWE

MEC OF THE DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE

DATE: 31 AUGUST 2022

4. REPORT OF THE ACCOUNTING OFFICER

Overview of the operations of the department

In the year under review, the Department has made significant strides in the development of sport, arts and culture, libraries and languages in the Province and remains firmly committed to realising the objectives set for this purpose. A major part of the reporting period was characterised by the continued Covid 19 effects which have continued to be felt and have caused a substantial economic and social loss for the sector.



For the reporting period under review, the following key achievements are highlighted:

The national days continued to be observed through virtual, and hybrid means. The legacy projects linked to these were used to reach out to communities during the pandemic. The department commissioned events management companies to coordinate hosting of significant heritage events and national days. These laid the foundation for local beneficiation as emerging entrepreneurs provided requisite goods and services and promoted livelihoods. These events not only contributed to the enhancement of nation building, reconciliation, and social cohesion, they also promoted local economic development and job creation.

The creative sector has innovated rapidly, notably with accelerated digitalisation. Massive digitalisation coupled with emerging technologies, such as virtual and augmented realities, created new forms of cultural experience, dissemination and new business models with market potential. Many public and private providers within the Province moved content on-line for free to keep audiences engaged and satisfy the sharply increased demand for cultural content. The use of digital platforms for festivals has proven to be effective in terms of audience coverage and local arts productions including craft works gained mileage internationally. Countries such as China have, through the Eastern Cape Tourism and Parks Agency, requested access to some of the visual material and performances from the province.

The department commemorated massacres which amongst others, included the Bulhoek and the Northern Areas Uprising. We further launched exhibitions that narrate the events and immortalise an epoch of conflict that paved the way for rapid attainment of freedom and democracy in South Africa.

In developing the **Province's** resistance and liberation heritage route and enhancing branding of the Eastern Cape as the Home of Legends, the department built and unveiled the Canon James Calata Memorial; upgraded and unveiled monument of local hero Velile Gwarube at Jansenville; unveiled restored monument of Nkosi Cingo at Ntabankulu; built South African War Memorial in honour of the role played by black communities in the Anglo-Boer War and who perished in the Black Concentration Camps at Maletswai (Aliwal North).

Whilst libraries were not operational, the department utilised this as an opportunity to speed up and register community members and libraries for the e-lending Service. During the MTEF, the department has registered 50 libraries for e-lending. To access this service, an individual community member registers with an ID at the nearest library. About 15 000 users were able to access the e-lending platform.

For the period under review, the department had a targeted focus on local content and indigenous languages. We introduced an initiative whereby the department cut out the middleman and bought directly from the local writers. We set aside R2 278m for this initiative and over 10 800 books were procured with 53 service providers benefitting.

The department has also increasing participation and capacity in sport and recreation the projects implemented by the Eastern Cape Academy of Sport (ECAS). Two hundred and sixty-four (264) individual athletes with training programmes and resources to monitor their individual progress. The Academy also recorded numerous outstanding achievements on the playing field, with many athletes participating at International and National level, including 2 athletes who have been

part of Team SA, at the World Junior Athletics Champs, held in Kenya during September 2021. The return of the **'Education and Training' budget and portfolio to the Academy, has been met with open arms, and ECAS has rolled out** several education initiatives in conjunction with accredited stakeholders and service providers.

The introduction of the short learning programme, in conjunction with Nelson Mandela University, has been a huge success. The virtual tour and on-line library were launched in the year under review, a product unique to the Academy, and the on-line virtual seminar was attended by coaches and administrators from all districts.

The department has a long track record of supporting a variety of dialogue initiatives. These ranged from provincial-level project dialogues to district and local programmes (examples include Eastern Cape Provincial Indaba, OR Tambo Memorial Lecture, Vuyisile Mini Memorial Lecture, etc), and interfaith dialogues that bring together religious leaders in a collective call for peace and social development. Dialogue projects seek to mend strained inter-group relationships and **change antagonistic perceptions of and attitudes toward the 'other,' with direct dialogue across lines of division.**

Looking inwardly, the department made significant contributions to women, youth and the unemployed, as such:

- reinforced its commitment to employment equity and improved its employment of women at SMS from 41% female representation to 43%.
- created work opportunities for 112 unemployed youth through the EPWP
- created learning opportunities for 139 unemployed youth in the form of Internships, Learnerships and Work Integrated programmes both for TVET students and university graduates.

As the department moves further towards a modern workplace, significant progress has been made in the automation of the internal business processes with a technologically empowered workforce to optimise operations for better engagement with the citizens of the province.

Challenges during the year under review

The pandemic and the new normal which continued to prevail in the 2021/22 financial year necessitated the department adapt its operations, systems and processes from mainly face-to-face or physical orientation to accommodate a remote setting so as to remain relevant in the prevailing context.

In this regard, a concerted effort was placed on IT, SCM and district operations as the main focus areas targeted for improvements. The provision of online services to clients and stakeholders, however, still remained a challenge. This process has also placed immense pressure on staff capacity to ensure that the department is able to respond to the changing environment.

Furthermore, the ceilings imposed on expenditure on the compensation budgets of government departments had a negative impact on the human resource driven services that are at the coal face of service delivery.

The reduction by R35.746 million of the **Department's** COE budget due to the national government freeze on salary increases forced the department to budget for a zero percent increase in the cost-of-living adjustments. The department has had to use the budget allocated to it as efficiently and effectively as possible, to ensure that services continue to be delivered to the most vulnerable beneficiaries, despite the budget reduction.

Furthermore, there were challenging experiences with regards to pace in the implementation of the 2018 approved organogram due to budget constraints as there has been no additional funding provided. This has had an impact on service delivery. However, flowing the approval of the service delivery model, the department is reviewing its operations, systems to ensure that services are provided in the manner required by our clients.

Overview of the financial results of the department

Programme Expenditure

Programme Name	2021/2022			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	309 872	307 949	1 923	308 745	299 460	9 285
Cultural Affairs	248 611	247 317	1 294	215 479	202 093	13 386
Library and Archives Services	254 011	238 205	15 806	213 801	200 834	12 967
Sport and Recreation	167 108	161 451	5 657	112 904	104 272	8 632
Total	979 602	954 922	24 680	850 929	806 659	44 270

Departmental receipts

In the 2021/22 financial year, the department collected own revenue amounting to R3,448 million as at 31 March 2022. This amount is more than the budgeted own revenue amount of R1,355 million. This over collection of R2,093 million is due to collection of commissions on garnishee orders and employee policies from insurance companies, use of photocopiers in libraries, faxes, interest received from departmental debtors, receipts from salary overpayments, sales of scrap and staff debts. In the 2021/22 financial year there were also refunds from ECPACC and GEPPF.

Virements/roll overs

The department did not perform any virements in the 2021/22 financial year. The department has applied for a rollover of R12,452 million for library capital projects. The department has also applied for a rollover of R3,963 million for sports equipment

Public Private Partnerships

The department did not have Public Private Partnerships.

Tariff and collections

The department does not collect revenue for services that are rendered. Funds collected by the provincial aided museums are utilised as operational income as stipulated the Act. Fines collected for lost books and photocopies are very minimal and are deposited in the provincial revenue account in term of the Division of Revenue Act.

The department does not charge for translations done for other departments as this is part of the mandate of the department.

Utilisation of donor funds

The department did not receive any donor funds for the reporting period. The twinning agreement with Lower Saxony in Germany is without financial benefits

Discontinued key activities / activities to be discontinued

The delegation to the department of organising some of the institutionalised and significant days that are sector based has been relocated to the Office of The Premier since the beginning of the 2021/22 financial year.

Supply chain management

As a result of the Constitutional court judgement, a directive issued by the Provincial Treasury that limited procurement up to R30 000 with everything above, requiring approval from National Treasury. This as a result, put considerable strain on the **department's procurements processes**. However, the department still managed to perform optimally and ensured that the required procedures were adhered to.

Gifts and donations received

The department did not receive goods and services as gifts or donations for the reporting period.

Exemptions and deviations received from National Treasury.

Towards the end of the 2020/21 financial year, National Treasury issued Instruction Note 3 of 2021/2 which allowed for the accounting officers to approve deviations

Conclusion

In conclusion, I would like to acknowledge the work of the Auditor-General South Africa, who conducted an audit of the Annual Financial Statements and performance information. I extend my appreciation to the Audit Committee which provided a critical appraisal of the Annual Report.

I also want to acknowledge the contribution of our stakeholders in civil society, inter-governmental structures, and our sister departments for their continued support. A special word of appreciation is sent to management and staff for their dedication, loyalty and support throughout the financial year and for the commitment displayed in the implementation of departmental programmes

Finally, I would like to acknowledge the role and support of our Executive Authority for her strategic direction, guidance and unwavering support for the work of the department.



SIBONGILE MPOFU

ACCOUNTING OFFICER FOR DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE

DATE: 31 MAY 2022

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed throughout the Annual Report are consistent. The Annual Report is complete, accurate and is free from any omissions. The Annual Report has been prepared in accordance with the guidelines on the Annual Report as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by National Treasury.

The Accounting Officer is responsible for the preparation of the Annual Financial Statements and for the judgements made on this information.

The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the Annual Financial Statements.

The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

In my opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2022.

Yours faithfully,



SIBONGILE MPOFU
ACCOUNTING OFFICER
31 MAY 2022

6. STRATEGIC OVERVIEW

6.1 Vision

“A United, Active and Winning Province through Sport, Recreation, Arts, Culture and Heritage”.

6.2 Mission

“Developing, Preserving and Promoting Sport, Recreation, Arts, Culture and Heritage for Spiritual, Intellectual, and Socio-Economic Upliftment of the people of the Eastern Cape”.

6.3 Values

Values	What they mean to us
Unity of purpose	Working together, using different strategies and approaches, to achieve common goals.
Respect	Treating customers, the way you would want to be treated
Communication	Sharing precise and unambiguous communicative commonalities internally and externally in all forms.
Equity	Impartial, fair and just provision of services to all Eastern Cape citizens
Accountability	Obligated to improve services, pursue excellence and be answerable for our actions

7. LEGISLATIVE AND OTHER MANDATES

7.1 Constitutional Mandate

Schedule 4: Functional Areas of Concurrent National and Provincial Legislative Competence	The department works with the national DSAC and associated organs of state regarding concurrent arts, culture and heritage matters.
Schedule 5: Functional Areas of Exclusive Provincial Legislative Competence	<p>The department is responsible for the following:</p> <ul style="list-style-type: none"> Archives other than national archives: Libraries other than national libraries Museums other than national museums Provincial cultural matters (including heritage resources and geographical names) Provincial recreation and amenities Provincial sport
Section 195 of the Constitution	The department is required to adhere to the basic values and principles governing public administration as enshrined in Section 195.

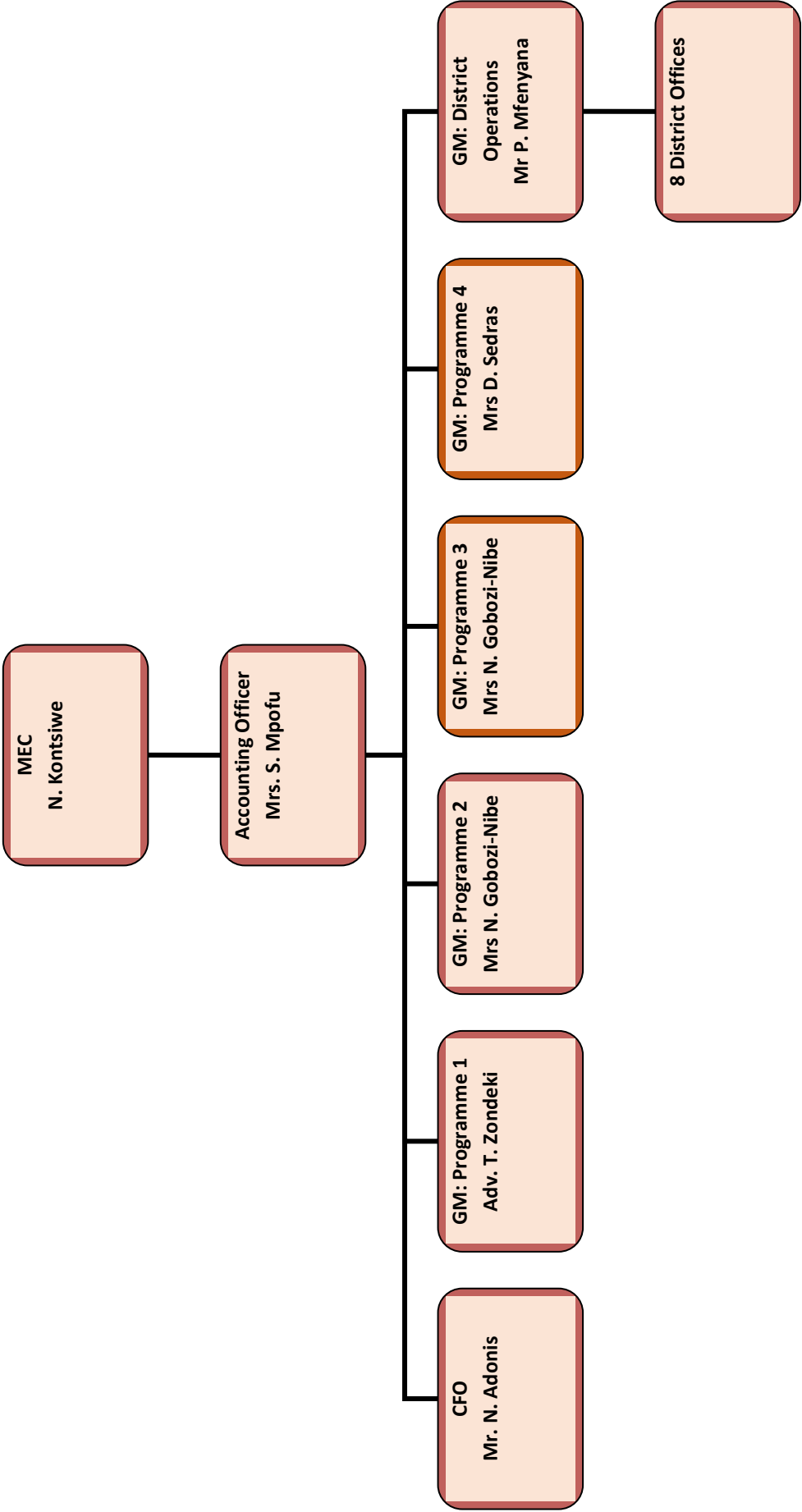
7.2 Other Legislative Mandates

National and Provincial Legislation	Key Responsibilities Placed on the Department
Public Finance Management Act No 1 of 1999 (PFMA)	Regulates financial management in the public service and prevents corruption by ensuring that all governmental bodies manage their financial and other resources properly.
Municipal Finance Management Act, No 56 of 2003 (MFMA)	Controls the utilisation of finances by municipalities, as our key service delivery partners in libraries.
Public Service Amendment Act No Act 30 of 2007	Provides for the organisation and administration of the department; regulates the conditions of employment, terms of office, discipline, retirement and discharge of members of the public service, and related matters.
Division of Revenue Act	Provides for the equitable share of revenue - national, provinces, local government subject to conditions and conditional grants that are received from the national DSAC that the department manages and is responsible for.
Cultural Institutions Act, 1998	Requires that the Department liaises and co-operates with nationally declared cultural institutions regarding arts, culture and heritage matters.
Cultural Promotions Act, 1983	Function is assigned to the Province and the DSRAC is responsible for meeting the national norms and standards set in the legislation.
National Arts Council Act, 1997	The department is responsible for the nomination of a provincial representative to the National Arts Council, and National Arts Council funding for the development of arts and culture in the province.
National Heritage Council Act, 1999	The department coordinates activities related to funding projects that the NHC is conducting in the province and is required to nominate a provincial representative to the National Heritage Council.
National Heritage Resources Act, 1999	Requires the Department to oversee the nomination of an Eastern Cape Provincial Representative on the Council of the South African Heritage Resources Agency (SAHRA). The Member of the Executive Council responsible for heritage matters, must appoint a Council for the Eastern Cape Provincial Heritage Resources Authority (ECPHRA).
South African Geographical Names Council Act, 1998	The department is responsible for complying with the provisions in the legislation to nominate an Eastern Cape Representative on the South African Geographical Names Council, to research geographical names in the province and to ensure standardisation and where necessary to facilitate consultation regarding proposed changes to these names.
National White Paper on Arts, Culture and Heritage (1996)	The policy paper provides a national framework for a joint policy for both the national and all nine provinces for policy on arts, culture, and heritage.
Guidelines for National and Provincial Departments for the Preparation of an M&E Framework	The guidelines provide for the development of a monitoring and evaluation framework in all government institutions.
EC Use of Official Languages Act 2016	The Act regulates and monitors the use of official languages in terms of Sections 6(3) and (4) of the Constitution.
EC Provincial Library and information services Act No 6 of 2003	The Act regulates the rendering of library services.
National Archives and Records Service Act, No. 43 of 1996 as amended	Public records identified in a disposal authority as having enduring value shall be transferred to an archives repository when they have been in existence for 20 years.
E.C. Provincial Archives and Records Service Act, No 7 of 2003	Requires that Provincial Archives preserve and maintain public and non-public records with enduring value for use by public and provincial administration.
Promotion of Access to Information Act, No 2 of 2000 (PAIA)	The purpose of this Act is to promote transparency, accountability, and effective governance by empowering and educating the public.
Promotion of Administrative Justice Act No 3 of 2000 (PAJA)	This Act imposes a duty on the state to ensure that administrative action is lawful, reasonable, and procedurally fair.
Promotion of Personal Information Act No 4 of 2013	Promotes the protection of personal information by public and private bodies.

Department of Sport, Recreation, Arts and Culture
Province of the Eastern Cape | Vote No. 14 | Annual Report
2021/22 Financial Year

National and Provincial Legislation	Key Responsibilities Placed on the Department
(POPIA)	
Minimum Information Security Standards of 1996 (MISS)	The responsibility of grading and degrading of document classifications rests with the institution where the documents originate.
Electronic Communications and Transactions Act, No 25 of 2002 (ECTA)	The evidential weight of electronic records (including e-mails) would depend amongst others on the reliability of the way the messages were managed by the originator
Copyright Act No 9 of 2002 as amended	Copyright prevents illegal duplication, destruction of original work and legally protects the originator of literary work, music, and artwork against copying.
National Sport and Recreation Act 110 of 1998	Provides for the promotion and development of sport and recreation; and coordination of relationships

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE MINISTER/MEC

The table below indicates the entity that reports to the MEC.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Eastern Cape Provincial Arts and Culture Council (ECPACC)	Provide support to the creative industries in terms of the ECPACC Act No. 6 of 2000	Transfer payment	To provide grant funding and technical support to projects, individuals, and communities in the creative sector.



PART B

PERFORMANCE

INFORMATION

1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the **Report on other legal and regulatory requirements section of the auditor's report.**

Refer to page 155 of the Report of the Auditor General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

According to the South African Cultural Observatory (SACO) Report¹, over one million or 6,72% of all South African jobs are in the Cultural Economy. The report highlights the potential of the creative and cultural industries (CCIs) to drive employment, job transformation and economic growth in the country. While 80% of cultural workers are Black Africans, Coloured, and Indian or Asian, White workers are still over-represented in some areas of the sector. This is especially the case in specific domains in which tertiary education is required. The study highlighted that a lack of access to tertiary education could potentially hinder faster transformation in the CCIs. More than half of all cultural occupations are held by males (57%). Young females (under 35) are particularly underrepresented in the cultural sector; 34% of cultural workers are young women, compared to 42% of male cultural workers.

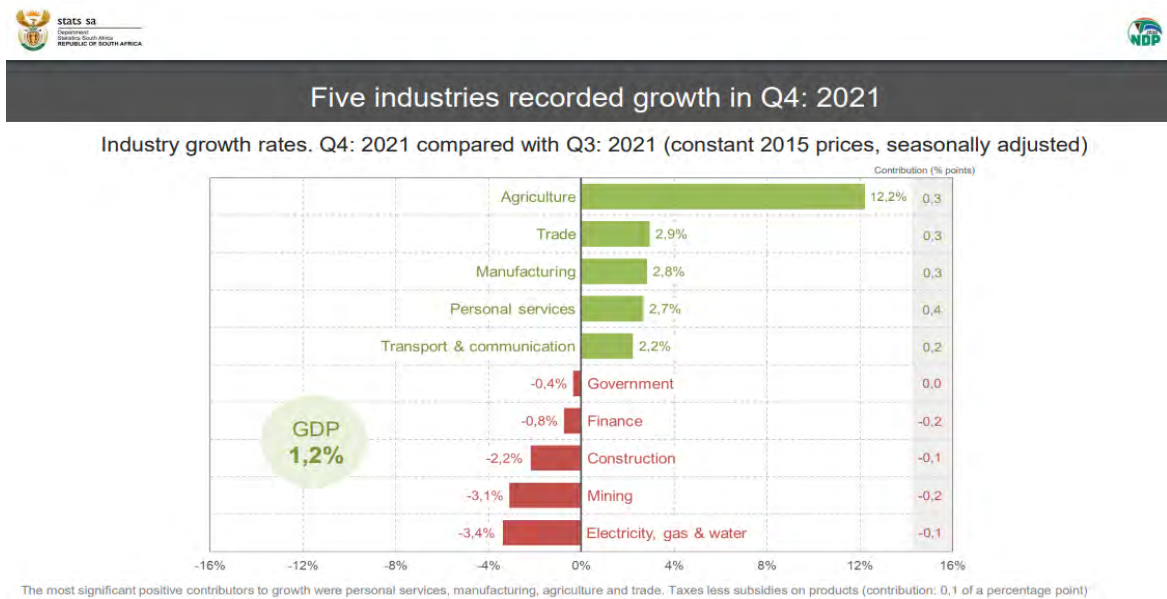
Further, SACO conducted a survey targeting businesses and freelancers in the cultural and creative industries (CCIs). The 2020 survey also sought to understand the adaptation strategies that the sector was using to cope with the pandemic, and what kind of support the industry would find useful. Very few (12%) of those surveyed indicated that they could continue with 50% or more of their normal business activities i.e., face-to-face operations. This was largely because more than two-thirds (69%) of the participants were involved in face-to-face activities which were not permitted during the pandemic. The businesses using mostly the face-to-face mode were also less likely to be able to conduct their business online, work from home, do other work, or use the time to build up stock. They were also less likely to make use of their reserve funds and more likely to depend on the financial support of family. A very small percentage (15%) of the employers and freelancers who completed the survey believed that they would see an increase in demand for their products and/or services because they were able to conduct their business online. A sizable number (40%) of the respondents were now using their reserves to survive, while 21% said they were relying on family and friends for support.

At least a third (35%) said that they would make use of the shutdown time to move their businesses to online platforms, whilst about (32%) said they would use this time to upskill themselves. The understanding of those wanting to move to online platforms is that the online environment would expose them to an even larger, newer and geographically diverse audience. The majority (79%) of the employers and freelancers claimed to know about the government support that was being offered at the time, however, only a quarter (25%) of them believed that they qualified for it largely due to the fact that their businesses had remained informal.

According to the Eastern Cape Provincial Treasury, the economic growth outlook for the Eastern Cape Province is expected to be in line with that of the national economy. Following the deep contraction of 2020, the provincial economy bounced back in 2021 at an estimated growth rate of 4.2 per cent. Growth in 2022 and 2023 is expected to be moderate at 1.8 per cent and 1.3 per cent, respectively. Risks to the economic outlook remain to be tied to unexpected electric power interruptions, global supply chain constraints, high energy prices, emergence of new Covid-19 variants and low vaccinations uptake. However, current favourable weather conditions coupled with growing demand, both locally and

¹ South African Cultural Observatory Report, June 2021

globally, of agriculture produce, particularly livestock and citrus, and growing exports of manufactured transport and related products will provide some cushioning to the provincial economy.



According to the above graph, in Quarter 4 2021 the domestic economy was estimated to have grown by 1.2% quarterly, translating into 4.9% growth for the 2021 full year. The 2021 Q4 expansion was driven mainly by Agriculture (12.2%), Trade (2.9%), Manufacturing (2.8%), Personal Services (2.7%), Transport and Communications (2.2%). Economic Recovery was anticipated to be sustained over short to medium-term; propelled mainly by higher commodity prices, higher domestic and global demand for agriculture produce and manufactured exports. But negative downside risks remain, due to sporadic electricity supply disruptions and escalating geopolitical tensions which may disturb global supply chains, lead to high energy and food prices, higher interest rates and borrowing costs for households and government.

In response to the economic contraction due to the Covid-19 pandemic, the Eastern Cape Province developed a Five-Point Plan for the economic recovery of the province. The Five-Point Plan built on the objective of economic growth and job creation through infrastructure development; industrialisation and sector development; equitable and inclusive transformation through SMMEs, township economies, informal sector and the social economy; as well as digital transformation and public finance.

In this context, the growing international movement around cultural diversity, is both an economic movement to encourage fairer trade in cultural goods and services and a political movement to ensure that the worldviews, ideas, and values embedded in cultural goods and services that emanate from dominant economies have counterbalancing global forces. With shifts from traditional agricultural and manufacturing sectors towards an increasingly knowledge-based economy, the province has significant potential as one of the national centres for the creative industries.

Snapshots on sub-sectors such as for example architecture, community arts, dance, design, fashion, festivals and events, heritage, music, musical theatre and opera, publishing, theatre and the visual arts reveal that the cultural and creative industries are predominated by small and micro enterprises employing fewer than 50 people; are characterised by high levels of differentiation in income with almost as many part-time employees as full-time staff, and with a high percentage of ad hoc staff; lack of key skills in marketing, entrepreneurship, management and general leadership; comprise both a non-profit and for-profit sector that are interdependent; have income levels that are relatively low; impact most positively on tourism and the service and retail sectors; provide significant employment and management opportunities for women; are labour-intensive and attract relatively well-educated employees.

Impact of Covid-19 Crisis in sport and recreation

The Covid-19 pandemic resulted in the closure of many institutions, including schools, libraries, etc. Moreover, restrictions put into place to help slow the spread of the virus limited the opportunity for communities to participate in sport and recreation activities (e.g., tournaments, festivals, etc.). In the early weeks and months of the pandemic, political figures urged citizens to stay indoors, except for going outside for the purpose of exercise. This constant reminder of the necessity of physical activity and one of the few reasons permitting individuals to leave their homes, is believed to have played a role in encouraging participants (i.e., athletes) to find other means of recreation (active and inactive recreation).

In the context of the Covid-19 pandemic, the microsystems at the most individual specific level, (i.e., face to face interactions of individuals) placed an emphasis on the interaction within the family unit. As restrictions were placed on social interactions outside the household, microsystems between youth and their peers outside of their household were limited. In alignment with the trend outlined above, the new forms of delivery that people were exposed to during the pandemic might impact future participation. The new ways of delivering departmental services included modifications to the already practiced/ known services, thereby impacting the overall sector development trajectory. Predictions are that there might be shifts in reasons for youth participation in the sector. For example, some youth who have been part of organised sport might prefer the non-organised settings and continue their non-organised participation for purely autotelic reasons - participating in an informal fashion for the sake of the activity itself, while others might have only taken up sport and recreation during the pandemic. Some of these young people might continue to participate for instrumental purposes of health, while some might have discovered a new favourite sport or realised, they enjoy being active and continue participation for autotelic purposes. These shifts in instrumental purposes for engaging youth would have shifted from largely skill development to broader health reasons, perhaps lifting some of the performance expectations of parents and thus helping to mitigate sport dropout. Jobs in other industries that support sport, arts, and culture such as hospitality, travel, tourism, and transport, were also affected by the Covid-19 restrictions.

Aging infrastructure/ condition issues

Much of the Eastern Cape **Province's cultural infrastructure** is aging and crumbling. Some of these facilities were built in the 1960s and are now reaching the end of their lifecycle, or are comprised of heritage buildings, which further intensifies upkeep and adaptation issues. This situation is exacerbated by a lack of resources for maintenance, a situation shared by both municipalities and non-profit organisations. The aging facilities are expensive to operate and will soon need costly refitting or replacement. Cultural activity often occurs in spaces that are unsafe and/or not fully compliant with building codes or current standards for the activity.

Refurbishing and re-purposing community resources

Many existing, aging community facilities are under-utilised (or closed) and may be subjects of refurbishment in the **process of potentially being "tuned" to other purposes. These community spaces include "de-accessioned" library outlets** or branches, community centres, schools, and/or churches. There is an emerging call for more coordinated local community approaches to such situations, with numerous examples of these facilities being converted into cultural venues and spaces.

Fragmented policy-funding frameworks for cultural infrastructure

The policy-funding frameworks in the department are generally uncoordinated and fragmented. An overall policy model to integrate and guide this area is lacking, which has led to gaps, frustration, and wasted energies. Cultural policies and programs at provincial level are seldom sustained over a long enough period for adequate planning at district and community levels, and there has been much volatility and inconsistency within and across those programs that have been developed. The department faces significant structural constraints on how it can finance cultural infrastructure developments. There is a need for the department to have new tools to access and build financial resources for cultural infrastructure funding.

The department has reviewed and adjusted its communication strategy component of the celebration and commemoration programme to optimise participation and impact. For example, information was made available to schools and other partners earlier in the year under reporting using methods that were effective. However, consideration should be given to broadening the activity beyond posters and linking activities to modern technology. In the same vein, an increase in **people's awareness of their history and diversity** could not be attributed to the programme nor in their sense of pride and belonging with limited means to measure changes in attitudes. However, evidence and expert opinion suggest that the programme should lead to the achievement of results (i.e., nation building and social cohesion).

The evaluation of programmes funded by the department and delivered through sector organisations like ECPACC, ECSC, etc, meant that the department could share key learnings with the sector as well as develop training and support to activate these learnings. The department continued to support its sector organisations/institutions in identifying specific areas for improvement and to increase participation across the province.

2.2 Service Delivery Improvement Plan

The department has completed a Service Delivery Improvement Plan. The tables below highlight the Service Delivery Plan and the achievements to date.

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Administer records and preservation services	Government bodies, municipalities, schools, researchers	25 governmental bodies	14 governmental bodies ²	20
Refurbishment of museum facilities	Community groups, schools, researchers	4 museums targeted for refurbishment	3 museums targeted for refurbishment	1
Facilitate distribution of library material to libraries	Communities, public libraries	61 libraries targeted for the distribution of library material	58 libraries targeted for the distribution of library material	82
Facilitate distribution of equipment and/or attire	Schools	165 schools provided with equipment and or attire	240 schools provided with equipment and or attire	237

² Adjusted standard due to lockdown regulations

Batho Pele arrangements with beneficiaries (Consultation access etc)

Current/actual arrangements	Desired arrangements	Actual achievements
Provincial archives conduct sessions with governmental bodies	Records managers to conduct sessions for the review of classification systems for governmental bodies	Provincial archivist conducted sessions with government bodies for the review of classification systems using physical and virtual platforms
Oral history conference roadshows in educational institutions	Oral history conference roadshows in educational institutions for the celebration of icons	Conducted interviews with stakeholders in Fort Beaufort on the life of Charlotte Maxeke
Walk-in clients Telephone requests	Walk-in clients Telephone requests	Walk -in and telephone requests processed to 656 community members for them to access the archives services
Treat all stakeholders' enquiries with respect Conduct training programmes	Treat all stakeholders' enquiries with respect Conduct training programmes	Provincial archives conducted records management training for governmental bodies
Roll out community outreach programmes Exhibitions through provincial and national days Issue directives to governmental bodies	Conduct advocacy and marketing programmes in schools and communities	Advocacy and marketing programmes were rolled out to communities and schools at BCM, NMM and OR Tambo by all 3 archives repositories, i.e., KWT repository, Mthatha repository and PE repository. Disposal authorities were issued to governmental bodies
Oral history consultative meetings Archives Council meetings Archives' Awareness Week	Oral history consultative meetings Archives Council meetings Archives' awareness week	Teleconference meeting on the life and times of Charlotte Maxeke conducted
Address telephone enquiries within maximum of 7 days	Address telephone enquiries within maximum of 5 days	Telephonic enquiries were responded to within a period of 5 days
Museum facilities used as visit centres	Refurbishment of 3 museum facilities: Uitenhage, Fort Beaufort and Barkly East	Barkly East Museum facility was refurbished
District International Museum Day hosted	Provincial International Museum Day	Provincial International Museum Day was held at Ntabelanga, Bulhoek
Use of manual bookings	Online booking system through conditional grant	Manual bookings are still conducted in all museum facilities as there is no conditional grant
Complaints, suggestions, and queries	Complaints, suggestions and queries at the museum facilities	Complaints, suggestions and queries were responded to at the museum facilities and not escalated to Provincial Office
Use of pamphlets, brochures, sessions	Use of pamphlets, brochures, sessions	Pamphlets, brochures were used during interpretation of museum displays and exhibitions to schools
Selection meeting with librarians	Selection meeting with district management and municipal librarians	Virtual selection meeting conducted with officials from all district offices
Library walk-ins	Library patrons visit library to access information	354368 community members accessed information using the e-book platform and walk-ins. 25 libraries have access to digital e-lending services
Complaints, suggestions, and queries responded to	Complaints, suggestions, and queries responded to	Complaints, suggestions boxes were displayed in public libraries and queries were attended to by principal librarians
Visit by district office, meeting, legislation, policy	Visit by district office, meeting, legislation, policy	District offices conducted monitoring visits to local municipalities and metropolitan municipalities. Reading programmes conducted in public libraries to the benefit of local communities
Pre-qualification list	Pre-qualification list	The pre-qualification list of suppliers drawn

Department of Sport, Recreation, Arts and Culture
Province of the Eastern Cape | Vote No. 14 | Annual Report
2021/22 Financial Year

Current/actual arrangements	Desired arrangements	Actual achievements
		for the procurement of library material and 18 supplies received purchase orders including local authors. New library material received and project plan to monitor progress on the procurement and delivery of library material drawn. Library material was therefore delivered to 82 public libraries
All library queries and necessary processes addressed	All library queries and necessary processes addressed	Queries relating to public libraries were resolved by Principal librarians and corporate service managers in local municipalities
Cost per library material	Cost per library material	R4 731 spent towards procurement of library material (22 885 items)
Consultation with schools by district offices	Each district office to provide list of targeted schools during planning phase	List of targeted schools submitted and formed part of the Annual Performance Plan
Schools access equipment and/or attire through district offices	Schools access equipment and/or attire through district offices	Schools submit request for equipment to district offices and 237 schools received equipment and /or attire emanating from the consultation process
Complaints, suggestions, and queries responded to with courtesy	Complaints, suggestions, and queries responded to with courtesy	Complaints, suggestions boxes provided, and queries were dealt with at the level of district offices
Schools informed of the material they will receive as per sport code	Schools informed of the material they will receive as per sport code	Equipment and/or attire was procured as per requests from schools and Schools were informed to collect their equipment as per the priority codes
District offices liaise with local schools and compile a list of identified schools	District offices liaise with local schools and compile a list of identified schools	List of targeted schools submitted and formed part of the Annual Performance Plan
All queries from schools addressed	All queries from schools addressed	District and provincial offices in liaison with Department of Education (DoE) addressed all sport related queries from the schools
R3000.00 per school	R3000 value per school for equipment	Equipment and/or attire procured at the value of R3000.00 per school

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Walk-ins Telephone enquiries	Walk-ins Telephone enquiries	Attendance registers were drawn in line with POPI Act for walk-ins and telephone enquiries recorded in all 3 repositories and a total of 656 community members accessed archives services. PAIA form was also used as part of the tools for service delivery
Walk in registers Pink cards Yellow cards	Walk in registers Pink cards Yellow cards	Walk in registers were attended to by librarians in all public libraries During the processing of library material, pink cards were used to paste the details of the book and yellow cards to paste the barcode of the book
Request letters Acknowledgment letters	Request letters Acknowledgment letters	The schools submitted request letters and acknowledged receipt of equipment distributed by district offices

Complaints' mechanisms

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Treat all stakeholder enquiries with respect	Treat all stakeholder enquiries with respect	All stakeholders are treated equally however the Archives Council coordinates issues raised by stakeholders and escalates them as advice to the Executive Authority
Treat all stakeholder enquiries with respect	Treat all stakeholder enquiries with respect	All stakeholders are treated equally however the Library Council coordinates issues raised by stakeholders and escalates them as advice to the Executive Authority
Treat all stakeholders with respect	Treat all stakeholders with respect	Cooperation between the department and school sport structures assist in the consideration of schools at both rural and urban areas

2.3 Organisational environment

2.3.1 Service Delivery Model

The department last reviewed its Service Delivery Model in 2021. However, it sought to review and improve the model and the organisational structure based on the existing context. Covid-19 introduced the department to remote working arrangements, and these exposed the various inefficiencies with regards to operations, systems and processes as existing systems were geared mainly for face-to-face interactions. Provision of online services to clients and stakeholders was still a challenge.

The **department's** compensation of employees (COE) budget was reduced by R35.746 million in response to national government's freeze on salary increase, forcing the department to budget for a zero percent increase in the cost-of-living adjustments. Therefore, the Department had to apply a value for money principle, using the budget allocated to it as efficiently and effectively as possible, to ensure that services continue to be delivered to the most vulnerable beneficiaries, despite the reduction.

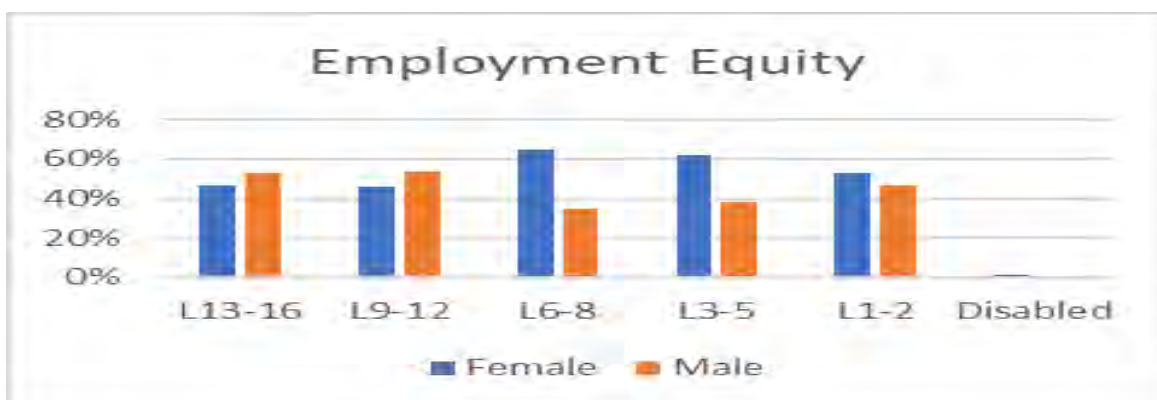
Furthermore, the ceilings imposed on expenditure on the compensation budgets of government departments had a negative impact on the services that were human resource driven and were at the coal face of service delivery.

These major shifts in the context have heightened the need for the department to overhaul its systems, operations, and processes to be relevant in the office or for a remote setting. It was envisaged that IT, SCM and district operations were to be the focus of where improvements would be targeted.

The process was expected to place immense pressure on staff capacity to ensure that the department was able to respond to the changing environment. Improvements in administrative and management capability were to be achieved through the implementation of the accelerated development programmes, leadership development, mentorship, and coaching programmes, as well as targeted individual training for specific employees. This approach was part of the departmental recruitment strategy that sought to prioritise internal staff who had been trained to fill the identified critical and scarce skills.

2.3.2 Employment Equity

The department had in the previous year put measures and training in place to empower women to take up senior management roles. Through the implementation of these measures the representation of women in the department has improved significantly, with top management accounting for 67% females and 33% males. Females at SMS were at 48% and males at 52%. The improvement at SMS was because of the posts that were targeting qualifying females.



Source: HRM Implementation Report for 2021/22

The under representation of Coloureds, Indians and Whites continued to be an under achieved target as indicated in the table below. To address this issue the department was to, in the next coming years, make a concerted effort to improve the situation.

Designated Groups	Levels	Target %	Current %	% Gap	Action Steps Required
Africans	13 - 16	70	96	(26)	Focus on recruitment should be on other races
	11 - 12	70	76	(6)	
	1 - 10	65	90	(25)	
Average % sub - total		68			
Women	13 - 16	50	32	18	Focus on recruitment should be on female especially at middle and SMS level
	11 - 12	60	37	23	
	1 - 10	60	59	1	
Average % sub - total		58			
People with Disabilities	13 - 16	2	0	2	Targeted recruitment on people with disabilities especially at middle and SMS level
	11 - 12	2	0	2	
	1 - 10	2	0.74	1.26	

Source: Human Resource Plan 2020/23

In 2020/21, the department did not reach its target of 2% with regards to the employment of people with disabilities, currently sitting at 1.6 %. Measures will be put in place to ensure that this target is improved. HRM in partnership with SPU have forged partnership with organisations dealing with person with disabilities to ensure that advertisement positions are delivered to organisations that deal with persons with disabilities to enable them to apply for advertised positions. Furthermore, whenever vacancies are advertised there are positions which are ringfenced for persons with disabilities.

Salary levels	Females				Males				Total
	A	C	I	W	A	C	I	W	
16	0	0	0	0	0	0	0	0	0
15	0	0	0	0	0	0	0	0	0
14	0	0	0	0	0	0	0	0	0
13	0	0	0	0	0	0	0	0	0
12	0	0	0	0	0	0	0	0	0
11	0	0	0	0	0	0	0	0	0
10	1	0	0	0	1	0	0	0	2
9	0	0	0	0	0	0	0	0	0
8	0	0	0	0	4	0	0	0	4
7	0	0	0	0	1	0	0	0	1
6	0	0	0	0	0	0	0	0	0
5	0	0	0	0	0	0	0	0	0
4	0	0	0	0	2	0	0	0	2
1 – 3	1	0	0	0	1	0	0	0	2
Grand Total	2	0	0	0	9	0	0	0	11

Source: Human Resource Plan 2020/23

2.3.3 Transformation of Human Capital and Talent Management Practices

Pillar 6 of Accelerated Women Empowerment (AWE) Programme is aimed at intensifying the Department's efforts in capacitating women (including women living with disabilities). Through this programme, the department was able to increase capacity and employment opportunities for women, resulting in a percentage increase of women in the SMS and managerial levels of the Department. Through this programme all participants were trained in all the key competencies of senior management to create a pool of readily available officials to assume senior positions.

In the 2022/23 financial year, the department will continue with the second and final phase of the programme and will implement a structured mentorship programme in line with DPSA guidelines. Mentors who will be SMS and MMS members will be trained and appointed as mentors of the proteges.

2.3.4 Business Continuity Plan

To mitigate against the spread of COVID 19, the department developed a business continuity plan, together with the Covid 19 risk register as strategies to manage all the different interventions, that were provided by the DPSA provisions in Circulars 7; 11, 15 and 18 of 2020 together with the "Guidelines on the state of disaster Covid-19: Return to work after easing of the national lockdown from level 5 to level 4".

For the current financial year, the department has started the process of reviewing this plan so that it is broader than addressing issues of Covid -19 but will be all-encompassing and be used for any disaster related eventuality.

2.4 Key policy developments and legislative changes

There were no major policy or legislative changes

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Department, in its endeavour to develop and promote cultural and creative industries in the province, hosted several arts and culture festivals, such as the National Arts Festival in Sarah Baartman district, Sondela Youth Festival in Joe Gqabi, Isingqi Sethu Wild Coast Festival in OR Tambo district, Battle of Maskhandi Festival in Alfred Nzo, etc. As a result, these platforms created opportunities for local artists to participate and showcase their talent, owing to improved programming which incorporated various cultural manifestations in the province and the country at large. These festivals brought communities together from all walks of life thereby forging unity and cultural diversity.

During the period under review, we have seen an increase in the popularity of e-book formats within communities. E-books with growing reader/user population are a book format that most people have heard of and used a lot because of their long-standing history and the widespread use of information technologies or development of the internet. Use of the internet, including resources such as Google and Wikipedia as well as online resources provided by public libraries was becoming increasingly popular as well. As a result, e-books have become an important part of the education system and the publishing industry. It is anticipated that as the e-book collection grows, loans may also increase further.

Visits to public libraries have increased since libraries were opened, following relaxation of lockdown regulations, reaching a peak of 354368 in the financial year, 2021/22. The increase could be attributed to a range of activities and campaigns undertaken by the department in poorest communities and villages to make literacy a priority for politicians, parents, and support schools. These included reading programmes such as World Book Day, World Play Day, Holiday Programmes, Book Club sessions, National Book Week, South African Library Week, Read Aloud Day, etc.

The department continued to implement active recreation and sport activities to promote an ethos of lifelong activity. Clubs in rural areas were supported through the Club Development Programme and school-going learners participated in after-school activities, thus creating a safe space and environment for participation in fun-filled activities, play, recreation, sport as well as academic activities. These programmes, amongst others, provided opportunities for persons from under-represented/marginalised groups to actively participate in sport as athletes, coaches, officials, and volunteer leaders. They further supported projects that strengthened physical literacy and assisted children and youth in learning fundamental movement skills and acquiring general sport skills that are the cornerstone of all athletic development.



PROGRAMME 1

ADMINISTRATION

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

Programme description

The aim of the programme is to provide political leadership and administrative support to the department as well as create an enabling environment for the strategic direction in interpreting the political mandate and adjudicating the pro-active approach in building cohesive inter-governmental relations. The programme consists of two sub-programmes, namely:

Sub-programme 1.1: Office of the MEC

This sub-programme is responsible for providing political leadership and administrative support to the Department by ensuring that:

- Administrative back-office support systems are responsive to requests from the communities and stakeholders.
- Service delivery intervention programmes are implemented by relevant programmes.
- Communication from the office of the executive authority is accurate and provides a positive image of the department.
- Positive interaction with the provincial legislature and well-coordinated programmes.

Sub-programme 1.2: Corporate Services

This sub-programme is key to enabling the successful co-ordination and strategic management of the department. It is premised on interpreting the political mandate for administrative implementation on a pro-active approach to crafting and sustaining cohesive intergovernmental relations. There are no changes in the budget programme structure.

List of outcomes

- Compliant and responsive governance

Summary of achievements towards set outputs

The Office of the Head of Department (OHOD) during the financial year under review hosted top and senior management meetings and monitored implementation of decisions of all meetings held. During the same reporting period the office introduced an Excel based decisions tracker as part of improving the overall management of the Department.

The office participated in IGR forums through TIC, Clusters, and Provincial management platform as coordinated by OTP. The department ensured that all the oversight bodies of the department were fully functional as they were properly constituted and performed their duties diligently.

The APP, AOP and budget were prepared and implemented accordingly. All the portfolio committee and legislature questions were honoured by the department on an ongoing basis. As coordinated by the OTP, we further participated in the strategic partnership with Old Mutual. As a result of this partnership, the company donated a netball court in Joe Gqabi district.

RISK MANAGEMENT

The department views Risk Management (RM) as one of the crucial and necessary processes, it does not only pride itself by maintaining the necessary risk registers but ensures that identified risks are reviewed continuously to accommodate

new risks that might have existed due to newly introduced departmental activities. During the financial year, the department, under RM unit support, made it possible to have the following risks registers reviewed with an active participation by risk and action owners:

- Strategic Risk Register.
- Operational Risks Registers.
- Fraud Risk Registers; and
- Ethics risks register

To further ensure that the Risk Management Framework is continuously put into context, the department, through its Risk Management unit, monitored the implementation of agreed upon mitigation actions throughout the financial year and based on the analysis during the monitoring process, it is evident that the department is taking strides to have all identified risks mitigated. In the quest of wanting to improve the risk management maturity level of the department, the unit continued to embark on a continuous capacitation of departmental officials on risk management, in a form of risk management awareness sessions. The department successfully facilitated the sitting of the Risk Management Committee (RMC) meetings throughout the financial year and added risk management standard operating procedures to the existing guiding documents.

Ethics Management

The department achieved 100% compliance on financial interest disclosures of those officials designated to disclose their financial interests through the e-Disclosure system as required by DPSA. The department believes that to combat fraud in the department, it becomes important to have an Ethics Management guiding documents in place. During the financial year, the following documents were developed and approved

- Ethics Management Implementation Plan.
- Terms of reference for Ethics Committee.
- Ethics Management Policy
- Manual Standard Operating Procedures

As a continuous means to resuscitate consciousness and integrity among departmental employees, ethics related awareness sessions were conducted during the financial year. To steer ethics related matters towards the acceptable direction within the department, an ethics forum has been put in place with a view to influence the general morale of the department at employee level.

Fraud and Anti – Corruption

The department continued to measure its vulnerability to fraud by reviewing its identified fraud risks. In a continuous struggle to combat fraud and corruption within the department, we believe that continuous talks on fraud and anti-corruption matters are key. In putting that into context, the said awareness was raised by presentations and fraud and anti-corruption posters. Cases received during the financial year were investigated and recommendations were implemented by internal Labour Relations. The department also complied with the submission of all fraud and anti-corruption necessary reports to OTP.

Internal Audit

Internal Audit co-ordinated all planned Audit Committee (AC) Meetings scheduled for the 2021/22 financial year. The unit has taken strides in the implementation of Combined Assurance within in the department which included regular interactions with the AGSA and other assurance providers. It has assisted the department to closely monitor its implementation of internal audit and external audit findings. Audits were conducted in line with the Internal Audit plan as approved by the AC.

Information Communication Technology

In 2021/2022 financial year the department has laid a solid foundation for ICT related services through the successful achievement of the following ICT related projects:

- Renewal of software licenses for the provision of productivity and collaboration tools for the rollout of a modern workplace to boost service delivery for departmental officials.
- Started phase 1 of the upgrading of the server network infrastructure including information and cyber security to improve availability of internal connectivity and security measures.
- Completed the refresh of ICT working tools for 176 officials to boost productivity and to enhance service delivery across the department including head office and the 8 district offices.

The department has also made significant progress in the automation of the internal business processes and has added more focus on the adoption of the new implemented business processes as the department moves further towards a modern workplace, with technologically empowered workforce to optimize operations and for better engagement with the citizens of the province.

Financial Management

Electronic Document Distribution (EDD) System came into effect from 01 March 2022 and that has enhanced compliance with TR. 8.3.3-5

Spinoffs thereof are costs cutting and time saving on travelling from collection, distribution and returning of payroll reports. This customer centric approach is convenient to internal clients i.e., Employees and external clients that is Third Party Institutions in as far as distribution of payment schedules for their reconciliation and allocation of payments to respective beneficiaries.

Good Governance and Ethical Leadership

Through training and development initiatives the department has made an investment in its human capital by implementing training in Performance Report Writing with the aim of improving the quality of performance information that is extracted from operational reports. To heed the call of instilling an Ethical Culture within the department once again all **officials have been requested to undergo an “Ethics within the Public Service” online training with the National School of government** and more than 90% of the officials have completed this certificate course. SMS Members have been trained on Strategic Leadership Capability to enhance the aspects of Good Governance and Ethical Leadership. Leader SMS Competency assessments has been conducted with newly employed SMS Members and the results of such assessments will inform any skills gap that needs to be closed within the SMS echelon of the department.

Consequence Management and Disciplinary Actions

The department adopted its own Consequence Management Framework in 2020 which was also endorsed by the Audit Committee of the department. It was circulated to all employees and implemented. During the year under review, there were 2 new SMS disciplinary cases registered and both were not finalised. The 2 SMS disciplinary cases from the previous financial year were also not finalised and were handled by the State Attorney. Recently the department has received a report from the State Attorney that both SMS members were still testifying. There were no SMS members on suspension.

Transformation of Organisational Culture

In the 2021/22 financial year the Compulsory Induction Programme was conducted for newly appointed officials. DPSA through the National School of Government (NSG) has introduced a new 18-month programme for Interns within the Public service called the Cadet programme that seeks to instil the public service culture so that interns are well vested

with key aspects when they enter the workplace permanently. The department has registered 22 Graduate Interns with the NSG for both the Cadet and Breaking Barriers into Entry in the Public Service. Both these programmes were to be implemented in the following financial year.

Transformation of Human Capital and Talent Management Practises

- Women Empowerment

Through all its Human Resource Development interventions the department has ensured that women are capacitated. In this current financial year this has been done through short course programmes, bursary awards, leadership development programmes such as the Emerging Management Development programme (EMDP) and the Advanced Management Developmental program (AMDP). Mentoring and coaching has also been implemented as a key element of departmental Women Empowerment. Change Management Training has been implemented at the Middle management levels to transform the culture of the department. Women have also been part of various training interventions such as on Assertiveness, Self – Development and Goal setting, project management as well as conflict management training.

- Employment Equity

Through the implementation of the employment equity plan and Women Empowerment programme the department has improved the employment of Women at SMS, for example at the Top Management level there is 67% women representation and 33% male representation. At the SMS Level the department has improved from 41% female representation to 43% due to appointments of 3 female SMS members and the male representation has since dropped from 59% to 57%. At the end of the reporting period, there were 4 SMS vacancies, and the department was planning to breach the gap by targeting female preferably with disability. In employment of the persons with disabilities the department was sitting at 1,6%.

Youth Empowerment and Creation of Job Opportunities

Through its developmental programmes the department has been able to create learning opportunities to 139 unemployed youth in the form of Internships, Learnerships and Work Integrated programmes both for TVET students and university graduates in the 2021/22 financial year.

As legislated by the Skills Development Act through its partnership with the Culture, Arts, Tourism, Hospitality and Sport Education and Training Authority (CATHSSETA) the department has been awarded Discretionary Grant Funding for five (5) TVET Work Integrated Learners (WIL) for eighteen months and ten (10) University Work Integrated Learners for six months.

The department recruited fifteen (15) graduate interns for a **twenty-four (24) months' contract under its Skills Development Levy** in the 2021/22 financial year. A further 9 graduate interns were funded by the National skills Fund through OTP. 7 additional WIL learners funded by SASGRA (South African Council for Graduates Cooperative limited) in the Museum sector also joined the department. A further two graduate Interns and three WIL interns were funded by the Services SETA. The partnerships with the SETAs and Private sectors continued to ensure that the department afforded EC youth opportunities within the various youth development programmes.

EPWP has created 112 work opportunities which were reported in the Integrated Reporting system in the financial year of 2021/22.

The department will continue to strengthen its relations with different SETAs to get more funding and to increase the number of intakes for the upcoming years

How is the department investing in its Human Resources?

- Through Internal Bursaries
- Training Interventions through short courses
- Learnership programme
- Artisan Development
- RPL
- Leadership Development programmes

Modernisation & Automation of Business Processes

The department has made a significant progress with the automation of PMDS. During the year under review employees contracted through Isisele (Smart Gov. Solutions / or web-based systems) , and performance reviews have been done through this system.

Leave has also been automated though there were still glitches with the system especially in interfacing with PERSAL, but IT and the service provider were working in solving those glitches.

Organogram

The department implemented the organogram on the PERSAL system and implemented a horizontal employee placement process. At the time of reporting the department was operating with the 2018 approved structure. As indicated in the previous report, implementation was to open new process of organisational review and the department has since resumed that process.

Consultation sessions with various stakeholders on the development of the Service Delivery Model (SDM) were conducted. The service delivery model (SDM) was approved in October 2021. After the approval of the SDM the department conducted a verification process of the functions to be aligned with the approved SDM. Consultations to review the organogram with management were conducted in November and December 2021. The department is in the last stages of stakeholder consultation, and it is anticipated that it will be finalised in the first quarter of the financial year 2022/23.

Outcomes, outputs, output indicators, targets and actual achievements

The department did not re-table the Annual Performance Plan in the financial year under review

Sub-programme 1.1: Office of the MEC

Sub-programme 1.1 Office of the MEC:								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Compliant and responsive governance	Cohesive intergovernmental relations maintained	OME1: Interface between spheres of government maintained	Revised Indicator	Revised Indicator	National, Provincial and local political platforms serviced	All targeted platforms were serviced	Nil	None
					Monitor implementation of collaboration and or twinning agreements	Collaboration and twinning agreement with Lower Saxony were monitored virtually	Nil	None
	An informed and empowered citizenry	OME2: Citizen's participation in planning and budgeting maintained	Revised Indicator	Revised Indicator	Community outreach programmes and stakeholder engagement sessions	Community outreach programmes and stakeholder engagements were successfully conducted	Nil	None

Linking performance with budgets

Sub-programme expenditure

Sub-programme 1.1: Office of the MEC		2021/22			2020/21		
		Final Appropriation R'000	Actual Expenditure R'000	(Over)/ Under expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ Under expenditure R'000
Economic classification							
Current payments		7 045	7 098	(53)	7 034	6 712	322
Compensation of employees		4 708	4 706	2	5 586	5 518	68
Goods and services		2 337	2 392	(55)	1 448	1 194	254
Transfers and subsidies		52	52	-	-	-	-
Households		52	52				
Payments for capital assets		105	-	105	-	-	-
Machinery and Equipment		105		105			
Total		7 202	7 150	52	7 034	6 712	322

Strategy to overcome areas of under performance

There was no under-performance recorded in this sub-programme.

Sub-programme 1.2: Corporate Services

Sub-programme 1.2: Corporate Services:								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Compliant and responsive governance	Improved corporate governance practices and accountability	CS1: % Implementation of operations management framework	Revised Indicator	Revised indicator	100% implementation of an approved multi-year evaluation plan and/or adopted guidelines that follow provincial/ national evaluation system	Implementation Evaluation of the MPP Conditional Grant was conducted = 100%	None	None
					100% implementation of strategic management frameworks	2022/23 APP and AOP were developed and submitted to the EC Legislature = 100%	None	None
					100% implementation of Business Continuity Plan	Business continuity Plan implemented = 100%	None	None
					100% implementation of disability strategy	Monitoring reports were done and submitted to OTP on time = 100%	None	None
					100% implementation of regulatory frameworks, including legal related matters	Legislated and compliance reports were drawn and submitted timeously = 100%	None	None
					100% implementation of departmental communication strategy	The final Departmental Communication Strategy was implemented = 100%	None	None
Compliant and responsive governance	Improved corporate governance practices and accountability	CS2: % Implementation of corporate governance framework	Revised Indicator	Revised indicator	100% implementation of the risk management plan/strategy	Risk Management Strategy implemented = 100%	None	None
					100% implementation	Provincial Whistle	None	None

Sub-programme 1.2: Corporate Services:									
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations	
					of Provincial Whistle Blowing Policy	Blowing Policy targets were implemented = 100%			
					100% implementation of ethics management strategy	Ethics Management Strategy developed, and its implementation monitored = 100%	None	None	
					100% implementation of fraud and anti-corruption plan (hotlines cases to PSC within 40 days)	Fraud and anticorruption plan implemented = 100%	None	None	
					100% implementation of corporate governance of ICT (GCICT)	ICT Governance implemented and monitored = 100%	None	None	
Compliant and responsive governance	Improved corporate governance practices and accountability	CS3: % Implementation of an approved integrated Human Resource Plan	Revised Indicator	Revised indicator	100% implementation of Human Resource Development Plan (training and development)	Set targets in the departmental HRD Plan were met = 100%	None	None	
					100% implementation of Integrated Employee Wellness programme	IEWP 2021/22 targets met = 100%	None	None	
					100% implementation of Employment Equity Plan	100% EEP targets met	None	None	
					100% implementation of Annual Recruitment Plan	ARP at 100% implementation.	None	None	
					100% implementation	84% of the Job Access	-16%	Non-achievement of	

Sub-programme 1.2: Corporate Services:								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
					of Job Access Strategy implemented	Strategy implemented		employment of Persons with Disabilities by the department
					100% implementation Gender Equity Strategic Framework (GESF)	100% of the GESF implemented	None	None
Compliant and responsive governance	Improved corporate governance practices and accountability	CS4: Timely payment of suppliers (CS4)	85%	96.5%	Valid invoices paid within 30 days	All valid invoices have been paid within 30 days	None	None
Compliant and responsive governance	Improved corporate governance practices and accountability	CS5: % Support for Local Economic Development	50%	81.5%	60% of awards benefit Local Economic Development	62% (year average) has been attained	2%	More local suppliers benefitted from procurement than was estimated
Compliant and responsive governance	Clean Audit Opinion	CS6: % Reduction of audit findings	Revised indicator	Revised indicator	100% implementation of Audit Improvement Plan (AIP)	AIP was implemented = 100%	None	None
					100% implementation of Internal Audit Tracker	61% implementation of the IA tracker	-39%	The implementation of the audit tracker continues to be a challenge as some of the controls are still weak

Linking performance with budgets

Sub-programme expenditure

Sub-programme 1.2: Corporate Services	2021/22			2020/21		
	Final Appropriation	Actual Expenditure	(Over)/ Under expenditure	Final Appropriation	Actual Expenditure	(Over)/ under expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	283 078	281 251	1 827	285 871	278 209	7 662
Compensation of employees	225 529	225 482	47	220 377	217 169	3 208
Goods and services	57 549	55 769	1 780	65 494	61 039	4 455
Transfers and subsidies	3 829	3 827	2	4 415	3 134	1 281
Payments for capital assets	13 785	13 743	42	9 447	9 403	44
Total	300 692	298 821	1 871	299 733	290 746	

Strategy to overcome areas of under performance

Ref No	Variance explanation	Root cause	Remedial action	Timelines
CS3	Non-achievement of employment of Persons with Disabilities by the department	Non- response of PWD's to apply.	Ring fencing posts for PWD's and strengthen relations with the Disability sector.	September 2022
CS6	The implementation of the audit tracker continues to be a challenge as some of the internal control systems are still weak	Inadequate development of action plans to address the root causes of internal audit findings and poor project planning to ensure that targeted dates are met.	Internal controls must be institutionalised to ensure that they are built within the systems.	31 March 2023



PROGRAMME 2

CULTURAL AFFAIRS

3.2 Programme 2: Cultural Affairs

Programme description

The programme is responsible for preservation, conservation, promotion and development of arts and culture, museums and heritage and the provision of language services. It consists of the following five sub-programmes:

- Management: To translate policies and priorities into strategies for effective service delivery and to manage, monitor and control performance.
- Arts and Culture: To promote arts and culture through the development of visual arts, crafts and performing arts by providing assistance to projects, programmes and community art centres.
- Museum Services: To promote and preserve heritage through museum services and institutions.
- Heritage Resource Services: To conserve, promote and develop culture and heritage. To further assist heritage resource management by implementing the national mandates of the South African Geographical Names Council Act, 1998 and the South African Heritage Resources Act, 1999.
- Language Services: To render language services to ensure that the constitutional rights of the people are met through the utilisation of the main languages of the province

List of outcomes to which Programme 2 contributes

- Compliant and responsive governance
- Increased access in sport, recreation, arts, culture and heritage institutions
- Transformation of linguistic and heritage landscape (with bias towards indigenous languages)
- Increased quality skills and job opportunities

Summary of achievements towards set outputs

Once again, this year the social as well as economic impact of an environment characterized by lockdowns and related restrictions cannot be over-emphasized. This should be considered in the context of arts and culture events being an important catalyst in bringing hope to communities and giving them much-needed positive stimulation to take their minds off their COVID-related stresses.

Considering that convening mass events could serve as super spreaders of the virus, the Department, together with its key partners, explored other means of delivery of its events to ensure their continued consumption and enjoyment.

Despite the effects of this prevailing pandemic, which has undeniably brought with it several factors that affected the performance of the Department, the department has managed to create space both in a hybrid and virtual mode, to ensure that the creative industry is able to benefit directly from the departmental operations.

For Management this year, as part of pitching compliance standards to a higher level, regular *under one roof* meetings were held with all departmental institutions including museums, and intensive capacitation sessions were conducted to ensure that issues of compliance and uniformity in reporting are addressed.

The declaration of Mandela Bay Theatre Complex (*formerly known as PE Opera House*) has positively changed the landscape of the performing arts sector completely. Annual yearlong arts activities including credited capacitation programs through the Stage World arts school has added value to the cultural and creative industry. First steps on amalgamation were held where advocacy initiatives were unpacked to Board members of both institutions (*MBTC and EL Guild Theatre*)

In responding to the cultural aspirations of diverse art communities the branch has, through consultation processes, managed to finalize the review of film and video policy, and is in the process of finalizing the Community Arts Centre policy for the benefit of the art centres of the province.

Also, the three sector plans have been reviewed successfully and will be consolidated as final drafts in the next financial year. This will yield positive results as these strategic documents will be the mainframe for the establishment and process plans and procedures for all operations in various sectors of the creative industry.

For arts and culture, once again the NAF has yielded positive results for the arts and craft of the province. Despite last minute changes due to Lockdown regulations, the festival was able to create online platforms which attracted online audience for the Eastern Cape showcase beyond the borders of the country. The digital National Arts Festival (NAF) had 270 productions of which 9 were from the Eastern Cape under Curated and Creativity Programme. During the festival, the following service beneficiation, amongst others, were realised:

- 58 artists recorded live performances, 100 Crafters from all the 8 districts showcased their products on the Virtual Green platform. 65 performers formed the EC Ensemble.
- 40 authors and 22 poets participated in the digital Literature Festival (LitFest) NAF 2020 generated coverage to the value of R 108,797,652 in print, broadcast and online media, and R 37,214,013.50 in social media coverage. At the time of reporting, the total estimated value of media coverage was R146,011,666.50.
- Social media following for the festival has grown substantially when the Fringe campaign began, the platform followers increased from 65,490 to 79,903.
- The EC Jazz Festival was viewed by 11 326 users. The festival provided job opportunities to 30 EC based crew members during the recording of virtual productions. 3 local film companies benefitted.

To ensure that investment is placed on point for the sustainable development of the sector, the department has partnered **with the Artists in Schools Program to develop the initiative on the Children's Theatre, where young learners from the far-flung areas of the province were practically capacitated on elements of theatre and music programing.** This financial year, six schools were visited in the districts of Joe Gqabi, Chris Hani, O.R. Tambo, and Alfred Nzo where a total of 210 learners benefitted directly from the project.

The OR Tambo provincial choral music festival with its cross over effects in terms of addressing issues of the soul brought hope to the music lovers as part of recovery plan of the department. All districts participated through small ensembles, and this was once more a community driven festival, as ECCMA and GCIMP-EC were central as provincial structures of the sector.

Also, as part of addressing the social cohesion and nation building, the Maskhandi music festival was held in Mount Frere during the fourth quarter, 20 Maskhandi music groups extracted from all districts participated and rendered. This also, was driven by arts communities as two Maskhandi Structures were drivers in terms of content and lay out of the festival.

For Museums and Heritage, the department supported province-aided museums with their annual subsidies, and this has enhanced their operational efficiency particularly after a period that had been disrupted by the Covid-19 pandemic. The museums have ramped up their institutional capacity and rendered their services to visitors during Covid-19 lockdown period flawlessly in safe and secure environments.

Museums have since re-orientated their programming to meet the current demand for online access to their service offerings. This has been done due to provision of online access through virtual tours of the museums that are accessible on the Internet via their Facebook accounts and on YouTube.

The department monitored operations and expenditure in museums to ensure they delivered and spent in line with what they committed in the Memoranda of Agreement they signed. This has also created an opportunity to focus on other areas such as inspection of state of infrastructure, human resources and impact of vacancies, management of finances and books of account, asset management, effectiveness of governance, supply chain management compliance, and records management respectively.

The department supported Graaff-Reinet Museum to develop an exhibition on the “Stone Age and the Rock Art of the San People of South Africa”. The idea was to promote as aspect of the province’s rich cultural heritage that is on the verge of extinction, and also to expose South Africans and the rest of the world to significant archaeological paintings and engravings that are unique to the Eastern Cape. The exhibition is also accessible online.

An Exhibition on the Centenary of the Bulhoek Massacre was launched by Hon MEC in Komani as a legacy project to benefit Enoch Mgijima Local Municipality communities, and learners in particular as it is on show at the Queenstown and Frontier Museum. The exhibition is meant to educate South Africans about the impact of the 1913 Natives Land Act on black communities as they were driven away from their ancestral land and resettled elsewhere by the authorities in the 1920s. It also shows courage and resilience of African communities for fighting for their land and their subsequent contribution to the attainment of freedom and democracy in the country. The massacre of 200 members of the Church of God and Saints of Christ by the Jan Smuts regime on 24 May 1921 exposed the brutality of the colonial system and its agenda of annexation of land previously owned by indigenous communities. The exhibition is a representation of that historical epoch.

The department in collaboration with the National Department of Sport, Arts and Culture, OR Tambo District, and Ingquza Hill Local Municipality commemorated the 61st anniversary of Ingquza Hill Massacre of 06 June 1960. Two exhibitions that narrate the events that led to the uprising and the subsequent massacre were launched to immortalize an epoch of conflict that paved the way for rapid attainment of freedom and democracy in South Africa. The exhibitions serve as centre of attraction to schools and local community members. During the period under review, there were visitors to Ingquza Hill Museum to learn more about the importance and impact of the Black Authorities Act; and the subsequent Ingquza Hill Massacre on the lives of communities in the OR Tambo region and the rest of South Africa.

Virtual Museums

In a bid to create a short-term intervention to stimulate visitor return to the Bayworld Museum following the Covid-19 pandemic, Mandela Bay Development Agency is funding virtual museum project at Bayworld. The museum has demonstrated the change in its service offerings by introducing novel exhibitions and creation of an online presence in the form of a virtual museum. This meant re-purposing of the existing Rotunda at the entrance, which was previously utilized as a cafeteria, into an exhibit space. The project was at 80 percent completion and projected to be opened in July 2022.

The department in collaboration with the National Heritage Council has commissioned Pedant Development Services to conduct a feasibility study into content development and installation of an appropriate exhibition at the Bhisho Massacre Contact Centre. The aim is to equip the facility to serve as a modern state of the art Provincial Heritage Information Centre that is capable to host virtual tours of the precinct to domestic and international audiences. The feasibility report has been tabled and the Department was mobilizing resources to commission service providers to provide and install **static and digital exhibitions to showcase the province's rich and diverse cultural heritage especially the struggle heritage and wars of resistance.**

The department hosted Provincial International Museums Day and related build-up events in districts. The project empowered learners and members of the community on the importance and significance of museums as centres of educational and cultural excellence. The theme was focused on the celebration of the 150th anniversary of the birth of liberation struggle icon Charlotte Maxeke as well as commemoration of the Centenary of the Bulhoek Massacre.

Learners participated in essay writing competitions and those that came tops were awarded with learner material equipment including laptop computers and printers, tablets, digital cameras and routers in a bid to enhance their studying and learning experiences. Subsequently, three learners that came up on tops in the debates were offered an opportunity to participate in the Summer Youth Camp on Robben Island in Cape Town where they were empowered on life-skills development and exposure on international best practices on conservation and preservation of natural and cultural heritage using latest modern ICT techniques.

The museum advocacy programmes continued to expose learners to the museum world and career opportunities in the field of museology and heritage management. Furthermore, through advocacy programmes, Eastern Cape Museum and heritage practitioners benefited from a Lower Saxony exchange programme-based Museum Digitization and Virtual Exhibition Workshop that was conducted **by German museologists in November 2021 and the theme was “How to put a museum into the internet/ Digitisation/ Virtual exhibitions”.** They shared international best practices on online packaging and display of museum content in 4IR age and the massive benefits of museum virtual tours to market local institutions to a global audience and on platforms such as Google Arts and Culture curated vault of great artworks from more than 2,000 museums and archives.

Practitioners were exposed to the platform's 360-degree panoramas of historic landmarks, 3D models, augmented reality tools that let people virtually try on historical headgear or walk-through museums, and tools that sort art by colour, theme, and any other parameter that one can imagine. The Lower Saxony colleagues shared information on how users can create their own galleries and walkthroughs and take guided, zoomed-in tours of works. South Africans museum practitioners benefited a great deal from this exchange of information and modern computer age technology.

The department embarked on renovations and additional works at Barkly East Museum in Joe Gqabi District whose buildings and other infrastructure had been damaged due to old age. The scope included building of new walls, revamping the exhibition room, plastering brickwork, repairing the ceilings and floors, and installation of new plumbing, electrification and carpentry. The project had reached practical completion stage. The newly revamped museum now boasts new facilities including an internet **corner that enables visitors to have online access to the museum's collections** and other service offerings.

Rectification of structural defects on old brickwork and foundations at Fort Beaufort Museum at Amathole District was progressing well after taking longer than expected. A service provider was contracted to embark on restoration work, and it is anticipated that practical completion will be reached in July 2022.

On the other hand, refurbishment, and additions to the Uitenhage Museum's Old Railway Station satellite in Kariega was in progress. A service provider was contracted to restore the dilapidated infrastructure, and to date stripping of floors has been done, plastering of walk-way façade was in progress, and construction of entrance to the foyer was at an advanced stage. Practical completion was projected to be reached in September 2022.

The department collaborated with the Office of the Premier, National Department of Sport, Arts and Culture, Chris Hani District Municipality, Enoch Mgijima Local Municipality, and the Church of God and Saints of Christ to host Africa Month that was dedicated to the Centenary of the Bulhoek Massacre in May 2021. Inter-departmental collaboration and inter-governmental cooperation were strengthened to the benefit of Chris Hani District communities, religious and traditional leaders, educators and learners, cultural and heritage practitioners, and SMMEs. The centenary programme also provided families of victims of the incident to reconcile with the perpetrators of the massacre and finally find closure.

29th anniversary of the Bhisho Massacre was commemorated in September 2021, and this provided a platform for families of victims of the conflict to engage the Provincial Leadership on their socioeconomic needs. As a result of that engagement, the Office of the Premier has provided funding to the Bhisho Massacre Foundation to procure tombstones for victims of the massacre that had been buried on their homesteads instead of the burial site in Ginsberg, and also to procure office equipment including computers and software to conduct their business operations at the Bhisho Massacre Precinct. Furthermore, various government departments have since come forward to support the families with psycho-social services, access to social grants, healthcare, bursaries for learners and students, employment opportunities for offspring including access to EPWP, capacity building and empowerment programmes to train and skill them for business entrepreneurship.

The Nelson Mandela International Day was celebrated at Graaff-Reinet in August 2021, and DSRAC collaborated with the Nelson Mandela Museum, Sarah Baartman District Municipality, Dr Beyers Naude Local Municipality and Vodacom to the benefit of local community as a new library was equipped with new computers and software at Asheton Secondary

School. Furthermore, Vodacom donated 5 new computers with software to local learners to enhance their educational excellence. The programme also strengthened relations between government and business.

The department in collaboration with the Office of the Premier, Nelson Mandela Bay Municipality, ECPHRA, Bayworld, South End Museum, Department of Community Safety, Bethelsdorp Inter-Developmental Network and the Northern Areas Uprising Committee hosted the 31st Anniversary of the Northern Areas Uprising at Bethelsdorp in September 2021. The programme afforded the Provincial Leadership with a platform to meet and engage a minority community that had felt marginalised before and was grateful to voice their concerns and expectations. The provincial government was dealing with issues that had been raised to ensure law and order, peace and stability, reconciliation, social cohesion, and community development were promoted and fostered in that area.

Heritage Day was celebrated at Fort Cox Agriculture College at Xesi on 24 September 2021 and was preceded by cleansing ceremony of Ntabakandoda that was associated with the indiscretions of the Ciskei Bantustan. This programme strengthened inter-departmental collaboration as DSRAC worked closely with COGTA, OTP as well as Amathole District and Amahlathi Local Municipality respectively. The programme also profiled the role and significance of traditional leaders in the struggle for land in South Africa, as well as the struggle for national liberation. DSRAC Districts also hosted **Heritage Day build up events that showcased the province's rich and diverse cultural heritage, and at the same time promoted social cohesion.**

The department also collaborated with COGTA to close Heritage Month in September 2021 with the launch of the annual **legacy celebration of renowned music composer Benjamin Tyamzashe. The icon's burial ground was refurbished at Zinyoka Village and a Memorial Lecture to celebrate his life and times was delivered.**

Human Rights Day was commemorated in March 2022 and was dedicated to the Centenary of the Death of Reverend John Knox Bokwe in line with the State of the Nation Address (SONA). The programme brought government closer to its critical stakeholders and social partners as DSRAC collaborated with the John Knox Bokwe Foundation, Uniting Presbyterian Church of Southern Africa, University of Fort Hare, Lovedale TVET College, Amathole District Municipality, Raymond Mhlaba Local Municipality and the House of Traditional Leaders to pay homage to one of the early modern African intellectuals of the 20th century to come from the Home of Legends. Community projects associated with the John Knox Bokwe Memorial Church benefited as legacy equipment including grass cutting machines, basic tiling tool sets, carpentry sets, plumbing sets, basic sewing toolkit set, dressmaker sewing machines, handheld sewing machines, industrial blind stitch machines, overlocker sewing machines, desktop and laptops with bags were delivered.

The Eastern Cape Provincial Geographical Names Committee (ECPGNC) that has a responsibility to coordinate standardisation of place names and geographical features in the province was appointed, inaugurated and inducted accordingly. The newly appointed Committee comprised of professionals and experts in the fields of history, heritage, culture, local government, traditional leadership, business, and languages. The Committee is representative of the eight districts of the province and has additional mayoral nominees to strengthen collaboration and relations between the province and municipalities. The Committee has developed a 3-year plan and has endorsed a list of names for discussion in community consultative meetings and public hearings to be hosted in the following financial year.

The department has strengthened governance and administrative capacity of the Eastern Cape Provincial Heritage Resources Authority (ECPHRA). This has resulted in resuscitation of Permit Committees, engagement of applicants and litigants, inspection of heritage-worthy landscapes, development of Strategic Plans and Business Plans. The department also supported the ECPHRA with EPWP contract workers to enhance operations and deal with new permit applications, and at the same time expose the youth to heritage preservation and management.

Furthermore, the department has provided the ECPHRA with annual subsidy to enhance their operational efficiency. As a result, the ECPHRA has fast-tracked processing of permit applications through establishment of effective and efficient permit committees that are comprise town planners, archaeologists, paleontologists and architects. The Permit Committees dealt with application backlogs and new applications swiftly particularly those that activate economic activity and local economic development including big wind energy projects.

The department has supported the Department of Economic Development and Environmental Affairs to facilitate construction of big wind energy projects in the province in line with the recent activation of the Independent Power Producer Procurement programme by the Ministry of Minerals and Energy.

The ECPHRA has collaborated with South African Heritage Resources Agency (SAHRA) and the Department of **Environmental Affairs to prepare submission to UNESCO's World Heritage Committee to declare the Klasies River Caves** in Sarah Baartman District as a World Heritage Site.

On Ohemera Fossil site in Sterkspruit where dinosaur fossils were discovered in 2018, a multi-disciplinary team of local and international archaeologists and paleontologists have worked closely with local communities to protect the site with a view to preserve the precious heritage site. The fossils have since been taken to the University of the Witwatersrand for scientific examination and preservation while a feasibility study on the excavation of the entire landscape is being attended to.

The department in collaboration with the Eastern Cape Provincial Heritage Resources Authority (ECPHRA) has conducted further public participation sessions with local communities including traditional leaders in Senqu Local Municipality in a bid to take them into confidence and seek their active participation on the next steps that are going to unfold.

The ECPHRA has been tasked to commission an experienced, registered and reputable service provider to conduct a feasibility study on the excavation of the landscape to discover other fossils as there is a great possibility of other remnants, and the cost – benefit analysis on the possible development of a Fossil Park on the site and a suitable and sustainable model of running that facility benchmarking on similar examples nationally and internationally. Once the feasibility study report has been received and presented, the Department will mobilize resources from Provincial Treasury and the national government to support the project with funding.

In the period under review the department, through its Language Services component, continued with intensifying its implementation of the Language Regulations, Eastern Cape Use of Official Languages Act, Regulations 2020. District eliminations were conducted with the aim of identifying best word artists who would perform at the provincial Lit-fest conducted in Makhandla, as part of the National Arts Festival.

In a bid to promote orature the department teamed up with a community structure, *Lisahluma*, and conducted an oral history project focusing on *iintsomi* that were told by women around Idutywa. The project also sought to highlight the role of indigenous languages as preservers and carriers of our identity, culture, traditions, personality and our histories.

In the year under review the department organised creative writing workshops for isiXhosa, Afrikaans and Sesotho linguistic groups. The idea was to capacitate and to arm our emerging and budding writers with necessary skills of the trade so that they could produce best- selling and award- winning publications.

The department further conducted Provincial literature festival (Lit-fest) which afforded those who distinguished themselves at the district level an opportunity to exhibit and showcase their literary skills at a grander and an exalted platform. They interfaced, intersected with seasoned and published writers from across the province and from across the country and, in some instances, they got to meet with international word artists.

In the year under review the department conducted a three-day Masithethe Sign Language project at Efata School for the Deaf and Blind, in Mthatha. The project was held jointly with the Department of Education (DoE) and the Pan South African Language Board (PanSalb). The department launched a Sign Language Charter which sought to address issues that relate to communication, access to information, facilities, and social justice for the Deaf Community. Furthermore, parents of deaf children were trained in Sign Language at Sive Deaf School in Cedarville.

The South African Sign Language (SASL) articulates and affirms the linguistic rights of deaf persons in South Africa and is aimed at creating conditions for the development of South African Sign Language. The Charter that the DSRAC and its **partners launched is premised on the "Nothing about us without us movement"**. It serves as call to action for government and civil society to stand together, side by side and pledge their commitment to the principles of multilingualism and social

cohesion under which the charter is based. The launch of the charter was a quantum leap towards ensuring the according of official status to SASL as the 12th official language.

One of the key highlights for the year under review was mounting of a project on Celebration of Eastern Cape Literary Icons in October 2021- in BCM. The project seeks to foreground the immense contribution made by the Eastern Cape literary icons in shaping the linguistic and literary landscape of the province. Most of these literary icons were products of the missionary institutions such as Lovedale, Heald Town, Fort Hare etc. and were instrumental in developing the vocabulary of the isiXhosa and other indigenous languages in the province. These icons include, among others, SEK Mqhayi, JJR Jolobe, Jabavus, J. Knox Bokwe, AC Jordan, to mention the few. These icons left an indelible mark in the literary landscape of the country and left a rich legacy for the coming generations.

In the area of social cohesion and nation building the department conducted a number of programmes and projects that give practical effect to the concept of unity and inclusivity. In June for, instance there was a Social Cohesion Dialogue conducted in Tsitsikama, focusing on issues of gender- based violence, LGBTQI, and racism. A big Provincial Social Cohesion Dialogue responding to the spate of gender -based violence in campuses and in communities was conducted in East London. This was graced by the presence of members of the provincial executive council, the National Department of Sport, Arts and Culture, Khoisan Chiefs and the top management of the department. Other projects that sought to advance social cohesion and nation building were conducted in area of sport, libraries, museums and arts. Other departments such as Department of Education, Office of the Premier, Social Development etc. also mounted projects that contributed in advancing social cohesion and nation building.

One of the top achievements of the department in the year under review was collection and production into publication of 100 manuscripts. This programme is one of the initiatives of the department to promote literature in the province. For a number of years, the department has been training budding writers in the art of developing their ideas into a compelling story that could be turned into a publication. Now through this project the department is guiding and mentoring emerging word artists into professional wordsmiths. Now a number of word artists who have never been published are afforded an opportunity to see their works in print. The end result is to encourage blossoming and flowering of literary activity throughout the province and to produce self -reliant and independent writers.

Outcomes, outputs, output indicators, targets, and actual achievements

Sub-programme 2.1: Management

Sub-programme 2.1: Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Compliant and responsive governance	Stronger coordination, collaboration, and communication	CA1: Number of policies developed	0	2	1	1	0	No deviation
	Stronger coordination, collaboration, and communication	CA2: Number of cultural institutions complying with signed agreements	New indicator	8	25	25	0	No deviation
	Stronger coordination, collaboration and communication	CA3: Number of partnerships forged with private sector	New indicator	0	1	1	0	No deviation
Increased access in sport, recreation, arts, culture and heritage institutions	Promote community participation on an intercultural basis	CA4: Number of digital campaigns showcasing national days (MTSF)	New indicator	11	5	5	0	No deviation
Transformation of linguistic and heritage landscape (with bias towards indigenous languages)	Media digital campaigns contributed towards social cohesion by promoting pride and patriotism	CA5: Number of public awareness activations on the "I am the flag" Campaign (Sector indicator)	New indicator	3	3	3	0	No deviation
	Virtual facilities established	CA6: Number of virtual facilities established	New indicator	0	2	0	-2	The supply of digital equipment to MBTC and EL Guild Theatre could not be

Sub-programme 2.1: Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	** Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
								achieved due to the fact that it is a highly technical.

Linking performance with budgets

Sub-programme expenditure

Sub-programme 2.1: Management	2021/22				2020/21			
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ under expenditure R'000		Final Appropriation R'000	Actual Expenditure R'000	(Over)/ under expenditure R'000	
Economic classification								
Current payments	13 446	13 412	34		5 104	3 486	1 618	
Compensation of employees	1 778	2 009	(231)		2 038	2 061	(23)	
Goods and services	11 668	11 403	265		3 066	1 425	1 641	
Transfers and subsidies	-	-	-		9 000	9 000	-	
Departmental agencies and accounts					9 000	9 000	-	
Total	13 446	13 412	34		14 104	12 486	1 618	

Strategy to overcome areas of under performance

Ref No	Variance explanation	Root cause	Remedial action	Timelines
CA6	The supply of digital equipment to MBTC and EL Guild Theatre could not be achieved due to the fact that it is a highly technical.	Services providers including SITA and those that are pre-authorised to provide similar services could not assist with efforts to secure these services.	The project will be implemented through the targeted institutions for them to procure the equipment and services on their own. The department has assigned a project manager and will closely monitor the project.	December 2022

Sub-programme 2.2: Arts and Culture

Sub-programme 2.2: Arts and Culture								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Increased access in sport, recreation, arts, culture and heritage institutions	Community Festivals Supported	CA7: Number of Hybrid Community Festivals Supported	0	1	13	14	1	The Maskhandi Music festival was not planned for the year under review but added due to a special request by artists
	Community art centres resourced	CA8: Number of community art centres resourced	New indicator	16	11	11	-	No deviation
Increased quality skills and job opportunities	Job opportunities offered	CA9: Number of job opportunities offered through arts, culture and heritage programmes	New indicator	35	198	210	12	More job opportunities created due to the hosting of additional Maskhandi Music festival
Increased quality skills and job opportunities	Practitioners benefiting from capacity building opportunities	CA10: Number of practitioners benefitted from capacity building opportunities	390	513	958	837	-121	Two film workshops were cancelled due to alignment with revised service delivery document
	Artists placed in schools per year	CA11: Number of artists placed in schools per year	New indicator	42	45	40	-5	There was reduction on the number of artists allocated for the province by DSAC
Increased access in sport, recreation, arts, culture and heritage institutions	Sector plans reviewed	CA12: Number of sector plans reviewed	New indicator	New indicator	3	0	-3	Film, craft, and music sector plans were not completed in 2021.
Increased access in sport, recreation, arts, culture and heritage institutions	Collaborative transformation	CA13: Number of Arts and Culture Institutions funded for collaborative transformation	5	5	5	4	-1	A transfer to ECAVC was withdrawn by the department

Linking performance with budgets

Sub-programme expenditure

Sub-programme 2.2: Arts and Culture Economic classification	2021/22			2020/21		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ under expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ under expenditure R'000
Current payments	45 205	45 184	21	47 730	47 291	439
Compensation of employees	37 920	37 921	(1)	41 526	41 290	236
Goods and services	7 285	7 263	22	6 204	6 001	203
Transfers and subsidies	59 247	59 392	(145)	40 817	40 817	-
Departmental agencies and accounts	36 120	36 120	-	11 120	11 120	-
Departmental agencies (non-business entities)	36 120	36 120	-	11 120	11 120	-
Non-profit institutions	22 324	22 324	-	28 617	28 617	-
Households	803	948	(145)	1 080	1 080	-
Payments for capital assets	787	636	151	690	561	129
Machinery and equipment	787	636	151	690	561	129
Total	105 239	105 212	27	89 237	88 669	568

Strategy to overcome areas of under performance

Ref. No	Variance explanation	Root cause	Remedial action	Timelines
CA10	Two film workshops were cancelled due to alignment with revised service delivery document	Under the new service delivery model, film related programs have been removed and taken to ECPACC. Also, the affected district was informed by the local municipality that budget for the planned workshop was taken due to Covid 19 cuts, the planned workshop was cancelled	Film related activities in the new Operational plan of the department have been shifted to ECPACC for implementation. Districts workshops are planned without involving the municipal budget unless it is confirmed in writing by the partnering municipality	April 2022
CA11	There was reduction on the number of artists allocated for the province by DSAC	During Covid all artists allocation in all provinces have been reduced from 45 to 38. Eastern Cape is the only province with 40 for now.	The number allocation in the Operational plan has been corrected to 40 for 2022 financial year	April 2022
CA12	Film, craft, and music sector plans were not completed in 2021.	The consultation process was delayed due to Lockdown regulations during the third quarter	The music sector plans will be approved in the next financial year	December 2022
CA13	A transfer to ECAVC was withdrawn by the department	The institution had management challenges. It could not report for performance and account for the funds allocated by the department	The transfer has been suspended by DSRAC, the institution was informed formally, and the function delegated to another institution.	April 2022

Sub-programme 2.3: Museum Services

Sub-programme 2.3: Museum Services								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Transformation of linguistic and heritage landscape (with bias towards indigenous languages)	Creation of excellence, enhancing platforms and marketing opportunities	CA14: Number of museum institutions supported through subsidies	17	17	19	17	-2	Board of trustees could not be appointed due to inadequate quality of nominations from the public
	Creation of excellence, enhancing platforms and marketing opportunities	CA15: Number of museums targeted for transformation through exhibitions	New indicator	1	2	1	-1	Exhibition put on hold as funds were redirected to support restoration of Alfred Nzo Museum at Emaxesibeni
	Creation of excellence, enhancing platforms and marketing opportunities	CA16: Number of communities benefiting from advocacy programmes	New indicator	16	30	37	7	Projects from Chris Hani District were erroneously omitted from the APP and AOP
	Creation of excellence, enhancing platforms and marketing opportunities	CA17: Number of existing partnerships and or agreements serviced	0	0	2	2	0	No deviation
	Museums refurbished	CA18: Number of museums refurbished	0	0	3	1	-2	Refurbishment of Fort Beaufort and Uitenhage Museums took longer than anticipated

Linking performance with budgets

Sub-programme expenditure

Sub-programme 2.3: Museum Services		2021/22			2020/21		
		Final Appropriation	Actual Expenditure	(Over)/ under expenditure	Final Appropriation	Actual Expenditure	(Over)/ under expenditure
Economic classification		R'000	R'000	R'000	R'000	R'000	R'000
Current payments		78 380	78 258	122	72 361	68 381	3 980
Compensation of employees		77 189	77 088	101	70 489	68 162	2 327
Goods and services		1 191	1 170	21	1 872	219	1 653
Transfers and subsidies		12 599	12 721	(122)	7 227	7 350	(123)
Non-profit institutions		12 174	12 174	-	7 227	7 227	-
Households		425	547	(122)	-	123	(123)
Payments for capital assets		14 842	14 842	-	8 930	1 937	6 993
Buildings and other fixed structures		14 842	14 842	-	8 930	1 937	6 993
Total		105 821	105 821	-	88 518	77 668	10 850

Strategy to overcome areas of under performance

Ref. No.	Variance explanation	Root cause	Remedial Action	Timelines
CA14	Boards of Trustees could not be appointed due to inadequate quality of nominations from the public.	It took time to get nominations of suitably qualified members of the public to serve as members of Boards of Trustees for Ingquza Hill and Alfred Nzo Museums. The process delayed as applications received did not meet the grade.	Process to get credible members to serve as board members was accelerated and will be appointed in April 2022.	April 2022
CA15	Exhibition was put on hold as funds were redirected to support restoration of Alfred Nzo Museum at Emaxesibeni	Alfred Nzo Museum was vandalized during Covid-19 lockdown and there were no funds to restore the damage	Exhibition will be done in the 2023/24 financial year	April 2023
CA18	Refurbishment of Fort Beaufort and Uitenhage Museums took longer than anticipated	Conflicts between contractors and local business forums delayed execution as these needed to be resolved	Social facilitation will be strengthened to ensure contractors work better with local business forums on issues of employment of locals and their labour costs	June 2022

Sub-programme 2.4: Heritage Resource Services

Sub-programme 2.4: Heritage Resource Services								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Transformation of linguistic and heritage landscape (with bias towards indigenous languages)	Communities benefitted from advocacy programmes	CA19: Number of communities benefitted from advocacy programmes	New Indicator	24	53	65	8	Projects from Chris Hani District were erroneously omitted from the APP and AOP
Transformation of linguistic and heritage landscape (with bias towards indigenous languages)	Resistance and Liberation and Heritage Route sites developed	CA20: Number of Provincial of the Resistance and Liberation and Heritage Route sites (RLHR) developed and managed (Sector Indicator)	New Indicator	2	2	2	0	No deviation
	Standardised place names	CA21: Number of heritage institutions supported to standardise place names.	New Indicator	1	1	1	0	No deviation
	Human remains exhumed, repatriated and reburied	CA22: Number of human remains exhumed, repatriated and reburied	2	2	1 ³	0	-1	NPA Missing Persons Task Team (MPTT) experienced challenges on exhumation
Increased quality skills and job opportunities	Job opportunities offered	CA23: Number of job opportunities created through Arts, Culture, and Heritage	New indicator	5	25	34	9	More local service providers benefited from roll out of heritage programmes

³ Target was adjusted from 4 to 1 due to policy changes

Sub-programme 2.4: Heritage Resource Services							
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	** Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022
		programmes (Sector Indicator)					
Transformation of linguistic and heritage landscape (with bias towards indigenous languages)	Heritage institutions supported	CA24: Number heritage institutions supported through transfers	1	1	1	1	No deviation

Linking performance with budgets

Sub-programme expenditure

Sub-programme 2.4: Heritage Resource Services	2021/22			2020/21		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/under expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/under expenditure R'000
Economic classification						
Current payments	14 530	13 603	927	16 437	16 061	376
Compensation of employees	10 385	10 146	239	12 944	12 617	327
Goods and services	4 145	3 457	688	3 493	3 444	49
Transfers and subsidies	4 000	4 000	-	2 000	2 046	(46)
Departmental agencies and accounts	4 000	4 000	-	2 000	2 000	-
Households					46	(46)
Payments for capital assets	1 120	971	149	310	286	24
Machinery and equipment	20	-	20	33	10	23
Heritage Assets				277	276	1
Total	19 650	18 574	1 076	18 747	18 393	354

Strategy to overcome areas of under performance

Ref. No	Variance explanation	Root cause	Remedial Action	Timelines
CA22	NPA Missing Persons Task Team (MPTT) experienced challenges on exhumation	NPA MPTT opened the graves that had been pointed out to be containing remains of local political activities only to discover discrepancies in terms of gender and age	NPA MPTT will open more graves to locate the remains while at the same time conducting DNA examination and analysis	June 2022

Sub-programme 2.5: Language Services

Sub-programme 2.5: Language Services								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Transformation of linguistic and heritage landscape (with bias towards indigenous languages)	Literary Development Programmes conducted	CA25: Number of Literary Development Programmes conducted to give effect to multilingualism	-	4	5	5	0	No deviation
	Previously marginalised indigenous languages, and sign languages.	CA26: Number of projects which are in keeping with Legislative mandate of advancing multilingualism.	-	3	3	3	0	No deviation
	Language regulations implemented	CA27: Number of projects in support of language regulations implemented	-	1	3	2	-1	Government departments did not submit reports on Language Regulation requirements.
	Community Conversations/dialogues held	CA28: Number of Provincial Community Conversations/dialogues held to foster social interaction/conducted (Sector indicator)	-	7	4	4	0	No deviation
	Indigenous languages promoted	CA29: Number of Indigenous languages (isiXhosa) included in the Departmental (DSRAC) official correspondence.	-	-	1	1	0	No deviation
	Social cohesion strategy approved and implemented	CA30: Number of programmes in support of Social Cohesion strategy implemented	-	-	5	5	0	No deviation

Linking performance with budgets

Sub-programme expenditure

Sub-programme 2.5: Language Services	2021/22			2020/21		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ under expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ under expenditure R'000
Economic classification						
Current payments	4 455	4 289	166	4 873	4 877	(4)
Compensation of employees	3 671	3 550	121	4 166	3 984	182
Goods and services	784	739	45	707	893	(182)
Transfers and subsidies	-	9	(9)	-	-	-
Households	-	9	(9)	-	-	-
Total	4 455	4 298	157	4 873	4 877	(4)

Strategy to overcome areas of under performance

Ref. No	Variance explanation	Root cause	Remedial action	Timelines
CA27	Government departments did not submit reports on Language Regulation requirements.	Government Departments do not attend the Eastern Cape Provincial Language Forum meetings, and this has led to them not submitting reports.	A provincial circular citing non-compliance, signed by HOD will be prepared.	30 June 2022

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Sector or standardised indicators have been reported accordingly – no deviation

Reporting on the Institutional Response to the COVID-19 Pandemic

Not applicable

Table: Progress on Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/ District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A



PROGRAMME 3

LIBRARY AND

ARCHIVES SERVICES

3.3 Programme 3: Library and Archives Services

The programme is aimed at promoting access to information, developing and sustaining a reading culture, regularizing good records keeping and preservation of provincial heritage and social memory. It consists of the following 3 sub-programmes: -

- Management: to translate policies and priorities into strategies for effective service delivery and to manage, monitor and control performance.
- Library services: to render public library support services to the libraries of local authorities.
- Archives services: to provide effective archives services and records management

List of outcomes to which Programme 3 contributes

- Compliant and responsive governance
- Increased quality skills and job opportunities
- Improve access to information/utilisation of libraries

Summary of achievements towards set outputs

Enhancing Governance and Demonstrating impact:

On the targeted policies with the aim to regularise the environment for archival services and records management the Provincial Archives & Records Services Procedure Manual and the Procedure manual on disposal of Records have been approved.

Effective impact measurement tools and outcomes enable informed decisions and alignment of services with the needs of **the community. For communicating impact, role and relevance of today's libraries and Archives, the Department has** managed to establish and support the 1st Eastern Cape Library Council and Eastern Cape Archives Council. This has enabled the Department to have insight on the role libraries and Archives have on communities and their needs thereof.

This service cannot be provided in a vacuum, partnerships and collaborations should be formed and enhanced with other relevant stakeholders. A long-lasting collaboration has been developed with the Department of Education. A formalised agreement has been initiated with the Department of Education, and the partnership will secure accessibility of libraries as some libraries are placed within school premises.

Advancing access to information and resources: - This focuses on enhancing equitable public access to all types of information and tools. Libraries bridge the physical and digital worlds, connecting people with each other, and with the knowledge, ideas and resources they require to be successful. Libraries that are responsive to the information needs of the multiple users are therefore needed in all communities. This has been demonstrated by provision of library material and concentrating on the stock gaps that talk to provision of material prioritising indigenous languages – Xhosa, Sesotho and Afrikaans.

Also, to enhance access to information, internet service, printing services are continuously being maintained. The introduction of an e-lending service has allowed communities to access books electronically (eBooks). Membership is sitting around 8000 and is gradually increasing. This has increased flow of people utilising libraries for various reasons. Access to libraries is over performing by 153 000 from the planned target of 201 000. The diversity of services being provided is evident.

Building capacity which encompasses trainings and staff employment has always been a key element in the provision of library services. Through provision of SLIMS as a library system to 35 libraries and training of librarians thereof on the system has built capacity as these libraries will move away from using a manual system. Other trainings that have been provided are report writing and supervisory. These will assist in efficient administration of libraries.

Besides enormous challenges with funding and staffing, the department has managed to appoint 183 contract posts to permanent posts. A call for empowering people and educating nations, and the importance of an educated nation has often been raised. An initial exercise to determine vacancies in libraries has been done and costed. This will allow full staff complement in libraries. Appointments will ensure effective provisioning of the service.

Despite challenges with funding to support municipalities on providing library services, the department has been able to transfer funds to all municipalities. This has enabled some municipalities to pay salaries and run awareness programmes. This is strengthening the relations between Department and local government and has encouraged resource sharing.

Specific services and materials have been provided for those users with special needs who cannot, for whatever reason, use the regular services and materials. A transfer has been done to the South African Library for the Blind to support people living with visual impairment.

Infrastructure development plays a key role in fostering connected communities through providing access and improved **access to libraries. The Department is busy with construction of Cookhouse Library, upgrading of Jeffery's Bay and Fort Beaufort libraries.** Further access is being provided by provision of a modular library in Mpendla AA and initiating procurement of a modular library in Mango AA. This goes to show that libraries are key to community development and must be enjoyed by all.

There are awareness programmes that have been implemented. These have played a great role in attracting more users to the libraries. The introduction of book club programme has yielded positive results as learners improve in their academic performance. These programmes are aimed at encouraging the love for reading.

Archives Services

Compliance with Legislative Mandate

Monitoring compliance with records management practices for records in the custody of governmental bodies was conducted and technical support provided to 8 governmental bodies namely: Inxuba Yethemba, Walter Sisulu, Engcobo, **Senqu, Raymond Mhlaba and Senqu LM's, DRDAR and Amathole DM.** **Operational Certificates were issued for Metrofile,** a private institution, in Gqeberha and East London.

Disposal Authorities

The department has issued disposal authorities for transfer of records from the Alexandria Magistrates Court to the Gqeberha archives repository. To implement a systematic disposal programme, freeing valuable space of ephemeral records and ensuring procedural disposal of public records, 3 Disposal Authorities were issued for Destruction of non-archival records for Mbashe LM, the Office of the Premier and the Department of Public Works and Infrastructure.

Promotion of Access to Archival Records

For the period under review there was an unusual request for a visit from the British Broadcasting Corporation (BBC) to film a documentary on a case of a former policeman and security guard who was also known as "The Apartheid killer" by the media. He was convicted for the murder and assassination of blacks between 1986 and 1990. The request is still being processed for approval of this project and the BBC crew and the researcher may be granted permission, when necessary, processes and interventions have been dealt with. The permission when granted will help the Eastern Cape Provincial Archives and Records Service on its awareness quest Nationally and Internationally as the researcher will cite it as a reference source of information.

There was a higher number of requests received for divorce decrees and settlements for the registering of bonds and pensions.

Preservation of Archival Records

The Provincial Archives and Records Service transfers of the TLC era from Chris Hani District Municipality. The documents are of importance as they include information regarding ownership and lease of properties, Council Resolutions, Land usage and registration of businesses in Queenstown (Komani). The year covered by the records is between 1990 to 2000.

Processing of archival records through arrangement and description of is still on course. Inventories of the Bhisho High Court, Chiefs and Headmen and illiquid Cases of Supreme Court of South Africa were updated.

The department conducted an oral history project and developed an exhibition on the contribution of Charlotte Maxeke to the history of South Africa.

Awareness of archives services and promotion of National Symbols was conducted in schools at Elundini -Alfred Nzo DM and Kariega-Nelson Mandela Metro

Digitisation of Archival Records

The department has initiated procurement processes for project management services for the digitisation of archival records. Movable bulk filers were procured for Mthatha archives in preparation to support records for digitisation. Eastern Cape archival groups in the Western Cape holdings were analysed as a desktop exercise. Fourteen (14) linear metres land allotments were arranged and described, four (4) linear metres of Tribal Authorities, twenty-nine (29) linear metres of Church and school sites as well as one hundred and sixty-five (165) linear metres of chiefs and headmen in preparation of records for digitisation.

Outcomes, outputs, output indicators, targets, and actual achievements

Sub-programme 3.1: Management

Sub-programme 3.1: Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Compliant and responsive governance	Enhancing governance and demonstrating impact	LAS1: Number of library and archives services policies developed	1	3	2	2	0	No deviation
	Provincial structures supported	LAS2: Number of Provincial structures supported	7	1	2	2	0	No deviation
	Partnerships established	LAS3: Number of partnerships established	-	0	1	0	-2	Strategic meetings could not sit with identified departments due to their challenges and this caused delays in the finalisation of the partnership.

Linking performance with budgets

Sub-programme expenditure

Sub-programme 3.1: Management	Final Appropriation	Actual Expenditure	(Over)/ under expenditure	Final Appropriation	Actual Expenditure	(Over)/ under expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	1 791	1 596	195	2 007	1 830	177
Compensation of employees	1 780	1 574	206	1 958	1 791	167
Goods and services	11	22	(11)	49	39	10
Total	1 791	1 596	195	2 007	1 830	177

Strategy to overcome areas of under performance

Ref No	Variance explanation	Root cause	Remedial action	Timelines
LAS3	Strategic meetings could not sit with identified departments due to their challenges and this caused delays in the finalisation of the partnership.	Delays were due to unforeseen circumstances that hindered follow up meetings to sit.	Gathering information from the meeting that sat, a draft MOA has been developed and forwarded to the Department identified for input.	June 2022

Sub-programme 3.2: Library Services

Sub-programme 3.2: Library Services								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved access to information/ utilisation of libraries	Fostering connected communities: advancing access to information and resources	LAS4: Number of community members accessing public library services	476913	20858	201200 ⁴	354368	153168	Communities showed positive response to opening of libraries after they had been closed.
	Fostering connected communities: advancing access to information and resources	LAS5: Number of Public Libraries accessing Digital e-lending service	-	9	60	25	-35	Fewer libraries registered on the E-lending platform due to power cuts and instability of the network
	Fostering connected communities: advancing access to information and resources	LAS6: Number of public libraries provided with library material	122	61	58	80	22	Last financial year's shortfall was rectified, and more delivery done to libraries
Increased quality skills and job opportunities	Staff employed	LAS7: Number of staff employed	-	-	12	0	-12	There was a limited number in the granted approval and appointments were put on hold
	Library staff trained	LAS8: % of the total library staff trained (230 being the total)	-	-	10%	30%	20%	Training on SLIMS was added in-year to address the rising demand from librarians
Improved access to information/ utilisation	Library and Archives institutions supported	LAS9: Number of institutions supported	32	34	34	34	0	No deviation

⁴ Target adjusted from 68 300 to 201 200.

Sub-programme 3.2: Library Services								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	** Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Number of libraries		through subsidies						
	ICT infrastructure and systems software improved	LAS10: Number of libraries with improved ICT infrastructure and systems software	-	100%	35	35	0	No deviation
Improved access to information/ utilisation of libraries	library institutions supported	LAS11: Number of library institutions supported with COVID-19 and disinfection	-	110	207	187	-20	Non-provision of PPEs to public libraries owing to vandalism and staff shortage.
	Fostering connected communities; advancing access to information and resources	LAS12: Number of newly built modular and/or libraries supported financially per year (Sector indicator)	-	-	2	1	-1	Reprioritisation of budget for maintenance delayed procurement of Mango Modular library
	Reading programmes implemented	LAS13: Number of reading programmes implemented	-	3	7	7	0	No deviation

Linking performance with budgets

Sub-programme expenditure

Sub-programme 3.2: Library Services	2021/22			2020/21		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ under expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ under expenditure R'000
Economic classification						
Current payments	106 647	103 881	2 766	106 130	97 953	8 177
Compensation of employees	80 635	80 459	176	90 075	85 904	4 171
Goods and services	26 012	23 422	2 590	16 055	12 049	4 006
Transfers and subsidies	80 259	80 259	-	76 708	76 595	113
Provinces and municipalities	73 908	73 908	-	73 908	73 908	-
Non-profit institutions	2 000	2 000	-	2 000	2 000	-
Households	4 351	4 351	-	800	687	113
Payments for capital assets	45 955	34 684	11 271	9 394	8 279	1 115
Buildings and other fixed structures	41 761	30 642	11 119	8 369	7 474	895
Machinery and equipment	4 194	4 042	152	1 025	805	220
Total	232 861	218 824	14 037	192 232	182 827	9 405

Strategy to overcome areas of under performance

Ref. No	Variance explanation	Root cause	Remedial action	Timelines
LAS5	Fewer libraries registered on the E-lending platform due to power cuts and instability of the network	National rolling blackout/rotational load shedding	Develop and monitor implementation of a catch-up plan in the following year	September 2022
LAS7	There was a limited number in the granted approval and appointments were put on hold	Failure to prioritise critical vacant posts due to competing priorities.	Review the annual recruitment plan by prioritising critical vacant posts.	September 2022
LAS11	Non-provision of PPEs to public libraries owing to vandalism and staff shortage.	Ignorance on the importance of library service. There was a limited number in the granted approval and appointments were put on hold	Strengthen awareness programmes and prioritise critical vacant posts within libraries	June 2022
LAS12	Reprioritisation of budget for maintenance delayed procurement of Mango Modular library	Vandalism of cultural facilities during lockdown period.	Review infrastructure maintenance plan to fast track procurement of library facilities. Mango Modular library included.	September 2022

Sub-programme 3.3: Archives

Sub-programme 3.3: Archives								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved access to information/ utilisation of libraries	Community members accessing archives facilities	LAS14: Number of community members accessing archives services	-	356	600	656	56	Unanticipated increase in the number of requests for divorce decrees for pension settlements and registration of bonds
	archival records digitised	LAS15: % of archival records digitised in phases	-	20%	20%	0	-20%	The actual digitisation has not taken off the ground owing to the delay in the appointment of project management team
Improved access to information/ utilisation of libraries	Fostering connected communities: advancing access to information and resources	LAS16: Number of districts benefitted from the advocacy and marketing programmes	-	3	3	3	-	No deviation
	Governmental bodies receiving records management focused	LAS17: Number of governmental bodies receiving records management focused supported	19	25	14	20	6	There were requests from institutions that were not targeted
	Oral history projects undertaken	LAS18: Number of Oral history projects undertaken.	-	1	1	1	0	No deviation
	Disposal authorities issued	LAS19: Number of disposal authorities issued	23	100%	15	19	4	There were requests from institutions that were not targeted

Sub-programme 3.3: Archives								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Improved access to information/ utilisation of libraries	Records received and processed	LAS20: Number of records received and processed for transfer to the archives	32	34	7	6	-1	There were delays in the transfer of records by the governmental body, after the authority to transfer was granted
	Archival inventories compiled and updated	LAS21: Number of archival inventories compiled and updated	5	5	6	6	0	No deviation
	Practitioners benefitted from accredited capacity building	LAS22: Number of practitioners benefitted from capacity building opportunities	29	16	15	25	10	There was a high demand for a refresher course on arrangement and description
	Archival infrastructures designed	LAS23: Number of archival infrastructures assessed	-	-	1	0	-1	There were delays in the appointment of consultants for designs

Linking performance with budgets

Sub-programme expenditure

Sub-programme 3.3: Archives	2021/22			2020/21		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ under expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ under expenditure R'000
Economic classification						
Current payments	16 478	16 380	98	17 502	16 114	1 388
Compensation of employees	13 171	13 171	-	13 654	14 067	(413)
Goods and services	3 307	3 209	98	3 848	2 047	1 801
Transfers and subsidies	338	338	-	-	30	(30)
Households	338	338	-	-	30	(30)
Payments for capital assets	2 543	1 067	1 476	2 060	33	2 027
Buildings and other fixed structures	1 200	-	1 200	50	-	50
Machinery and equipment	1 343	1 067	276	2 010	33	1 977
Total	19 359	17 785	1 574	19 562	16 177	3 385

Strategy to overcome areas of under performance

Ref. No	Variance explanation	Root cause	Remedial Action	Timelines
LAS15	The actual digitisation has not taken off the ground owing to the delay in the appointment of project management team	Human resource capacity challenges within the archives section	Review the annual recruitment plan and prioritise critical vacant posts	September 2022
LAS 20	There were delays in the transfer of records by the governmental body, after the authority to transfer was granted	Costly paper-based system encountered by governmental bodies	Use of digital management methods/forms of business communication	November 2022
LAS23	There were delays in the appointment of consultants for designs.	Protracted nature of procurement processes	Review procurement processes to meet service delivery demands.	September 2022



PROGRAMME 4

SPORT AND RECREATION

3.4 Programme 4: Sport and Recreation

The sport and recreation programme is aimed at the promotion, development and coordination of sport and recreation strategies in the province. It consists of the following 4 sub-programmes

- Management: To translate policies and frameworks into strategies for effective service delivery and to manage, monitor and control the overall performance of the programme.
- Sport development: To support and develop structured sport programmes through competitions, capacity building, high performance scientific support services to advance excellence in sport in collaboration with sport confederation, national academy system and sport federations
- Recreation development: To provide sustainable recreation and mass participation programmes to create opportunities to all communities across the age spectra to live a healthy and active lifestyle.
- School Sport: To focus on Provincial school sport team delivery, inter-provincial school sport competitions as well as to promote active mass participation of all learners that will lead to identification of talented athletes for a sustainable sport and recreation environment

List of outcomes to which Programme 4 contributes

- Compliant and responsive governance
- Increased access in sport, recreation, arts, culture and heritage institutions
- Increased quality skills and job opportunities
- Globally competitive participation and excellence in sport, arts and culture

Summary of achievements towards set outputs

In the period under review the Sport and Recreation Branch engaged into servicing of the following partnerships:

- Department of Education (DoE): – Planning and Rolling out of School Sport programmes from districts to provincial level as outlined in the 2021/22 Business Plan. Strategic meetings were held to give direction and synergy in the rolling out of programmes. The collaboration agreement was drafted at National level and the process is still to cascade to Provincial level.
- Multi-Choice – Through the partnership with Multichoice a combi court to a value of R2.6 million was built at Mqikela High School in Lusikisiki. During the official opening activities were organised and prominent sports people from Springboks and Proteas Netball were invited to motivate the learners.
- Eastern Cape Parks and Tourism Agency (ECPTA): - The department signed an agreement with ECPTA and subsequently a PGA Golf Tournament was jointly hosted in Tsitsikamma.

The Sport and Recreation started a process of developing three governance frameworks in line with the National frameworks.

- Club Development Framework – During the period under review the department initiated a process to develop a framework by collecting club profiles and consulting relevant stakeholders. However, the process could not be completed owing to the completion of the national club development framework.
- Women in Sport Policy – The province participated in the process driven by the national department, DSAC. Provincial inputs were submitted to the national department and the province was dependant on the completion of the national policy for her to have a provincial policy.
- Hub profiles – all eight districts conducted hub profiling and the information was being used for monitoring and future planning. 120 hubs were service in the period under review.

Sport Development

As much the fact that transformation is the competency of the Sports Confederation thus this indicator shall have to form part of the funding categories in the SLA in the next financial year. The sub directorate manage to meet all 5 identified federations (athletics, football, netball, rugby and cricket) with some resistance from others like athletics, annual target was overachieved because cricket gave a score card of more than 80% on transformation as per the EPG Report.

- The 2022/23 SLA between ECSC and DSRAC shall cover this aspect and monitoring mechanisms will be put in place for a better product and reflection.
- A substantial number of women coaches, referees and technical officials were trained during the year under review even though some had to withdraw in the 11th hour due to other commitments that were beyond their control. All courses organised either by the academies or for the federations always have a fair percentage of Women attendees and during 2022/23 financial year, a special focus shall be towards netball capacity building programmes as South Africa will be hosting the 2023 Netball World Cup in Cape Town.
- Women Sport Policy finalisation process will also be carried over to the next financial year as this is work in progress as the two aspects will be hosted and revitalised:
 - Women is sport international seminar with the Lower Saxony facilitators
 - Women Commission through the Eastern Cape Sports Confederation
- Strides have been reached by allocating a sum of R 6 323 000 to South African Rugby Union (SARU) as an intervention strategy to support Border Rugby Union for National participation and good governance. The funding assisted Border Rugby Union teams to participate in the 2021 Inter-Provincial competitions for Bulldogs Senior and U/20 Teams. The participation afforded Junior players an opportunity to be selected to participate in the Junior Rugby World Cup.
- The Eastern Cape Sports Confederation AGM proved to be a great success as the new leadership was elected and seamless hand over was done professionally as Steering Committee meetings between ECSC and Sport and Recreation were convened with no hassles.
- Some of the projects implemented by ECSC were successfully delivered under the guidance of sport development, such as: -
 - Support for national participation to federations amongst other - (Netball, MEC Charity Run, Boxing, Handball, SA Equestrian Showing Championships, Table Tennis National Championships and Cross-Country Championships
 - Super 14 Rugby Tournament)
 - Netball Legacy Tournament and Netball Fridays Launch
- It is a known fact that Covid-19 Pandemic caused havoc in our sport calendar as most participation had to be postponed or cancelled but the following were implemented: -
 - **Icon's journey marathon**
 - COSAFA Championships
- Women football national participation – Thunderbirds and City Lads who now represents our province at national level, the latter being promoted to participate in the SAFA Hollywood bets Super League.
- Netball Championships were hosted in the Western Cape with the unfortunate situation resulting into death to some of the O.R. Tambo team players and management through a Bus accident but despite all that, Nelson Mandela Bay Netball team managed to reach finals.
- Eastern Cape Open Boxing proves to bring back the glory days as their Boxers excelled in all National Championships organized under the banner of South African Boxing Organization (SANABO) under the new Executive who are really trying their best to go out and engage the corporate fraternity in sourcing funding rather than to depending entirely to Government.
- After a series of engagements between Boxing South Africa and DSRAC resulted into a sum of R 1 000 000 being transferred to BSA with sole intentions of Eastern Cape Professional Boxing Promoters to stage development tournaments in all four corners of the province.
- Unfortunately, the following Federations could not participate due to Covid-19 Lockdown Regulations: -
 - Heritage Rugby tournaments

- Amacal'egusha Cricket week
- Ngumbela Cricket week, this been engulfed by the passing on of the founder and main sponsor, Mr. Ngumbela through a car accident.
- Our department participated during the virtual signing of the Memorandum of Understanding between the State of Lower Saxony and Eastern Cape Government for strengthening of the cooperation arrangements to implement planned projects. After the MOU was signed, Lower Saxony Ministry of Internal Affairs and Sport, LandesSportBund and DSRAC developed a draft Joint Declaration of Intent that will be used as a reference when planning to implement their projects going forward.
- Due to Covid-19 Lockdown Regulations and Protocols Levels which resulted to international travel to be put on hold, all most all projects planned for 2021/22 had to be cancelled besides the following: -
 - Virtual International Women in Sport Seminar
 - Reverse Volunteers programme, as 5 Youth from our Province are doing voluntary work in Germany since November 2022 for a period of one year and has since been extended by the hosting Clubs with another 6 months. The Volunteers currently in Germany come from Rugby, Canoeing, Handball and Cricket.
- Most of the sport campaigns and events at Districts level were implemented with the challenges of some of them being postponed and cancelled.

Club Development

- There are two major deliverables under club development which are as follows: -
 - Clubs participating in local leagues
 - Clubs receiving equipment and or attire
- During the year under review, not all local leagues could be supported due to Covid-19 Pandemic as per the directives from various federations and as such the district offices who are directly involved had from time to time postpone and do catch-up whenever an opportunity is available.
- The July riots especially in KZN had an impact towards delivery of equipment as Joma Headquarters were also affected by the looting but managed to deliver the back order before the end of the financial year.
- Super 14 Rugby Tournament however is a success story under the circumstances as it was played up to the final **stages in collaboration with the Geneva Scholtz Women's Rugby** with a makeshift format as there was little women rugby played during this period.
- SABC came on board and televised most Super 14 Rugby matches and televised live Final between Progress and PE Harlequins with Progress being victorious whilst Fort Hare University won the Geneva Scholtz Women Rugby Tournament.

Recreation

During the 2021/22 financial year 201 active recreation programmes including indigenous games, traditional horse racing, fun run, aerobics, big walk, national recreation day, girl guides and scouts, senior citizens festivals, junior sport festivals and hub festivals were implemented to keep the communities active and to improve their lifestyle and wellbeing. Women **in recreation, move for health, sport against crime and children's day awareness** campaigns were also implemented across the province to create awareness about the importance of active lifestyle.

Under very difficult conditions, with covid still active, the Eastern Cape hosted a provincial indigenous game on the 21-22 August 2021 in East London to select a provincial team that was going to represent the province in the national indigenous games. A contingent of 85 (74 participants and 11 managers/coaches) participated in the national indigenous games that were held on the 21-29 September 2021 at Ethekwini in KZN.

The team was supported with a 2-day training camp which was held in Alfred Nzo, accommodation, transport, meals, step out gear, playing kit and medical services which included 4 medical personnel –1 Doctor, 1 Physiotherapist, 1 Paramedic and 1 Biokineticist. The team did their best and won a silver medal for Diketo (Puca) by Khanyile Maliwa from O.R. Tambo, a silver medal for Drie-Stokkies by Christian Delaraise from BCM, 2 Jukskei participants, Nomakhwezi

Hlomendlini and Andile Mathe both from Joe Gqabi district were identified as best participants and were awarded with gold medals. and 1 Jukskei coach, Zelna De Lange as the best coach

- During the 2021/22 financial year 21 210 people across the province actively participated in Recreation activities.
- A **National Youth Camp was held in Jeffery's Bay on the 10-14 December 2021.** This event was hosted in partnership with Love life, DoE, DSD, DoH and NYDA. 100 youth/ learners participated in the event. The learners were identified from the following schools:

District	Schools
Alfred Nzo	Mt Frere High and Mt Ayliff Secondary
Amathole	Pandulwazi High and Xollizwe Secondary
BCM	Ebenezer Majombozi High
Chris Hani	Clarkebury Secondary and Middeland High
Joe Gqabi	Bishop Demont Secondary and Sterkspruit Secondary
NMM	David Livingstone, Reubin Birin Special school, Hoer Cillier and Woolhope Secondary
OR Tambo	Qumbu Village and Zimele Secondary
Sarah Baartman	Hoer Volksskool, Pearston High, Ntsika High and Jeffreys bay Comprehensive

Spatial referencing for the 100 participants was as follows:

Male	Female	Disability	Race				TOTAL
			White	Black	Coloured	Indian	
42	58	5	14	55	25	6	100

10 jobs were created for 10 youth that were appointed as Stewards and they received a stipend of R3000 each. As part of the NYC programme 2 schools, Sibamba Creche and Kate van Der Merwe, were cleaned, painted and had vegetable gardens developed through a community Outreach programme.

Four (4) schools, Pellsrus Primary, Makukhanye Primary, Jeffery's Bay Primary and Jeffery's Bay High were provided with sport and recreation equipment as a National Youth Camp legacy.

A Ministerial Outreach programme was held at Marambeni in O.R. Tambo on the 3 June 2021. The purpose was to hand over to the community a multi-purpose facility that was built by DSAC in Marambeni Primary School, in O.R. Tambo District. The facility was officially handed over by the national department. 10 schools and 10 clubs in O.R. Tambo also received equipment and attire on the day.

Another Ministerial Outreach programme was held on the 16 March 2022 in Esiphaqeni in O.R. Tambo. The purpose was to hand over Netball combi-courts facility. The programme was linked to the gender-based violence week that was held in Lusikisiki on the 14 – 18 March 2022. The facility was officially handed over. 10 schools and 10 clubs from Esiphaqeni were provided with equipment and attire on the day.

School Sport

There has been a very low turnout in participation and as a result the province did not meet the district participation target. The reason is that for the better part of 2021/22 financial year schools were not allowed to participate in sport that meant we did not have winter codes and indigenous games eliminations at district level,

In September, it was indicated that the children could play, after consultation with Department of Education it was decided that the summer games at a national level would go ahead. This resulted in the district, provincial and national participation. However, because of time constraints the decision was taken that there would be no eliminations but trials. The districts had to hand pick top athletes to the province, thus affecting the target dismally for both provincial and district participation.

The only return to play period was during the fourth quarter of the financial year under review, that meant we had full contingent of athletics both primary and high school, district, provincial and national. Overall, the province became number 6 in the national competition, as well as participated in the swimming national competition.

Outcomes, outputs, output indicators, targets and actual achievements

Sub-programme 4.1: Management

Sub-programme 4.1: Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	** Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Increased access in sport, recreation, arts, culture and heritage institutions	Advocate for transformation in Sport and Recreation	S&R1: Number of Sport and Recreation Partnerships Serviced	-	1	3	3	-	No deviation
	Improved governance and accountability	S&R2: Sport and Recreation governance frameworks in place and implemented	-	-	3	1	-2	Due to the National Department processes in which we participated regarding the development of the Club Development framework and the Women in Sport Policy, which could not be completed. The Provincials frameworks ended at draft stage.
	Advocate for transformation in Sport and Recreation.	S&R3: Number of Sport and Recreation institutions complying with signed agreements	-	-	2	2	0	No deviation

Linking performance with budgets

Sub-programme expenditure

Sub-programme 4.1: Management Economic classification	2021/22			2020/21		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/under expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/under expenditure R'000
Current payments	3 364	3 488	(124)	2 533	2 323	210
Compensation of employees	3 270	3 261	9	2 411	2 283	128
Goods and services	94	227	(133)	122	40	82
Total	3 364	3 488	(124)	2 533	2 323	210

Strategy to overcome areas of under performance

Ref No	Variance explanation	Root cause	Remedial action	Timelines
S&R2	Due to the National Department processes in which we participated regarding the development of the Club Development framework and the Women in Sport Policy, which could not be completed. The Provincials frameworks ended at draft stage.	Delays by DSAC in completing their process and giving feedback so as to guide the Provincial frameworks.	The province will participate in the National Processes following on the Inputs already submitted.	June 2022

Sub-programme 4.2: Sport

Sub-programme 4.2: Sport								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Increased access in sport, recreation, arts, culture and heritage institutions	Advocate for transformation in Sport and Recreation.	S&R4: % of Sport and Recreation bodies meeting 50% of prescribed transformation charter	-	-	67%	70%	3%	
	Advocate for transformation in Sport and Recreation.	S&R5: Number of Women Trained as Coaches, Referees, Technical Officials and actively Coaching in Clubs and High-Performance Level	-	30	40	30	-10	Female participants did not attend the one combined training session as scheduled due to family and employment commitments
Increased access in sport, recreation, arts, culture, and heritage institutions	Promote sport and recreation benefits	S&R6: Number of Sport Development Interventions Supported	-	1	1	1	0	No deviation
Increased access in sport, recreation, arts, culture, and heritage institutions	Promote sport and recreation benefits	S&R7: Number of Sport and Recreation projects implemented by Eastern Cape Sport Confederation	-	-	5	3	-2	Not all district sport councils were supported and sport for disabled, Intellectually Impaired was suspended by the national federation.
Globally competitive participation and excellence in sport, arts and culture	Maximize individual success and sustainable team performance	S&R8: Number of Athletes supported by the sport Academies	446	216	300	264	-36	The Maclear Rugby Academy did not operate due to Covid 19 restriction under directive from the

Sub-programme 4.2: Sport								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
								Department of Basic Education. Cycling Hub Gqeberha was also withdrawn from the program by the Federation.
	Promote Sport and Recreation Benefits	S&R9: Number of sport and recreation bodies benefitting from excellence enhancing Programme			13	14	1	Federation supported as outstanding performance provided additional opportunities for competition
	Promote Sport and Recreation Benefits	S&R10: Number of Sport Development Programmes implemented by ECAS	-	2	3	3	0	No deviation
	Promote Sport and Recreation Benefits	S&R11: Number of people trained to deliver Academy Programmes			300 ⁵	362	62	Training programmes on digital platform increased access to training opportunities
Increased access in sport, recreation, arts, culture and heritage institutions	Transform Sport and Recreation sector	S&R12: Number of Disability Sport bodies supported for National participation	-	-	4	3	-1	The Intellectually Impaired Federation suspended participation of the sector for the year due to Covid 19 restrictions.
	Increase Sport and	S&R13: Number of	343	542	370	380	10	Volunteer's training

⁵ Target adjusted from 500 to 300

Sub-programme 4.2: Sport								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
	Recreation organizations capacity	Volunteers capacitated in coaching, technical officiating, and administration						increase when sport activities were permitted.
	Promote Sport and Recreation Benefits	S&R14: Number of Clubs participating in local leagues receiving equipment and or attire	170	265	176	165	-11	Sport equipment or attire was procured for identified clubs, however the delivery was delayed and changes to the identified beneficiaries.
	Maximize community engagement / strengthened interaction	S&R15: Number of Sport and Recreation promotion campaigns and events Implemented	-	2	61	51	-10	Sport competitions were suspended by various federations

Linking performance with budgets

Sub-programme expenditure

Sub-programme 4.2: Sport	2021/22			2020/21		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ under expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ under expenditure R'000
Economic classification						
Current payments	43 631	44 436	(805)	31 433	31 202	231
Compensation of employees	31 121	29 882	1 239	28 233	27 365	868
Goods and services	12 510	14 554	(2 044)	3 200	3 837	(637)
Transfers and subsidies	17 039	16 644	395	12 264	12 253	11
Departmental agencies and accounts	1 000	1 000	-	-	-	-
Non-profit institutions	14 823	14 823	-	11 247	11 236	11
Households	1 216	821	395	1 017	1 017	-
Payments for capital assets	1 116	702	414	2 480	791	1 689
Buildings and other fixed structures	621	227	394	1 700	196	1 504
Machinery and equipment	495	475	20	780	595	185
Total	61 786	61 782	4	46 177	44 246	1 931

Strategy to overcome areas of under performance

Ref No	Variance explanation	Root cause	Remedial action	Timelines
S&R5	Female participants did not attend the one combined training session as scheduled due to family and employment commitments	Female participants are obliged to prioritise family and employment commitments which are identified as the impediments for females to access the sport sector	Female participants in the sector to receive additional support and intervention to access the sport sector	December 2022
S&R7	Not all district sport councils were supported and sport for disabled, Intellectually Impaired was suspended by the national federation.	District sport council inactive due to challenges with elected executives. The national federations determined the return to play and related activities for all its members in provinces	Provide training for administration of sport clubs and district sport councils	December 2022
S&R8	The Maclear Rugby Academy did not operate due to Covid 19 restriction under directive from the Department of Basic Education. Cycling Hub Gqeberha was also withdrawn from the program by the Federation.	Suspension of sport activities under the directive of Department of Basic Education. Provincial Cycling Federation indicated that the structural arrangement and athlete preparation had to be adjusted due to Covid 19 restrictions on participation.	The Planning will consider the possibilities of Natural Disasters going forward.	December 2022
S&R12	The Intellectually Impaired Federation suspended participation of the sector for the year due to Covid 19 restrictions.	National Federations provided directive to members in the provinces on the level of activity and participation permitted for various sport codes under the national disaster act in response of the Covid 19 pandemic	The Planning will consider the possibilities of Natural Disasters going forward.	October 2022
S&R14	Sport equipment or attire was procured for identified clubs, however the delivery was delayed and changes to the identified beneficiaries.	The operation of sport clubs were limited in response to Covid 19 pandemic and return to play was delayed.	The Planning will consider the possibilities of Natural Disasters going forward.	October 2022
S&R15	Sport competitions were suspended by various national federations	National Federations provided directive to members in the provinces on the level of activity and participation permitted for various sport codes under the national disaster act in response of the Covid 19 pandemic	The Planning will consider the possibilities of Natural Disasters going forward.	October 2022

Sub-programme 4.3: Recreation

Sub-programme 4.3: Recreation								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Increased access in sport, recreation, arts, culture and heritage institutions	Maximize community engagement / strengthened interaction	S&R16: Number of Community Hubs Supported to enhance Participation	106	120	120	120	0	No deviation
	Maximize community engagement / strengthened interaction	S&R17: Number of Active recreation programmes implemented	-	-	214	201	-13	Sport and recreation activities suspended during the year at various instances.
	Maximize community engagement / strengthened interaction	S&R18: Number of People Actively Participating in organised sport and active recreation events	-	-	17 500	21 210	3 710	Target exceeded as activities were implemented in local communities and attracted large numbers.
	Maximize community engagement / strengthened interaction	S&R19: Number of Ministerial Outreach Programmes Conducted	1	1	1	2	1	Additional Ministerial project implemented
	Maximize community engagement / strengthened interaction	S&R20: Number of Youth participating at the National Youth Camp	-	-	200	100	-100	The number of participants for the National Youth Camp was reduced from 200 to 100 for all provinces by DSAC.

Linking performance with budgets

Sub-programme expenditure

Sub-programme 4.3: Recreation Economic classification	2021/22			2020/21		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ under expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ under expenditure R'000
Current payments	89 257	83 515	5 742	56 140	50 189	5 951
Compensation of employees	30 578	31 262	(684)	33 366	33 031	335
Goods and services	58 679	52 253	6 426	22 774	17 158	5 616
Transfers and subsidies	8 192	8 191	1	4 456	4 442	14
Non-profit institutions	7 677	7 677	-	4 371	4 371	-
Households	515	514	1	85	71	14
Payments for capital assets	1 614	1 607	7	501	430	71
Machinery and equipment	1 614	1 607	7	501	430	71
Total	99 063	93 313	5 750	61 097	55 061	6 036

Strategy to overcome areas of under performance

Ref No	Variance explanation	Root cause	Remedial action	Timelines
S&R17	Sport and recreation activities were suspended during the year at various instances by directive of the national disaster on Covid 19 restrictions	Directive in response to the Covid 19 compliance	The Planning will consider the possibilities of Natural Disasters going forward.	October 2022
S&R20	The number of participants for the National Youth Camp was reduced from 200 to 100 for all provinces by DSAC	DSAC reduced the number of participants due to Covid-19 pandemic.	Conditional Grant Annual targets will be adjusted immediately upon receipt of instruction notes.	October 2022

Sub-programme 4.4: School Sport

Sub-programme 4.4: School Sport								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	**Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Increased access in sport, recreation, arts, culture, and heritage institutions	Maximize community engagement / strengthened interaction	S&R21: Number of Schools registered to participate in school sport programme receive benefits	99	165	240	237	-3	Some schools did not submit the confirmation of receipt of equipment and/or attire
Increased access in sport, recreation, arts, culture, and heritage institutions	Maximize community engagement / strengthened interaction	S&R22: Number of School Sport Associations (SSA) receive assistance for the coordination of school sport programmes	-	9	16	14	-2	Basketball rescheduled their meetings within the province into the new financial year and Indigenous Games was suspended in schools
Increased quality skills and job opportunity	Maximize community engagement / strengthened interaction	S&R23: Number of school sport volunteers provided with professional development and career opportunities for working in schools with large, mixed ability groups of learners.	800	222	490	510	20	Volunteer's training increase when sport activities were permitted.

Linking performance with budgets

Sub-programme expenditure

Sub-programme 4.4: School Sport	2021/22			2020/21		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ under expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ under expenditure R'000
Economic classification						
Current payments	2 870	2 868	2	2 957	2 566	391
Compensation of employees	2 422	2 366	56	2 335	2 154	181
Goods and services	448	502	(54)	622	412	210
Transfers and subsidies	-	-	-	90	76	14
Households	-	-	-	90	76	14
Payments for capital assets	25	-	25	50	-	50
Machinery and equipment	25	-	25	50	-	50
Total	2 895	2 868	27	3 097	2 642	455

Strategy to overcome areas of under performance

Ref No	Variance explanation	Root cause	Remedial action	Timelines
S&R21	Some schools did not submit the confirmation of receipt of equipment and/or attire	Lack of oversight during the collection of PoE documents.	Strengthen performance information reviews	December 2022
S&R22	Basketball rescheduled their meetings within the province into the new financial year and Indigenous Games was suspended in schools	Directive in response to the Covid 19 compliance	2022/23 plans will cater for unforeseen circumstances and alternative plans.	December 2022

4. TRANSFER PAYMENTS

4.1 Transfer payments to public entities

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity (R'000)	Amount spent by the public entity (R'000)	Achievements of the public entity
Eastern Cape Provincial Arts and Culture Council	A transformative Fund Distribution Model developed and implemented	36 120	13 512	Targeted arts and culture Projects were funded.

4.2 Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2021 to 31 March 2022

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Amahlathi Local Municipality	Municipality	Library subsidy	Yes	1 200	1 200	N/A
Blue Crane Route Local Municipality	Municipality	Library subsidy	Yes	2 300	2 300	N/A
Buffalo City Metropolitan Municipality	Municipality	Library subsidy	Yes	15 870	15 870	N/A
Dr Beyers Naude Local Municipality	Municipality	Library subsidy	Yes	2 308	2 308	N/A
Elundini Local Municipality	Municipality	Library subsidy	Yes	750	750	N/A
Emlahleni Local Municipality	Municipality	Library subsidy	Yes	950	950	N/A
Engcobo Local Municipality	Municipality	Library subsidy	Yes	700	700	N/A
Enoch Mgijima Local Municipality	Municipality	Library subsidy	Yes	5 250	5 250	N/A
Great Kei Local Municipality	Municipality	Library subsidy	Yes	500	500	N/A
Ingquza Hill Local Municipality (Oukent)	Municipality	Library subsidy	Yes	800	800	N/A
Intsika Yelhu Local Municipality	Municipality	Library subsidy	Yes	500	500	N/A
Inxuba Yethemba Local Municipality	Municipality	Library subsidy	Yes	2 510	2 510	N/A
King Sabata Dalindyebo Local Municipality	Municipality	Library subsidy	Yes	1 750	1 750	N/A
Kouga Local Municipality	Municipality	Library subsidy	Yes	2050	2050	N/A
Kou-Kamma Local Municipality	Municipality	Library subsidy	Yes	1 300	1 300	N/A
Makana Local Municipality	Municipality	Library subsidy	Yes	4 000	4 000	N/A

Department of Sport, Recreation, Arts and Culture
Province of the Eastern Cape | Vote No. 14 | Annual Report
2021/22 Financial Year

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Matatela Local Municipality	Municipality	Library subsidy	Yes	650	650	N/A
Mbhashe Local Municipality	Municipality	Library subsidy	Yes	500	500	N/A
Mbizana Local Municipality	Municipality	Library subsidy	Yes	500	500	N/A
Mhlonito Local Municipality	Municipality	Library subsidy	Yes	550	550	N/A
Mquma Local Municipality	Municipality	Library subsidy	Yes	500	500	N/A
Ndlambe Local Municipality	Municipality	Library subsidy	Yes	2 750	2 750	N/A
Nelson Mandela Bay Metropol. Municipality	Municipality	Library subsidy	Yes	15 870	15 870	N/A
Ngqushwa Local Municipality	Municipality	Library subsidy	Yes	500	500	N/A
Ntbankulu Local Municipality	Municipality	Library subsidy	Yes	500	500	N/A
Nyandeni Local Municipality	Municipality	Library subsidy	Yes	700	700	N/A
Port St Johns Local Municipality	Municipality	Library subsidy	Yes	550	550	N/A
Sakhisizwe Local Municipality	Municipality	Library subsidy	Yes	500	500	N/A
Senqu Local Municipality	Municipality	Library subsidy	Yes	1 500	1 500	N/A
Sundays River Valley Local Municipality	Municipality	Library subsidy	Yes	1 200	1 200	N/A
Ray Mond Mhlaba Local Municipality	Municipality	Library subsidy	Yes	1 650	1 650	N/A
Umzimvubu Local Municipality	Municipality	Library subsidy	Yes	750	750	N/A
Walter Sisulu Local Municipality	Municipality	Library subsidy	Yes	2 000	2 000	N/A
Eastern Cape Academy of Sport	Sport organisation	Transfer funding	Yes	10 777	10 777	N/A
Eastern Cape Sport Council	Sport organisation	Transfer funding	Yes	10 723	10 723	N/A
Fort Hare Foundation	Non-Profit Organisation	Transfer funding	Yes	13 680	13 680	N/A
Grahamstown Foundation (National Arts Festival)	Cultural institution	Transfer funding	Yes	4 270	4 270	N/A
Guild Theatre	Cultural institution	Transfer funding	Yes	4 374	4 374	N/A
Opera House	Library institution	Transfer funding	Yes	2 000	2 000	N/A
SA Library for the Blind	Sport organisation	Transfer funding	Yes	6 323	6 323	N/A
South African Rugby Union	Cultural institution	Transfer funding	Yes	2 000	2 000	N/A
Albany Museum	Cultural institution	Transfer funding	Yes	2 500	2 500	N/A
Amathole Museum	Cultural institution	Transfer funding	Yes	160	160	N/A
Barkly Museum	Cultural institution	Transfer funding	Yes	2 500	2 500	N/A
Bayworld Museum	Cultural institution	Transfer funding	Yes			N/A

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Burgersdorp Museum	Cultural institution	Transfer funding	Yes	160	160	N/A
East London Museum	Cultural institution	Transfer funding	Yes	2 000	2 000	N/A
Fort Beaufort Museum	Cultural institution	Transfer funding	Yes	160	160	N/A
Graaff-Reinet Museum	Cultural institution	Transfer funding	Yes	514	514	N/A
Great Fish Museum	Cultural institution	Transfer funding	Yes	160	160	N/A
Middleburg Museum	Cultural institution	Transfer funding	Yes	160	160	N/A
Mhatha Museum	Cultural institution	Transfer funding	Yes	160	160	N/A
Our Heritage Museum	Cultural institution	Transfer funding	Yes	160	160	N/A
Somerset East Museum	Cultural institution	Transfer funding	Yes	160	160	N/A
Sterkstroom Museum	Cultural institution	Transfer funding	Yes	160	160	N/A
Queenstown and Frontier Museum	Cultural institution	Transfer funding	Yes	160	160	N/A
Uitenhage Museum	Cultural institution	Transfer funding	Yes	900	900	N/A
Wild Coast Museum	Cultural institution	Transfer funding	Yes	160	160	N/A

The table below reflects the transfer payments which were budgeted for in the period 1 April 2021 to 31 March 2022, but no transfer payments were made:

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
N/A	N/A	N/A	N/A	N/A

5. CONDITIONAL GRANTS

5.1 Conditional grants and earmarked funds paid

The table below detail/s the conditional grants and earmarked funds paid by the department.

5.2 Conditional grants and earmarked funds received

The table/s below details the conditional grants and ear marked funds received during for the period 1 April 2021 to 31 March 2022.

Conditional Grant: EPWP Integrated Grant

Department who transferred the grant	Department of Public Works and Infrastructure
Purpose of the grant	To contribute to EPWP job creation initiatives identified in 2013 infrastructure/social sector EPWP log-frame to increase job creation by focussing on the strengthening and expression of social service programmes that have employment potential
Expected outputs of the grant	Increased number of beneficiaries trained in Integrated Reporting system, Library Information systems, sport administration & coaching science, fitness instructors' course, information science
Actual outputs achieved	112 work opportunities created
Amount per amended DORA	2056
Amount received (R'000)	2056
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	2056
Reasons for the funds unspent by the entity	None
Reasons for deviations on performance	None
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving department	Monthly reporting

Conditional Grant: Community Library

Department who transferred the grant	National Department of Sport, Arts and Culture (DSAC)
Purpose of the grant	To transform urban and rural community library infrastructure, facilities, and services (primarily targeting previously disadvantaged communities) through a recapitalised programme at provincial level in support of local government and national priorities
Expected outputs of the grant	Improved library infrastructure and services that reflect the specific needs of the community
	Improved coordination and collaboration between national, provincial, and local government
	Transformed and equitable library and information services delivered to all rural and urban areas
	Improved staff capacity at urban and rural libraries to respond appropriately to community knowledge and information needs
	Improved culture of reading
Actual outputs achieved	New Mpendla Modula Library – the project has reached its practical completion
	Created sustainable partnerships between the national department and provincial COGTA and municipalities in delivering library services
	Use of the internet, including resources such as Google and Wikipedia as well as online resources provided by public libraries was becoming increasingly popular in rural, semi-rural and urban areas
	69 Librarians benefitted from capacity building opportunities
	Increased visits to public libraries reached a peak of 354368. This can be attributed to different reading programmes and campaigns undertaken
Amount per amended DORA (R'000)	173 986
Amount received (R'000)	173 986
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	161 809
Reasons for the funds unspent by the entity	The community library grant was underspent by R12,025 million due to slow spending in capital budget.
Reasons for deviations on performance	The underperformance emanated from a protest action by SMME's contracted to the projects.
Measures taken to improve performance	The service providers were requested to have recovery plans to recover the lost time. The department was to apply for a rollover for committed funds.
Monitoring mechanism by the receiving department	Monthly reporting institutionalised and physical verification of projects undertaken.

Conditional Grant: Mass Participation Programme

Department who transferred the grant	National Department of Sport, Arts and Culture (DSAC)
Purpose of the grant	To facilitate sport and recreation participation and empowerment in partnership with relevant stakeholders
Expected outputs of the grant	<ul style="list-style-type: none"> • Increase and sustain participation in sport and recreation • Improved sector capacity to deliver sport and recreation
Actual outputs achieved	<p>21 210 participants in sport and recreation</p> <p>1 282 volunteers benefitted from capacity building opportunities</p> <p>522 Schools, Clubs and hubs were provided with equipment and or attire.</p>
Amount per amended DORA	72 871
Amount received (R'000)	72 871
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	67 258
Reasons for the funds unspent by the entity	The underspending amounting to R5 657 is due to the cancellation of summer games that were to take place in December 2021
Reasons for deviations on performance	The Constitutional Court judgement which was promulgated by National Treasury negatively affected procurement militated against these events taking place.
Measures taken to improve performance	Develop an improvement Plan and monitor its implementation
Monitoring mechanism by the receiving department	Monthly reporting

6. DONOR FUNDS

4.1 Donor Funds Received

Not applicable

Donor Fund 2021/22:

Name of donor	N/A
Full amount of the funding	N/A
Period of the commitment	N/A
Purpose of the funding	N/A
Expected outputs	N/A
Actual outputs achieved	N/A
Amount received (R'000)	N/A
Amount spent by the department (R'000)	N/A
Reasons for the funds unspent	N/A
Monitoring mechanism by the donor	N/A

CAPITAL INVESTMENT

7.1 Capital investment, maintenance, and asset management plan

Payments for capital assets is underspent by R13,640 million due to underperformance by contractors in the Jeffrey's Bay & the New Cookhouse Library. The underperformance emanates from a strike by SMME's contracted to the two projects. The strike was ultimately solved but the resultant delays in progress negatively affected invoicing and spending. The service providers were requested to have recovery plans to recover the lost time. The amount by which the department is underspent was already committed and a rollover for it has been applied for. These projects are funded through the library conditional grant.

On Sport & Recreation, the accumulative under expenditure of R394 thousand is due to the implementing agency's (Coega Development Corporation) delays in its procurement processes for the borehole project in Butterworth. Construction in the Borehole Project has started but could not be invoiced before the year end.

Infrastructure projects	2021/2022			2020/2021		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
New and replacement assets	19 221	10 147	9 074	4719	2584	2135
Existing infrastructure assets						
Upgrades and additions	3807	954	2 853	3990	2241	1749
Rehabilitation, renovations and refurbishments	36 391	34 608	1 783	10340	4780	5560
Maintenance and repairs	4700	4279	421	11305	3659	7646
Infrastructure transfer						
Current	4700	4279	421	11 305	3659	7646
Capital	59 419	45 710	13 709	19 049	9605	9444
Total	64 119	49 989	14 130	30 354	13 264	50 226

The following projects were under construction during the period under review:

Project name	Progress
New Cookhouse library	The contract was awarded to Zamisanani Projects. The project was sitting at 57% complete. The completion date was 28 August 2022
Renovations to Fort Beaufort library	The contract was awarded to Funezakho Construction. The project was 86% complete. The contracted completion date was 30 May 2022.
Renovations to Jeffreys Bay library	The contract was awarded to Mfingo Development. The project was 84% complete. The completion date was 30 June 2022
New Mpendla modular library	The contract was awarded to Kuqityiwe Construction JV Sig Handlers. The project reached completion
Renovations to Fort Beaufort Museum	The contract was awarded to Ulakhe Trading. The project was 69% complete. The revised completion date was 28 July 2022
Renovations to Uitenhage Museum	The contract was awarded to NLG Group. The project was 55% complete. The completion date was 28 August 2022
Renovations to Barkley East Museum	The contract has been awarded to ZKS & NAM General Trading. The project is 99% complete. The project has reached its Practical Completion.

- Infrastructure projects which have been completed in the current year and the progress in comparison to what was planned at the beginning of the year.
 - Projects that have reached Final completion is New Mpendla modular library
- Plans to close or down-grade any current facilities.
 - The department does not have plans to close or down-grade facilities.
- Progress made on the maintenance of infrastructure.
 - Maintenance and repairs during 2021/22:
 - ❖ Mdantsane library- at procurement stage
 - ❖ Culturama Campsite- The Project has reached completion stage for the scope identified
- Developments relating to **the above that are expected to impact on the department's current expenditure.**
 - The following projects are to be implemented under maintenance:

❖ Wilton Mkwazi Offices	Budget allocated: R2 000 000
❖ CC Classen's Campsite	Budget allocated: R500 000
❖ Mdantsane library	Budget allocated: R500 000
❖ Completion of Emaxesibeni Historical museum	Budget allocated: R1 500 000
- Details as to how asset holdings have changed over the period under review, including information on disposals, scrapping and loss due to theft.
 - The department did not dispose nor scrap any capital asset
- **Measures taken to ensure that the department's asset register remained** up to date during the period under review.
 - The asset register was updated quarterly, and all transferred assets were disclosed on the asset register
- **The current state of the department's capital assets,**
 - Good: 5%
 - Fair: 15%
 - Bad: 80%
- Major maintenance projects that have been undertaken during the period under review.
 - Culturama Campsite
 - Wilton Mkwazi Offices
 - Mdantsane library
- Progress made in addressing the maintenance backlog during the period under review,
 - The backlog had grown due to vandalism that took place during the lockdown. The department reprioritised its maintenance budget.



PART C

GOVERNANCE

1. INTRODUCTION

Commitment by the department to maintain the highest standards of governance is fundamental to the management of public finances and resources. Users want assurance that the department has good governance structures in place to effectively, efficiently and economically utilize the state resources, which is funded by the taxpayer.

2. RISK MANAGEMENT

The department views Risk Management (RM) as one of the crucial and necessary processes, it does not only pride itself by maintaining the necessary risk registers but ensures that identified risks are reviewed on a yearly basis to accommodate new risks that might have existed due to newly introduced departmental activities. During the financial year, the department, under RM unit support, made it possible to have the following risks registers reviewed with an active participation by risk and action owners:

- Strategic Risk Register,
- Operational Risks Registers,
- Fraud Risk Registers, and
- Ethics risks register

To further ensure that the Risk Management Framework is continuously put into context, the department, through its RM unit, monitored the implementation of agreed upon mitigation actions throughout the financial year and based on the analysis during the monitoring process, it is evident that the department is making strides to have all identified risks mitigated. In the quest of wanting to improve RM maturity level of the department, RM unit continued to embark on a continuous capacitation of departmental officials on Risk Management, in a form of Risk Management awareness sessions. The department successfully facilitated the sitting of the Risk Management Committee (RMC) meetings throughout the financial year and made an addition of the Risk Management Standard Operating Procedures to the existing guiding documents.

3. FRAUD AND CORRUPTION

The department continued to measure its vulnerability to fraud by reviewing its identified fraud risks. In a continuous struggle of combating fraud and corruption within the department, the department believes that continuous talks on Fraud and Anti-Corruption matters are key and in putting that into context, the said awareness in the form of presentations and fraud and anti-corruption posters were ventured into. Cases received during the financial year were investigated and recommendations were implemented by internal Labour Relations. The department also complied with the submission of all fraud and anti-corruption necessary reports to OTP.

4. MINIMISING CONFLICT OF INTEREST

The subserviency of the department led to it acquiring 100% compliance on financial interest disclosures of those officials designated to disclose their financial interests through e-Disclosure system as required by DPSA. Then, developed a Manual declaration form to be completed by newly appointed officials and other officials that are not mandatory by DPSA to disclose their financial interest using e-Disclosure system.

The department believes that to combat fraud in the department, it becomes important to have Ethics Management guiding documents in place. During the financial year, the following documents were developed and approved

- Ethics Management Implementation Plan,
- Terms of reference for Ethics Committee,
- Ethics Management Policy and
- Manual Standard Operating Procedures

As a continuous means to resuscitate consciousness and integrity among departmental employees, ethics related awareness sessions were conducted during the financial year. To steer ethics related matters towards the acceptable direction within the department, an Ethics Forum has been put in place with a view to influence the general moral of the department at employee level.

5. CODE OF CONDUCT

Awareness on strike actions was made, the department has also planned awareness on employees doing business with the state. Presentation of the code of conduct was also made for interns as part of the HRD Programme. Communique on Sexual Harassment was shared within the department in the month of November.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

Health and Safety Committee members has been re-appointed, and the committee is in place and functional. Regulation tool on management of Covid-19 in the workplace is approved and implemented as per DPSA Circulars. Health and Safety policy is signed and amended to accommodate Covid-19 in the workplace. Risk assessment has been approved and submitted to DPSA and Office of the Premier. Vaccination plan has been approved by the accounting officer

7. PORTFOLIO COMMITTEES

Provide commentary on the following:

- The dates of the meeting
- Matters raised by the Portfolio Committee and how has the department addressed these matters

Finding	Recommendation Program One	Departmental Response
The department has underspent on this program by R9,3 million during the year under review	The department should develop an appropriate turnaround strategy to ensure the question of underspending in this program is addressed properly. Failure to spend the allocated budget will have a negative impact on the overall performance of the department. A progress report in this regard should be submitted to the Committee within 30 days after the adoption of the report by the House	Programme 1 is underspent by R9,3 million mainly due to underspending on COE as a result of vacant posts as many officials left the department in the year. During the 3 rd quarter financial performance evaluation, Provincial Treasury introduced a moratorium for departments not to fill vacancies as part of fiscal consolidation and salary freeze. Whilst the department was in the process of migrating to the new organisational structure, it then resolved to delay the filling of vacancies until the process of person to post matching was completed and personnel has migrated to the new organogram. That process was completed on the last day of the 2020/21 financial year.
The department has underspent on Goods and Services by an amount of R 4,7 million during the period under review	The department should provide the Committee with a detailed report in terms of how it intends to address this anomaly given the fact that Goods and Services are the cost drivers of the department. A progress report in this regard should be submitted to the Committee within 30 days after the adoption of the report by the House	Goods and services in this programme was also underspent due to the fact that MEC's Office had an expectation in its plans that during the fourth quarter , lockdown regulations would have been eased to allow for the holding of the MEC's Stakeholder engagements. These required physical interaction with rural Stakeholders and virtual platforms could not be practical for these kinds of groups and had to be cancelled. Another reason for underspending on goods and services is the use of digital means for doing meetings instead of travelling. The department saved a lot on travelling and accommodation as a result of the use of digital means of engagements.
The Committee has noted with concern that the department has once again failed to pay service providers within the 30 day as per stipulated period	The department through the Accounting Officer should take strong disciplinary measures against officials who fail in their duty to pay service providers within the 30-day stipulated period	The transactions disclosed are mainly for invoices that were received after the last disbursement in March 2021, which means they were less than 30 days as at 31 March 2021. Some of the transactions are in respect of old transactions that were in the system, that were to be removed by National Treasury
During the period under review the Department used an amount of R2, 3 million for suspended officials that are on full pay.	The department must expedite the process of dealing with disciplinary hearings in order to avoid to spent huge amounts of money on them	The 3 SMS employees that were on suspension with pay the report is as follows: <ul style="list-style-type: none"> • One SMS member has since been dismissed • The 2 SMS members were recalled in December and currently there is no SMS member on suspension.
Out of R3million that was allocated to Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training (CATHSETA) only 50% reached its coffers during the period under review	The department should provide the Committee with a detailed report stating clear plan to ensure funds allocated for its skills development projects are implemented	The grant received from CATHSETA by department is for internship and WIL (Workplace Integrated Learning). Th grant funding has been spent as allocated. As per SETA Grant Framework, the grant funding is not paid as

Finding	Recommendation	Departmental Response
	accordingly. A progress report in this regard should be submitted to the Committee within 30 days after the adoption of the report by the House	a lump sum to the department. It come in four or three tranches based on the contract. The department firstly sends its own money to pay the stipends of the learners then a proof of payment is requested from salaries and sent to CATHSETA together with attendance registers of Interns and Learners. Then CATHSETA reimburse the department. In this way there are no chances of under expenditure on grant funding. The department has never received any grant that amount R3 Million during the financial year referred to and all budget allocated to the responsible unit has been spent fully.
Program Two		
The department has underspent on this program by R 13,4 million during the year under review	The department should develop an appropriate turnaround strategy to ensure that under expenditure in Arts and Culture sector is addressed properly. A progress report in this regard should be submitted to the Committee within 30 days after the adoption of the report by the House	The programme is underspent by R13.3 million, also due to underspending in its COE for the same reasons as Programme 1. On goods and services, the programme is underspent by R3.3 million due to the fact that the hosting of institutionalised days was done virtually to avoid gathering of people in one place. The Human Rights Day and the International Women's Day were done by both National Department of Arts and Culture and the Office of the Premier, this caused the identifiable under-expenditure on the said line item. Capital budget in this programme is also underspent by R7.1 million due to infrastructure projects where awarding of tenders was delayed by the lockdown arrangements. A rollover was applied for such funds to be included in the 2021 adjustments. During the adjustment period, an amount of R6.9m will be transferred to the Office of the Premier as the function to celebrate some National Days was transferred to them.
The Committee has noted with concern bad state of some of the Craft hubs in the province.	The department should provide the Committee with a comprehensive plan to ensure all craft hubs in the province are operational and do not become White Elephants. A progress report in this regard should be submitted to the Committee within 30 days after the adoption of the report by the House	The department has noted the recommendation and a comprehensive plan to turn around the situation the draft is attached, further to this the committee will continue to be updated on progress.
The Committee has noted with concern the inability by the department to forge close working relationship with private sector for the benefits of Arts, Culture and Heritage Services during the year under review	The department should provide detailed report with clear plan to ensure that partnerships with private sector are established and sustained. A progress report in this regard should be submitted to the Committee within 30 days after the adoption of the report by the House	The department has started establishment of partnerships with the private sector and to date agreements with Vodacom and multichoice have been embarked upon. A comprehensive report will be submitted to the committee.

Finding	Recommendation	Departmental Response
The ECPACC has once again received a clean audit during the year under review	The Committee has noted with appreciation the good work done by ECPACC in achieving clean audit during period under review by adhering strictly to supply chain management and other Treasury Regulations	The appreciation by the committee has been noted and is appreciated.
The Committee has learnt with appreciation of the migration of Opera House to Nelson Mandela Bay Theatre for the development and strengthening of Art and Cultural practitioners in the province.	The department with National Department of Arts and Culture should provide the Committee with a detailed information about the migration of Opera House to the Nelson Mandela Bay Theatre inclusive of its programmes to empower artist in the province. A progress report in this regard should be submitted to the Committee within 30 days after the adoption of the report by the House	The Minister has not yet announced on the new Board and has extended the term of the current Board to end of February 2022. DSAC, DSAC and the current Board will meet on 26-29 January 2022 to draft a Five-Year Strategic Plan which will map-out how the declared cultural institution will serve and be accessible to the entire province of the Eastern Cape
Program Three		
The department has underspent on this program by R12.962 million during period under review	The department should develop an appropriate turnaround strategy to ensure that underspending in this program is addressed properly. A progress report in this regard should be submitted to the Committee within 30 days after the adoption of the report by the House.	The procurement of photocopiers has since been finalised and deliveries to libraries done, all invoices from the service provider to date have been paid.
Library and Information Services underspent by R9.4 million during the year under review	The department should submit a clear implementation plan to ensure that the underspending that relates to procurement and distribution of library material is averted. A progress report in this regard should be submitted to the Committee within 30 days after the adoption of the report by the House	The department has fast tracked its procurement processes for library material. The budget for the 2021/22 financial year has already been spent; suppliers have delivered and invoices have been paid. The planned budget for library material has been fully spent by the third quarter.
Under this program the Department has also underspent on the Compensation of Employees during the year under review	The department should provide the Committee with a detailed report and implementation plan for the filling of vacant posts of library staff in the province.	A request has been done to fill the vacant posts. The department is in the process of getting the necessary approvals from the OTP.
The Committee has noted with concern that Joe Gqabi and Chris Hani Districts were not provided with library material during the year under review	The department should provide a detailed report about distribution of library material in Joe Gqabi and Chris Hani Districts. A progress report in this regard should be submitted to the Committee within 30 days after the adoption of the report by the House	In an effort to make up for the previous financial year the two districts mentioned in the report have exceeded their planned targets to date as follows 1. Joe Gqabi planned to deliver to 06 libraries but have delivered to 10 2. Chris Hani planned to deliver to 03 but delivered to 12 to date
Program Four		
The department has underspent on this program by R8,632 million during the year under review	The department should develop an appropriate turnaround strategy to ensure that underspending in this program is addressed properly. A progress report in this regard should	The programme is underspent by R8.6 million and on COE the underspending is R1.5 million due to late appointments, and moratorium thereon. On goods and services, the Programme is underspent by R5.2

Finding	Recommendation	Departmental Response
	be submitted to the Committee within 30 days after the adoption of the report by the House.	million due to the cancelled activities scheduled for December 2020 and January 2021 in compliance with the Circular issued by the Director General in November on sport programmes and Adjusted Level 3 Covid 19 Regulations. There was also an invoice for training for R1 million which had not yet been delivered at year closure. Also, there was sports equipment worth R3.3 million which had not been delivered at year closure, because of delays by the service provider. A rollover was applied for these funds.
Recreation development underspent by a whopping R6 million during the year under review	The department should as a matter of great urgency develop a turnaround strategy to avert underspending in Recreation development. A progress report in this regard should be submitted to the Committee within 30 days after the adoption of the report by the House.	The budget for conditional grant schools sport is included in the recreation budget according to the budget structure of the department. In this regard the suspension of schools' sport during the academic year resulted in the under-expenditure. The department will be responsive to the directives in respect of schools' sport return to play on announcement from the department of basic education. The department will support sport structures that are allowed the minimal sport activities by the relevant national federation and department of basic education.
The Department has underspent on Goods and Services by R 5,217 during the year under review	The department should submit a detailed progress report with a clear plan to ensure that under expenditure under goods and services within this programme is avoided.	The Programme is underspent by R5.2 million. The main contributing factor to the underspending was the moratorium placed on sport participation programmes. Mass sport participation is the core of what is funded by this grant; hence it was adversely affected. R3.3 million has however been committed in this grant for sports equipment but deliveries were not yet made by year end. The department will settle the invoices for the sport equipment as soon as delivery is received in the province.
The Committee has learnt with appreciation the development of amateur boxing in the province.	The department should consider setting aside money that will go towards the development of amateur boxing in the province. A progress report in this regard should be submitted to the Committee within 30 days after the adoption of the report by the House.	The department has included in its budget and annual operational plans for the 2021/22 financial support to amateur boxing in the province, which will include support to host boxing tournaments in the province as well as participate in the national boxing championships.
The Eastern Cape Sport Confederations has failed to submit its financial statements on time during the reporting period	The department should develop a proper monitoring mechanism to ensure that the Eastern Cape Sport Confederations submit timeously its financial statements. A progress report in this regard should be submitted to the Committee within 30days after the adoption of the report by the House.	The department will implement continuous monitoring of the EC Sport Confederation with quarterly steering committee meeting to be held to present and discuss the quarterly financial expenditure report of the EC Sport Confederation.
General Findings and Recommendations		
The Department has underspent across all its four programs	The department should develop a turnaround plan to avert	The interventions for dealing with the under expenditure by the department

Finding	Recommendation	Departmental Response
The department continues to flout SCM regulations	under-expenditure on its programs The department should take strong action against its officials who deliberately flout SCM regulations	has been incorporated in the APP and operational plans The department is in the process of investigating the findings and action will be taken based on the recommendation of the report.
The department continues to fail to pay its service providers within 30-day stipulated time-period	The department must take strong disciplinary action against officials who fail to pay service providers on time as required by law	The transactions disclosed are mainly for invoices that were received after the last disbursement in March 2021, which means they were less than 30days as of 31 March 2021. Some of the transactions are in respect of old transactions that were in the system, that were to be removed by National Treasury.

8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1	As disclosed in note 22.1 of the financial statements, irregular expenditure of R15, 2 million that has accumulated over prior years and is awaiting condonation. This is a recurring finding.	<p>1.1 The Accounting officer must reassure the Committee if the department undertook all necessary steps and processes for condonation of this irregular expenditure, if so, why is the irregular expenditure not yet condoned and cleared? The Committee must be furnished with evidence of all steps taken.</p> <p>1.2 The department must provide the Committee with the progress on condonation of this irregular expenditure that has accumulated over a number of years.</p>	<p>1.1. The department undertook all the necessary steps and processes for condonation of Irregular Expenditure. The following steps have been undertaken:</p> <p>1.1.1. Investigations were concluded.</p> <p>1.1.2. Consequence Management was implemented.</p> <p>1.1.3. Applications for condonation were submitted to Treasury.</p> <p>1.1.4. Letters requesting updates were sent to Treasury.</p> <p>1.1.5. Vouchers totalling R643 thousand have been resubmitted to the Office of the Auditor General for further consideration.</p> <p>1.2. Progress with the applications made is as follows:</p> <p>1.2.1. An amount of R6.7 million has since been condoned by Provincial Treasury.</p> <p>1.2.2. We are still engaging Provincial Treasury for assistance and advice regarding an amount of R5.2m for which we have not been able to secure missing documents. These documents were misplaced during a temporary move of office from the current offices to temporary accommodation giving room for renovations and improvements that were taking place. All these documents are not recoverable.</p> <p>1.2.3. An amount of R1.1m is still being investigated by the law enforcement agencies. Our own investigations and those conducted by the Forensic Unit within Provincial Treasury have cleared the department on the matter. The</p>	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
			<p>Hawks also indicated that they were happy with information provided to them during their interactions with the department.</p> <p>1.2.4 An application for condonation of a further amount of R1.4m as well as R79 thousand are still being considered by Provincial Treasury.</p>	
		<p>1.3 What remedial actions have been taken by the Accounting Officer to prevent the recurrence of such irregular expenditure in similar circumstances?</p>	<p>1.3 The Accounting Office has taken the following remedial actions:</p> <p>1.3.1. An Internal Control Committee, which is chaired by the CFO, has been established to deal with identified weaknesses in the system including incurring of irregular, fruitless and wasteful expenditure.</p> <p>1.3.2. Furthermore, the department has an Internal Control and Compliance Unit which Pre-Audits all submissions for the procurement of goods and services for compliance.</p> <p>1.3.3 A policy and Standard Operating Procedures for irregular expenditure has been developed.</p> <p>1.3.4 Pocket booklets will be made available for SMS to have at their disposal.</p> <p>1.3.5 An Audit Improvement Plan has been developed. The implementation of the actions agreed to is monitored on a monthly basis by the Top Management of the department lead by the Accounting Officer.</p>	Yes
2	<p>Investigations that were being conducted through external parties pertaining to allegations of irregularities in the procurement processes. These investigations were still in progress at the date of auditor's report. This finding has been recurring over a number of years.</p>	<p>2.1 The Committee must be provided with the status quo of the investigations conducted pertaining to the irregular expenditure incurred? Furthermore, the Committee must be provided with the evidence of final outcomes or sanctions as these cases are long overdue.</p>	<p>2.1 The Committee must be provided with the status quo of the investigations conducted pertaining to the irregular expenditure incurred? Furthermore, the Committee must be provided with the evidence of final outcomes or sanctions as these cases are long overdue.</p> <p>The following investigations have been concluded.</p> <p>2.1.1 Hosting of the memorial service of Ms Winnie Madikizela Mandela – R1.1m. The report</p>	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
			<p>concluded that no officials in the department can be faulted in terms of the transaction. Questionable actions in this instance happened between the municipal officials and their own implicated suppliers.</p> <p>2.1.2 Irregular Expenditure regarding the sport awards event – R1.4m. The report concluded that there were no grounds for institution of consequence management against any officials of the department as there was no negligence found or detected on their part.</p> <p>2.1.3 Awards made to companies with directors that are employed by some or other sphere of government – R79 thousand. The affected Supply Chain Management Officials were issued with written warning letters.</p>	
		<p>2.2 The Accounting Officer must confirm if the department took any disciplinary processes against the officials found liable? In addition, in cases of irregularities emanating from fraudulent, corrupt or criminal acts, did the Accounting Officer institute civil proceedings against responsible employees for the recovery of the losses?</p>	<p>2.2 The Accounting Officer must confirm if the department took any disciplinary processes against the officials found liable? In addition, in cases of irregularities emanating from fraudulent, corrupt or criminal acts, did the Accounting Officer institute civil proceedings against responsible employees for the recovery of the losses?</p> <p>2.2.1 In the cases of awards made to companies with directors employed by government action was taken. There were no cases of fraudulent or criminal acts detected.</p>	Yes
		<p>2.3 Did the department take any preventative controls to rectify matters that led to the occurrence of these allegations, if so, the Committee must be furnished with evidence.</p>	<p>2.3 Did the department take any preventative controls to rectify matters that led to the occurrence of these allegations, if so, the Committee must be furnished with evidence?</p> <p>2.3.1 Yes. Preventative controls have been put in place.</p>	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
			<p>2.3.2 An Internal Control Committee, which is chaired by the CFO, has been established to deal with identified weaknesses in the system including incurring of irregular, fruitless and wasteful expenditure.</p> <p>2.3.3 Furthermore, the department has an Internal Control and Compliance Unit which Pre-Audits all submissions for the procurement of goods and services for compliance.</p> <p>2.3.4 A policy and Standard Operating Procedures for irregular expenditure has been developed.</p> <p>2.3.5 Pocket booklets will be made available for SMS to have at their disposal.</p> <p>2.3.6 An Audit Improvement Plan has been developed. The implementation of the actions agreed to is monitored on a monthly basis by the Top Management of the Department lead by the Accounting Officer.</p>	
		<p>2.4 Does the department quantify losses incurred as a consequence of actions led to incurrence of the irregular expenditure? The Committee must be provided with the breakdown of figures.</p> <p>2.4.1 The State did not suffer any loss as a result of the transgressions.</p>	<p>2.4 Does the department quantify losses incurred as a consequence of actions led to incurrence of the irregular expenditure? The Committee must be provided with the breakdown of figures.</p>	

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
None	None	None

10. INTERNAL CONTROL UNIT

The department has an Internal Control and Compliance Unit. The purpose of the unit is to:

- Render internal control services for the department.
- Develop and Promote effective and efficient internal control systems.
- Monitor implementation of internal controls within the department.
- Compile and monitor implementation of the Audit Improvement Plan (AIP).
- Liaise with Management and Provincial Treasury regarding irregular, fruitless, wasteful and unauthorised expenditure.

During the year under review the unit ensured that procurement processes are adhered to. Compliance Certificates were issued for orders issued. All payments are verified by the unit before they are approved. The Audit Improvement Plan (AIP) meetings, chaired by the HOD, have been conducted monthly.

The department has an Internal Control Committee which was established to detect, evaluate and report Irregular, Unauthorised as well as Fruitless and Wasteful Expenditure to the Accounting Officer. The Internal Control and Compliance Unit is the secretariat of this Committee.

Internal Control Committee meetings are held quarterly. Four meetings were held for the financial year under review.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

Internal Audit and Audit Committees

The Internal Audit Function obtains its mandate from the Internal Audit Charter, which is reviewed and approved annually by the Audit Committee to which Internal Audit reports functionally. The Function developed and obtained the approval of both the operational as well as a rolling three-year strategic plan, which were based on an assessment of key risks facing the department, input from management and the Audit Committee. There was appropriate consultation with the Auditor General to eliminate unnecessary duplication of efforts and to ensure coordination of audit functions.

To maintain its independence, the Internal Audit Function appropriately reports administratively to the Accounting Officer and functionally to the Audit Committee. **The Function's authority includes unlimited access to all staff, records, and property under the control of the department.** The status of the progress on the performance of the audits against the annual approved plan was presented to the Audit Committee on a quarterly basis.

The function assists the department to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of Governance, Risk Management and Control processes.

The following key activities are performed in this regard:

- Assess and make appropriate recommendations for improving the governance processes in achieving the **department's** objectives.
- Evaluate the adequacy and effectiveness and contribute to the improvement of the risk management process.
- Assist the Accounting Officer in maintaining efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement.

- Performing consulting and advisory services related to governance, risk management and control as appropriate for the organization.
- Evaluating specific operations at the request of the Audit Committee or management, as appropriate.

The Unit's operations are guided by the requirements set out in the PFMA, Treasury Regulations and the standards set by the relevant professional bodies (e.g., the Institute of Internal Auditors).

The following is a summary of the audit work performed during the 2021/22 financial year:

- In Year-Monitoring.
- Review of Annual Financial Statements and Annual Performance Report.
- Transfer Payments.
- Community Libraries Grant Review.
- Mass Participation (Sport) Grant Review.
- Performance Information.
- Risk Management Process.
- Follow up audit on Audit Improvement Plan (AGSA findings);
- Supply Chain Management.
- Interim Financial Statements.
- Information Communications Technology audit.
- Internal Audit Findings Tracker
- Artist development and Management of Art Centres
- Human Resources.
- Eastern Cape Provincial Heritage Resources Agency (ECPHRA).
- Policies and Procedures (Consulting)
- Inventory Stock Count.

The department has its own Audit Committee established in terms of section 77 of the PFMA to assist the Executive Authority and the Accounting Officer in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the audit process, and the department's process for monitoring compliance with laws and regulations and the code of conduct.

The Audit Committee provides oversight and review over the following:

- Internal Audit function.
- External Audit function (Auditor General (AGSA);
- Departmental Reporting and Accounting.
- Departmental Accounting policies.
- AGSA management and audit report.
- Risk Management.
- Departmental Internal Controls.
- Pre-determined Objectives.
- Ethics and Forensic Investigations.

The members of the Audit Committee have the requisite knowledge and competence to deal with financial, risk management, governance, ethical and other matters that pertain to its responsibility. The Committee operated in accordance with its Charter, which was reviewed and approved in the reporting period.

During the financial period under review, the Committee met nine (9) times. All meetings were chaired by the Audit Committee Chairperson with adequate attendance and representation from the senior management of the department.

The Audit Committee continued to contribute to the work of the department and discharged their oversight role in line with the audit charter and the PFMA.

The table below discloses relevant information on the audit committee members

Name	Qualifications	Internal or external member	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Guy Rich	MBA, B. Tech Degree Business administration, ND PR management, University of Stellenbosch- BA Law 1991, LLB 1993	External	Not applicable	01 October 2020	Not applicable	8
Abraham Le Roux	Certified Internal Auditor (CIA) Certified Control Assessor (CCA) B Tech Internal Auditing National Diploma Internal Auditing	External	Not applicable	01 October 2020	Not applicable	8
Vuyelwa Hlehliso	Master's in business leadership Advanced Treasury Management B Comm	External	Not applicable	01 October 2020	Not applicable	9
Mmathebe Anna Faith Moja	BCom Business Commerce (Information Systems and Management) Rhodes University 1994 – 2002, CISA (Certified Information Systems Auditor) ISACA (International Certification) 2009, GIBS Leadership Development Program Gordon Institute of Business Science 2012	External	Not applicable	14/05/2021	Not applicable	6
Ben Bothma						

12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2022.

Audit Committee Responsibility

The Audit Committee reports that it has complied with the responsibilities arising from Section 38 (1) (a) (ii), Section 76 of the Public Finance Management Act and Treasury Regulation 3.1.13. The Committee has adopted appropriate formal terms of reference as its Audit Committee Charter, it has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

Attendance of meetings by members

The Committee consists of the members listed hereunder and have met at least four times for the financial year as per its approved Charter:

Name of members	Number of meetings attended
Guy Rich - Chairperson	8
Abraham Le Roux	8
Mmathebe Moja	9
Vuyelwa Hlehliso	8
Ben Bothma	6

The Effectiveness of Internal

The review of the effectiveness of the system of internal controls by the Audit Committee is informed by reports submitted by external audit, internal audit and management. This is achieved by an approved risk based internal audit plan, Internal Audit assessing the adequacy of controls mitigating the risks and Audit Committee monitoring implementation of corrective actions. The development and maintenance of an effective internal control system is the responsibility of management.

As with previous years, the Audit Committee has drawn the attention of management to significant issues that were raised by the Auditor General as well as matters raised in the reports of Internal Audit for the year under review. Management has expressed their commitment in dealing with these issues but the implementation of corrective measures and recommendations put forward by the Audit Committee has been slow – in these instances the committee has urged management to review the reasons for the slow implementation and to develop action plans to correct the slow implementation and to consider consequence management where managers can be held accountable on the basis of carelessness or unsatisfactory work performance. The committee will continue to monitor and evaluate the effectiveness of management actions (including any consequence management) with the aim of improving the overall effectiveness of internal controls.

The system of internal control that has been put in place by the Department is adequate. However, these controls are only effective if they are implemented, monitored and evaluated on a regular basis. During the period under review the internal controls of the department functioned partially – management have been advised to concentrate more effort on internal controls by holding officials to account and ensuring that both management and officials understand the importance of internal control and risk management.

As noted above, certain weaknesses were identified and reported by Internal Audit, and discussed with management. Risk management was highlighted in the year under review and both the committee and management have actively addressed this area of concern.

The following are still areas of concern – from an audit perspective – that impact on the ability of the department to operate effectively, efficiently and to be able to achieve its mandate in relation to sport, recreation, arts and culture:

- Financial resourcing – continued budget cuts within the department are impacting on both the service delivery and the operational mandate of the department. A revised organogram and operational model have been implemented but cost containment and budget cuts are a worrying trend that continue to impact on service delivery
- ICT – an incident resulting in the loss of departmental data in the past year highlighted the urgent need to upgrade and update the departmental ICT infrastructure. The incident also highlighted risks and weaknesses around contract management which management have pro-actively addressed. Management have acknowledged that ICT is becoming increasingly important within the service delivery mandate of the department and are actively engaging the relevant stakeholders to ensure that the issue receives the attention it deserves.
- Operational performance – operational performance has been characterised by poor planning and this has been evidenced in both performance and audit reporting. The management team have put mechanisms in place to address this including a revised organogram and operational model.
- Departmental policies – there is a need to review departmental policies on an annual, three yearly or five yearly basis depending on the policy. The department commenced on a process of reviewing the operational policies in line with the changes in the related legislation, changing environment and the newly adopted Departmental Service Delivery Model. The committee has also recommended that this form part of managerial job descriptions and performance measurements.
- Provincial archives and digitisation – this aspect remains a challenge within the department. However, the committee has seen some movement in the past year and has urged management to prioritise this given its long outstanding status and its importance in terms of the need for archives and historical document storage
- Project Management – there is a need to improve and strengthen the departments overall project management skill set, in order to facilitate the improved implementation of departmental projects.

Risk Management

The Risk Committee held regular meetings during the financial year contributing to a more effective risk management understanding and environment. In this regard the risk management within the department is maturing and is no longer seen as simply a compliance issue.

Major risks experienced during the past financial year included:

- Covid 19 and its continued impact on departmental operations
- Underspending by the department
- Underperformance of the department
- Budget cuts and the impact of this on operational and capital expenditure
- Supreme court of appeal ruling the PPR of 2017 invalid, resulting in the department not being able to undertake any procurement of R30 000 and above in the last quarter of the financial year.
- Business continuity challenges experienced due to ICT equipment failure and subsequent recovery efforts.

Internal Auditing

The Audit Committee notes that during the year under review, a substantial amount of internal audit work was performed in the department. An internal audit plan for 2021/22 was developed and implemented by the Internal Audit unit of the department.

Our review of the findings of the Internal Audit work revealed certain weaknesses and shortcomings which were raised with management. Internal Audit recommendations were captured in the audit findings tracker where management were asked to update on a monthly basis in relation to the action taken and the recommendations implemented.

As with previous year's reports the action by management and the implementation of audit findings (both internal and external) is slow, is not monitored closely by management and remains a concern for the Audit Committee. Many of the findings are repeat findings that require urgent attention by management. In this regard the committee have recommended that management address these as a collective as opposed to trying to address them in silos. The Audit Committee will continue to provide guidance and direction in this regard.

It is evident that the internal audit unit of the department has provided a supportive role to management and the Audit Committee. The Audit Committee have also recommended that the internal audit unit consider playing a consultative role in order to help management address weakness and shortcomings. Certain progress was made in this regard towards the last quarter of 2021/22.

In-Year Management and Monthly/Quarterly Report

The Audit Committee has noted the content and quality of the monthly / quarterly reports prepared and issued by the Department during the year under review, in compliance with the statutory reporting framework. The Committee raised concerns with management in respect of the achievement of performance targets, departmental spending and the adequacy of variance explanations for targets not met.

Although Covid 19 continued to have a significant impact on the ability of the department to achieve operational targets in relation to sport, recreation, arts and culture, the non-achievement of performance targets related to financial, managerial and administrative targets was a cause for concern.

Continual budget cuts, uncertainty and a lack of clarity around the implementation of the 2018 structure and vacancy levels in the department also led to management experiencing challenges in terms of realising financial and performance targets. However, once the 2018 structure was approved and adopted late in the financial year, management were able to re-focus with the intention of improving performance.

The Audit Committee acknowledge that the situation around the departmental budget is unlikely to change and have **urged management to be more creative and "think outside the box" in terms of the departmental mandate and its service delivery to the people of the Eastern Cape.**

Evaluation of Annual Financial Statements

The Audit Committee has reviewed the unaudited Annual Financial Statements (AFS) as follows:

- Enquiring with the Accounting Officer if the AFS have been prepared in accordance with the Preparation Guide and Specimen Financial Statements issued by National Treasury and in compliance with all applicable laws and regulations.
- Reviewed AFS for abnormal and/or significant transactions of the department and the disclosure thereof in the AFS.
- Obtained explanations for all significant variances in the annual financial statements as compared to the appropriated budget and prior year.
- Reviewed any new or proposed legislation that may have a material impact on policies, the financial statements and disclosure thereof and departmental compliance therewith.
- Enquired from management if there are any matters of significant judgement in the financial statements.
- Enquired from management about any outstanding litigation, contingencies, and claims, and how these matters are **reflected in the department's** financial statements.

The Audit Committee also reviewed the Accounting Policies used in the AFS as follows:

- Confirmed that the Accounting Policies are as per the policies disclosed in the specimen financial statements issued by National Treasury. Where there are deviations, ensure that there is evidence of satisfactory consultation with the Office of the Accountant-General (OAG) regarding the changes.

- Considered the reasons for the changes in policies, if any. Assess whether changes have been correctly dealt with and disclosed in the AFS;
- Enquired whether these changes are consistent with the required accounting framework and if not, whether National Treasury (OAG) approval has been obtained.
- Reviewed that policies have been consistently applied.

On this basis, the Audit Committee recommended that the draft Annual Financial Statements be submitted together supporting documentation for the material balances in the AFS to the AGSA for auditing.

Performance Information

The Audit Committee reviewed the Annual Performance Report against the Annual Performance Plan prior to submission to the AGSA for validity, accuracy and completeness; and ensure that the explanations for variances are detailed, logical and reasonable. It has recommended that the report be submitted to the AGSA for auditing.

Auditor General's Report

The Audit Committee will consider the conclusions of the Auditor General on the annual financial statements and will express as to whether the audited financial statements and performance report will be accepted read together with the report of the Auditor General.

Appreciation

The Audit Committee expresses its appreciation to the Honourable Member of the Executive Council, Head of Department, the Management of the Department, Internal Audit and the AGSA for their support and co-operation during the year under review.



Guy Rich
Chairperson of the Audit Committee
Department of Sport, Recreation, Arts and Culture
25 August 2022

13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade, Industry and Competition.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion <i>(include a discussion on your response and indicate what measures have been taken to comply)</i>
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	
Developing and implementing a preferential procurement policy?	Yes	It is covered in the broader SCM policy
Determining qualification criteria for the sale of state-owned enterprises?	No	
Developing criteria for entering into partnerships with the private sector?	No	
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	



PART D

HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

The department of Sport, Recreation, Arts and Culture has an approved organisational structure with 1488 positions (of which 1210 positions are active on PERSAL) and a staff complement of 1151 employees. The staff establishment include permanent positions (1099) and contract positions (52). The contract posts are as a result of the 6% allocation of human resources from the conditional grant funding from national departments (Mass Participation grant from Sport and Recreation South Africa. In addition to the structure the department managed to recruit 102 EPWP employees and 137 experiential learners. The numbers highlighted above exclude the abnormal appointments made up of the Extended Public Works Employees and well as experiential learners and unemployed graduates.

2. OVERVIEW OF HUMAN RESOURCES

Administration posts constitute 41% of the total number of posts in the staff establishment due to segregation of duties as prescribed by the relevant prescripts, whilst core function positions constitute 59% of the total number of posts. Compensation of employee budget stands at 58% of the total allocation of budget inclusive of conditional grant funding. The vacancy rate of the department stands at 4.9% and shows a great improvement from the previous years. The staff turnover rate remains constant, although it is high in areas of conditional grant funding due to termination of contracts.

The 44.7% of the departmental workforce are between the ages of 45 to 55 years, 15.4% are due to retire in the next 5 - 10 years of which 10% belong to the category of professional and managers which are regarded as key positions in the department. The analysis of years of experience reflects that about 80% of the staff has work experience of 5 years and above thus providing the department with valuable experience, institutional memory, technical skills and stability within the department.

The HRM priorities for the year under review were identified as follows: Recruitment and selection, competency development, employment equity, change management and skills Audit. By the year end the vacancy rate of the department was 4.9%, skills development plan was implemented as planned, top management constitute 67% female representation and 33% male representation, whilst the ratio of SMS is constituting 48% of females and 52% of males.

In terms of the departmental Human Resource Plan 2020 to 2023 focus should be given to capacity building and development of employees to **facilitate optimum utilisation of the department's human resources. The programme would** include accelerated development programmes, leadership development programmes, mentorship and coaching as well as targeted individual specific training.

The approved 2018 organisational structure has finally been implemented and it is very clear that the department will not be able to achieve its objectives without ensuring that right skills are deployed in the right positions.

The department has 1099 permanent employees. A total of 163 (14.8%) employees has been awarded performance bonus and 936 (85.2) of employees were not awarded performance bonuses. Performance development plans has been used to address the competency gaps through training interventions.

The department has a dedicated unit with designated staff members to promote health and wellbeing of employees. The department has also introduced an Employee Assistance Programme and the elements of the programme are driven by the four pillars of the Employee Health and Wellness as indicated in the DPSA Strategic Framework.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

- Statistics indicates that the department has progressed in employment of women at SMS though it has not yet achieved its equity targets and as such there is under representation of females in Senior Management and middle management. Females are more dominant at lower levels. There is also limited representation in terms of race with under representation on coloureds, Indians, and whites. This state of affairs requires the department to focus on strategies to improve its employment equity targets and strengthen diversity management.
- The department is conscious of the need to be sensitive to the external environment that is operating on and as such it needs to be relevant and sensitive to the needs of the departmental stakeholders. In this regard there is a need for much customer centric employees that are fully understanding of the service the department is providing to the people of the Eastern Cape Province. The need to enhance and inculcate a culture of accountability cannot be overlooked and should be prioritised going forward.
- In summary the Human Resource Priorities for 2020 and beyond are as follows: -
 - Competency Development
 - Recruitment and staffing
 - Employment Equity
 - Change Management
 - Skills Audit

The department has adopted the Eastern Cape Provincial Administration Performance Management and Development System. In terms of implementation the department overall is above 70% compliance a target which must be improved to 100% compliance. Employees that have not complied with the policy are not eligible for performance rewards like pay progression increment and performance bonuses. All performance assessment emanating from the previous financial years have been concluded and currently the department is assessing 2021/22 performance assessment.

The department has a vibrant wellness programme which is spearheaded by Human Resource Management unit. The Employee Health and Wellness strategies have greatly impacted on the culture change programmes within the department.

During the financial year 2021/22 the following achievements were realised: -

- Although in the prior year there has been a delay in the filling of vacancies due to Covid-19 pandemic there has been also a close monitoring of the recruitment & selection process, adopting and implementation of strategies to improve advertising, selection and appointment of suitable candidates, has yielded positive results in that the turnaround time to fill-in vacancies from the date of advertisement has improved from 120 days to 90 days:
- The department has adopted some of the provincial HRM policies and procedures, some have been reviewed, amended and implemented to ensure that they are mainstreamed to support the business of the unit.
- At the beginning of the financial year the percentage of females at SMS was at 80% and the males were at 20% but by the year end a male SMS member was employed which resulted in the percentage of females at SMS at Top Management to be at 67% and males at 33% whilst at the SMS level the percentage of women is 48% and the males are at 52%.
- The partnership with SETA has allowed a department an opportunity to appoint 139 youth
- As legislated by the Skills Development Act through its partnership with the Culture, Arts, Tourism, Hospitality and Sport Education and Training Authority (CATHSSETA) the department has been awarded a Discretionary Grant Funding for five (5) TVET Work Integrated Learners (WIL) four eighteen months and ten (10) University Work Integrated Learners for six months. The department will recruit fifteen (14) graduate interns for a twenty-four (24) **moths' contract under its Skills Development Levy in the 2021/22 financial year. A further 9 Graduate interns** has been funded by the National skills Fund through the office of the Premier,⁷ additional WIL learners funded by SAGRA in the Museum sector have also joined the department. A further two graduate Interns and three WIL interns have been funded by the Services SETA. The partnerships with the SETAs and Private sectors continue to ensure that as the department we can afford the EC youth opportunities within the various youth development programmes.

- EPWP has created work opportunities of 112 in total and all reporting in the Integrated Reporting system in the financial year of 2021/22.
- The department has experienced a substantial decline in the grievances due to constant engagement with staff and organised labour.
- All newly appointed employees have been taken through an induction programme
- Existing staff from the district offices have been taken through a re-orientation programme which is an ongoing programme to be conducted in all our workstations.
- The HR delegations of powers in terms of the Public Service Act and Regulations, 2016 have been developed to be in line with the DPSA framework, they have been distributed, they are monitored and reports on these delegations are submitted quarterly.
- There is no injury on duty applications received from the museum institutions and from the district.
- All governance bodies have been appointed, trained, and are operating (for example, Recruitment and Selection panels, PMDS assessment committees, wellness committees, Skills Development Committee)

Human resource challenges facing the department include: -

- Under-achievement of employment equity targets with special reference to people with disability
- The department is also faced with a challenge of aging workforce especially in critical and strategic positions.
- Conditional grant funding contracts pose to be a challenge as in there is high vacancy rate under the category of employees appointed under the grant
- Limited use of information technology solutions to address human resource challenges

3.1 Personnel related expenditure

The following tables summarises the final audited personnel related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

- amount spent on personnel
- **amount spent on salaries, overtime, homeowner's allowances and medical aid.**

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2021 and 31 March 2022

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services Expenditure (R'000)	Personnel Expenditure as a % of Total Expenditure	Average Personnel Cost per Employee (R'000)
Administration	308	232	2 850	1 069	76%	392
Cultural Affairs	247	131	5	299	53%	454
Library & Archives services	238	95	739	0	40%	384
Sport and Recreation	162	67	1 663	0	41%	464
Total	955	525	5 257	1 368	55%	413

Table 3.1.2 Personnel costs by salary band for the period 1 April 2021 and 31 March 2022

Salary Band	Personnel Expenditure (R'000)	% Of Total Personnel Cost	Number of Employees	Average Personnel Cost per Employee (R)
Lower skilled (Levels 1-2)	13	2.4%	64	202
Skilled (Levels 3-5)	53	9.8%	211	278
Highly skilled production (Levels 6-8)	253	46.7%	568	445
Highly skilled supervision (Levels 9-12)	165	30.4%	227	726
Senior and Top management (levels 13-16)	30	5.5%	29	1 062
Total	514	94.8%	1099	2 713

Table 3.1.3 Salaries, Overtime, Homeowners Allowance and Medical Aid by programme for the period 1 April 2021 and 31 March 2022

Programme	Salaries		Overtime		Homeowners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Prog 1: Administration	194	78%	0	0	9	3.5%	14	5.8%
Prog 2: Cultural Affairs	104	79%	0	0	5	4.1%	8	6.1%
Prog 3: Library & Archives services	76	78%	0	0	3	2.6%	4	4.4%
Prog 4: Sport & Recreation	54	81%	0	0	2	2.3%	3	4.3%
Total	428	79%	0	0	19	3.3%	29	5.5%

Table 3.1.4 Salaries, Overtime, Homeowners Allowance and Medical Aid by salary band for the period 1 April 2021 and 31 March 2022

Salary band	Salaries		Overtime		Homeowners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Lower Skilled (level 1-2)	9	70.3%	0	0	1	8.3%	2	12.6%
Skilled (level 3-5)	40	75.1%	0	0	3	5.4%	5	9.6%
Highly skilled production (levels 6-8)	202	79.7%	0	0	8	3.3%	17	6.5%
Highly skilled supervision (levels 9-12)	136	81.6%	0	0	5	2.7%	6	3.5%
Senior management (level 13-16)	25	83.3%	0	0	1	3.5%	0	1.1%
Total	412	390	0	0	18	23.2%	30	33.3%

3.2 Employment and Vacancies

Table 3.2.1 Employment and vacancies by programme as on 31 March 2022

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Prog 1: Administration, permanent	498	471	5.4%	0
Prog 2: Cultural Affairs, permanent	310	288	7.1%	0
Prog 3: Library & Archives Services, Permanent	253	248	2.0%	0
Prog 4: Sport & Recreation, permanent	149	144	3.4%	0
TOTAL	1 210	1 151	4.9%	0

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2022

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
01 Lower Skilled (Levels 1-2), Permanent	64	64	0%	0
02 Skilled (Levels 3-5), Permanent	227	211	7.04%	0
03 Highly Skilled Production (Levels 6-8), Permanent	645	568	11.9%	0
04 Highly Skilled Supervision (Levels 9-12), Permanent	245	227	7.3%	0
05 Senior Management (Levels >= 13), Permanent	29	29	0%	0
Total	1210	1099	9.1	0

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2022

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative Related, Permanent	212	194	8.5%	0
All Artisans in The Building Metal Machinery Etc., Permanent	8	7	12.5%	0
Archivists Curators and Related Professionals, Permanent	17	15	11.8%	0
Auxiliary and Related Workers, Permanent	20	20	0%	0
Cleaners in Offices Workshops Hospitals Etc., Permanent	59	59	0%	0
Client Inform Clerks (Switchb Recept Inform Clerks), Permanent	1	1	0%	0
Communication and Information Related, Permanent	113	108	4.4%	0
Community Development Workers, Permanent	1	1	0%	0
Engineering Sciences Related, Permanent	2	2	0%	0
Engineers and Related Professionals, Permanent	3	3	0%	0
Finance and Economics Related, Permanent	1	1	0%	0
Financial And Related Professionals, Permanent	35	34	2.9%	0
Financial Clerks and Credit Controllers, Permanent	86	84	2.3%	0
Head Of Department/Chief Executive Officer, Permanent	1	1	0%	0
Historians And Political Scientists, Permanent	1	0	100%	0
Human Resources & Organisational Development & Relate Prof, Permanent	21	18	14.3%	0
Human Resources Clerks, Permanent	41	38	7.3%	0
Human Resources Related, Permanent	25	24	4%	0
Information Technology Related, Permanent	9	6	33.3%	0
Language Practitioners Interpreters & Other Commun, Permanent	5	4	20%	0
Legal Related, Permanent	2	1	50%	0
Librarians And Related Professionals, Permanent	131	127	3.1%	0
Library Mail And Related Clerks, Permanent	90	88	2.2%	0
Logistical Support Personnel, Permanent	45	44	2.2%	0
Material-Recording And Transport Clerks, Permanent	36	36	0%	0
Messengers Porters And Deliverers, Permanent	8	8	0%	0
Natural Sciences Related, Permanent	4	3	25%	0
Nature Conservation And Oceanographical Rel.Techni, Permanent	6	6	0%	0
Other Administral & Related Clerks And Organisers, Permanent	123	115	6.5%	0
Other Occupations, Permanent	57	56	1.8%	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Risk Management And Security Services, Permanent	3	3	0%	0
Secretaries & Other Keyboard Operating Clerks, Permanent	20	20	0%	0
Security Officers, Permanent	1	1	0%	0
Senior Managers, Permanent	23	23	0%	0
TOTAL	1 210	1 151	4,9%	0

3.3 Filling of SMS Posts

Table 3.3.1 SMS post information as on 31 March 2022

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department					
Salary Level 16					
Salary Level 15	1	1	100%	0	0
Salary Level 14	5	5	100%	0	0
Salary Level 13	25	23	92%	2	8%
Total	31	29	94%	2	6%

Table 3.3.2 SMS post information as on 30 September 2021

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department					
Salary Level 16					
Salary Level 15	1	1	100%	0	0
Salary Level 14	5	4	80%	1	20%
Salary Level 13	25	18	72%	7	28%
Total	31	23	74%	8	26%

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2021 and 31 March 2022

SMS Level	Advertising Number of vacancies per level advertised in 6 months of becoming vacant	Filling of Posts	
		Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	0	0	0
Salary Level 13	3	3	3
Total	3	3	3

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2021 and 31 March 2022

Reasons for vacancies not advertised within six months
All the positions were advertised within six months and other 3 positions were newly created and were filled for the first time.
Reasons for vacancies not advertised within twelve months
All the positions were advertised within six months and other 3 positions were newly created and were filled for the first time.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2021 and 31 March 2022

Reasons for vacancies not advertised within six months
No disciplinary steps taken due compliance with the prescribed timeframes
Reasons for vacancies not advertised within twelve months
No disciplinary steps taken due compliance with the prescribed timeframes

3.4 Job Evaluation

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2021 and 31 March 2022

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels 1-2)	64	0	0	0	0	0	0
Skilled (Levels 3-5)	227	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	645	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	245	0	0	2	1	0	0
Senior Management Service Band A	23	0	0	0	0	0	0
Senior Management Service Band B	5	0	0	0	0	0	0
Senior Management Service Band C							
Senior Management Service Band D	1	0	0	0	0	0	0
Total	1210	0	0	2	1	0	0

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2021 and 31 March 2022

Gender	African	Asian	Coloured	White	Total
Female	1	0	0	0	0
Male	1	0	0	0	0
Total	2	0	0	0	0

Employees with a disability	0
-----------------------------	---

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2021 and 31 March 2022

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Legislators, senior officials, and managers	0	0	0	0
Professionals	0	0	0	0
Technicians and associate professionals	0	0	0	0
Clerks	0	0	0	0
Service and sales workers	0	0	0	0
Total number of employees whose salaries exceeded the level determined by job evaluation				0
Percentage of total employed				0

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2021 and 31 March 2022

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0

Employees with a disability	0	0	0	0
-----------------------------	---	---	---	---

Total number of Employees whose salaries exceeded the grades determine by job evaluation	None
--	------

3.5 Employment Changes

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2021 and 31 March 2022

Salary band	Number of employees at beginning of period-April 2021	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	65	0	0	0%
Skilled (Levels3-5)	167	71	16	9.5%
Highly skilled production (Levels 6-8)	465	181	46	9.9%
Highly skilled supervision (Levels 9-12)	222	13	15	6.8%
Senior Management Service Bands A	23	5	1	4.3%
Senior Management Service Bands B	5	1	0	0%
Senior Management Service Bands C	0	0	0	0%
Senior Management Service Bands D	1.00	0	0	0%
Contracts	0	0	0%	0%
TOTAL	948.00	271	78	8.2

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2021 and 31 March 2022

Critical occupation	Number of employees at beginning of period-April 2021	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative Related Permanent	187	16	15	8%
All Artisans in The Building Metal Machinery Etc. Permanent	7	1	1	14.3%
Archivists Curators and Related Professionals Permanent	14	0	0	0%
Auxiliary and Related Workers Permanent	21	0	0	0%
Cleaners in Offices Workshops Hospitals Etc. Permanent	58	0	0	0%
Client Inform Clerks (Switchb Recept Inform Clerks) Permanent	1	0	0	0%
Communication and Information Related Permanent	114	0	4	3.5%
Community Development Workers Permanent	1	0	0	0%
Engineering Sciences Related Permanent	2	1	1	50%
Engineers and Related Professionals Permanent	5	0	2	40%
Finance and Economics Related Permanent	1	0	0	0%

Department of Sport, Recreation, Arts and Culture
Province of the Eastern Cape | Vote No. 14 | Annual Report
2021/22 Financial Year

Critical occupation	Number of employees at beginning of period-April 2021	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Financial and Related Professionals Permanent	37	0	0	0%
Financial Clerks and Credit Controllers Permanent	85	2	2	2.4%
Head of Department/Chief Executive Officer Permanent	1	0	0	0%
Human Resources & Organisational Development & Relate Prof Permanent	18	1	2	11.1%
Human Resources Clerks Permanent	40	0	2	5%
Human Resources Related Permanent	24	0	1	4.2%
Information Technology Related Permanent	2	3	0	0%
Language Practitioners Interpreters & Other Communication Permanent	5	0	0	0%
Legal Related Permanent	1	0	0	0%
Librarians and Related Professionals Permanent	13	118	4	30.8%
Library Mail and Related Clerks Permanent	39	55	5	12.8%
Logistical Support Personnel Permanent	45	1	2	4.4%
Material-Recording and Transport Clerks Permanent	40	0	3	7.5%
Messengers Porters and Deliverers Permanent	9	0	1	11.1%
Natural Sciences Related Permanent	2	1	0	0%
Nature Conservation and Oceanographical Rel. Techni Permanent	6	0	0	0%
Other Administrators & Related Clerks and Organisers Permanent	72	63	30	41.7%
Other Information Technology Personnel. Permanent	0	1	0	0%
Other Occupations Permanent	59	0	2	3.4%
Risk Management and Security Services Permanent	3	0	0	0%
Secretaries & Other Keyboard Operating Clerks Permanent	17	3	0	0%
Security Officers Permanent	1	0	0	0%
Senior Managers Permanent	18	5	1	5.6%
Total	948	271	78	8.2%

Table 3.5.3 Reasons why staff left the department for the period 1 April 2021 and 31 March 2022

Termination Type	Number	% of Total Resignations
Death	10	12.8%
Resignation	16	20.5%
Expiry of contract	30	38.5%
Dismissal – operational changes	0	0%
Dismissal – misconduct	2	2.6%
Dismissal – inefficiency	0	0%
Discharged due to ill-health	1	1%
Retirement	18	23.1%
Transfer to other Public Service Departments	1	1.3%
Other	0	0%
Total	22	28%
Total number of employees who left as a % of total employment	1.9	2.4

Table 3.5.4 Promotions by critical occupation for the period 1 April 2021 and 31 March 2022

Occupation	Employees 1 April 2021	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative Related	187	11	5.9%	190	101.6%
All Artisans In The Building Metal Machinery Etc.	7	0	0%	8	114.3%
Archivists Curators And Related Professionals	14	1	7.1%	15	107.1%
Auxiliary And Related Workers	21	0	0%	20	95.2%
Cleaners in Offices Workshops Hospitals Etc.	58	0	0%	60	103.4%
Client Inform Clerks (Switchb Receipt Inform Clerks)	1	0	0%	1	100%
Communication and Information Related	114	2	1.8%	110	96.5%
Community Development Workers	1	0	0%	1	100%
Engineering Sciences Related	2	0	0%	2	100%
Engineers and Related Professionals	5	0	0%	4	80%
Finance and Economics Related	1	0	0%	1	100%
Financial and Related Professionals	37	0	0%	36	97.3%
Financial Clerks and Credit Controllers	85	0	0%	84	98.8%
Head of Department/Chief Executive Officer	1	0	0%	1	100%

Occupation	Employees 1 April 2021	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Human Resources & Organisational Development & Related Prof	18	1	5.6%	18	100%
Human Resources Clerks	40	0	0%	40	100%
Human Resources Related	24	1	4.2%	25	104.2%
Information Technology Related	2	0	0%	6	300%
Language Practitioners Interpreters & Other Communication	5	0	0%	4	80%
Legal Related	1	0	0%	1	100%
Librarians and Related Professionals	13	1	7.7%	130	1 000%
Library Mail and Related Clerks	39	0	0%	89	228.2%
Logistical Support Personnel	45	1	2.2%	50	111.1%
Material-Recording and Transport Clerks	40	0	0%	45	112.5%
Messengers Porters and Deliverers	9	0	0%	9	100%
Natural Sciences Related	2	0	0%	2	100%
Nature Conservation and Oceanographical Rel. Techni	6	0	0%	6	100%
Other Administration & Related Clerks and Organisers	72	0	0%	74	102.8%
Other Occupations	59	0	0%	66	111.9%
Risk Management and Security Services	3	0	0%	3	100%
Secretaries & Other Keyboard Operating Clerks	17	0	0%	20	117.6%
Security Officers	1	0	0%	1	100%
Senior Managers	18	1	5.6%	22	122.2%
Total	948.00	19	2.00	1 144	120.7%

Table 3.5.5 Promotions by salary band for the period 1 April 2021 and 31 March 2022

Salary Band	Employees 1 April 2021	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	65	0	0	64	98.5%
Skilled (Levels 3-5)	162	1	0.7%	199	122.8%
Highly skilled production (Levels 6-8)	476	0	0%	629	132.1%
Highly skilled supervision (Levels 9-12)	222	17	7.8%	224	100.9%
Senior Management (Level 13-16)	23	1	4.8%	28	121.7%
TOTAL	948	19	2%	1144	120.7%

3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2022

Occupational category	Male			Female				Total	
	African	Coloured	Indian	White	African	Coloured	Indian		White
Legislators, senior officials and managers	11	1	0	0	11	1	0	1	25
Professionals	119	4	1	6	203	5	0	6	344
Technicians and associate professionals	102	11	0	6	132	8	0	8	267
Clerks	146	2	0	0	220	11	0	3	382
Service and sales workers	2	0	0	0	2	0	0	0	4
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	6	0	0	1	0	0	0	0	7
Plant and machine operators and assemblers	54	3	0	2	56	4	0	3	122
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	440	21	1	15	624	29	0	21	1151
Employees with disabilities	12	0	0	0	5	0	0	0	17

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	0	0	0	3	1	0	0	6
Senior Management	12	2	0	0	7	1	0	1	23
Professionally qualified and experienced specialists and mid-management	110	6	1	6	96	2	0	6	227
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	184	10	0	7	341	13	0	13	568
Semi-skilled and discretionary decision making	84	3	0	1	114	8	0	1	211
Unskilled and defined decision making	31	1	0	1	29	2	0	0	64
Total	423	22	1	15	590	27	0	21	1099

Table 3.6.3 Recruitment for the period 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	0	0	0	0	1
Senior Management	3	0	0	0	3	0	0	0	6
Professionally qualified and experienced specialists and mid-management	8	1	0	0	4	0	0	0	13
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	34	0	0	0	105	0	0	0	139
Semi-skilled and discretionary decision making	14	0	0	0	35	1	0	1	51
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	60	1	0	0	147	1	0	1	209
Employees with disabilities	0	1	0	0	1	0	0	0	2

Table 3.6.4 Promotions for the period 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	1	0	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management	12	1	0	0	6	1	0	0	20
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	1	0	0	1
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	13	1	0	0	6	2	0	0	22
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.5 Terminations for the period 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	1	0	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management	4	1	0	2	7	0	0	1	15
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	7	1	0	1	12	0	0	2	23
Semi-skilled and discretionary decision making	14	1	0	0	10	2	0	0	27
Unskilled and defined decision making	4	0	0	0	8	0	0	0	12
Total	30	3	0	3	37	2	0	3	78
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.6 Disciplinary action for the period 1 April 2021 to 31 March 2022

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
One-month Suspension Without pay	1				1				2
Dismissal	2								2
Abandonment	1								1

Table 3.6.7 Skills development for the period 1 April 2021 to 31 March 2022

Occupational category	Male			Female			Total		
	African	Coloured	Indian	White	African	Coloured		Indian	White
Legislators, senior officials and managers	113	0	1	0	109	0	0	0	225
Professionals	47	0	0	0	101	0	0	0	150
Technicians and associate professionals	19	0	0	0	35	0	0	0	54
Clerks	27	0	0	0	41	0	0	0	68
Service and sales workers	0	0	0	0	1	0	0	0	1
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	5	0	0	0	0	0	0	0	5
Total	211	0	1	0	287	0	0	0	498
Employees with disabilities	0	0	0	0	1	0	0	0	0

3.7 Signing of Performance Agreements by SMS Members

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 March 2022

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	0	0	0	0
Salary Level 16	0	0	0	0
Salary Level 15	1	1	1	100%
Salary Level 14	04	04	04	100
Salary Level 13	16	16	16	100%
Total	21	21	21	100%

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2022

Reasons
N/A

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2022

Reasons
N/A

3.8 Performance Rewards

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2021 to 31 March 2022

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Female	85	619	13.7%	716	8 426
Male	57	429	13.3%	360	6 330
Asian					
Female	0	0	0%	0	0
Male	1	1	100%	20	19 578
Coloured					
Female	4	29	13.8%	11	2 770
Male	5	20	25%	46	9 141
White					
Female	4	21	19%	15	3 638
Male	5	15	33.3%	57	11 361
Employee with Disability	2	17	11.8%	88	4 411
Total	163	1151	4. 2%	1 234	61 244

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2021 to 31 March 2022

Salary Band	Beneficiary Profile			Cost	
	Number of Beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost Per employee
Lower Skilled (Levels 1-2)	19	64	29.7%	54.59	2873
Skilled (level 3-5)	29	192	15.1%	135.50	4 672
Highly skilled production (level 6-8)	71	569	12.5%	616.02	8 676
Highly skilled supervision (level 9-12)	39	227	17.2%	396.10	10 156
Other	0.00	44	0%	0.00	0
Contract	5	25	25	31.36	6272
Total	163	1121	14.5	1233.57	7568
					1' 233'5

Critical occupation	Number of Beneficiaries	Number of Employees	% Of Total Within Occupation	Total Cost (R'000)	Average Cost Per Employee (R)
Financial clerks and credit controllers	11	84	13.1%	120.06	10 915
Human resources clerks	2	38	5.3%	11.40	5 698
Security officers	0	1	0%	0.00	0.00
All artisans in the building metal machinery etc.	3	7	42.9%	8.92	2 974
Messengers porters and deliverers	1	8	12.5%	7.83	7 826
Human resources & organisational development & relate prof	1	18	5.6%	20.56	20 558
Risk management and security services	0	3	0%	0.00	0.00
Logistical support personnel	4	44	9.1%	63.96	15 990
Finance and economics related	0	1	0%	0.00	0
Natural sciences related	0	3	0%	0.00	0
Other administrat & related clerks and organisers	10	115	8.7%	61.64	6 164
Auxiliary and related workers	12	20	60%	33.17	2 765
Other occupations	12	56	21.4%	52.07	4 339
Legal related	0	1	0%	0.00	0
Nature conservation and oceanographical rel techni	6	6	100	21.70	3 616
Financial and related professionals	2	34	5.9%	20.00	10 002
Administrative related	31	194	16%	257.45	8 305
Communication and information related	17	108	15.7%	184.84	10 873
Secretaries & other keyboard operating clerks	4	20	20%	19.25	4 813
Library mail and related clerks	15	88	17%	82.35	5 490
Cleaners in offices workshops hospitals etc..	10	59	16.9%	31.47	3 147
Human resources related	5	24	20.8%	68.25	13 651
Head of department/chief executive officer	0	1	0%	0.00	0
Language practitioners, interpreters & other commun	2	4	50%	12.13	6 063
Archivists, curators, and related professionals	4	15	26.7%	56.17	14 043
Material-recording and transport clerks	2	36	5.6%	28.66	14 330
Senior managers	0	23	0	0.00	0
Clients inform clerks (switchb receipt inform clerks)	0	1	0%	0.00	0
Engineers and related professionals	0	3	0%	0.00	0.00
Engineering sciences related	0	2	0%	0.00	0.00
Community development workers	0	1	0%	0.00	0.00
Librarians and related professionals	8	127	6.3%	66.93	8 367.00
Information technology related	1	6	16.7%	4.75	4 752.00

Critical occupation	Number of Beneficiaries	Number of Employees	% Of Total Within Occupation	Total Cost (R'000)	Average Cost Per Employee (R)
Total	163.00	1 151	14.2%	1 233.57	7 568.00

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2021 to 31 March 2022

Critical Occupation	Beneficiary Profile			% Of Total Within Occupation	Cost	
	Number of Beneficiaries	Number of Employees			Total Cost (R'000)	Average Cost Per Employee
Financial Clerks and Credit Controllers	11	84		13.1%	120.06	10 915
Human Resources Clerks	2	38		5.3%	11.40	5 698
Security Officers	0	1		0%	0.00	0
All Artisans In The Building Metal Machinery Etc.	3	7		42.9%	8.92	2 974
Messengers Porters and Deliverers	1	8		12.5%	7.83	7 826
Human Resources & Organisational Development & Relate Prof	1	18		5.6%	20.56	20 558
Risk Management and Security Services	0	3		0%	0.00	0.00
Logistical Support Personnel	4	44		9.1%	63.96	15 990
Finance and Economics Related	0	1		0%	0.00	0
Natural Sciences Related	0	3		0%	0.00	0
Other Administration & Related Clerks and Organisers	10	115		8.7%	61.64	6 164
Auxiliary and Related Workers	12	20		60%	33.17	2 765
Other Occupations	12	56		21.4%	52.07	4 339
Legal Related	0	1		0%	0	0
Nature Conservation and Oceanographical Rel. Techni	6	6		100%	21.70	3 616
Financial and Related Professionals	2	34		5.9%	20.00	10 002
Administrative Related	31	194		16%	257.45	8 305
Communication and Information Related	17	108		15.7%	184.84	10 873
Secretaries & Other Keyboard Operating Clerks	4	20		20%	19.25	4 813
Library Mail and Related Clerks	15	88		17%	82.35	5 490
Cleaners in Offices Workshops Hospitals Etc.	10	59		16.9%	31.47	3 147
Human Resources Related	5	24		20.8%	68.25	13 651
Head of Department/Chief Executive Officer	0	1		0%	0.00	0
Language Practitioners Interpreters & Other Communication	2	4		50%	12.13	6 063
Archivists Curators and Related Professionals	4	15		26.7%	56.17	14 043
Material-Recording and Transport Clerks	2	36		5.6%	28.66	14 330
Senior Managers	0	23		0%	0.00	0.00

Critical Occupation	Beneficiary Profile			Cost		
	Number of Beneficiaries	Number of Employees	% Of Total Within Occupation	Total Cost (R'000)	Average Cost Per Employee	
Client Inform Clerks (Switchb Receipt Inform Clerks)	0	1	0%	0.00	0.00	0.00
Engineers and Related Professionals	0	3	0%	0.00	0.00	0.00
Engineering Sciences Related	0	2	0%	0.00	0.00	0.00
Community Development Workers	0	1	0%	0.00	0.00	0.00
Librarians and Related Professionals	8	127	6.3%	66.93		8 367
Information Technology Related	1	6	16.7%	4.75		4 752
Total	163	1 151	14.2%	1 233.57		7 568

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2021 to 31 March 2022

Salary band	Beneficiary Profile			Cost		
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Band A	0	23	0%	0	0	0
Band B	0	5	0%	0	0	0
Band C	0	0	0%	0	0	0
Band D	0	1	0%	0	0	0
Total	0	29	0%	0	0	0

3.9 Foreign Workers

Table 3.9.1 Foreign workers by salary band for the period 1 April 2021 and 31 March 2022

Salary band	1 April 2021		31 March 2022		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled						
Highly skilled production (Lev. 6-8)	0	0	0	0	0	0
Highly skilled supervision (Lev. 9-12)	1	100	1	100	0	0
Contract (level 9-12)	0	0	0	0	0	0
Total	1	1	1	1	0	0

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2021 and 31 March 2022

Major occupation	1 April 2021		31 March 2022		Change	
	Number	% of total	Number	% of total	Number	% Change
Other Occupations	0	0	0	0	0	0
Professional and Managers	1	100	1	100	0	0
Total	1	100	1	100	0	0

3.10 Leave utilisation

Table 3.10.1 Sick leave for the period 1 January 2021 to 31 December 2021

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	239	80.30	28	5.80	9	145
Highly skilled production (levels 6-8)	1 591	77.90	253	52.80	6	2 603
Highly skilled supervision (levels 9 -12)	585	87.20	91	19.00	6	1 506
Top and Senior management (levels 13-16)	73	95.90	8	1.70	9	330
Total	2 488	341.3	380	79.3	30	4 580

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2021 to 31 December 2021

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)						
Skilled (levels 3-5)						
Highly skilled production (levels 6-8)	428	100	7	70	61	739
Highly skilled supervision (levels 9 -12)	50	100	2	20	25	145
Top and Senior management (levels 13-16)	190	100	1	10	190	782
Total	668	100	10	100	67	1 667

Table 3.10.3 Annual Leave for the period 1 January 2021 to 31 December 2021

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	1368	61	22
Skilled Levels 3-5)	3493	174	20
Highly skilled production (Levels 6-8)	11294	547	21
Highly skilled supervision (Levels 9-12)	5 116	224	23
Senior management (Levels 13-16)	472	24	19.67
Contract	1373	184	7.5
Total	23116	1214	19

Table 3.10.4 Capped leave for the period 1 January 2021 to 31 December 2021

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2022
Lower skilled (Levels 1-2)	0	0	0	38
Skilled Levels 3-5)	0	0	0	36
Highly skilled production (Levels 6-8)	1	1	1	57
Highly skilled supervision (Levels 9-12)	0	0	0	68
Senior management (Levels 13-16)	0	0	0	63
Total	1	1	1	58

Table 3.10.5 Leave Pay-out for the period 1st April 2021 and 31st March 2022

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Annual – Discounting with resignation (Workdays)	370	8	46250
Annual – Contract expiry (Workdays)	2325	98	23724
Annual- Gratuity: Death, Retirement, Medical Retirement	3639	140	25993
Capped- Gratuity: Death, Retirement, Medical Retirement	3006	22	R136636
Total	9340	245	232603

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Ms N Bodlani (Senior Manager: HRM)
2. Does the department has a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		The Department have Unit of Employee health and Wellness dealing with all four Pillars as per Employee Health and Wellness Strategic Framework. Only two permanent officials based at Head office. Budget: R3000 000
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Yes		Physical Activities and Nutrition talks, HIV and AIDS, STI's and TB programmes, Referral sessions, Communicated and Non communicated diseases awareness, Commemoration of Health Calendar events, Mental awareness sessions, Gender mainstreaming sessions and Health and Safety awareness sessions
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	Yes		N Bodlani, Adv T Zondeki, X Manyela, A Kune, N Apleni, G Masithela, Z Msimisi, L Njokwana, S Kambi, M Langa S Sityebi, D Ndzongwana, Z Daniso, <ul style="list-style-type: none"> OHS committee Health and Safety Representatives
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		<ul style="list-style-type: none"> HIV and AIDS and STI's and TB Management Policy Occupational Health and Safety Policy Wellness Management Policy Health and Productivity Management Policy
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		HIV and AIDS, STI's and TB Management Policy is in place and approved by accounting officer. <ul style="list-style-type: none"> Promotion of Human rights and non-discrimination Treatment Care and support

Question	Yes	No	Details, if yes
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		HIV Counselling and Testing programme 77 Employees conducted HIV and AIDS screenings in the past financial year.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators	Yes		<ul style="list-style-type: none"> Report on evaluation of quarterly report submitted to the Office of the Premier System Monitoring Tool reports

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2021 and 31 March 2022

Subject matter	Date
NIL	NIL
Total number of collective agreements	NIL

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2021 and 31 March 2022

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	100
Verbal warning	0	100
Written warning	0	100
Final written warning	0	100
Suspended without pay	2	100
Fine	0	100
Demotion	0	100
Dismissal	3	100
Not guilty	1	100
Case withdrawn	0	100
Total	6	100
Total number of disciplinary hearings finalised: 6		

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2021 and 31 March 2022

Type of misconduct	Number	% of total
Failure to follow lawful order and/or routine instruction	4	100
Hindering investigator in the performance of her duty	1	100
Manipulation and/or tempering with procurement processes	2	100
Contravention of section 38(1)(d) of the PFMA	1	100
Gross Negligence	4	100
Abscondment	1	100
		100
Insubordination	2	100
Breach of contractual obligation	1	100
Prejudice the administration and efficiency of the Department	6	100
Gross Dereliction of duties	1	100
Supply of incorrect and falsified information	1	100
Contravention of Regulation 13© of the PSR 2016	1	100
Unethical Conduct	1	100
Dishonesty	1	100
Total	29	100

Table 3.12.4 Grievances logged for the period 1 April 2021 and 31 March 2022

Grievances	Number	% of total
Number of grievances resolved	4	100
Number of grievances not resolved	2	100
Total number of grievances lodged	6	100

Table 3.12.5 Disputes logged with Councils for the period 1 April 2021 and 31 March 2022

Disputes	Number	% of total
Number of disputes upheld	2	100
Number of disputes dismissed	8	100
Total number of disputes lodged	11	100

Table 3.12.6 Strike actions for the period 1 April 2021 and 31 March 2022

Total number of persons working days lost	Nil
Total costs working days lost	Nil
Amount recovered as a result of no work no pay (R'000)	N/A

Table 3.12.7 Precautionary suspensions for the period 1 April 2021 and 31 March 2022

Number of people suspended	Nil
Number of people who's suspension exceeded 30 days	Nil
Average number of days suspended	Nil
Cost of suspension(R'000)	R0.00

3.13 Skills development

Table 3.13.1 Training needs identified for the period 1 April 2021 and 31 March 2022

Occupational category	Gender	Number of employees as at 1 April 2021	Training needs identified at start of the reporting period			Total
			Learnerships	Skills Programmes & other short courses	Other forms of training	
Legislators, senior officials and managers	Female	162	0	0	10	172
	Male	152	0	0	10	162
Professionals	Female	148	0	0	0	148
	Male	98	0	0	0	98
Technicians and associate professionals	Female	112	0	0	0	112
	Male	58	0	0	0	58
Clerks	Female	92	8	8	0	100
	Male	67	6	6	0	73
Service and sales workers	Female	5	0	0	0	5
	Male	2	0	0	0	2
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	0	0	0	0	0
	Male	10	0	0	0	10
Sub Total	Female	519	0	0	10	537
	Male	387	0	0	10	403
Total	906	0	0	20	940	906

Table 3.13.2 Training provided for the period 1 April 2021 and 31 March 2022

Occupational category	Gender	Number of employees as at 1 April 2021	Training needs identified at start of the reporting period			Total
			Learnerships	Skills Programmes & other short courses	Other forms of training	
Legislators, senior officials and managers	Female	109	0	109	0	
	Male	114	0	114	3	
Professionals	Female	101	0	101	0	
	Male	47	0	47	0	
Technicians and associate professionals	Female	35	0	35	0	
	Male	19	0	19	0	
Clerks	Female	41	2	41	0	
	Male	27	1	27	0	
Service and sales workers	Female	1	0	1	0	
	Male	0	0	0	0	
Skilled agriculture and fishery workers	Female	0	0	0	0	
	Male	0	0	0	0	
Craft and related trades workers	Female	0	0	0	0	
	Male	0	0	0	0	
Plant and machine operators and assemblers	Female	0	0	0	0	
	Male	0	0	0	0	
Elementary occupations	Female	0	0	0	0	
	Male	5	0	5	0	
Sub Total	Female	287	2	287	0	
	Male	212	1	212	3	
Total		499	3	499	3	

3.14 Injury on duty

Table 3.14.1 Injury on duty for the period 1 April 2021 and 31 March 2022

Nature of injury on duty		
	Number	% of total
Required basic medical attention only	1	
Temporary Total Disablement	1	
Permanent Disablement	0	
Fatal	0	
Total	2	

3.15 Utilisation of Consultants

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2021 and 31 March 2022

Project title	Total number of consultants that worked on project	Duration (workdays)	Contract value in Rand
NIL	NIL	NIL	NIL

Total number of projects	Total individual consultants	Total duration Workdays	Total contract value in Rand
0	0	0	
0	0	0	
0	0	0	

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2021 and 31 March 2022

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
		0	
		0	

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2021 and 31 March 2022

Project title	Total Number of consultants that worked on project	Duration (Workdays)	Donor and contract value in Rand
	0	0	
	0	0	
	0	0	
Total number of projects	Total individual consultants	Total duration Workdays	Total contract value in Rand
	0	0	
	0	0	

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2021 and 31 March 2022

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
	0	0	
	0	0	
	0	0	

3.16 Severance Packages

Table 3.16.1 Granting of employee-initiated severance packages for the period 1 April 2021 and 31 March 2022

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
Total	0	0	0	0



PART E

FINANCIAL INFORMATION

Report of the auditor-general to Eastern Cape Provincial Legislature on vote no. 14: Eastern Cape Department of Sport, Recreation, Arts and Culture

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Eastern Cape Department of Sport, Recreation, Arts and Culture set out on pages 165 to 243 , which comprise the appropriation statement, statement of financial position as at 31 March 2022, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Eastern Cape Department of Sport, Recreation, Arts and Culture as at 31 March 2022 and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standard (MCS) as prescribed by the National Treasury, and the requirements of the Public Finance Management Act of South Africa No. 1 of 1999 (PFMA) and the Division of Revenue Act of South Africa No. 9 of 2021 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Underspending of the budget

7. As disclosed in the appropriation statement the department materially underspent the budget by R24.6 million (2.5%).

Responsibilities of the accounting officer for the financial statements

8. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS as prescribed by the National Treasury and the requirements of the PFMA and Dora, and for such internal control as the accounting officer and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
9. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the annual performance report

12. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the usefulness and reliability of the reported performance information against predetermined objectives presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
13. I performed procedures to evaluate the usefulness and reliability of the reported performance information on selected performance indicators in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice.
14. I performed the procedures in accordance with the AGSA audit methodology. This engagement is not an assurance engagement. Accordingly, I do not express an opinion or an assurance conclusion.
15. My procedures address the usefulness and reliability of the reported performance information on the selected performance indicators, which must be based on the department's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My

procedures do not examine whether the actions taken by the department enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

16. I performed procedures to determine whether the reported performance information was properly presented and whether the performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the selected performance indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
17. I selected the following material performance indicators contained in Programme 3: Library and Archive Services presented in the department's annual performance report for the year ended 31 March 2022 set out on pages 64 to 74 . I selected the indicators that measure the department's performance on its primary mandated functions and which are of significant national, community or public interest.

Performance indicators Programmes 3: Library and Archive Services
LAS2: Number of provincial structures supported
LAS4: Number of community members accessing public library services
LAS5: Number of public libraries accessing digital e-lending service
LAS6: Number of public libraries provided with library material
LAS8: % of total library staff trained (230 being the total)
LAS9: Number of institutions supported through subsidies
LAS10: Number of libraries with improved ICT infrastructure and systems software
LAS12: Number of newly built and/or modular libraries supported financially per year (Sector indicator)
LAS13: Number of reading programmes implemented
LAS17: Number of governmental bodies receiving records management focused support
LAS22: Number of practitioners benefitted from capacity building opportunities

18. I did not identify any material findings on the usefulness and reliability of the reported performance information for the selected material performance indicators.

Other matter

19. I draw attention to the matter below.

Achievement of planned targets

20. Refer to the annual performance report on pages 67 to 73 for information on the achievement of planned targets for the year and management's explanations provided for the under/over achievement of targets.

Report on compliance with legislation

21. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the department's compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department's compliance with legislation.
22. I performed procedures to test compliance with selected requirements in key legislation in accordance with the AGSA audit methodology. This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
23. I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and adequately available to report in an understandable manner. The selection is done through an established AGSA process. The selected legislative requirements are as follows:

Legislation	Provincial departments
Public Finance Management Act No. 1 of 1999 (PFMA)	Sections 38(1)(a)(iv); 38(1)(b); 38(1)(c)(i)-(ii); Sections 38(1)(d); 38(1)(h)(iii); 39(1)(a); 39(2)(a); Sections 40(1)(a) and (b); 40(1)(c)(i); Sections 43(4); 44; 45(b); 51(1)(a)(iv); 57(b)
Amendment of Treasury regulations in terms of Section 76	TR 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); TR 5.3.1; 6.3.1(a) - (d) TR 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1; 9.1.1; 9.1.4; TR 10.1.1(a); TR 12.5.1; 15.10.1.2(c); TR 16A3.2 (fairness); 16A3.2(a); 16A6.1; TR 16A6.2(a) and (b); 16A6.3(a) - (c); 16A6.3(e); TR 16A6.4; 16A6.5; 16A6.6; TR 16A7.6; 16A.7.7; 16A8.3; 16A8.4; TR 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2(a)(ii); TR 17.1.1; 18.2; 19.8.4
Annual Division of Revenue Act No. 19 of 2021 (DoRA)	Sections 11(6)(a); 12(5) Sections 16(3) / 16(3)(a)(i) / 16(3)(a)(ii)(bb)

Legislation	Provincial departments
Construction Industry Development Board Act No. 38 of 2000 (CIDB)	Section 18(1)
CIDB regulations	Regulations 17; 25(7A)
Preferential Procurement Policy Framework Act No. 5 of 2000 (PPPFA)	Sections 1(i); 2.1(a),(b) and (f)
Preferential Procurement regulations (PPR), 2011	Regulations 4.1; 4.3; 5.5; 6.1; 6.5; 7.1; Regulations 9.1; 9.5; 11.5
Preferential Procurement regulations (PPR), 2017	Regulations 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; Regulations 6.8; Regulations 7.8; Regulations 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004 (PRECCA)	Section 34(1)
Public Service regulations (PSR), 2016	Regulations 18(1); 18(2); 25(1)(e)(i) and (iii)
State Information Technology Agency Act 88 of 1998 (SITA)	Section 7(3)
NT SCM Instruction Note 05 of 2009/10	Par 3.3
NT SCM Instruction Note 04 of 2015/16	Par 3.4
NT SCM Instruction Note 03 of 2016/17	Par 8.1; 8.2; 8.3; 8.5
NT SCM Instruction Note 4A of 2016/17	Par 6
NT SCM Instruction Note 07 of 2017/18	Par 4.3
NT SCM Instruction note 03 of 2019/20 [Annexure A - FIPDM]	Par 5.5.1(vi); 5.5.1(x)
NT Instruction Note 11 of 2020/21	Par 3.1; 3.4(b); 3.9
NT SCM Instruction Note 02 of 2021/22	Par 3.2.1;
SCM Practice Note 8 of 2007/08	Par 3.3.1; 3.4.1; 3.5
SCM Practice Note 7 of 2009/10	Par 4.1.2

24. I did not identify any material findings on compliance with the selected legislative requirements.

Other information

25. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in programme presented in the annual performance report that have been specifically reported in this auditor's report.

26. My opinion on the financial statements and material findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
27. In connection with our audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained during the audit or otherwise appears to be materially misstated. If, based on the work we performed, I conclude there is a material misstatement in this other information, I am required to report that fact.
28. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

29. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. I did not identify any significant deficiencies in internal control.

Other reports

30. I draw attention to the following engagements conducted by various parties which had, or could have, an impact on the matters reported in the department's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

31. There are investigations conducted through external parties pertaining to the allegations of irregularities in the procurement processes. These investigations were still in progress at the date of this report.

Auditor - General

East London

26 July 2022



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programmes and on the department's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
 - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the the accounting officer.
 - conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Eastern Cape Department of Sport, Recreation, Arts and Culture to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.



ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
APPROPRIATION STATEMENT
for the year ended 31 March 2022

Appropriation per programme									
	2021/22						2020/21		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
PROGRAMMES									
1. Administration	307 894	-	-	307 894	305 971	1 923	99,4%	306 767	297 458
2. Cultural Affairs	248 611	-	-	248 611	247 317	1 294	99,5%	215 479	202 093
3. Library and Archives Services	254 011	-	-	254 011	238 205	15 806	93,8%	213 801	200 834
4. Sport and Recreation	167 108	-	-	167 108	161 451	5 657	96,6%	112 904	104 272
SUBTOTAL	977 624	-	-	977 624	952 944	24 680	97,5%	848 951	804 657
Statutory Appropriation	1 978	-	-	1 978	1 978	-	100,0%	1 978	2 002
Member's remuneration	1 978	-	-	1 978	1 978	-	100,0%	1 978	2 002
TOTAL	979 602	-	-	979 602	954 922	24 680	97,5%	850 929	806 659

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
APPROPRIATION STATEMENT
for the year ended 31 March 2022

	2021/22		2020/21	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
TOTAL (brought forward)	979 602	954 922	850 929	806 659
Reconciliation with statement of financial performance				
ADD				
Departmental receipts	2 093		182	
Actual amounts per statement of financial performance (total revenue)	981 695		851 111	
Actual amounts per statement of financial performance (total expenditure)		954 922		806 659

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
APPROPRIATION STATEMENT
for the year ended 31 March 2022

Appropriation per economic classification									
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	2020/21	
								Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	726 451	(15 152)	-	711 299	700 381	10 918	98,5%	660 090	629 196
Compensation of employees	526 473	(338)	-	526 135	524 855	1 280	99,8%	531 136	519 398
Goods and services	199 978	(14 814)	-	185 164	175 526	9 638	94,8%	128 954	109 797
Transfers and subsidies	181 824	3 731	-	185 555	185 433	122	99,9%	156 977	155 743
Provinces and municipalities	73 908	-	-	73 908	73 908	-	100,0%	73 908	73 908
Departmental agencies and accounts	41 517	1 000	-	42 517	42 515	2	100,0%	23 620	23 620
Non-profit institutions	58 498	500	-	58 998	58 998	-	100,0%	53 462	53 451
Households	7 901	2 231	-	10 132	10 012	120	98,8%	5 987	4 764
Payments for capital assets	71 327	11 421	-	82 748	69 108	13 640	83,5%	33 862	21 720
Buildings and other fixed structures	58 047	377	-	58 424	45 711	12 713	78,2%	19 049	9 607
Machinery and equipment	12 180	10 188	-	22 368	21 570	798	96,4%	14 536	11 837
Heritage assets	1 100	-	-	1 100	971	129	88,3%	277	276
Software and other intangible assets	-	856	-	856	856	-	100,0%	-	-
Total	979 602	-	-	979 602	954 922	24 680	97,5%	850 929	806 659

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
APPROPRIATION STATEMENT
for the year ended 31 March 2022

Statutory Appropriation									
2021/22							2020/21		
Direct Charges	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Member of Executive Committee	1 978	-	-	1 978	1 978	-	100%	1 978	2 002
Total	1 978	-	-	1 978	1 978	-	100%	1 978	2 002

Statutory Appropriation per economic classification									
2021/22							2020/21		
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	1 978	-	-	1 978	1 978	-	100,0%	1 978	2 002
Compensation of employees	1 978	-	-	1 978	1 978	-	100,0%	1 978	2 002
Total	1 978	-	-	1 978	1 978	-	100,0%	1 978	2 002

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
APPROPRIATION STATEMENT
for the year ended 31 March 2022

PROGRAMME 1: ADMINISTRATION									
2021/22							2020/21		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1.1 Office of the MEC	6 562	640	-	7 202	7 150	52	99,3%	7 034	6 712
1.2 Corporate Services	301 332	(640)	-	300 692	298 821	1 871	99,4%	299 733	290 746
Total for sub programmes	307 894	-	-	307 894	305 971	1 923	99,4%	306 767	297 458
Economic classification									
Current payments	298 400	(9 133)	-	289 267	287 493	1 774	99,4%	292 905	284 921
Compensation of employees	230 237	-	-	230 237	230 188	49	100,0%	225 963	222 687
Goods and services	68 163	(9 133)	-	59 030	57 305	1 725	97,1%	66 942	62 233
Transfers and subsidies	2 827	1 054	-	3 881	3 879	2	99,9%	4 415	3 134
Departmental agencies and accounts	1 397	-	-	1 397	1 395	2	99,9%	1 500	1 500
Households	1 430	1 054	-	2 484	2 484	-	100,0%	2 915	1 634
Payments for capital assets	6 667	8 079	-	14 746	14 599	147	99,0%	9 447	9 403
Machinery and equipment	6 667	7 223	-	13 890	13 743	147	98,9%	9 447	9 403
Software and other intangible assets	-	856	-	856	856	-	100,0%	-	-
Total	307 894	-	-	307 894	305 971	1 923	99,4%	306 767	297 458

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
APPROPRIATION STATEMENT
for the year ended 31 March 2022

PROGRAMME 2: CULTURAL AFFAIRS									
2021/22							2020/21		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
2.1 Management	14 746	(1 300)	-	13 446	13 412	34	99,7%	14 104	12 486
2.2 Arts and Culture	109 680	(4 441)	-	105 239	105 212	27	100,0%	89 237	88 669
2.3 Museums Services	98 170	7 651	-	105 821	105 821	-	100,0%	88 518	77 668
2.4 Heritage Resource Services	21 560	(1 910)	-	19 650	18 574	1 076	94,5%	18 747	18 393
2.5 Language Services	4 455	-	-	4 455	4 298	157	96,5%	4 873	4 877
Total for sub programmes	248 611	-	-	248 611	247 317	1 294	99,5%	215 479	202 093
Economic classification									
Current payments	161 388	(5 372)	-	156 016	154 746	1 270	99,2%	146 505	140 096
Compensation of employees	130 943	-	-	130 943	130 714	229	99,8%	131 163	128 114
Goods and services	30 445	(5 372)	-	25 073	24 032	1 041	95,8%	15 342	11 982
Transfers and subsidies	73 816	2 030	-	75 846	76 122	(276)	100,4%	59 044	59 213
Departmental agencies and accounts	40 120	-	-	40 120	40 120	-	100,0%	22 120	22 120
Non-profit institutions	32 998	1 500	-	34 498	34 498	-	100,0%	35 844	35 844
Households	698	530	-	1 228	1 504	(276)	122,5%	1 080	1 249

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
APPROPRIATION STATEMENT
for the year ended 31 March 2022

	2021/22						2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Payments for capital assets	13 407	3 342	-	16 749	16 449	300	98,2%	2 784
Buildings and other fixed structures	11 500	3 342	-	14 842	14 842	-	100,0%	1 937
Machinery and equipment	807	-	-	807	636	171	78,8%	571
Heritage assets	1 100	-	-	1 100	971	129	88,3%	276
Total	248 611	-	-	248 611	247 317	1 294	99,5%	202 093

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
APPROPRIATION STATEMENT
for the year ended 31 March 2022

Programme 3: LIBRARY AND ARCHIVES SERVICES									
2021/22									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
3.1 Management	1 791	-	-	1 791	1 596	195	89,1%	2 007	1 830
3.2 Library Services	231 836	1 025	-	232 861	218 824	14 037	94,0%	192 232	182 827
3.3 Archives	20 384	(1 025)	-	19 359	17 785	1 574	91,9%	19 562	16 177
Total for sub programmes	254 011	-	-	254 011	238 205	15 806	93,8%	213 801	200 834
Economic classification									
Current payments	125 393	(477)	-	124 916	121 857	3 059	97,6%	125 639	115 897
Compensation of employees	95 924	(338)	-	95 586	95 204	382	99,6%	105 687	101 762
Goods and services	29 469	(139)	-	29 330	26 653	2 677	90,9%	19 952	14 135
Transfers and subsidies	80 120	477	-	80 597	80 597	-	100,0%	76 708	76 625
Provinces and municipalities	73 908	-	-	73 908	73 908	-	100,0%	73 908	73 908
Non-profit institutions	2 000	-	-	2 000	2 000	-	100,0%	2 000	2 000
Households	4 212	477	-	4 689	4 689	-	100,0%	800	717

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
APPROPRIATION STATEMENT
for the year ended 31 March 2022

	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payments for capital assets	48 498	-	-	48 498	35 751	12 747	73,7%	11 454	8 312
Buildings and other fixed structures	45 926	(2 965)	-	42 961	30 642	12 319	71,3%	8 419	7 474
Machinery and equipment	2 572	2 965	-	5 537	5 109	428	92,3%	3 035	838
Total	254 011	-	-	254 011	238 205	15 806	93,8%	213 801	200 834

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
APPROPRIATION STATEMENT
for the year ended 31 March 2022

Programme 4: SPORT AND RECREATION									
2021/22							2020/21		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
4.1 Management	2 614	750	-	3 364	3 488	(124)	103,7%	2 533	2 323
4.2 Sport Development	62 436	(650)	-	61 786	61 782	4	100,0%	46 177	44 246
4.3 Recreation	99 163	(100)	-	99 063	93 313	5 750	94,2%	61 097	55 061
4.4 School Sport	2 895	-	-	2 895	2 868	27	99,1%	3 097	2 642
Total for sub programmes	167 108	-	-	167 108	161 451	5 657	96,6%	112 904	104 272
Economic classification									
Current payments	139 292	(170)	-	139 122	134 307	4 815	96,5%	93 063	86 280
Compensation of employees	67 391	-	-	67 391	66 771	620	99,1%	66 345	64 833
Goods and services	71 901	(170)	-	71 731	67 536	4 195	94,2%	26 718	21 447
Transfers and subsidies	25 061	170	-	25 231	24 835	396	98,4%	16 810	16 771
Departmental agencies and accounts	-	1 000	-	1 000	1 000	-	100,0%	-	-
Non-profit institutions	23 500	(1 000)	-	22 500	22 500	-	100,0%	15 618	15 607
Households	1 561	170	-	1 731	1 335	396	77,1%	1 192	1 164

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
APPROPRIATION STATEMENT
for the year ended 31 March 2022

	2021/22						2020/21		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payments for capital assets	2 755	-	-	2 755	2 309	446	83,8%	3 031	1 221
Buildings and other fixed structures	621	-	-	621	227	394	36,6%	1 700	196
Machinery and equipment	2 134	-	-	2 134	2 082	52	97,6%	1 331	1 025
Total	167 108	-	-	167 108	161 451	5 657	96,6%	112 904	104 272

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2022

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in the note on Transfers and subsidies disclosure note 33 and Un-Audited Annexure 1 (A, B, F and G) to the Annual Financial Statements.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 on Annual Appropriation to the Annual Financial Statements.

3. Detail on payments for financial assets

There have been no payments for financial assets (write-offs) during the year under review.

4. Explanations of material variances from Amounts Voted (after Virement):

4.1 Per programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Administration	309 872	307 949	1 923	0,6%
Cultural Affairs	248 611	247 317	1 294	0,5%
Library and Archives				
Services	254 011	238 205	15 806	6,2%
Sport and Recreation	167 108	161 451	5 657	3,4%
	979 602	954 922	24 680	2,5%

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Current payments				
Compensation of employees	526 135	524 855	1 280	0,2%
Goods and services	185 164	175 526	9 638	5,2%
Transfers and subsidies				
Provinces and municipalities	73 908	73 908	-	0,0%
Departmental agencies and accounts	42 517	42 515	2	0,0%
Non-profit institutions	58 998	58 998	-	0,0%
Households	10 132	10 012	120	1,2%
Payments for capital assets				
Buildings and other fixed structures	58 424	45 711	12 713	21,8%
Machinery and equipment	22 368	21 570	798	3,6%
Heritage assets	1 100	971	129	11,7%
Software and other intangible assets	856	856	-	0,0%
	979 602	954 922	24 680	2,5%

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2022

4.3 Per conditional grant	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation %
<i>Public Works</i>				
EPWP Inter Grnt Prov	2 056	2 056	-	0,0%
<i>Library and Archives</i>				
Comm Library Serv Grant	173 986	161 809	12 177	7,0%
<i>Sport and Recreation SA</i>				
Mass Sport&Recr Part Prg	72 871	67 258	5 613	7,7%
	248 913	231 123	17 790	7,1%

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2022

VARIANCE EXPLANATIONS

REASONS FOR DEVIATIONS PER PROGRAMME AND ECONOMIC CLASSIFICATION

Programmes	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Administration	309 872	307 949	1 923	0,6%
Cultural Affairs	248 611	247 317	1 294	0,5%
Library & Archives	254 011	238 205	15 806	6,2%
Sport & Recreation	167 108	161 451	5 657	3,4%
Total	979 602	954 922	24 680	2,5%

Administration

Programme 1 is underspent by R1,923 million mainly due to underspending on goods and services where the underspending is R1,725 million. The underspending on goods and services is due to less expenditure on advertisement as the nature of events which consumed a lot of marketing budget were changed from being mass based to tent sized, which does not call for mass advertisements. Underspending also took place on catering for meetings because most of **the department's meetings are held virtually.**

Cultural Affairs

The programme is underspent by R1,294 million mainly because circumstances forced the department to change the nature of commemorating the institutionalised days from the massive rally formats which were more costly to tent sized events which are relatively economical. The new format rather emphasises on leaving a legacy in the identified community where the event is hosted. Transfers to households overspent due to unplanned terminations.

Libraries and Archives

The Programme is underspent by R15,806 million due to underspending in goods and services and payments for capital assets. Goods and services is underspent by R2,677 million due to the extension of a tender for library detection systems as potential bidders wanted more engagements with the department to have a full understanding of the specification. The tender was closed in March and will be awarded in the 2022/23 financial year. Capital budget is underspent by R12,747 million **due to underperformance by contractors in the Jeffrey's Bay & the New Cookhouse Library. The underperformance emanates from a strike by SMME's contracted to the two projects. The strike was ultimately solved in February 2022, but it had already caused delays in progress and invoicing, hence the under expenditure.** The service providers were requested to have recovery plans to recover the lost time. The department will apply for a rollover for these funds.

Sport and Recreation

The programme is underspent by R5,657 million primarily due to the conditional grant which funds mass participation programmes. The underspending is due to the cancellation of summer games that were scheduled for March 2022. Athletics and Swimming was allowed to go ahead in March 2022.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2022

Expenditure in terms of Economic Classification

Economic Classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Compensation of Employees	526 135	524 855	1 280	0,2%
Goods and Services	185 164	175 526	9 638	5,2%
Transfers and Subsidies	185 555	185 433	122	0,1 %
Building and other Fixed Structures	58 424	45 711	12 713	21,8%
Machinery and Equipment	22 368	21 570	798	3,6 %
Heritage Assets	1 100	971	129	11,7%
Software and other intangible assets	856	856	-	0,0%
Total	979 602	954 922	24 680	2,5%

Compensation of Employees

COE is underspent by R1,280 million because the filling of 15 advertised posts was delayed deliberately because it could **lead to overspending of the COE. This was based on the fact that, during the 2021 adjustments, the department's COE budget was cut downwards, and an agreement was reached with Treasury to delay the filling of some vacancies.**

Goods and Services

Goods and services is underspent by R9,638 million mainly due to underspending in the following areas:

- The department had savings on expenditure for events because the nature of doing events for the commemoration of institutionalised days was changed from the mass format to marquee sized events which resulted in less spending.
- Savings were derived from leases for photocopying machines after the department took a decision to reduce the number of machines in offices and introduced a re-arrangement of the floor plans to allow for sharing of these facilities.
- The National Department of Sport, Arts and Culture cancelled the summer games and other sporting events in March 2022 after it transpired that, according to National Treasury Circular, procurement would be negatively affected by the constitutional court judgement and that it would not be possible to deliver such sporting events within such a constrained procurement environment.

Transfers and Subsidies

Transfers and subsidies is underspent by R122 thousand due to leave gratuities that were outstanding at the end of the financial year.

Payment of Capital Assets

Payments for capital assets is underspent by R12,784 million due to underperformance by contractors in the Jeffrey's Bay & the New Cookhouse Library. The underperformance emanates from a strike by SMME's contracted to the two projects. The strike was ultimately solved but the resultant delays in progress negatively affected invoicing and spending. The service providers were requested to have recovery plans to recover the lost time. The amount by which the department is underspent was already committed and a rollover for it has been applied for. These projects are funded through the library conditional grant.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2022

On Sport & Recreation, the accumulative under expenditure of R394 thousand is due to the implementing agency's (Coega Development Corporation) delays in its procurement processes for the borehole project in Butterworth. Construction in the Borehole Project has started but could not be invoiced before the year end.

Expenditure on Conditional Grants

Conditional Grants	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation %
EPWP Inter Grnt Prov	2 056	2 056	-	0,0 %
Comm Library Serv Grant	173 986	161 809	12 177	7,0 %
Mass Sport&Recr Part Prg	72 871	67 258	5 613	7,7 %
	248 913	231 123	17 790	7,1%

EPWP Integrated Grant

EPWP Grant is spent at 100 %

Community Libraries Grant

The community library grant is underspent by R12,177 million due to slow spending in its capital budget. Spending was **interrupted by strikes by SMME's who are contracted at both Jeffrey's Bay & the New Cookhouse Library. They were** complaining about the rates at which they are contracted by the main contractors in the two projects. The strikes affected the progress and expenditure of these projects. The department and DPWI managed to solve the strikes within March and construction resumed thereafter. The projects are expected to be finished in the 2022/23 financial year. The site hand over for New Mango Modular Library took place at the end of February and construction is also underway.

Mass Sport and recreation Grant

The mass sport and recreation grant is underspent by R5,613 million due to the cancellation of summer games scheduled for March 2022. The judgement which was handed down by Constitutional Court negatively affected procurement. It militated against these events taking place.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
REVENUE			
Annual appropriation	<u>1</u>	977 624	848 951
Statutory appropriation	<u>2</u>	1 978	1 978
Departmental revenue	<u>3</u>	2 093	182
TOTAL REVENUE		981 695	851 111
EXPENDITURE			
Current expenditure			
Compensation of employees	<u>4</u>	524 855	519 398
Goods and services	<u>5</u>	175 526	109 797
Interest and rent on land	<u>6</u>	-	1
Total current expenditure		700 381	629 196
Transfers and subsidies			
Transfers and subsidies	<u>7</u>	185 433	155 743
Total transfers and subsidies		185 433	155 743
Expenditure for capital assets			
Tangible assets	<u>8</u>	68 252	21 720
Intangible assets	<u>8</u>	856	-
Total expenditure for capital assets		69 108	21 720
TOTAL EXPENDITURE		954 922	806 659
SURPLUS/(DEFICIT) FOR THE YEAR		26 773	44 452
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		24 680	44 270
Annual appropriation		6 890	28 771
Statutory appropriation		-	-
Conditional grants		17 790	15 499
Departmental revenue and NRF Receipts	<u>13</u>	2 093	182
SURPLUS/(DEFICIT) FOR THE YEAR		26 773	44 452

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
STATEMENT OF FINANCIAL POSITION
for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
ASSETS			
Current assets		26 562	43 152
Unauthorised expenditure	<u>9</u>	-	-
Cash and cash equivalents	<u>10</u>	24 436	40 921
Receivables	<u>11</u>	2 126	2 231
Non-current assets		1 524	1 100
Receivables	<u>11</u>	1 524	1 100
TOTAL ASSETS		28 086	44 252
LIABILITIES			
Current liabilities		28 086	44 252
Voted funds to be surrendered to the Revenue Fund	<u>z12</u>	24 680	42 512
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	<u>13</u>	130	(97)
Payables	<u>14</u>	3 276	1 837
TOTAL LIABILITIES		28 086	44 252
NET ASSETS		-	-
Represented by:			
Recoverable revenue		-	-
TOTAL		-	-

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
 Department of Sport, Recreation, Arts and Culture
 Provincial Financial Statement Report
 VOTE 14
 STATEMENT OF CHANGE IN NET ASSETS
 for the year ended 31 March 2022

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
 VOTE 14
STATEMENT OF CHANGE IN NET ASSETS
 for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
Recoverable revenue			
Opening balance		-	-
Transfers:			
Irrecoverable amounts written off		-	-
Debts revised		-	-
Debts recovered (included in departmental receipts)		-	-
Debts raised		-	-
Closing balance		-	-
TOTAL		-	-

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
CASH FLOW STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		983 050	851 776
Annual appropriated funds received	<u>1.1</u>	977 624	848 951
Statutory appropriated funds received	<u>2</u>	1 978	1 978
Departmental revenue received	<u>3</u>	3 446	844
Interest received	<u>3.2</u>	2	3
Net (increase)/decrease in working capital		1 544	(60)
Surrendered to Revenue Fund		(45 733)	(20 063)
Current payments		(700 381)	(629 195)
Interest paid	<u>6</u>	-	(1)
Transfers and subsidies paid		(185 433)	(155 743)
Net cash flow available from operating activities	<u>15</u>	53 047	46 714
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	<u>8</u>	(69 108)	(21 720)
(Increase)/decrease in non-current receivables		(424)	(176)
Net cash flows from investing activities		(69 532)	(21 896)
Net increase/(decrease) in cash and cash equivalents		(16 485)	24 818
Cash and cash equivalents at beginning of period		40 921	16 103
Cash and cash equivalents at end of period	<u>16</u>	24 436	40 921

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the following policies which have been applied consistently in all material aspects unless otherwise indicated. Management has concluded that the financial statements **present fairly the department's primary and secondary information.**

The historical cost convention has been used except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA) Act 1 of 1999 (as amended by Act 29 of 1999) and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act 1 of 2019.

1. Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standard except where otherwise stated.

Under this basis the effects of transactions and other events are recognized in the financial records when the **resulting cash is received or paid. The "modification" results from the recognition of certain near-cash balances** in the financial statements as well as the revaluation of foreign investments and loans and the recognition of resulting revaluation gains and losses.

In addition supplementary information is provided in the disclosure notes to the financial statements where it is deemed to be useful to the users of the financial statements.

2. Going concern

The financial statements have been prepared on a going concern basis.

3. Presentation currency

Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

4. Rounding

Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).

5. Foreign currency translation

Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

6. Comparative information

6.1 Prior period comparative information

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

6.2 Current year comparison with budget

A comparison between the approved final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

7. Revenue

7.1 Appropriated funds

Appropriated funds comprise of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).

Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.

The net amount of any appropriated funds due to or from the relevant revenue fund at the reporting date is recognised as a payable or receivable in the statement of financial position.

7.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund unless stated otherwise.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

Interest received is levied on amounts receivable from staff debts. The rate charged is based on the interest rate as announced by the Minister of Finance in the Annual Budget Speech.

7.3 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:

- i. it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and
- ii. the amount of revenue can be measured reliably.

The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and or penalties) is measured at amounts receivable from collecting agents.

Write-offs are made according to the department's debt write-off policy.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

8. Expenditure

8.1 Compensation of employees

8.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

8.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

8.2 Other expenditure

Other expenditure (such as goods and services transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

8.3 Accruals and payables not recognised

Accruals and payables not recognised are recorded at cost at the reporting date.

Accruals and payables not recognised are recorded in the notes to the financial statements when the goods are received or in the case of services when they are rendered to the department or in the case of transfers and subsidies when they are due and payable.

8.4 Leases

8.4.1 Operating leases

Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.

The operating lease commitments are recorded in the notes to the financial statements.

8.4.2 Finance leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue.

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- i. cost being the fair value of the asset; or
- ii. the sum of the minimum lease payments made including any payments made to acquire ownership at the end of the lease term excluding interest.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

Finance lease payments received are recognised as departmental revenue.

9. Cash and cash equivalents

Cash and cash equivalents are stated at cost in the statement of financial position.

Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

For the purposes of the cash flow statement cash and cash equivalents comprise cash on hand deposits held other short-term highly liquid investments and bank overdrafts.

10. Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest where interest is charged, less amounts already settled or written-off. Write-offs are made according to the **department's write-off policy**.

11. Financial assets

11.1 Financial assets (not covered elsewhere)

A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

11.2 Impairment of financial assets

Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.

12. Payables

Payables are recognised in the statement of financial position at cost.

13. Capital Assets

13.1 Immovable capital assets

Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably.

Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

13.2 Movable capital assets

Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

13.3 Intangible assets

Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project. Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

13.4 Project Costs: Work-in-progress

Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid. Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register. Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.

14. Provisions and Contingents

14.1 Provisions

Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

14.2 Contingent liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

14.3 Contingent assets

Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

14.4 Capital Commitments

Capital commitments (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.

15. Unauthorised expenditure

Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:

- i. approved by Parliament or the Provincial Legislature with funding and the related funds are received; or
- ii. approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or
- iii. transferred to receivables for recovery.

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

16. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.

Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off.

Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

17. Irregular expenditure

Irregular expenditure is recorded in the notes to the financial statements when confirmed after its assessment. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefore are provided in the note.

Irregular expenditure is reduced from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and removed or written off.

Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

18. Changes in accounting estimates and errors

Changes in accounting estimates that are applied prospectively in accordance with MCS requirements. Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

19. Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.

20. Principal-Agent arrangements

The department is party to a principal-agent arrangement for the roll-out of infrastructure facilities with COEGA. In terms of the arrangement the department is the principal and is responsible for paying of all the infrastructure related expenditure.

All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.

21. Departures from the MCS requirements

Management has concluded that the financial statements present fairly the department's primary and secondary information.

The department complied with the Modified Cash Standard and no departures were made from the Standard to achieve fair presentation.

22. Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

23. Related party transactions

Related party transactions within the MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

The number of individuals and their full compensation of key management personnel is recorded in the notes to the financial statements.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

24. Inventories (Effective from date determined in a Treasury Instruction)

At the date of acquisition, inventories are recognised at cost in the statement of financial performance.

Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.

Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.

The cost of inventories is assigned by using the weighted average cost basis.

25. Employee benefits

The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the employee benefits note.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

1. Annual Appropriation

1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act and the Adjustments Appropriation Act for Provincial Department:

		2021/22		2020/21	
	Final	Actual	Funds not	Final	Appropriation
	Appropriation	Funds	requested/not	Appropriation	received
		Received	received		
PROGRAMMES	R'000	R'000	R'000	R'000	R'000
Administration	307 894	307 894	-	306 767	306 767
Cultural Affairs	248 611	248 611	-	215 479	215 479
Library and Archives	254 011	254 011	-	213 801	213 801
Services					
Sport and Recreation	167 108	167 108	-	112 904	112 904
Total	977 624	977 624	-	848 951	848 951

The department requested and received its appropriated funds amounting to R977,624 million which includes conditional grants of R248,913 million from the Provincial Treasury for the year ended 31 March 2022.

The amount reflected in note 1.1 above excludes the MEC's budget of R1,978 million as it is reflected separately in note 2 below.

1.2 Conditional grants

	Note	2021/22	2020/21
		R'000	R'000
Total grants received	32	248 913	170 932
Provincial grants included in Total Grants received		248 913	170 932

The conditional grants relating to Expanded Public Works Programme (EPWP), Community Libraries and Mass Participation are included in the Financial Appropriation in note 1.1 above.

2. Statutory Appropriation

	2021/22	2020/21
	R'000	R'000
Member's remuneration	1 978	1 978
Total	1 978	1 978
Actual Statutory Appropriation received	1 978	1 978

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

3. Departmental revenue

	Note	2021/22 R'000	2020/21 R'000
Tax revenue			
Sales of goods and services other than capital assets	3.1	1 004	699
Interest, dividends and rent on land	3.2	2	3
Transactions in financial assets and liabilities	3.3	2 442	145
Total revenue collected		<u>3 448</u>	<u>847</u>
Less: Own revenue included in appropriation	15	<u>(1 355)</u>	<u>(665)</u>
Departmental revenue collected		<u><u>2 093</u></u>	<u><u>182</u></u>

The department collected own revenue amounting to R3,448 million as at 31 March 2022. This amount is more than the budgeted own revenue amount of R1,355 million.

This over collection of R2,093 million is due to collection of commission, insurance, garnishees, photocopies income, faxes, Interest received from departmental debtors, receipts from salary overpayments, sales of scrap, staff debts and refunds from ECPACC and GEPPF.

3.1 Sales of goods and services other than capital assets

	Note	2021/22 R'000	2020/21 R'000
Sales of goods and services produced by the department	<u>3</u>	866	699
Other sales		<u>866</u>	<u>699</u>
Sales of scrap, waste and other used current goods		138	-
Total		<u><u>1 004</u></u>	<u><u>699</u></u>

Revenue on other sales, waste and other used current goods increased in 2021/22 due to the sale of a motor vehicle formerly used by the MEC. An open public process was followed when the motor was disposed off.

3.2 Interest, dividends and rent on land

	Note	2021/22 R'000	2020/21 R'000
Interest	<u>3</u>	2	3
Total		<u><u>2</u></u>	<u><u>3</u></u>

3.3 Transactions in financial assets and liabilities

	Note	2021/22 R'000	2020/21 R'000
Other Receipts including Recoverable Revenue	<u>3</u>	2 442	145
Total		<u><u>2 442</u></u>	<u><u>145</u></u>

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

4. Compensation of employees

4.1 Salaries and Wages

	Note	2021/22 R'000	2020/21 R'000
Basic salary		368 352	371 604
Performance award		1 243	4 009
Service Based		331	346
Compensative/circumstantial		750	3 859
Other non-pensionable allowances		75 013	66 816
Total		<u>445 689</u>	<u>446 634</u>

4.2 Social contributions

	Note	2021/22 R'000	2020/21 R'000
Employer contributions			
Pension		48 726	43 465
Medical		30 045	29 069
UIF		24	17
Bargaining council		123	123
Insurance		248	90
Total		<u>79 166</u>	<u>72 764</u>

Total compensation of employees	<u>524 855</u>	<u>519 398</u>
---------------------------------	----------------	----------------

Average number of employees	<u>1 113</u>	<u>1 164</u>
-----------------------------	--------------	--------------

There was an increase of R5,457 million in expenditure for Compensation of Employees due to salary improvement agreements reached in 2021 at the Public Sector Coordinating Bargaining Council. These included the payment of non-pensionable allowances to members of staff plus a 1.5 % increase across the board.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

5. Goods and services

	Note	2021/22 R'000	2020/21 R'000
Administrative fees		21	12
Advertising		8 116	3 331
Minor assets	<u>5.1</u>	694	1 586
Bursaries (employees)		457	399
Catering		339	298
Communication		3 472	5 319
Computer services	<u>5.2</u>	24 111	20 850
Consultants: Business and advisory services	<u>5.9</u>	1 368	661
Legal services		3 449	655
Contractors		20 641	8 836
Agency and support / outsourced services		7 179	322
Audit cost – external	<u>5.3</u>	5 882	5 038
Fleet services		4 134	2 867
Inventory	<u>5.4</u>	23 817	15 830
Consumables	<u>5.5</u>	3 764	4 818
Operating leases		4 595	13 961
Property payments	<u>5.6</u>	11 357	11 326
Transport provided as part of the departmental activities		6 710	717
Travel and subsistence	<u>5.7</u>	36 083	7 786
Venues and facilities		3 045	981
Training and development		4 800	3 132
Other operating expenditure	<u>5.8</u>	1 492	1 072
Total		<u>175 526</u>	<u>109 797</u>

Expenditure on goods and services increased by 59,9 % in the 2021/22 financial year compared with the prior year. During the 2020/21 financial year, the budget of the department was top sliced to channel funds towards fighting the Covid-19 pandemic. Support was provided to the Department of Health.

During the year under review, most of the department's programmes which were suspended in the prior year were restored to normality. This affected spending items like advertising which increased from R3,331 to R8,116 million. More promotional material in the form of sport attire bearing the logo of the department was procured. Expenditure on advertising was very low in the prior year compared to 2021/22 because the hard lockdown of the prior year did not allow many sporting events to be held where the greater part of the advertising budget is spent, hence the huge difference in spending.

Expenditure on computer services increased in 2021/22 from R20,850 million in the prior year to R24,111 million because of an ICT services disruption due to server infrastructure failure in the middle of 2021/22. The department reprioritised its budget and upgraded its local area network infrastructure.

Expenditure on contractors increased significantly in 2021/22 financial year from R8,836 million in the prior year to R20,641 million during the year under review. This is due to the re-instatement of many departmental activities in 2021/22 financial year, including sporting activities, arts and culture festivals and commemoration of institutionalised days where funds are spent on these events through the events management companies.

Expenditure in inventory increased significantly in 2021/22 compared to the prior year of 2020/21 because in the prior year the department spent less on sport and recreation consumables as many games were called off due to restrictions of the hard lockdown which was applicable in that year.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

Outsourced services spending also increased significantly in 2021/22 compared to the prior year because the classification of payment of stipends for EPWP officials was changed from compensation of employees to goods and services. EPWP in the department is funded by both an Incentive Grant from the Department of Public Works and Infrastructure and through the equitable share.

Spending on leases declined significantly to R4,595 million in 2021/22 from R13,961 million in the prior year due to the lapsing of the contract for leases of computers. A new contract is being arranged with the State Information Agency (SITA) for the 2022/23 financial year going forward.

Expenditure on transport provided for departmental activities also increased significantly in the 2021/22 financial year compared to 2020/21 because the events to which the department was transporting stakeholders were suspended in the period of the hard lockdown of 2020. These events include sports tournaments, arts and culture festivals, commemoration of institutionalised days etc. Expenditure on travel and subsistence also increased significantly in 2021/22 financial year from R7,786 million in the prior year to R36,083 million. This is also due to the re-instatement of many departmental activities in the 2021/22 financial year, including sporting activities and arts and culture festivals where funds are spent on accommodation of athletes and artists.

5.1 Minor assets

	<i>Note</i> <u>5</u>	2021/22 R'000	2020/21 R'000
Tangible assets		694	1 586
Machinery and equipment		694	1 586
Total		694	1 586

Expenditure on tangible assets decreased in 2021/22 because the minor asset acquisitions in 2020/21 were a once-off expenditure aimed at equipping the Chris Hani District with furniture and fittings as it had moved to new offices.

5.2 Computer services

	<i>Note</i> <u>5</u>	2021/22 R'000	2020/21 R'000
SITA computer services		24 111	20 850
Total		24 111	20 850

The increment in computer services was due to disaster recovery of ICT system servers in the department and the Microsoft licences that were more expensive due to the decline of the rand value.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

5.3 Audit cost – External

	Note	2021/22	2020/21
	<u>5</u>	R'000	R'000
Regularity audits		5 882	5 038
Total		<u>5 882</u>	<u>5 038</u>

5.4 Inventory

	Note	2021/22	2020/21
	<u>5</u>	R'000	R'000
Clothing material and accessories	5	182	113
Other supplies	5.4.1	23 635	15 717
Total		<u>23 817</u>	<u>15 830</u>

Inventories increased in the 2021/22 financial year by 50.4 % due to the normalisation of the activities of the department which resulted in sport and recreation equipment being supplied to schools and community clubs and library materials being supplied to libraries of the province.

5.4.1 Other supplies

	Note	2021/22	2020/21
	<u>5.4</u>	R'000	R'000
Assets for distribution		23 487	15 717
Machinery and equipment		497	718
Sports and recreation		15 670	13 063
Library material		7 320	1 936
Other		148	-
Total		<u>23 635</u>	<u>15 717</u>

5.5 Consumables

	Note	2021/22	2020/21
	<u>5</u>	R'000	R'000
Consumable supplies		1 165	2 285
Uniform and clothing		10	22
Household supplies		259	-
IT consumables		505	131
Other consumables		391	2 132
Stationery, printing and office supplies		2 599	2 533
Total		<u>3 764</u>	<u>4 818</u>

There was a decline in the expenditure for consumables in 2021/22 because in the prior year the department spent on protective equipment for the entire staff establishment including the districts and libraries. Items that were purchased include masks, sanitisers, screens, temperature scanners etc.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

5.6 Property payments

	Note	2021/22	2020/21
	<u>5</u>	R'000	R'000
Municipal services		483	664
Property maintenance and repairs		10 874	10 662
Total		<u>11 357</u>	<u>11 326</u>

5.7 Travel and subsistence

	Note	2021/22	2020/21
	<u>5</u>	R'000	R'000
Local		36 083	7 786
Total		<u>36 083</u>	<u>7 786</u>

Expenditure on travel and subsistence increased by 363 % in 2021/22 due to the normalisation of the department's activities in the form of sports tournaments, commemoration of institutionalised days and other participative events which require travelling and accommodation of participants like athletes.

5.8 Other operating expenditure

	Note	2021/22	2020/21
	<u>5</u>	R'000	R'000
Professional bodies, membership and subscription fees		198	229
Resettlement costs		537	175
Other		757	668
Total		<u>1 492</u>	<u>1 072</u>

Other operating expenditure increased in 2021/22 because the department had more job recruits who were coming afar and who had to be resettled close to the business area.

5.9 Remuneration of members of a commission or committee (Included *in Consultant: Business and advisory services*)

		Note	2021/22	2020/21
		<u>5</u>	R'000	R'000
Name of Commission / Committee	No. of members			
Audit committee	5		729	-
Total			<u>729</u>	<u>-</u>

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

6. Interest and rent on land

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Interest paid		-	1
Total		-	1

7. Transfers and subsidies

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Provinces and municipalities	33, Annex 1A	73 908	73 908
Departmental agencies and accounts	Annex 1B	42 515	23 620
Non-profit institutions	Annex 1F	58 998	53 451
Households	Annex 1G	10 012	4 764
Total		185 433	155 743

Transfers and subsidies were more in 2021/22 than in the prior year because in 2021/22 there was an additional allocation to ECPACC to fund development in the film sector of the province. Also in 2021/22 there were three museums (Amathole, Uitenhage and Bayworld) whose subsidies had to be increased so to enable them to settle municipal bills which increased extensively during the period of Covid pandemic as there were less visitors to contribute to revenues. Unplanned staff terminations also increased in the 2021/22 financial year, hence the increase in expenditure for Households.

8. Expenditure for capital assets

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Tangible assets		68 252	21 720
Buildings and other fixed structures	30	45 711	9 607
Heritage assets	28,5,30	971	276
Machinery and equipment	28	21 570	11 837
Intangible assets		856	-
Software	29	856	-
Total		69 108	21 720

Expenditure on capital assets was more in 2021/22 than in the prior year because in the prior year the budget was top sliced to channel funds towards fighting Covid-19 under the department of Health. Also in 2021/22 there was a breakdown of the server equipment of the department, resulting in the non-functioning of ICT systems. The department reprioritised funds towards ICT to fix these problems.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL PERFORMANCE
for the year ended 31 March 2022

A need to improve the effectiveness and efficiency of our Internal Audit unit and Risk Management was identified. A software with a cost of R856 thousand was procured for this purpose.

8.1 Analysis of funds utilised to acquire capital assets – 2021/22

	Voted funds R'000	Total R'000
Tangible assets	68 252	68 252
Buildings and other fixed structures	45 711	45 711
Heritage assets	971	971
Machinery and equipment	21 570	21 570
Intangible assets	856	856
Software	856	856
Total	69 108	69 108

8.2 Analysis of funds utilised to acquire capital assets – 2020/21

	Voted funds R'000	Total R'000
Tangible assets	21 720	21 720
Buildings and other fixed structures	9 607	9 607
Heritage assets	276	276
Machinery and equipment	11 837	11 837
Total	21 720	21 720

8.3 Finance lease expenditure included in Expenditure for capital assets

	Note	2021/22 R'000	2020/21 R'000
Tangible assets		10 822	10 029
Machinery and equipment		10 822	10 029
Total		10 822	10 029

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

9. Unauthorised expenditure

9.1 Reconciliation of unauthorised expenditure

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Opening balance		-	-
Prior period error			
As restated		-	-
Unauthorised expenditure – discovered in current year (as restated)		-	-
Less: Amounts approved by Parliament/Legislature with funding		-	-
Closing balance		-	-

10. Cash and cash equivalents

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Consolidated Paymaster General Account		24 436	40 921
Total		24 436	40 921

11. Receivables

		2021/22			2020/21		
		Current	Non-current	Total	Current	Non-current	Total
	<i>Note</i>	R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	11.1	-	-	-	74	-	74
Recoverable expenditure	11.2	1 910	-	1 910	1 910	-	1 910
Staff debt	11.3	216	1 524	1 740	247	1 100	1 347
Total		2 126	1 524	3 650	2 231	1 100	3 331

11.1 Claims recoverable

	<i>Note</i>	2021/22 R'000	2020/21 R'000
Provincial departments	11 and Annex 4	-	74
Total		-	74

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

11.2 Recoverable expenditure (disallowance accounts)

	Note	2021/22	2020/21
	11	R'000	R'000
Debt receivable income		(252)	(274)
Sal: Tax debt		11	28
Bank Adjustment Acc		2 151	2 151
Pension recoverable Acc		-	5
Total		<u>1 910</u>	<u>1 910</u>

11.3 Staff debt

	Note	2021/22	2020/21
	11	R'000	R'000
Staff debt- employees and ex-employees		1 947	1 539
Debt receivable interest		(207)	(192)
Total		<u>1 740</u>	<u>1 347</u>

11.4 Impairment of receivables

	Note	2021/22	2020/21
		R'000	R'000
Estimate of impairment of receivables			
Impaired during the year		912	719
Total		<u>912</u>	<u>719</u>

12. Voted funds to be surrendered to the Revenue Fund

	Note	2021/22	2020/21
		R'000	R'000
Opening balance		42 512	17 113
Prior period error	12.1	-	-
As restated		42 512	17 113
Transfer from statement of financial performance (as restated)		24 680	44 270
Add: Unauthorised expenditure for current year	9	-	-
Voted funds not requested/not received	1.1	-	-
Paid during the year		(42 512)	(18 871)
Closing balance		<u>24 680</u>	<u>42 512</u>

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

13. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

	Note	2021/22 R'000	2020/21 R'000
Opening balance		(97)	248
Prior period error	13.1	-	-
As restated		(97)	248
Transfer from Statement of Financial Performance (as restated)		2 093	182
Own revenue included in appropriation		1 355	665
Paid during the year		(3 221)	(1 192)
Closing balance		<u>130</u>	<u>(97)</u>

14. Payables – current

	Note	2021/22 R'000	2020/21 R'000
Clearing accounts	14.1	3 276	1 837
Total		<u>3 276</u>	<u>1 837</u>

14.1 Clearing accounts

	Note	2021/22 R'000	2020/21 R'000
SAL: Sal Acb Recall	14	117	130
SAL: Income Tax		230	434
Outstanding Payments		2 430	1 509
Sal:GEHS Refund Control Acc		493	262
Sal: Medical aid:cl		-	(10)
Sal:Pension Fund: cl		6	(1)
Unp/RC BAS EBT Control Acc/Dom		-	(487)
Total		<u>3 276</u>	<u>1 837</u>

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

15. Net cash flow available from operating activities

	Note	2021/22 R'000	2020/21 R'000
Net surplus/(deficit) as per Statement of Financial Performance		26 773	44 452
Add back non-cash/cash movements not deemed operating activities		26 274	2 262
(Increase)/decrease in receivables - current		105	(65)
Increase/(decrease) in payables – current		1 439	5
Expenditure on capital assets		69 108	21 720
Surrenders to Revenue Fund		(45 733)	(20 063)
Voted funds not requested/not received		-	-
Own revenue included in appropriation	3	1 355	665
Net cash flow generated by operating activities		53 047	46 714

16. Reconciliation of cash and cash equivalents for cash flow purposes

	2021/22 R'000	2020/21 R'000
Consolidated Paymaster General account	24 436	40 921
Total	24 436	40 921

17. Contingent liabilities and contingent assets

17.1 Contingent liabilities

	Note	2021/22 R'000	2020/21 R'000
Liable to			
Claims against the department	Annex 3B, note 32	5 820	6 639
Intergovernmental payables (unconfirmed balances)	Annex 5	-	178
Other	Annex 3B	2 885	3 604
Total		8 705	10 421

These are amounts that could accrue to employees and or suppliers in respect of claims made against the department. The reduction on 2nd and 3rd notch liability is due to termination of service. The Labour Appeal Court (LAC) declared the salary increases for the 2020/2021 financial year unlawful and invalid. The LAC ruling has been appealed and referred to the Constitutional Court. The ruling by the Constitutional Court will confirm if the department will be obligated to pay the salary increases in dispute.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

17.2 Contingent assets

	Note	2021/22 R'000	2020/21 R'000
Nature of contingent asset			
HROPT-Balance brought forward		3 134	3 395
Reduction in value of asset		(149)	(261)
Total		<u>2 985</u>	<u>3 134</u>

The Contingent Assets are due to OSD debts against employees. The amounts are reduced only through natural attrition or when employees are transferred to other departments, thus there is no certainty as to when these events will take place.

During the year under review the department suffered a disruption in its Information Communication Technology systems. This resulted in a loss of data. At the end of the financial year it was not practicable to provide a probable value for the loss. We are in the process of instituting legal processes with no certainty of the outcome.

18. Capital Commitments

	Note	2021/22 R'000	2020/21 R'000
Buildings and other fixed structures		15 672	6 787
Machinery and Equipment		87	344
Total Commitments		<u>15 759</u>	<u>7 131</u>

The increase in capital commitments is due to infrastructure projects that were started during the year under review.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

19. Accruals and payables not recognised

19.1 Accruals

	2021/22		2020/21
	R'000	R'000	R'000
Listed by economic classification			
	30 Days	30+ Days	Total
Goods and services	3 514	96	3 610
Transfers and subsidies	607	-	607
Capital assets	2 760	-	2 760
Total	6 881	96	6 977

	Note	2021/22	2020/21
		R'000	R'000
Listed by programme level			
Administration		3 535	2 998
Cultural Affairs		308	289
Library and Archives Services		2 785	1 856
Sport and Recreation		349	169
Total		6 977	5 312

19.2 Payables not recognised

	2021/22		2020/21
	R'000	R'000	R'000
Listed by economic classification			
	30 Days	30+ Days	Total
Goods and services	3 711	756	4 467
Capital assets	-	-	-
Total	3 711	756	4 467

	Note	2021/22	2020/21
		R'000	R'000
Listed by programme level			
Administration		1 050	2 290
Cultural Affairs		78	600
Library and Archives Services		-	680
Sport and Recreation		3 339	172
Total		4 467	3 742

Due to the improving conditions of covid 19, the sporting events were allowed in March. Invoices for the events that took place in March were received after the last disbursement date of the financial year.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

<i>Included in the above totals are the following:</i>	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Confirmed balances with the departments		42	-
Confirmed balances with other government entities		-	1 955
Total		<u>42</u>	<u>1 955</u>

The amount of R1,9 million is due to a prior year mis-allocation and it has since been rectified in this year under review.

20. Employee benefits

	<i>Note</i>	2021/22	2020/21
		R'000	R'000
Leave entitlement		32 566	39 717
Service bonus		16 166	14 708
Performance awards		3 229	4 472
Capped leave commitments		22 982	25 635
Other		1 102	349
Total		<u>76 045</u>	<u>84 881</u>

21. Leases

21.1 Operating leases

	Computer Equipment	Machinery and equipment	Total
2021/22	R'000	R'000	R'000
Not later than 1 year	-	3 713	3 713
Later than 1 year and not later than 5 years	-	3 760	3 760
Total lease commitments	<u>-</u>	<u>7 473</u>	<u>7 473</u>
2020/21	R'000	R'000	R'000
Not later than 1 year	2 916	1 106	4 022
Later than 1 year and not later than 5 years	-	2 877	2 877
Total lease commitments	<u>2 916</u>	<u>3 983</u>	<u>6 899</u>

The department's leases comprise photocopying equipment.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

21.2 Finance leases

	Motor Vehicles	Machinery and equipment	Total
	R'000	R'000	R'000
2021/22			
Not later than 1 year	4 672	375	5 047
Later than 1 year and not later than 5 years	7 805	106	7 911
Total lease commitments	12 477	481	12 958

	Motor Vehicles	Machinery and equipment	Total
	R'000	R'000	R'000
2020/21			
Not later than 1 year	4 379	981	5 360
Later than 1 year and not later than 5 years	4 007	198	4 205
Total lease commitments	8 386	1 179	9 565

Machinery and equipment is in respect of finance leases for the rental of Cell phones and Data lines for a period of 24 months. The rentals are fixed for the duration of the period and there is no renewal or purchase or escalation clauses. The maintenance is done by Vodacom.

The department entered into a lease arrangement with GFMS and has leased 51 motor vehicles as at 31 March 2022, for the duration of 5 years the department uses the vehicle for most of the useful life of the vehicle. The agreement does not provide for contingent lease payments. The rentals are fixed for the duration of the period and there is no renewal or purchase or escalation clauses. The maintenance of white fleet is done by the lessors.

The increase in finance lease commitments is due to the vastness of the province, the department had to increase the number of vehicles to our fleet.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

22. Irregular expenditure

22.1 Reconciliation of irregular expenditure

	Note	2021/22 R'000	2020/21 R'000
Opening balance		15 049	15 214
Prior period error		-	(643)
As restated		15 049	14 571
Add: Irregular expenditure – relating to prior year			
Add: Irregular expenditure – relating to current year		781	478
Less: Prior year amounts condoned		(8 179)	-
Less: Current year amounts condoned		-	-
Closing balance		7 651	15 049
Analysis of awaiting condonation per age classification			
Current year		781	478
Prior years		6 870	14 571
Total		7 651	15 049

22.2 Details of irregular expenditure – added current year (relating to current and prior years)

Incident	Disciplinary steps taken/criminal proceedings	2021/22 R'000
Non-tax compliance	None	731
Normal procurement processes were not followed	None	50
Total		781

22.3 Details of irregular expenditure condoned

Incident	Condoned by (Relevant Authority)	2021/22 R'000
Non-compliance with NT instruction note 3 2016/17	Provincial Treasury	593
Non-compliance with NT instruction note 1 2017/18	Provincial Treasury	6 099
Non-compliance with NT instruction note 2 2019/20	Provincial Treasury	1 487
Total		8 179

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

22.4 Prior period error

	Note	2020/21 R'000
Nature of prior period error		
Relating years prior to 2020/21 (affecting the opening balance)		(643)
Invalid irregular expenditure relating to the opening balance	32	(643)
Total		(643)

During the current year the department found invalid irregular expenditure previously incorrectly included in the opening balance of 2020/21. The total invalid irregular expenditure found was R 643 thousand. The prior year opening balance is reduced by R 643 thousand to include only confirmed valid irregular expenditure items.

23. Fruitless and wasteful expenditure

23.1 Reconciliation of fruitless and wasteful expenditure

	Note	2021/22 R'000	2020/21 R'000
Opening balance		1	910
Prior period error		-	-
As restated		1	910
Fruitless and wasteful expenditure – relating to current year		11	1
Less: Amounts recoverable		(1)	-
Less: Amounts written off		(7)	(910)
Closing balance		4	1

23.2 Details of current year fruitless and wasteful expenditure – added current year (under determination and investigation)

Incident	Disciplinary steps taken/criminal proceedings	2021/22 R'000
Cancellation of accommodation and other charges		4
Cancellation of accommodation and other charges		7
Total		11

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

23.3 Details of fruitless and wasteful expenditure recoverable

	2021/22
	R'000
Incident	
Interest on overdue accounts recovered	1
Total	1
Interest on overdue accounts recovered from the responsible official.	

23.4 Details of fruitless and wasteful expenditure written off

	2021/22
	R'000
Incident	
Cancellation of accommodation and other charges	7
Total	7

23.5 Details of fruitless and wasteful expenditures under assessment (not included in the main note)

	2021/22
	R'000
Incident	
No show	4
Cancellation charged on training	15
No show	3
Total	22

24. Related party transactions

Payments made	Note	2021/22	2020/21
		R'000	R'000
Eastern Cape Provincial Arts and Culture Council		36 120	20 120
Museums		12 174	7 227
Eastern Cape Provincial Heritage Resource Agency		4 000	2 000
Guild Theatre		4 270	4 595
Opera House		4 374	2 800
Total		60 938	36 742

The Department has a public entity named Eastern Cape Provincial Arts and Culture Council that is a Schedule 3 entity established in terms of the PFMA Act no. 9 of 1999 as amended. The public entity's board reports directly to the Member of Executive Council. The purpose of the entity is to develop, promote, and preserve art, enhance appreciation, participation and ensure development of a broad inclusive and identifiable Eastern Cape culture. The amount transferred to the public entity for the year ended 31 March 2022 amounted to R 36,120 million.

The following are the institutions that are responsible for providing services related to the objectives of the department:

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

17 Museums are subsidised for their operations by the department and compensation of employees is the responsibility of the department. For the year ended 31 March 2022 an amount of R 12,174 million has been transferred to the museums. Guild Theatre and Opera House are subsidized by the department for all their operations to develop promote art drama and theatre. These two institutions are fully funded by the department. The department therefore has a direct influence upon all strategic decisions that these two institutions take. For the year ended 31 March 2022 an amount of R4,270 million and R4,374 million has been transferred to Guild Theatre and Opera House respectively.

Eastern Cape Provincial Resource Heritage Agency (ECPRHA) is responsible for transformation of the provinces' heritage landscape. For the year ended 31 March 2022 an amount of R4,000 million has been transferred to ECPRHA. The Department is occupying various buildings that are either owned or rented by the Department of Roads and Public Works, during the year ended 31 March 2022.

25. Key management personnel

	No. of Individuals	2021/22 R'000	2020/21 R'000
Political office bearers (provide detail below)			
Officials: Member of Executive	1	1 978	2 002
Level 15 to 16	1	1 676	1 661
Level 14 (Incl. CFO)	5	5 310	4 365
Total		<u>8 964</u>	<u>8 028</u>

26. Provisions

	Note	2021/22 R'000	2020/21 R'000
Opening Balance-Retention Fees Infrastructure Projects		5 127	6 955
Increase in provision		4 230	113
Settlement of provision		(98)	(1 941)
Total		<u>9 259</u>	<u>5 127</u>

This is a provision on retention fees that the Department has withheld in respect of infrastructure projects undertaken by the department. It is calculated at 10% or 1% depending on the contractual agreement.

26.1 Reconciliation of movement in provisions – 2021/22

	Retention Fees R'000	Total provisions R'000
Opening balance	5 127	5 127
Increase in provision	4 230	4 230
Settlement of provision	(98)	(98)
Closing balance	<u>9 259</u>	<u>9 259</u>

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

Reconciliation of movement in provisions – 2020/21

	Retention Fees R'000	Total provisions R'000
Opening balance	6 955	6 955
Increase in provision	113	113
Settlement of provision	(1 941)	(1 941)
Closing balance	<u>5 127</u>	<u>5 127</u>

27. Adjusting events after reporting date

The fruitless and wasteful expenditure relating to the previous years has been recovered from the responsible official on the 05 May 2022.

28. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
HERITAGE ASSETS	345	-	-	(345)	-
Heritage assets	345	-	-	(345)	-
MACHINERY AND EQUIPMENT	27 167	-	21 570	(10 822)	37 915
Transport assets	1 627	-	6 272	(6 272)	1 627
Computer equipment	8 078	-	8 838	-	16 916
Furniture and office equipment	15 698	-	1 683	-	17 381
Other machinery and equipment	1 764	-	4 777	(4 550)	1 991
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	<u>27 512</u>	<u>-</u>	<u>21 570</u>	<u>(11 167)</u>	<u>37 915</u>

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

Movable Tangible Capital Assets under investigation

	Number	Value
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation		R'000
Machinery and equipment	1	16
TOTAL	1	16

28.1 Movement for 2020/21

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS	345	-	-	-	345
Heritage assets	345	-	-	-	345
MACHINERY AND EQUIPMENT	25 359	-	1 808	-	27 167
Transport assets	1 627	-	-	-	1 627
Computer equipment	7 911	123	-	-	8 078
Furniture and office equipment	14 189	(123)	1 676	-	15 698
Other machinery and equipment	1 632	-	132	-	1 764
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	25 704	-	1 808	-	27 512

28.1.1 Prior period error

	Note	2020/21 R'000
Nature of prior period error		-
Relating to 2019/20 <i>[affecting the opening balance]</i>		-
Computer equipment		123
Furniture and office equipment		(123)
Relating to 2020/21		-
Computer equipment		44
Furniture and office equipment		(44)
Total prior period errors		-

There were items that were miscategorised.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

28.2 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2022

	Machinery and equipment R'000	Total R'000
Opening balance	14 099	14 099
Additions	694	694
TOTAL MINOR ASSETS	14 793	14 793

	Machinery and equipment	Total
Number of R1 minor assets	1 396	1 396
Number of minor assets at cost	8 149	8 149
TOTAL NUMBER OF MINOR ASSETS	9 545	9 545

Minor Capital Assets under investigation

Minor Capital Assets under investigation

	Number	Value R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	3	12
TOTAL	3	12

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2021

	Machinery and equipment R'000	Total R'000
Opening balance	12 513	12 513
Additions	1 586	1 586
TOTAL MINOR ASSETS	14 099	14 099

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

	Machinery and equipment	Total
Number of R1 minor assets	1 396	1 396
Number of minor assets at cost	7 878	7 878
TOTAL NUMBER OF MINOR ASSETS	9 274	9 274

29. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	326	-	856	-	1 182
TOTAL INTANGIBLE CAPITAL ASSETS	326	-	856	-	1 182

29.1 Movement for 2020/21

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	326	-	-	-	326
TOTAL INTANGIBLE CAPITAL ASSETS	326	-	-	-	326

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

30. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	124 959	8 087	(55 354)	77 692
Other fixed structures	124 959	8 087	(55 354)	77 692
HERITAGE ASSETS	514	1 316	-	1 830
Heritage assets	514	1 316	-	1 830
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	125 473	9 403	(55 354)	79 522

Included in additions are assets amounting to the value of R345 thousands which comprises of busts sculptures which were previously reported as movable assets and have since been fixed on their bases.

30.1 Movement for 2020/21

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	161 747	729	17 493	(55 010)	124 959
Other fixed structures	161 747	729	17 493	(55 010)	124 959
HERITAGE ASSETS	238	-	276	-	514
Heritage assets	238	-	276	-	514
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	161 985	729	17 769	(55 010)	125 473

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

30.2 Correction of prior period errors

	Note	2020/21 R'000
Relating to 2020/21		729
Adjustment of opening balance	30	
Rounding difference		(1)
Ngqeleni Library		2 428
Port St Johns Library and Wild Coast Museum		(1 698)
Total		<u>729</u>

The balance for Ngqeleni Library was understated by R2,428 million, Port St Johns was overstated by R1,654 million and Wild Coast Museum was overstated by R 44 thousand and the correction was required in order to transfer the assets to the municipalities as per the final account statement and to disclose the correct balances for 2021/22 Financial Year.

30.3 Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2022

	Opening balance 1 April 2021	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2022
Note Annexure 7	R'000	R'000	R'000	R'000
Buildings and other fixed structures	6 489	45 711	(8 087)	44 113
Total	<u>6 489</u>	<u>45 711</u>	<u>(8 087)</u>	<u>44 113</u>

Payables not recognised relating to Capital WIP	Note	2021/22 R'000	2020/21 R'000
Amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress		-	553
Total		<u>-</u>	<u>553</u>

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

	Opening balance 1 April 2020	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2021
<i>Note Annex 7</i>	R'000	R'000	R'000	R'000	R'000
Buildings and other fixed structures	14 375	-	9 607	(17 493)	6 489
Total	14 375	-	9 607	(17 493)	6 489

31. Principal-agent arrangements

31.1 Department acting as the principal

	2021/22 Fees paid R'000	2020/21 Fees Paid R'000
Coega Development Corporation (Management fees)	-	57
Total	-	57

The department of Sport, Recreation Arts and Culture entered into a service delivery agreement with Coega Development Corporation to assist in the provision of Sport, Arts, Cultural, Libraries and Museum facilities throughout the province. The Department of Sport Recreation Arts and Culture does not have management fees paid to Coega Development during the year under review.

32. Prior period errors

32.1 Correction of prior period errors

	<i>Note</i>	Amount bef error correction 2020/21 R'000	Prior period error 2020/21 R'000	Restated Amount 2021/22 R'000
Liabilities:				
Payables not recognised	27	1 783	1 959	3 742
Net effect		1 783	1 959	3 742

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

32.2 Correction of prior period errors

	<i>Note</i>	Amount bef error correction 2020/21 R'000	Prior period error 2020/21 R'000	Restated Amount 2021/22 R'000
Irregular: Opening balance reduced	22	15 214	(643)	14 571
Net effect		15 214	(643)	14 571

Invalid irregular expenditure was identified during the 2021/22 financial year relating to the opening balance of the 2020/21 financial year.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

33. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF DEPARTMENT	GRANT ALLOCATION					SPENT			2020/21		
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjust-ments	Other Adjust-ments	Total Available	Amount received by depart-ment	Amount spent by depart-ment	Under/ (Overspending)	% of available funds spent by depart-ment	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
EPWP Inter Gmt Prov	2 056	-	-	-	2 056	2 056	2 056	-	100%	2 220	1 451
Comm Library Serv											
Grant	169 310	4 676	-	-	173 986	173 986	161 809	12 177	93%	134 633	126 261
Mass Sport&Recr Part											
Prg	69 310	3 561	-	-	72 871	72 871	67 258	5 613	92%	34 079	27 721
Total	240 676	8 237	-	-	248 913	248 913	231 123	17 790	93%	170 932	155 433

Comparative grants for 2020/21 were deposited into the primary bank account held with Standard Bank. During this financial year the province entered into a new banking contract with ABSA Bank of South Africa. The department certifies that all its conditional grants listed above have been deposited into the primary bank account held with ABSA Bank of South Africa.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

34. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	2021/22					TRANSFER				2020/21	
	GRANT ALLOCATION					Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Division of Revenue Act	Actual transfer
	DoRA and other transfers	Roll Overs	Adjustments	R'000	R'000						
	R'000	R'000		R'000	R'000					R'000	R'000
Amahlathi Local Municipality	1 200	-	-	-	1 200	1 200	1 200	-	-	1 200	1 200
Blue Crane Route Local Municipality	2 300	-	-	-	2 300	2 300	2 300	-	-	2 300	2 300
Buffalo City Metropolitan Municipality	15 870	-	-	-	15 870	15 870	15 870	-	-	15 870	15 870
Dr Beyers Naude Local Municipality	2 308	-	-	-	2 308	2 308	2 308	-	-	2 308	2 308
Elundini Local Municipality	750	-	-	-	750	750	750	-	-	750	750
Emalahleni Local Municipality	950	-	-	-	950	950	950	-	-	950	950
Engcobo Local Municipality	700	-	-	-	700	700	700	-	-	700	700
Enoch Mgijima Local Municipality	5 250	-	-	-	5 250	5 250	5 250	-	-	5 250	5 250
Great Kei Local Municipality	500	-	-	-	500	500	500	-	-	500	500
Ingquza Hill Local Municipality(Qaukeni)	800	-	-	-	800	800	800	-	-	800	800
Intsika Yethu Local Municipality	500	-	-	-	500	500	500	-	-	500	500
Inxuba Yethemba Local Municipality	2 510	-	-	-	2 510	2 510	2 510	-	-	2 510	2 510
King Sabata Dalindyebo Local Municipality	1 750	-	-	-	1 750	1 750	1 750	-	-	1 750	1 750
Kouga Local Municipality	2 050	-	-	-	2 050	2 050	2 050	-	-	2 050	2 050
Subtotal	37 438	-	-	-	37 438	37 438	37 438	-	-	37 438	37 438

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

NAME OF MUNICIPALITY	2021/22					2020/21		
	GRANT ALLOCATION					TRANSFER		
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Kou-Kamma Local Municipality	1 300	-	-	1 300	1 300	-	-	1 300
Makana Local Municipality	4 000	-	-	4 000	4 000	-	-	4 000
Matatiela Local Municipality	650	-	-	650	650	-	-	650
Mbashe Local Municipality	500	-	-	500	500	-	-	500
Mbizana Local Municipality	500	-	-	500	500	-	-	500
Mhlontlo Local Municipality	550	-	-	550	550	-	-	550
Mquma Local Municipality	500	-	-	500	500	-	-	500
Ndlambe Local Municipality	2 750	-	-	2 750	2 750	-	-	2 750
Nelson Mandela Bay Metropol. Municipality	15 870	-	-	15 870	15 870	-	-	15 870
Ngqushwa Local Municipality	500	-	-	500	500	-	-	500
Ntabankulu Local Municipality	500	-	-	500	500	-	-	500
Nyandereni Local Municipality	700	-	-	700	700	-	-	700
Port St Johns Local Municipality	550	-	-	550	550	-	-	550
Sakhisizwe Local Municipality	500	-	-	500	500	-	-	500
Senqu Local Municipality	1 500	-	-	1 500	1 500	-	-	1 500
Sundays River Valley Local Municipality	1 200	-	-	1 200	1 200	-	-	1 200
Ray Mond Mhlaba Local Municipality	1 650	-	-	1 650	1 650	-	-	1 650
Subtotal	33 720	-	-	33 720	33 720	-	-	33 720

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

	2021/22							2020/21	
	GRANT ALLOCATION				TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Division of Revenue Act	Actual transfer
NAME OF MUNICIPALITY	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Umzimvubu Local Municipality	750	-	-	750	750	-	-	750	750
Walter Sisulu Local Municipality	2 000	-	-	2 000	2 000	-	-	2 000	2 000
Subtotal	2 750	-	-	2 750	2 750	-	-	2 750	2 750
TOTAL	73 908	-	-	73 908	73 908	-	-	73 908	73 908

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

35. BROAD BASED BLACK ECONOMIC EMPOWERMENT PERFORMANCE

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

36. COVID 19 Response Expenditure

	Note	2021/22	2020/21
	Annexure 11	R'000	R'000
Compensation of employees		-	-
Goods and services		971	1 545
Transfers and subsidies		-	15 000
Total		971	16 545

In the 2020/21 financial year an amount of 15,000 million was made available for a covid relief funding. This fund was discontinued in the 2021/22 financial year.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT			2020/21		
	DoRA and other transfers	Roll Overs	Adjust-ments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by municipi-pality	Amount spent by municipality	Unspent funds	% of available funds spent by municipi-pality	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Amahlathi Local Municipality	1 200	-	-	1 200	1 200	-	-	1 200	1 200	-	100%	1 200	1 200
Blue Crane Route Local Municipality	2 300	-	-	2 300	2 300	-	-	2 300	2 300	-	100%	2 300	2 300
Buffalo City Metropolitan Municipality	15 870	-	-	15 870	15 870	-	-	15 870	15 870	-	100%	15 870	15 870
Dr Beyers Naude Local Municipality	2 308	-	-	2 308	2 308	-	-	2 308	2 308	-	100%	2 308	2 308
Elundini Local Municipality	750	-	-	750	750	-	-	750	750	-	100%	750	750
Emalahleni Local Municipality	950	-	-	950	950	-	-	950	950	-	100%	950	950
Engcobo Local Municipality	700	-	-	700	700	-	-	700	700	-	100%	700	700
Subtotal	24 078	-	-	24 078	24 078	-	-	24 078	24 078	-	100%	24 078	24 078

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

NAME OF MUNICIPALITY	GRANT ALLOCATION			TRANSFER			SPENT			2020/21			
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Enoch Mgijima Local Municipality	5 250	-	-	5 250	5 250	-	-	5 250	5 250	-	100%	5 250	5 250
Great Kei Local Municipality	500	-	-	500	500	-	-	500	500	-	100%	500	500
Ingquza Hill Local Municipality	800	-	-	800	800	-	-	800	800	-	100%	800	800
Intsika Yethu Local Municipality	500	-	-	500	500	-	-	500	500	-	100%	500	500
Inxuba Yethemba Local Municipality	2 510	-	-	2 510	2 510	-	-	2 510	2 510	-	100%	2 510	2 510
King Sabata Dalindyebo Local Municipality	1 750	-	-	1 750	1 750	-	-	1 750	1 750	-	100%	1 750	1 750
Kouga Local Municipality	2 050	-	-	2 050	2 050	-	-	2 050	2 050	-	100%	2 050	2 050
Kou-Kamma Local Municipality	1 300	-	-	1 300	1 300	-	-	1 300	1 300	-	100%	1 300	1 300
Subtotal	14 660	-	-	14 660	14 660	-	-	14 660	14 660	-	100%	14 660	14 660

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				2020/21	
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Makana Local Municipality	4 000	-	-	4 000	4 000	-	-	4 000	4 000	-	100%	4 000	4 000
Matatiele Local Municipality	650	-	-	650	650	-	-	650	650	-	100%	650	650
Mbashe Local Municipality	500	-	-	500	500	-	-	500	500	-	100%	500	500
Mbizana Local Municipality	500	-	-	500	500	-	-	500	500	-	100%	500	500
Mhlonlolo Local Municipality	550	-	-	550	550	-	-	550	550	-	100%	550	550
Mnquma Local Municipality	500	-	-	500	500	-	-	500	500	-	100%	500	500
Ndlambe Local Municipality	2 750	-	-	2 750	2 750	-	-	2 750	2 750	-	100%	2 750	2 750
Subtotal	9 450	-	-	9 450	9 450	-	-	9 450	9 450	-	100%	9 450	9 450

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT			2020/21		
	DoRA and other transfers	Roll Overs	Adjust-ments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Nelson Mandela Bay Metropolitan Municipality	15 870	-	-	15 870	15 870	-	-	15 870	15 870	-	100%	15 870	15 870
Ngqushwa Local Municipality	500	-	-	500	500	-	-	500	500	-	100%	500	500
Ntabankulu Local Municipality	500	-	-	500	500	-	-	500	500	-	100%	500	500
Nyandeni Local Municipality	700	-	-	700	700	-	-	700	700	-	100%	700	700
Port St Johns Local Municipality	550	-	-	550	550	-	-	550	550	-	100%	550	550
Sakhisizwe Local Municipality	500	-	-	500	500	-	-	500	500	-	100%	500	500
Senqu Local Municipality	1 500	-	-	1 500	1 500	-	-	1 500	1 500	-	100%	1 500	1 500
Subtotal	20 120	-	-	20 120	20 120	-	-	20 120	20 120	-	100%	20 120	20 120

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT			2020/21		
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocation by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Sundays River Valley Local Municipality	1 200	-	-	1 200	1 200	-	-	1 200	1 200	-	100%	1 200	1 200
Raymond Mhlaba Local Municipality	1 650	-	-	1 650	1 650	-	-	1 650	1 650	-	100%	1 650	1 650
Umkhumbi Local Municipality	750	-	-	750	750	-	-	750	750	-	100%	750	750
Walter Sisulu Local Municipality	2 000	-	-	2 000	2 000	-	-	2 000	2 000	-	100%	2 000	2 000
Subtotal	5 600	-	-	5 600	5 600	-	-	5 600	5 600	-	100%	5 600	5 600
Total	73 908	-	-	73 908	73 908	-	-	73 908	73 908	-	100%	73 908	73 908

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL AGENCY/ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2020/21
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	Final Appropriation
ECPACC	36 120	-	-	36 120	36 120	100%	20 120
CATHSETA	1 397	-	-	1 397	1 395	100%	3 000
ECPHRA	4 000	-	-	4 000	4 000	100%	2 000
BOXING SOUTH AFRICA	-	-	1 000	1 000	1 000	100%	-
Total	41 517	-	1 000	42 517	42 515	100%	25 120

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 1F

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION			EXPENDITURE		2020/21 Final Appropriation
	Adjusted Appropriation Act R'000	Roll overs R'000	Adjust-ments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds transferred %
Transfers						
Eastern Cape Academy of Sport	10 777	-	-	10 777	10 777	100%
Eastern Cape Sport Council	5 400	-	-	5 400	5 400	100%
Fort Hare Foundation	-	-	-	-	-	-
Grahamstown Foundation (National Arts Festival)	13 680	-	-	13 680	13 680	100%
Guild Theatre	4 270	-	-	4 270	4 270	100%
Opera House	4 374	-	-	4 374	4 374	100%
SA Library for the Blind	2 000	-	-	2 000	2 000	100%
South African Rugby Union	6 323	-	-	6 323	6 323	100%
Boxing South Africa	1 000	-	(1 000)	-	-	-
Subtotal	47 824	-	(1 000)	46 824	46 824	100%
						46 235

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION			EXPENDITURE		2020/21 Final Appropriation
	Adjusted Appropriation Act	Roll overs	Adjust-ments	Total Available	Actual Transfer	
	R'000	R'000	R'000	R'000	R'000	% of Available funds transferred
Subsidies						
Albany Museum	2 000	-	-	2 000	2 000	100%
Amathole Museum	2 000	-	500	2 500	2 500	100%
Barkly Museum	160	-	-	160	160	100%
Bayworld Museum	2 000	-	500	2 500	2 500	100%
Burgersdorp Museum	160	-	-	160	160	100%
East London Museum	2 000	-	-	2 000	2 000	100%
Fort Beaufort Museum	160	-	-	160	160	100%
Graaff-Reinet Museum	514	-	-	514	514	100%
Great Fish Museum	160	-	-	160	160	100%
Middleburg Museum	160	-	-	160	160	100%
Mthatha Museum	160	-	-	160	160	100%
Our Heritage Museum	160	-	-	160	160	100%
Somerset East Museum	160	-	-	160	160	100%
Sterksroom Museum	160	-	-	160	160	100%
Queenstown and Frontier Museum	160	-	-	160	160	100%
Uitenhage Museum	400	-	500	900	900	100%
Wild Coast Museum	160	-	-	160	160	100%
Subtotal	10 674	-	1 500	12 174	12 174	100%
Total	58 498	-	500	58 998	58 998	100%

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE

VOTE 14
UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 1G

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION			EXPENDITURE		2020/21 Final Appropriation
	Adjusted Appropriation Act	Roll Overs	Adjust-ments	Actual Transfer	% of Available funds Transferred	
	R'000	R'000	R'000	R'000	%	R'000
Transfers						
Leave Gratuity	7 901	-	2 231	10 012	99%	5 987
Total	7 901	-	2 231	10 012	99%	5 987

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2022

Nature of Liability	Opening Balance 1 April 2021 R'000	Liabilities incurred during the year R'000	Liabilities paid/cancelled/reduced during the year R'000	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2022 R'000
Claims against the department					
Solidarity H.C.	400	-	(400)	-	-
Wisa Ndovela	35	-	(35)	-	-
Madlavu Trading Projects	220	-	-	-	220
Nyaniso YE	150	-	-	-	150
Sithole	4 500	-	-	-	4 500
Zokufa L P	100	-	(100)	-	-
Mellon Developments	150	-	(150)	-	-
Journey	100	-	-	-	100
Independent newspaper	4	-	(4)	-	-
Kwepile L.	50	-	(50)	-	-
Mbundweni V.	50	-	(50)	-	-
Nzilani Z.	50	-	-	-	50
Bantwini Z.	30	-	(30)	-	-
Zondeka N.	50	-	-	-	50
Doyi M.	50	-	-	-	50
Mindwa B.	50	-	-	-	50
Mtanga J.	50	-	-	-	50
Mawu C.	50	-	-	-	50
Zesheka Z.	50	-	-	-	50
Subtotal	6 139	-	(819)	-	5 320

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

Kembe K.	50	-	-	50
Nomsenge	50	-	(50)	-
Ntutu T	50	-	-	50
Viririm t/a Continental Projects	250	-	(250)	-
Mahamba TT	50	-	(50)	-
Mafunda MM	50	-	-	50
Solidarity H.C.Bamad	-	100	-	100
Dr. Beyers Naude Local Municipality	-	50	-	50
Nana N.B.H.	-	100	-	100
Soma Initiatives (Pty) Ltd	-	100	-	100
Subtotal	500	350	(350)	500
Subtotal - Claims against the department	6 639	350	(1 169)	5 820
Other				
2 nd and 3 rd Notch Liability	31	-	(31)	-
Mafunda M.M.	1 771	1 114	-	2 885
Mahamba T.T.	1 802	-	(1 802)	-
Subtotal-Other	3 604	1 114	1 833	2 885
Total	10 243	1 464	3 002	8 705

These are the amounts that could accrue to employees and or suppliers in respect of claims made against the department.

The official added in the Claims-other was dismissed as per the document attached to the working paper file, on other contingent liability amounting to R2,8 million. The Labour Appeal Court (LAC) declared the salary increases for the 2020/2021 financial year unlawful and invalid. The LAC ruling has been appealed and referred to the Constitutional Court. The ruling by the Constitutional Court will confirm if the department will be obligated to pay the salary increases in dispute.

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 4									
CLAIMS RECOVERABLE									
Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2020/21		Amount
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021	Receipt date up to six (6) working days after year end		
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
Department									
Health	-	-	-	1	-	-	1	-	-
Rural Development and Agrarian Reform	-	-	-	21	-	-	21	-	-
Office of the Premier	-	-	-	52	-	-	52	-	-
National Sport, Arts and Culture	-	-	987	-	987	987	-	-	-
Total	-	-	987	74	987	987	74	-	-

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 5

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2021/22	
	31/03/2022 R'000	31/03/2021 R'000	31/03/2022 R'000	31/03/2021 R'000	31/03/2022 R'000	31/03/2021 R'000	Payment date up to six (6) working days before year end	Amount R'000
DEPARTMENTS								
Current								
Office of the Premier	42	-	-	178	42	178		-
Total Departments	42	-	-	178	42	178		-
OTHER GOVERNMENT ENTITY								
Current								
SARS	-	1 955	-	-	-	1 955		-
Total Other Government Entities	-	1 955	-	-	-	1 955		-
Total Intergovernmental payables	42	1 955	-	178	42	2 133		-

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
UN-AUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 6

INVENTORIES FOR THE YEAR ENDED 31 MARCH 2022

Inventories	Inv Assts Distr: Sports Equip	Inv Ass Distr: Oth Mach & Eqp	Inv Mat & Supp:Sports & Recr Cons	Inv Assts Distr: Library Material	Inv cloth: Needlewrk	Inv Med: First aid kit	Cloth: Unif &Prot Clth	Total
	R'000		R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	126	-	-	-	126
Add: Additions/Purchases – Cash	596	497	15 074	7 319	127	49	55	23 668
(Less): Issues	(596)	(497)	(15 074)	(7 386)	(127)	(49)	(55)	(23 735)
Closing balance	-	-	-	59	-	-	-	59

INVENTORIES FOR THE YEAR ENDED 31 MARCH 2021

Inventories	Inv Assts Distr: Sports Equip	Inv Ass Distr: Oth Mach & Eqp	Inv Mat & Supp:Sports & Recr Cons	Inv Assts Distr: Library Material	Inv cloth: Needlewrk	Inv cloth: Needlewrk	Inv Cloth: Unif &Prot Clth	Total
	R'000		R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	126	-	-	-	126
Add: Additions/Purchases – Cash	457	718	12 606	1 936	72	72	41	15 830
(Less): Issues	(457)	(718)	(12 606)	(1 936)	(72)	(72)	(41)	(15 830)
Closing balance	-	-	-	126	-	-	-	126

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 7

MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES				
Other fixed structures	6 489	45 711	(3 339)	48 861
	6 489	45 711	(3 339)	48 861
Total	6 489	45 711	(3 339)	48 861

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance	Prior period error	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES					
Other fixed structures	14 375	-	9 607	(17 493)	6 489
	14 375	-	9 607	(17 493)	6 489
Total	14 375	-	9 607	(17 493)	6 489

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE
VOTE 14
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 11

COVID 19 RESPONSE EXPENDITURE
SSP per quarter and in total

Expenditure per economic classification	2021/22					2020/21	
	Q1	Q2	Q3	Q4	Total	Total	
	R'000	R'000	R'000	R'000	R'000	R'000	
Compensation of employees	-	-	-	-	-	-	-
Goods and services	121	-	810	40	971	1 545	
Cons Hous Sup: Wash/clean detergent	-	-	19	-	19	628	
Cons Supp: Medical Supplies	121	-	-	115	236	772	
F&O/Equip: Office Furniture (Desk shields)	-	-	-	-	-	68	
Contractors: Event Promoters (Masks & Hand Sanitizers)	-	-	791	(75)	716	77	
Transfers and subsidies	-	-	-	-	-	15 000	
Prov DA: Prov Arts & Cul Council	-	-	-	-	-	9 000	
Sport Council	-	-	-	-	-	6 000	
TOTAL COVID 19 RESPONSE EXPENDITURE	121	-	810	40	971	16 545	

