arts & culture

Department:
Arts & Culture
PROVINCE OF KWAZULU-NATAL

Department of Arts and Culture
Province of Kwazulu - Natal

ANNUAL REPORT
2020-2021 FINANCIAL YEAR

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PART A: GENERAL INFORMATION

1.3.1. KWAZULU-NATAL DEPARTMENT OF ARTS AND CULTURE

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1.3.2 List of Abbreviations / Acronyms

AO	Accounting Officer
AGSA	Auditor-General of South Africa
AFS	Annual Financial Statements
CFO	Chief Financial Officer
DORA	Division of Revenue Act
HR	Human Resources
MPSA	Minister of Public Service and Administration
PFMA	Public Finance Management Act
PPP	Public Private Partnerships
SCOPA	Standing Committee on Public Accounts
SDIP	Service Delivery Improvement Plan
TR	Treasury Regulations
H: A&C	Head: Arts and Culture
TR	Treasury Regulations
MTEF	Medium Term Expenditure Framework
SMME	Small Medium and Micro Enterprises
SCM	Supply Chain Management
EU	European Union
SITA	State Information Technology Agency
APP	Annual Performance Plan
KZNDAC	KwaZulu-Natal Department of Arts and Culture
ROM	Regional Office Management
LAM	Libraries Archives and Museums
WRIP	War Room Intervention Package
M and E	Monitoring and Evaluation
OTP	Office of the Premier
DPM and E	Department of Performance Monitoring and Evaluation
NAAIRS	National Automated Archival Information Retrieval System
KZNPGNC	KwaZulu-Natal Provincial Geographic Naming Committee

KZN PLC	KwaZulu-Natal Provincial Language Committee
KZN ACC	KwaZulu-Natal Arts and Culture Council
FCAC	Federation of Community Art Centres
SAMA	South African Museums Association
EPWP	Expanded Public Works Programme
IDP	Integrated Development Programme
MPAT	Management Performance Assessment Tool
e-QPR	Electronic Quarterly Performance Report
KZNPO	KwaZulu-Natal Philharmonic Orchestra
MOU	Memorandum of Understanding
SLA	Service Level Agreement
KZNDEDTEA	KwaZulu-Natal Department of Economic Development, Tourism and Environmental Affairs
CATHSETTA	Culture, Arts, Tourism, Hospitality and Sports Sector Education and Training Authority
4th IR	Fourth Industrial Revolution
SCMR	Social Cohesion and Moral Regeneration
COVID 19	Severe Acute Respiratory Syndrome Coronavirus 2 (SARS-CoV-2)
K-CAP	KwaZulu-Natal Community Advancement Programme.

1.3.3. Foreword by The Minister / MEC

Ms HGS Mavimbela
MEC for Department of Arts and Culture

It is that time of the year again where we get an opportunity to table the Annual Report for 2020-21 financial year. All of us are aware of the challenges we have faced as the sector following the COVID-19 pandemic. The nature of the creative industries primarily freelance work - most of the sectors are informal and contract work. The creative industries were dealt with a double blow; the abrupt change because of COVID-19 which resulted in the inability to generate income due to the cancelation of events across the country.

Notwithstanding these challenges, we have embraced the past year and changed our approach to work in a new normal, this is one of the reasons the department we hosted various virtual concerts to keep our communities entertained whilst on lockdown. One of the major challenges that we faced was the inability for many artists to generate income during this time. Working with CCIFSA in KwaZulu Natal we provided a temporary relief to KZN artists affected by the lockdown. Three phases of Provincial relief with the total value of R7.6 million were introduced to assist about 600 artists and crafters from various districts. As the department we will also be giving administrative support to CCIFSA for them to properly support our artists from the province.

To expand our footprint the department also introduced a ward-based stimulus programme to speed up service delivery and to resuscitate the sector. The ward-based programme will have a specific bias for unemployed rural communities, women, youth and the disabled arts and cultural practitioners. The programme will take the initiative “Public Arts Project” to create work for artists, designers, researchers, and craftsmen. Despite a turbulent year in which the country battled with COVID-19, we also endured pangs that follow ukukhothama koHlanga Lomhlabathi, His Majesty King Zwelithini ka Bhekuzulu and the loss of lives of many in the cultural and creative industry. Another great loss is regent uNdlunkulu Mantfombi Dlamini Zulu. uNdlunkulu Mantfombi Dlamini Zulu, who played a major role in reviving imikhosi kaZulu such as umkhosi wesivivane which empowers women, umkhosi womhlanga and umkhosi wamaganu.

With all the challenges that we have experienced, the provincial Social Cohesion and Moral Regeneration Council has a very important role to play by creating various programmes to uplift the mood and rebuild our province.

Let me take this opportunity to acknowledge the Accounting Officer and staff for ensuring under lockdown we were still able to deliver fast service delivery to the art community.

Ms Hlengiwe GS Mavimbela
MEC: Arts Culture Sports and Recreation


to report, Mr President.
now free..." Nelson Mandela

1.3.4. Report of the Accounting Officer

Mr N.P CHONCO
Accounting Officer

Overview of the Departmental Performance

The annual report of the provincial Department of Arts and Culture reflects achievements made with regards to the National Development Plan, the five government priority goals and fourteen government outcomes. As a department we remain steadfast in pursuing the vision of social cohesion and nation building as derived from the National Development Plan. It is true indeed that the outbreak of the COVID 19 pandemic derailed the implementation of some departmental core programmes that are aimed to the achievement of this vision. Social cohesion and nation building are a people centered phenomenon. To this end the department would have implemented many of the projects that seek to promote socially cohesive communities and the regeneration of morals, however the lockdown regulations that prohibited the gatherings of too many people became an obstacle. The department had to downscale some major events and, in some instances, cancel them in order to comply with the COVID-19 regulations.

Investing in community infrastructure as means to create enabling environment for socially cohesive communities was also affected negatively in that construction of libraries and art centres had to be halted especially during the alert level 5 and 4 of the lockdown. It is pleasing though that despite these challenges the department came back once the lockdown regulations had been eased and was able to finish the construction of the 5 Modular Libraries. In as much as we did not met the set target of 9 libraries, I am happy to report that the remaining four will be finalised during this current financial year.

As alluded to earlier on, the departmental plans were severely affected by the outbreak of the COVID 19. Artists that would have been used to entertain masses during the implementation of various SCMR projects found themselves without employment. This immediately was followed by an outcry from the sector for the government to ease the regulations so that people will be able to perform and make a living. As this was not possible at that stage, the department opted to offer a relief to some cultural and creative industry practitioners. Virtual platforms were created and streamed live via TV and other social networks to assist people under lockdown cope with this stress. The department spent more than R8 million on the project and more than 574 artists benefited.

The department closed the financial year under the COVID -19 pandemic, and the country was still under lockdown, level 1. Although most services/activities were resumed, there were still strict regulations on social gatherings, which still required downscaling on the numbers of attendees. The pandemic impacted and continues to impact negatively on both nation building and social cohesion including contractual obligations with service providers due to limitations of public gatherings. The department will continue to be innovative under the restrictions put in place by government and ensure service delivery while abiding to COVID- 19 regulations.

Overview of the Financial results of the Department
Departmental Receipts

Departmental receipts	2020/21			2019/20		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
		R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	515	385	130	675	416	259
Fines, penalties and forfeits	81	21	60	91	58	33
Interest, dividends and rent on land	41	6	35	6	19	-13
Sale of capital assets	1 000		1 000	77	0	77
Financial transactions in assets and liabilities	350	422	-72	180	136	44
Total	**1 987**	**834**	**1 153**	**1 029**	**629**	**400**

The nature of departmental revenue collected is in respect of the hiring of departmental campsites, a cultural hall, rental received from officials occupying state owned property, parking fees paid by departmental officials, sale of tender documents for advertised departmental tenders, commission received by the department for the deductions of insurance premiums and garnishee orders, interest received from departmental debts, fines received for lost library material from public libraries and recovery of departmental debts.

The Department reviews the tariffs for all categories of revenue annually and the proposed tariffs are submitted to the Provincial Treasury for approval.

The revenue estimate for the financial year was R1.987 million however, the department under-collected by R1.153 million. The under-collection was under all categories except for the category financial transactions in assets and liabilities.

The department hires a cultural hall and has two camp site facilities to the community at a rate approved by the Provincial Treasury. The under-collection under this category is due to the COVID 19 pandemic as these facilities were not hired during lockdown and this category is also demand driven and dependant highly on the community booking these facilities.

The category fines, penalties were also lower. These are fines paid for lost library material at public libraries. The under-collection was attributed to the closure of libraries during the lockdown and the libraries only re-opened under level 1 of the lockdown.

Sale of capital assets, revenue from this source relates to the sale of redundant vehicles. The estimate under this category was R1.000 million however, there was no auction held as expected as a result of an insufficient number of redundant vehicles available for auction. Therefore, nil was collected under this category which contributed to the over-all under-collection.

Under the category financial transactions in assets and liabilities, this category relates to recoveries of staff debts such as breached bursary contracts and debts written off. The department over-collected by R72 000 as debts were written off in this financial year.

Programme Expenditure

Programme Name	2020/21			2019/20		
	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
1. Administration	138 231	137 061	1 170	136 941	136 933	8
2. Cultural Affairs	209 294	205 072	4 222	318 424	312 038	6 386
3. Library and Archive Services	459 494	442 990	16 504	532 007	503 176	28 831
Total	**807 019**	**785 123**	**21 896**	**987 372**	**952 147**	**35 225**

The departmental expenditure as at 31 March 2021 was R785.123 million against the adjusted budget of R 807.019 million which was 97.3% spent and a variance of 2.7% under-expenditure. Therefore, under-expenditure of R21.896 million. The main contributing factor was under-expenditure under the Community Library Services grant of R15.203 million and under the equitable share R6.693 was under-spent. Of the total under-spending of R21,896 million the department requested for a roll-over of R16.7 million.

Under the grant, the impact of COVID-19 was the main cause for the under-expenditure. As a result, thereof, there were also delays with the completion of modular libraries such as Danny Dalton, Kwanzimakwe and KwaNkosi Khumalo. This resulted in the delay for the procurement of computers, toy materials, ICT systems and furniture for these libraries. In addition, there were delays in the completion of the Dukuduku library due to community unrests.

The reasons and variance for each programme will be discussed under the respective programmes.

Programme 1: Administration

The expenditure under Programme one was 99.2% against the final appropriation. The under-expenditure of R1.170 million was incurred under Compensation of employees due to delays in the filling of posts which was also impacted on the Covid -19 pandemic during the National lock down and under-expenditure against operational costs as departmental offices were closed during the national lock down.

Programme 2: Cultural Affairs

The outcome under this programme was under -expenditure of R4.222 million. The under-spending was under Goods and Services, Transfers and subsidies to Provinces and municipalities and Non-profit institutions. Under Goods and Services, the under-spending was due to the cancellation of Human Rights Day Celebration and not effecting payments for phase 3 of the Provincial Relief Fund. The Human Rights Day Celebration was cancelled due to the outbreak of the Covid-19 pandemic and its associated lockdown restrictions and with regards to the Provincial Relief Fund, the payment criteria set by the department was not met, hence the under-expenditure. In addition, payments in respect of the Indian Indentured Labourers Memorial Projects under Heritage Resource Services was not spent.

Under the sub-programme Museum Services, the Harry Gwala activities were held on smaller scale due to COVID 19 pandemic and some payments could not be processed as the service providers were non-tax compliant. This resulted in under-expenditure under Museum Services, Goods and Services. Under Language Services no events were held also due to the COVID -19 pandemic which also contributed to the under-expenditure under Goods and Services under this programme.

The variance of R1.473 million was under the categories Transfers to and subsidies: Provinces and Municipalities R955 000 and Non -profit institutions R467 000.

The department paid the first tranche to the incorrect bank account holder due to account holder names having similarities. The first tranche was paid to Indonsa Primary Corporate instead of Indonsa Art Centre. The holder of the incorrect recipient of the funds reimbursed the department, however, this was after year-end. Therefore, only one tranche payment was paid to the Zululand Municipality for the Indonsa Art Centre against the budget of R1.911 million.

In addition, under Museum Services, the department could not transfer funds totalling R381 000 to the DCO Matiwane, due to non-compliance by the museum in the spending of the funds in the previous financial year as well as non-submission of documents within the stipulated timeframes to facilitate the transfer.

Unspent funds against both these transfers were requested for roll-over of funds under the equitable share.

Programme 3: Library and Archive Services

The outcome under this programme was under-expenditure of R16.504 million which was as a result of the under-spending under the conditional grant, due to the following:

- Compensation of employees was under spent due to the non- filling of the EPWP Processor posts as budgeted,
- Goods and services were under-spent by R2.158 million. The purchase of computer equipment, toys, library material,furniture, ICT systems for libraries was delayed due to non-completion of modular libraries, such KwaNkosi, KwaNzimakwe and Nongoma as a result of the Covid-19 pandemic. The department inadvertently misallocated a portionthe budget for computer equipment, ICT systems and furniture against Goods and services instead of Machinery and equipment. This largely explains the under-expenditure against Goods and services and Machinery and equipment, as well as the Community Library Services grant. The department has requested a roll-over in this regard.
- Transfers to the Greater Kokstad Municipality were not effected as budgeted. The transfer was in

respect of staffing and operational costs of the Franklin modular library. The Franklin modular library was not completed at year-end due to delays caused by the Covid-19 pandemic. This explains the under-expenditure against Transfers and subsidies to: Provinces and municipalities and the Community Library Services grant.

- The department experienced delays with regards to the construction of Library Head Office, Dukuduku, KwaNkosi, KwaZakwe and Nongoma libraries. The delays were largely as a result of the Covid-19 pandemic. However, during the audit, Covid 19 expenditure incurred for PPEs in respect of the eight modular library structures and the Dukuduku Library were expensed, thus reflecting a higher under-expenditure against this category. In addition, the construction of the Dukuduku library was interrupted as a result of community unrests. This explains the under-expenditure against Buildings and other fixed structures and the Community Library Services grant. The department has requested a roll-over in this regard.

2. Roll-over requested from 2020/21 financial year to the 2021/22 year

Conditional grant: R15.2 million

The total amount committed was R19. 914 million, however and the department requesting R15. 2 million which included under-expenditure of R4.619 million under Compensation of employees.

The under-expenditure was on both Goods and Services as well as Payments for capital assets. However, the budget for capital assets was incorrectly allocated against Goods and Services, therefore, the under-expenditure against this category.

The impact of COVID-19 was the main cause for the under-expenditure within the grant. As a result, thereof, there were also delays with the completion of modular libraries such as Danny Dalton, Kwanzimakwe and KwaNkosi Khumalo. This resulted in the delay for the procurement of computers, toy materials, ICT systems and furniture for these libraries.

The under-expenditure under Buildings and other fixed structures, was due to the delays in the construction of the Dukuduku library. This was due to challenges of community unrests experienced in the construction of Dukuduku library which led to the closure of the site on more than two occasions. The last community unrest was in March 2021 when the site was closed for a period of three weeks. Two variation orders were approved on this project and are attached, these total R3.598 million. The project to date is 80% complete and 20% of the balance of the project is R5.327 million. The professional fees of R1.300 million still to be paid, is in line with the revised project cost. Therefore, the amount requested to be roll-over is R10.225 million.

Equitable share : R1.470 million

An amount of R1.911 million was appropriated for the Indonsa Art Centre in the 2020/21 financial year. The first tranche payment of R955 500 paid into the bank account of Indonsa Primary Cooperative, instead of the Zululand District Municipality, for the Indonsa Art Centre. The funds were fully paid back however, under-expenditure of R955,500 was incurred against this transfer. As the funds were committed to the Indonsa Art Centre as per the signed MOA; these funds are requested to be rolled over.

Sub-programme: Museum Services: R381 000

The department transferred funding to 13 NPI Museums except for DCO Matiwane Museum under Museum Services. The funds totalling R381 000 could not be transferred due to the outcome of the monitoring and evaluation report conducted by Museum Service for the funds spent by the museum in the 2019/2020 financial year.

The reason for non-payment is the museum was non-compliant in the monitoring and evaluation outcome, on whether the funding was utilized for its intended purpose as per the business plan submitted by the relevant institution and the signed Memorandum of Agreement. In addition, to the monitoring and evaluation outcome, the museum did not submit the relevant documents required within the stipulated timeframes.

Sub-programme: Heritage Resource Services: R133 000

In the 2020/21 adjustment estimates, the department received R300 000 as funds specifically and exclusively allocated under Goods and Services, under the sub-programme, Heritage Resource Services. The funds were allocated for the Indian Indentured Labourers Memorial project which falls within the department's Heritage unit under Programme 2., which could not be spent.

3. Virements undertaken as post adjustments

The virement outlined below was applied in the preparation of the annual financial statements and was within the prescripts of the PFMA.

Movement within Programmes

Movement of funds within Programme 1: Administration

The following amounts were moved within this programme:

- R10 000 from Compensation of employees (COE) Transfers and Subsidies: Social benefits for staff exit costs within the Office of the MEC;

- R773 000 from Office of the MEC under Payments for capital assets – Machinery and equipment, to Transport equipment for the purchase of a state vehicle. Movement of funds within Programme 2: Cultural Affairs;

Movement of funds within Programme 2: Cultural Affairs;

- R120 000 from Arts and Culture to Management P2 which is shifting of funds as the funds are within the category Transfers and Subsidies: Social benefits for staff exit costs and the purpose remains the same;
- R91 000 from Arts and Culture – Payments for capital assets – Buildings and fixed structures to Museum Services within the same category to offset the over-expenditure under Museum Services as these funds were not budgeted for the Weenen Museum upgrade.
- R299 000 from Arts and Culture Goods and Services, to Transfers and subsidies to Households for sponsorships that were paid within Arts and Culture;
- R80 000 for the purchases of a crown for the King Shaka Statue, funds were moved within Arts and Culture from Goods and Services to Payments for capital assets – Heritage assets;
- R37 000 within Language Services from Goods and Services to Transfers and Subsidies: Social benefits for staff exit costs.

Movement of funds within Programme 3: Library and Archive Services

- R5 000 from Goods and Services to Archives to offset over- expenditure under Transfers and Subsidies: Social benefits for staff exit costs; and
- R206 000 from Payments for capital assets – Machinery and equipment under Library Services to offset over-expenditure under the same category under Archives.
- R531 000 from Compensation of employees to Transfers and Subsidies: Social benefits for staff exit costs within Library Services.

Virement between programmes to offset over-expenditure under Programme 1: Administration

Programme 2: Cultural Affairs: R1.900 million

- R1.000 million from Museum Services - Goods and Services to P1 : Goods and Services for computer services as a result of the budget exceeding the expenditure;
- R900 000 from Language Services – Goods and Services to P1 Goods and Services for computer services as a result of the budget exceeding the expenditure;

Programme 3: Library and Archive Services

- R40 000 from savings under Compensation of employees to offset over-expenditure under P1: Transfers and Subsidies to Local government for the payment of vehicle licenses for the government fleet;
- R47 000 from savings under Compensation of employees to offset over-expenditure under P1: Payments for financial assets for debts written off;
- R1.000 million from Library Services – Compensation of employees to P1 :Goods and Services for computer services as a result of the budget exceeding the expenditure; and
- R363 000 from Library Services – Goods and Services to P1: Transfers and Subsidies: Social benefits for staff exit costs.

4. Fruitless and wasteful expenditure

The fruitless and wasteful expenditure incurred was R1.487 million which was identified during the audit as possible duplication of internet connectivity provided by Telkom to public libraries. In addition, during the audit two transactions totalling R1.326 million were identified as possible fruitless and wasteful expenditure as they did not go through the assessment process in terms of the fruitless and wasteful framework. These amounts were therefore disclosed as fruitless and wasteful expenditure to be assessed. The opening balance of R4.239 million was re-classified as irregular expenditure due to the contract that expired for internet connectivity. The interest on over-due accounts incurred during the year were investigated and were approved for write off by the Accounting Officer.

5. Supply Chain Management

The post of the Director: Supply Chain Management was filled on the 1 March 2021.

6. Gifts and Donations provided R299 000

The department made sponsorships and donations to the total value R299 000. The amounts paid were as follows:

- Blax Cherie Productions: R98 000 - For the hosting of online content through Facebook and Instagram. The focus was to educate communities especially the youth on the Covid-19 virus and the level 4 regulations that was applicable at the time. The online content included a mix of music and artists educating the community on the pandemic.
- Grand Tenori: R25 000 – The funds were paid to a non-profit company supporting under-privileged artists in the opera/classical genre. The funds were to support the recording of a 40-minute concert which was streamed live on the 2 August 2020.
- Innovation brand Architects PTY – R96 000 The initiative was in support of creating online awareness through drama on the impact of the COVID-19. The hosting of the online drama on social media was during youth month.
- Shu Shu enterprises: R80 000 - The event sponsored was in the form of a webinar focusing on moral regeneration with topics such as family structure gender-based violence and positivity during the COVID-19 pandemic. The webinars were spread throughout the month of August during women's month.

7. Exemptions and deviations received from the National Treasury

The department made sponsorships and donations to the total value R299 000. The amounts paid were as follows:

8. Events after the reporting date.

No events occurred outside the reporting period with financial implications.

9. Other

There are no other material fact or circumstances, which may influence the understanding of the financial state of affairs, not addressed elsewhere in this report.

Mr N.P Chonco
Accounting Officer: Department of Arts and Culture

1.3.5. Statement of Responsibility and Confirmation of the Accuracy of 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 the National Treasury.

The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in 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 2021.

Yours faithfully

Mr N.P Chonco
Accounting Officer: Department of Arts and Culture

1.3.6. Strategic Overview

1.6.1. Vision

Prosperity and social cohesion through arts, culture and heritage.

1.6.2. Mission

To provide integrated arts, culture and heritage services for the people of KwaZulu-Natal by:
Developing and promoting arts, culture and heritage in the Province and mainstreaming its role in socio economic development.

1.6.3. Values

In turn values identify the principles for the conduct of the institution in carrying out its mission.

Value	What it means for KZNDAC in practice
Patriotism	▪ We strive to actively pursue opportunities to uplift the communities of KZN, socially and economically by challenging the status quo and implementing our mandate with passion and dedication whilst remaining true to the values of loyal service to the people. ▪ We are proud of our heritage and committed to the radical transformation agenda of the government of the day. We aim to address the needs of the marginalised and impoverished and will use all available resources to elevate the image of the Province as a significant cultural hub. ▪ We demonstrate our commitment to the nation and the Province by participating in all key government activities and events which we view as opportunities to lobby for key programmes, to stimulate partnerships and to engage with stakeholders about our desire and plans to move our nation and our Province forward.
Ubuntu (care and concern for people)	▪ Acknowledging cultural diversity in the Province and the needs of the citizens of KZN, particularly the less fortunate, we work with care, empathy and kindness in striving for a better life for all the people of our Province. ▪ We focus on collaboration, working together as a cross-functional team and sharing insights and expertise in order to achieve our goal of creating value in the arts and culture sector in the Province. ▪ We work hard at maintaining a safe and healthy work environment, protecting our assets and scarce resources, developing our people and promoting a healthy work / life balance.
Creativity	▪ We make listening and comprehending the needs of our stakeholders in the arts and culture sector the foundation of which to proactively innovate, through the creation of new approaches to what we do and new products and services.

Value	What it means for KZNDAC in practice
	▪ We understand the constraints of government, particularly the lack of resources, to pursue all programmes to the full. With this in mind, we proactively focus on turning ideas into cutting edge, best in class and ''outside the box'' approaches and solutions.
Integrity	▪ We understand that our stakeholders value and seek openness, honesty, consistency and fairness from us at KZNDAC. In order to achieve these ideals, we have adopted a mind-set of doing what is right and acting in good faith at all times, especially when nobody is watching. ▪ We are committed to ethical behaviour and have a zero-tolerance stance towards corruption of any form in the arts and culture sector. Humility, justice and honour underpin our behavioural standards. ▪ We exercise care not to disclose confidential information.
Accountability	▪ Our accountability to the people of KZN is based on us providing them with high quality services; cost effectively and with the least possible wastage. ▪ We commit to keeping our promises, reporting accurately on our performance and commitments, and taking ownership of the task to ensure that it is done correctly the first time around. ▪ We are driven by purpose and work tirelessly towards achieving our goals, displaying a winning attitude to the achievement of and reporting on results and being held to account for our performance.

1.3.7. Legislative and Other Mandates

The Executive Authority, the MEC for Arts and Culture, is responsible for the development and promotion of arts and culture including languages. The Constitution of the Republic of South Africa and other pieces of legislation mandate the provision of library, archives and museum services in the Province by the Executive Authority, The MEC for Arts and Culture.

The mandate of the Department is covered in at least 16 acts and ordinances, some of which date back to the period before 1994 and are in urgent need of review. The Rationalisation of Laws Project will address this anomaly by repealing obsolete laws, reducing duplication, removing inconsistencies and ensuring that all laws are in line with the spirit of the Constitution. Currently, the Department's mandate is derived from the following laws:

Constitution of the Republic of South Africa, Act 108 of 1996

The Department derives its mandate from Schedules 4 and 5 of the Constitution of the Republic of South Africa. The Constitution provides for the administration of cultural matters as well as a language policy and the regulation of official languages as concurrent functions of the national and provincial spheres of government. Library services, other than national libraries, and museum services are an exclusive function of the provincial government.

In addition, Chapter 2 of the Constitution deals with the Bill of Rights and the Department must ensure that sections 16, 30 and 31 as outlined in this chapter are not compromised.

Chapters 10 and 13: As a public institution, the Department of Arts and Culture must ensure that it is governed in accordance with the said chapters which revolve around public administration and financial matters.

Section 41: Principles of cooperative government and inter-governmental relations are also considered to be critical. The Department of Arts and Culture interacts and interfaces with all spheres of government. In terms of its mandate, it has to work closely with the national Department of Arts and Culture and Municipalities within the Province of KwaZulu-Natal.

Arts and culture legislation

- Cultural Promotion Act No. 119 of 1998
- Cultural Affairs Act No. 43 of 1996
- National Arts Council Act No. 56 of 1997
- South African Geographical Names Council Act No. 118 of 1998
- National Language Policy Framework, 2003
- Pan South African Language Board (PanSALB) Act No. 59 of 1995
- KwaZulu-Natal Parliamentary Official Languages Act No. 10 of 1998
- KZN Archives and Records Management Act No. 8 of 2011
- KZN Provincial Archives and Records Management Regulations, 2014
- National Archives and Records Service of South Africa Act, 1996
- KwaZulu Library Act No. 18 of 1980
- Ordinance 26 of 1973 and its regulations
- Museum Ordinance 26 of 1973
- Regulation 113 of 1975
- Regulation 69 of 1998
- Regulation 187 of 1990
- National Heritage Resources Act No. 15 of 1999

Other legislation and regulations in the Public Service

- Basic Conditions of Employment Act (BCEA)
- Public Service Act No. 103 of 1994
- Labour Relations Act No. 66 of 1995
- Occupational Health and Safety Act No. 85 of 1993
- Prevention and Treatment of Drug Dependency Act No. 20 of 1992
- Employment Equity Act No. 55 of 1998
- Promotion of Equality and Prevention of Unfair Discrimination Act No. 4 of 2000
- Skills Development Act No. 97 of 1998
- Electronic Communications Act No. 37 of 2007
- Compensation for Occupational Injuries and Diseases (Workmen’s Compensation) Act No. 130 of 1993
- Unemployment Insurance Act No. 32 of 2003
- Long-term Insurance Act No. 53 of 1995
- Government Employees Pension Law Act No. 21 of 1996
- Usury Act No. 73 of 1968
- Medical Schemes Act No. 131 of 1998
- Prevention of Family Violence Act No. 133 of 1993
- Income Tax Amendment Act No. 168 of 1993
- Public Audit Act No. 25 of 2004
- VAT Act No. 61 of 1993
- Tax Amnesty Act No. 19 of 1995
- Companies Act No. 71 of 2008

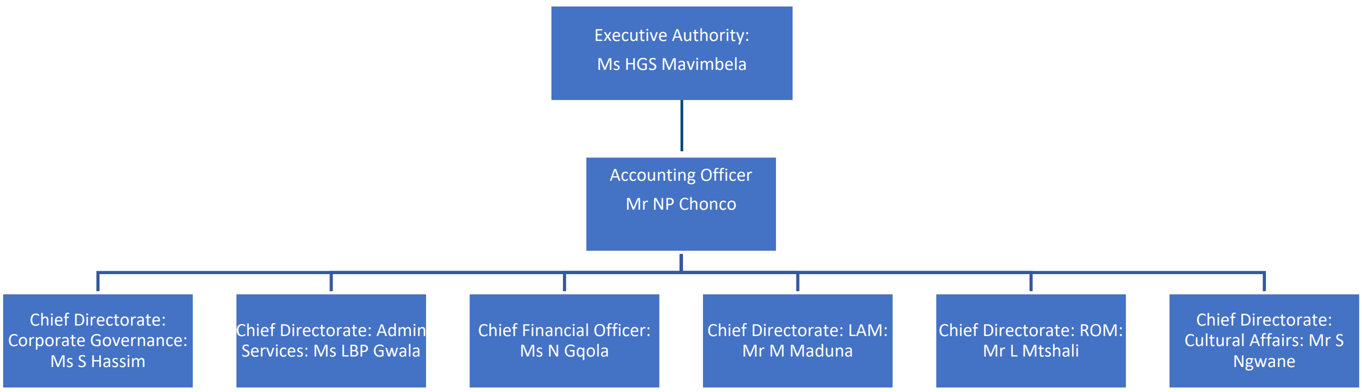
- Public Finance Management Act No. 1 of 1999
- Preferential Procurement Policy Framework Act
- Broad-based Black Economic Empowerment (BBBEE) Act No 53. of 2003
- King III Report on Corporate Governance
- Intergovernmental Relation Framework Act
- Skills Development Act
- Promotion of Administrative Justice Act No. 3 of 2000
- Protection of Personal Information Act No. 4 of 2013 (POPI)
- Promotion of Access to Information Act No. 2 of 2000
- Prevention and Combating of Corrupt Activities Act No. 12 of 2004

There were no significant changes to the Departments' legislative and other mandates. The Department is in a process of updating its statute book by rationalising legislation governing arts and culture, archives, library and museum Services.

No legislative changes were finalised during the period under review. However, the following legislation is currently under review and at different stages of finalisation:

- Culture Promotion Act No. 35 of 1983
- Cultural Affairs Act No. 65 of 1989
- Library Policy
- KZN Languages Bill

1.3.8. Organisational Structure



1.3.9. Entities Reporting to the Minister / MEC

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
The KwaZulu-Natal Amafa and Research institute	Heritage preservation and promotion	Transfer of funds	Heritage authority

Part B:
Performance Information

1.4.1 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.

Refer to page 104 of this report published as Part E in the Financial Statement.

1.4.2 Overview of Departmental Performance

Year 2020/2021 can best be described as the year for the beginning of the new things, loosely referred to as the "new normal". The COVID 19 pandemic whose origins can be traced to the city of Wuhan in China landed in South Africa for the first time on 5 March 2020. The reported incidence involved a 38-year-old male from KwaZulu-Natal who had travelled to and back from Italy. By 26 March 2020 the President of the country announced the hard lockdown that brought about a total standstill of all economic and social activities. Mainly, lockdown forced people to stay indoors as gatherings of any nature were regarded as a super spreader of the virus. The lockdown was at a later stage eased gradually thus allowing some of the activities to proceed.

The repercussions of COVID 19 had a lasting effect in many sectors of the economy and society. Too many lives, jobs, income, assets, etc. were lost. The arts, culture, sport and heritage sectors were the hardest hit because these sectors are events based. COVID 19 criminalised crowding and this was allowed for exceptional circumstances like shopping, even then shopping malls and stores had to regulate the number of customers entering the store or the mall at a given point in time. This requirement was cutting direct to the very heart of the cultural and creative industries whose income is solely dependent on the massive crowds that attend various entertainment events and activities. Suspension of events like festivals, exhibitions, live performances with crowds, theatre and cinema shows, cultural events meant that artists and other workers in the cultural and creative industries sectors effectively lost income. This meant those in the administration side of things like managers, promoters and other admin related employees lost their jobs as the sector was no longer generating income.

As if the loss of income was not enough, the pandemic continued to wreak havoc by taking the lives of some well-known people in this sphere. Amongst them we can mention his majesty the King, who was not only the King of the mighty Zulu nation but also a symbol of the African identity. He used cultural ceremonies to instill self-love and respect amongst many South Africans. He contributed immensely towards the fight against gender-based violence. He supported all government programmes aimed at building and developing responsible citizenship. Annually, scores of people would descend from all corners of the country to attend cultural ceremonies hosted by his majesty the King. This could not happen during the period under review but as versatile as his majesty was, he managed to host a couple of virtual ceremonies before he passed on.

A renowned broadcaster and businessman, Dr Welcome Bhodloza Nzimande is another well-known person to succumb to the COVID 19 virus. The man was well respected for putting indigenous music – maskandi in particular in a world map. He promoted maskandi music by making sure it received airplay at the time when this was not fashionable to do. Until his untimely death, Bhodloza was still involved with maskandi through "The Bhodloza talent search programme" that was also sponsored by the Department.

The departing of our loved ones was not the only challenge we had to contend with. At a country level and immediately before the country experienced the incidence of the COVID 19, our economy had already slipped to a recession. As a major player in the Gross Domestic Products of the country, the creative sector was dealt a major blow, as this means there would be less income derived from the goods and services offered by the sector. On the one hand, the increasing demand for the basic services and free education as promised by government put a strain in the fiscus. A need to fix government owned entities like ESKOM, SAA, SABC etc. meant the state required more money than it already has. It is no wonder that as a Department we experienced a budget cut from slightly above R1 billion to around R800 million. Furthermore, Treasury introduced a whole lot of stringent cost cutting measures that include amongst others the freezing of vacant posts, limited travelling etc.

The scenario above does not require a rocket scientist in order to understand that this was directly affecting the delivery of Arts and Culture services. The less human resources the Department has the less output and ineffective service delivery of arts and culture services. Due to the limited slice of the budget the Department gets from Treasury it has been difficult to roll out programmes that have an impact. To this end, motivations and requests were made without success. In other words, cutting this already inadequate budget just made the situation even worse.

Increasing unemployment rate is also another factor that the Department had to contend with. Remember the cultural industries is dominated mainly by the youth corps. The increased in youth unemployment rate weighs heavily on the Department as the youth continuously knocks on the Department's doors looking for funding to finance their projects.

The outbreak of the COVID 19 pandemic came with some threats and opportunities for the sector. Lockdown as announced by government meant an increase of demand for the in-house entertainment. Some creative practitioners in the industry rose to the challenge by coming up with innovative ways of meeting this demand. Some of these practitioners included those who were ready to organise and host virtual events who came on board and partnered with the Department in ensuring that in-house entertainment in a form of virtual events were indeed hosted. Therefore, staying at home and watching these entertaining programmes became an option for many people. These virtual events were made possible through the use of TV and other social media platforms. The nonperforming segment of the cultural industries did not respond very well as many of their work, in all intents and purposes is appreciated through physical exhibitions and displays. The Department will under the circumstances upscale the digitization of artefacts so that at some point these online displays and exhibitions become a reality. The Department will also pursue possibilities of virtual and online markets that will make it possible for the visual artists to sell their product during this time of the pandemic. The Department will however continue to interact with this segment of the industry with a view to identify solutions to rescue visual arts practitioners.

During the period under review, the Department received thousands of applications for grant-in-aid funding. While the Department had targeted to fund at least 30 organisations, it nonetheless ended up funding a total of 33 organisations. This was made possible by the fact that some of the organisations requested less funding than what was provided for to fund their programmes. The Department ensured that only projects with the potential to make high impact were funded. These entailed projects that would be able to generate income and be able to create jobs in the process. These projects clearly articulated youth as their main beneficiary targets. The Department spent almost R2 million on the grants-in-aid funding. Funding of community-based arts centres continued. Institutions like the eKhaya Multi Arts Centre (K-CAP), Gobhela arts centre, the BAT centre etc. were funded. In return these institutions benefit mostly young people who are in the cultural and creative industries.

1.4.3 Progress towards Achievement of Institutional Impacts and Outcomes

OUTCOMES AND IMPACTS	PROGRESS TOWARDS ACHIEVEMENT
Increased economic contribution of the creative industry to the GDP.	33 Arts and Culture Organisations were supported. R6.93 million financial relief spent, and 574 artists benefitted. Supported the hosting of virtual festivals/ performances. Supported the hosting of virtual Imikhosi. Supported the hosting of virtual celebration of national and historical days. Supported literature development programme (writing and publishing of two books).
Improved participation of cultural communities in arts and culture platforms (Ethnic groups, foreigners, races, gender, sexual orientation)	Hosted virtual imikhosi yakwaZulu. Hosted virtual music performances. Hosted Social Cohesion and Moral Regeneration Committee meeting. Partnered with various institutions like Blind SA in furthering the mandate of Arts and Culture. Implemented the Liberation 3 liberation routes. Hosted the 100 years virtual commemoration of Harry Gwala.
Communities utilising library and archive services	Built 5 Modular libraries. Provided free internet services to 141 libraries. Provided two additional mobile libraries.

Employment for the most of creative industry practitioners ended abruptly on the day the President announced lockdown due to COVID 19. The sector generates income through shows, events, festivals, exhibitions etc. Due to lockdown regulations and social distancing it became impossible to host these events hence the inability to generate income and subsequent contribution to the GDP. While there are no available statistics at this stage, it is evident that the sector's contribution to the GDP was severely curtailed. This is also evident on the section dealing with programme performance information, particularly the non-attainment of indicators. Many projects and its concurrent indicators had to be abandoned due to COVID-19. By extension this also affected the implementation of both the 2019-2024 Medium Term Strategic Framework and the Provincial Growth Development Plan.

The progress as demonstrated by the achievements above was the minimum that the Department could do towards the implementation of these plans. We must be mindful of the fact that the Department was hard at work trying to come up with ways and means to mitigate the impact of the pandemic in the sector. This entailed the procurement of the PPE materials for sector employees and those regarded as essential workers. Furthermore, the Department also provided stress relief to artists who were no longer earning income. The Department was successful in organising some virtual events which benefitted 574 artists.

The KZN Department of Arts and Culture was promulgated in 2004. Before that, the Arts and Culture was a function within the KZN Department of Education. In 2009, the museums function that used to reside with the Office of the Premier was transferred to the Department. In 2018, the Heritage function that used to reside with the Office of the Premier was transferred to the Department. Back in 2009, the transfer of Museum Services was not accompanied by the budget with which the unit was operating. The Department had to make means to fund this component. This was done until the Museum Directorate was fully accommodated within the limited Arts and Culture budget. The transfer of Heritage services has also been accompanied by unsatisfactory budget since only personnel budget was transferred but not the budget for projects.

On receipt of the two components the Department placed them under programme two (Cultural Affairs). Since the inception of the sixth administration there has been reports that the two departments i.e Arts and Culture & Sport and Recreation will be merged to form one department. These reports have negatively affected both departments since some vacant posts in programme one cannot be filled. This is done to ensure that when the merger takes place there are no duplications for posts since programme one's functions are similar for the two departments. During the period under review there were significant changes that occurred on the top-level management of the Department. Two Chief Directors left the Department – one resigned and the other was transferred to the Office of the Premier. These vacancies were subsequently filled during the same period. One more vacancy in the top management (Chief Financial Officer) that had been vacant for some time in the Department was also filled during the period under review. The appointment of the CFO brought stability in the financial environment of the Department. It is also a pleasure to report that the top level management of the Department has a 50-50 gender representation.

At a national level, the sixth administration introduced the District Delivery Model which is somewhat similar to the Operation Sukuma Sakhe. The Department had already configured its service delivery model to suit the DDM model albeit with 3 or 4 districts clustered into one region. These developments justified that the Department put more focus on resourcing the districts. It is the intention of the Department to have district offices located in the actual district. Currently personnel servicing districts sit on the four locations i.e. Durban Central (eThekwini metro and iLembe) Ulundi (King Cetshwayo, Zululand and uMkhanyakude) Pietermaritzburg (Ugu, uMgungundlovu and Harry Gwala). There are still challenges in respect of accommodation to house (uThukela, amaJuba and uMzinyathi districts offices) and the Department is addressing this issue. It is envisaged that this accommodation problem will be resolved before the end of the 2021/22 financial year.

Currently the Department is represented at all DDM structures where departmental services are fed into the basket of services offered by the district. On the other hand, the Department is working closely with the districts arts and culture forums in identifying solutions that respond directly to the sector challenges. Due to limited resources, the Department took a conscious decision to abandon numerous small-scale projects and programmes and replace them with one or fewer high impact programmes. This led to the birth of District arts and culture festivals which are scheduled to take place once in each district per year. In these events, the Department does all it can to ensure that all arts forms benefit and are accommodated. It is the intention of the Department to grow these events to a level where they become self-reliant by roping in other partners both in the public and private sector. The interaction between the Department and the arts and culture forums has made it possible for individual artists affected by the decision of the department to understand and cooperate with a revised vision.

The new vison of the Department has come with some benefits in a sense that administration of the numerous small-scale low impact events has eased. All the resources relieved from the small-scale low impact programmes have been re-directed to the one or few projects with high impact. The other benefit is that audit requirements are now focused on just one or a few projects as opposed to numerous small projects. The developments have also contributed towards the audit outcomes of the Department. On many occasions that the Department was still doing the numerous small projects, it received qualified audit opinion and once this was changed the outcome also changed to unqualified audit opinion.

1.4.4. Institutional Programme Performance Information

PROGRAMME 1: ADMINISTRATION

SUB-PROGRAMMES IN ADMINISTRATION:

- Ministry
- Administrative Services
- Corporate Governance
- Office of the Chief Financial Officer.

The table below reflects indicators at the beginning of the financial year until the date of re-tabling

Programme 1 : Administration									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Departmental clean audit opinion	Strategic plans and APP submitted in line with the required prescripts	Number of APP submitted in line with the required prescripts	1	1	1	0	1	Indicator was set for Quarter 4.	
	Annual report submitted in line with the required prescripts	Number of annual reports submitted in line with the required prescripts	1	1	1	0	1	Indicator was set for Quarter 3	
	Invest more resources to implement the HR plan ✓ Recruitment of staff in line with the approved priority list. ✓ Recruitment in line with employment equity targets ✓ Capacity building of staff.	% vacancy rate	18.12%	8.33%	10%	7.90%	2.10%	Achievement is less than 10% threshold	
		% of people with disabilities approved in Department	-	-	2%	1.7%	0.30	PWD generally do not apply for advertised posts even when advertised posts expressly indicates that they would be given preference.	
		% of females in SMS level	-	-	50%	33%	17%	Panel members do not recommend female candidates for appointment in some of the SMS posts to	

								meet the targets.	
		% payroll spent on training	2.9%	1%	1%	0%	1%	Target was set for the last quarter	
		Number of risk management plans monitored	1	1	1	1	-		
	Compliance with governance	Number of compliance audit reviews	20	25	25	25		Refer to table below.	
		Number of ICT frameworks implemented	-	-	1	0	1	Refer to the table below	
	Promoting economic transformation	Total % value of orders awarded to BBBEE compliant service providers	-	-	97%	100%		Most of the goods and services were sourced from BEE compliant service providers using pre-qualification criteria	
		% of payments with requisite supporting documents made within 30 days	98.8%	99%	100%	97.37	2.63%	Late submission of invoices from user components. Limited number of SCM staff to capture commitments. Incorrect invoice date captured by Finance Clerks.	
	Sound financial management	Number of consolidated asset registers updated in accordance with asset management policies	-	-	1	0	1	Updating of the asset register is 92% complete. The imposition of lockdown regulations negatively affected this process.	
		Number of clean audit opinion received	unqualified with matter of emphasis	unqualified with matter of emphasis	1 Unqualified with no matter of emphasis	0	1	The department received unqualified audit with some matters of emphasis	
		% variance on expenditure on budget.	-	1.3%	2%	0%	2	Target was set for the last quarter.	

The table below reflects indicators at the beginning of the year and after the re-tabled annual performance plan.

Programme 1 : Administration								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Departmental clean audit opinion	Strategic plans and APP submitted in line with the required prescripts	Number of APP submitted in line with the required prescripts	-	1	1	1	-	No deviation.
	Annual report submitted in line with the required prescripts	Number of annual reports submitted in line with the required prescripts	-	1	1	1	-	Due date for the submission of the Annual Report was rescheduled to end October due to COVID 19.
	Invest more resources to implement the HR plan ✓ Recruitment of staff in line with the approved priority list. ✓ Recruitment in line with employment equity targets ✓ Capacity building of staff.	% vacancy rate	18.12%	8.33%	10%	3.56%	6.44%	% is less than 10% and that means it is within the threshold.
		% of people with disabilities approved in Department	-	-	2%	1.72%	0.28	PWD generally do not apply for advertised posts even when advertised posts expressly indicates that they would be given preference.
		% of females in SMS level	-	-	50%	37.50%	12.50%	Panel members do not recommend female candidates for appointment in some of the SMS posts to meet the targets.
		% payroll spend on training.	2%	2.3%	1%	1%	-	No deviation
	Compliance with governance	Number of risk management plans monitored	1	1	1	1	-	Na deviation
		Number of compliance audit reviews.	-	25	25	25	-	No deviation
		Number of ICT frameworks implemented.	0	0	1	1	-	No deviation
		Total % value of orders awarded to BBBEE	99%	99,69%	97%	99%	2%	Most of the goods and services were sourced from BEE

		compliant service providers						compliant service providers using pre-qualification criteria
	Promoting economic transformation	% of payments with requisite supportive documents made within 30 days	99%	96,91%	100%	98%	2%	Late submission of invoices from user components. Limited number of SCM staff to capture commitments. Incorrect invoice date captured by Finance Clerks.
	Sound financial management	Number of consolidated asset registers updated in accordance with asset management policies	1	0	1	1	-	No deviation
		Number of clean audit opinion received	-	0	1 Unqualified with no matter of emphasis	0	1	The Department received unqualified audit with some matters of emphasis
		% variance on expenditure on budget	2%	4%	2%	2.7%	0.7%	Under expenditure on conditional grants in respect of furniture.

Strategy to overcome areas of under performance

Under performance is mainly attributed to the outbreak of the COVID-19 which its nature and origins are very tricky for all nations globally. At this stage, it is known that the virus spreads easily when too many people are meeting in one place for various reasons like religious, political rallies, funerals, weddings etc. To this end, government implements a social distancing policy. Considering this, the Department where it is possible delivers and procures services using virtual methods. It will also upscale the provision of personal protective equipment and ensure compliance with all COVID-19 protocols. Educating our clients with regards to COVID-19 and compliance with all protocols will be accelerated during service delivery. There are also areas where underperformance is attributed to variables outside the control of the Department like payment of suppliers within 30 days. In some instances, suppliers submit account numbers that have been closed by the banks because they were not used for a specified period. Delays are caused by the fact that the closed bank accounts only show at the last stage of the process i.e. capturing of the payment on BAS and it is only then that the Department informs the supplier. The Department will communicate with its suppliers to ensure that they submit active banking details in order to avoid these delays.

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

The Annual Performance Plan of the Department incorporates both the standardised and non-standardised indicators together with concurrent outputs hence no disclosure would be made under this section.

Reporting on the Institutional Response to the COVID-19 Pandemic

The Department procured and delivered to all departmental offices, regions and library depots across the Province personal protective equipment including masks, sanitizers, surgical gloves, counter protective screens etc. for employees and clients in the Department. The Department spent more than R3 million on the PPE for all three programmes of the department.

Linking performance with budgets

Guideline

Departments must provide a summary of the actual expenditure in comparison to the adjusted appropriation for both the current year and previous year. The information must be provided at a sub-programme level and must agree to the appropriation statement of the audited financial statements. Reasons for variations should be linked to the information discussed above in the organisational environment and the service delivery environment. The Department must also report on how expenditure contributed to achievement of outputs.

Format of disclosure

The following table must be presented with the relevant financial information. Include the narrative after the table discussing how expenditure contributed to the achievement of outputs during the period under review.

Sub-Programme Name	2020/2021			2019/2020		
	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
Office of the MEC	11 659	10 967	692	18 411	18 348	63
Corporate Services	126 572	126 094	478	118 530	118 585	-55
Total	**138 231**	**137 061**	**1 170**	**136 941**	**136 933**	**8**

PROGRAMME 2: CULTURAL AFFAIRS

SUB-PROGRAMMES IN CULTURAL AFFAIRS:

- Regional Office Management
- Cultural Affairs
- Heritage services
- Museums services
- Language Services.

The table below reflects indicators at the beginning of the financial year until the date of re-tabling

Programme 2 / Cultural Affairs:									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	**Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
		Number of community structures supported	16	12	16	-	-	Indicator was discontinued.	Target of 1 set for the first Quarter had not be achieved when the indicator was discontinued due to COVID 19.
Increased economic contribution of the creative industry to the GDP	Financial and non-financial support to cultural and creative industry	Number of cultural and creative Industries supported. Previously "Number of SMME's supported through creative industry initiatives"	-	-	30	-	-	Refer to the table below	All targets were set for the third Quarter.
		Number of practitioners benefitting from capacity building opportunities	2387	572	540	-	-	Indicator was discontinued.	Target of 185 set for the first Quarter had not be achieved when the indicator was discontinued due to COVID 19.
		Number of marketing opportunities provided to	54	35	28	-	-	Indicator was discontinued	Target of 6 set for the first Quarter had not be

		cultural and creative industries practitioners							achieved when the indicator was discontinued due to COVID 19.
	Partnerships with higher education institutions implemented. Partnerships with DUT, MUT, UKZN, UZ Develop partnership programme for writers, artists.	Number of research partnerships established to grow the creative industry	-	-	2	-	-	Refer to table below.	All targets were set for the fourth Quarter respectively.
		Number of partnerships with higher education institutions implemented.	-	-	2	-	-	This indicator was incorporated into the above indicator.	All targets were set for the third and fourth Quarter respectively.
	Major provincial government driven events that will draw tourists to the Province. Rural Drakensberg extravaganza. Urban NYE celebration Ethekwini	Number of Major Provincial Event strategies implemented	-	-	1	-	-	Indicator was set for quarter 4.	
		Number of social activities staged to improve the social mood in the Province.	-	-	52	-	-	Indicator was discontinued .	Target of 13 set for the first Quarter had not be achieved when the indicator was discontinued due to COVID 19.
		Number of cultural exchange programmes supported.	-	-	1	-	-	Indicator was discontinued .	

	Awareness and education campaigns conducted on communities and schools on different cultures. ✓ Cultural exchange programme at school in partnership with DoE. ✓ Multi-cultural exhibitions to highlight cultures. ✓ Community conversations and dialogues. ✓ Programmes to integrate communities. ✓ Sharing of cuisines. ✓ Leisure activities, township tours etc.	Number of Provincial Resistance and Liberation sites implemented.	-	-	3	-	-	Refer to the table below.	Target was set for the third Quarter.
		Number of exhibitions staged	4	3	3	-	-	Indicator was discontinued.	Target of 1 set for the first Quarter had not be achieved when the indicator was discontinued due to COVID 19.
		Number of community conversations/ dialogues conducted	69	18	22	-	-	The indicator was discontinued.	Target of 5 set for the first Quarter had not be achieved when the indicator was discontinued due to COVID 19.
		Number of programmes to integrate communities implemented	-	-	1	-	-	Indicator was discontinued.	Target of 1 had been set for the last quarter.
	Programmes conducted on reconstructing National Identity.	Number of national and historical days celebrated.	10	11	11	3	-	Refer to the table below.	Reduction of target to 6 was based on the opinion that some events were not

									going to be hosted due to COVID-19 but people like the late Majesty the King together with the Department agreed to host them virtually.
	✓ Community outreach at schools and communities. ✓ Engaging with and documenting the lives of political and arts and culture icons. ✓ “One township one book” initiative assist in writing, publication and ensuring they are available at libraries and bookstores. ✓ Awareness in national historical days.	Number of “One township –one book” initiatives supported	-	-	4	-	-	Refer to the table below. Target was revised and subsequently reduced to 2 because of COVID-19.	Target of 1 set for the first Quarter had not be achieved when the indicator was discontinued due to COVID 19.
	Social cohesion and moral regeneration council functional	Number of SCMR council supported.	-	-	1	-	-	Target was set for the last Quarter.	Target of 1 was set for the last quarter.
		Number of integrated social cohesion and moral regeneration programmes implemented.	-	-	1	-	-	Indicator was discontinued due to COVID	Target of 1 was set for the last quarter.
	Promotion of heritage in the Province	Number of new statues unveiled	-	-	4	-	-	Refer to the table below	Targets were set for Q3 and 4
	Construction of statues Preservation of gravesites Heroes acre Iconic grave sites	Number of heritage sites maintained	-	-	8	-	2	Refer to the table below	Target of 2 set for the first Quarter had not be achieved when the indicator was amended due to COVID 19.

	Preservation of Heritage buildings	Number of heroes acres maintained	-	-	2	-	1	Refer to the table below	Target of 1 set for the first Quarter was not achieved due to COVID 19.
		Number of audits in heritage structure conducted	-	-	1	-	-	Indicator was set for the fourth Quarter	
	Commemorating 100 years of Harry Gwala	Number of programmes to commemorate Harry Gwala.	-	-	1	-	-	Indicator was set for the fourth quarter	
	60 years of Ladysmith Black Mambazo	Number of programmes to commemorate 60 years of Ladysmith Black Mambazo.	-	-	1	0	1	Indicator was set for the fourth quarter	
	✓ Programmes conducted to promote multilinguism ✓ English mother tongue speakers to develop conversational competency in another African Language- Knowing each other's language can promote understanding and social cohesion	Number of programmes implemented to support multi-lingualism.	-	-	3	0	-	Indicator was set for the third and fourth quarter	
		Number of language coordinating structures (including writing clubs) supported	3	2	80	-	-	Indicator was discontinued	Target of 36 set for the first Quarter had not be achieved when the indicator was discontinued due to COVID 19.
		Number of reading and writing competitions conducted	-	-	12	-	-	Indicator was discontinued	Target of 5 set for the first Quarter had not be achieved when the indicator was discontinued due to COVID 19.
		Number of platforms created to support emerging authors	-	-	2	-	-	Indicator was discontinued	Targets had been set for Q3 & 4
		Number of capacity building programmes to cultivate authors implemented.	-	-	1	-	-	Indicator was discontinued	Target was set for the 4th Quarter.

The table below reflects indicators at the beginning of the year and after the re-tabled annual performance plan.

Programme 2 / Cultural Affairs:								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2018/2019	Planned Annual Target 2020/2021	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
Increased economic contribution of the creative industry to the GDP	Financial and non-financial support to cultural and creative industry	Number of cultural and creative industries supported	-	-	30	33	3	Once all successful applicants were funded there was a surplus which was used to fund three more qualifying establishments
	Partnerships with higher education institutions implemented Partnerships with DUT, MUT, UKZN, UZ Develop partnership programme for writers, artists	Number of research partnerships established to grow the creative industry	-	-	4	2	2	Three draft MOAs with Sayidi TVET, University of Zululand and UKZN were incomplete by the time of the end of the financial year however are at an advanced stage
	Major provincial government driven events that will draw tourists to the Province Rural Drakensberg extravaganza Urban NYE celebration Ethekwini	Number of Major Provincial Event strategies implemented	-	-	1	1	=	
	Awareness and education campaigns conducted on communities and schools on different cultures ✓ Cultural exchange programme at school in partnership with DoE ✓ Multi-cultural exhibitions to highlight cultures ✓ Community conversations and dialogues ✓ Programmes to integrate communities ✓ Sharing of cuisines ✓ Leisure activities, township tours etc.	Number of Provincial Resistance and Liberation sites developed	-	-	3	3	-	DCO Matiwane Museum; Luthuli Memorial Site; and Johnny Makhathini Site

	Programmes conducted on reconstructing National Identity	Number of national and historical days celebrated	10	11	6	10	4	Reduction of target to 6 was based on the opinion that some events were not going to be hosted due to COVID 19 but people like the late Majesty the King together with the Department agreed that some events be hosted virtually
	✓ Community outreach at schools and communities ✓ Engaging with and documenting the lives of political and arts and culture icons ✓ "One township one book" initiative assists in writing, publication and ensuring they are available at libraries and book stores ✓ Awreness in national historical days	Number of "One township –one book" initiatives supported	-	-	2	2	-	Target was revised and subsequently reduced to 2 .
		Number of comprehensive programmes developed in support of heroes and heroines of the Province of KZN	-	-	1	1	-	
	Social cohesion and moral regeneration council functional	Number of SCMR council supported	-	-	1	1	-	No deviation
	Promotion of heritage in the Province Construction of statues	Number of new statues unveiled	-	-	1	0	1	Limitations imposed by the outbreak of COVID-19 pandemic led to the non-achievement.
	Preservation of gravesites Heroes acre Iconic grave sites Preservation of Heritage buildings	Number of heritage sites maintained	-	-	8	2	6	Lockdown regulations are a reason for the non-achievement. The 2 Heritage sites were achieved once the lockdown regulations had been eased. Shobashobane victims of conflict (monument and heritage markers) Queen Thomo Monument
		Number of heroes acre maintained	-	-	2	2	-	Moses Mabhida and Johnny Makhathini
		Number of audits in heritage structure maintained	-	-	1	0	1	Audit could not be conducted due to limitations imposed by the COVID-19 pandemic

	Commemoratingn 100 years of Harry Gwala	Number of programmes to commemorate Harry Gwala.	-	-	1	1	-	No deviation
	60 years of Ladysmith Black Mambazo	Number of programmes to commemorate 60 years of Ladysmith Black Mambazo	-	-	1	0	1	This indicator could not be actioned due to lockdown regulations imposed by the outbreak of COVID-19 pandemic
	✓ Programmes conducted to promote multilinguism ✓ English mother tongue speakers to develop conversational competency in another African Language- Knowing each other's language can promote understanding and social cohesion	Number of programmes implemented to support multi-lingualism	-	-	2	1	1	Learn Another Language - Training for IsiZulu Language was setup, unfortunately there were no people interested to enroll for this course.
		Number of community structures supported	16	12	16	-	-	Indicator was discontinued due to Budget Reprioritization because of the COVID 19.
		Number of Practitioners benefitting from capacity building opportunities	2387	572	540	-	-	Indicator was discontinued due to Budget Reprioritization because of the COVID 19.
		Number of social activities staged to improve the social mood in the Province	-	-	52	-	-	Indicator was discontinued due to Budget Reprioritization because of the COVID 19.
		Number of marketing opportunities provided to cultural and creative industries practitioners	54	35	26	-	-	Indicator was discontinued due to Budget Reprioritization because of the COVID 19.
		Number of community conversations conducted	69	18	21	-	-	Indicator was discontinued due to Budget Reprioritization because of the COVID 19.
		Number of integrated social cohesion and moral regeneration programme implemented	-	-	1	-	-	Indicator was discontinued due to Budget Reprioritization because of the COVID 19.
		Number of exhibitions staged	4	3	3	-	-	Indicator was discontinued due to Budget Reprioritization because of the COVID 19.

		Number of cultural exchange programmes implemented	-	-	1	-	-	Indicator was discontinued due to Budget Reprioritization because of the COVID 19.
		Number of programmes to integrate communities implemented	-	-	1	-	-	Indicator was discontinued due to Budget Reprioritization because of the COVID 19.
		Number of platforms created to	-	-	1	-	-	Indicator was discontinued due to Budget
		promote emerging authors						Reprioritization because of the COVID 19.

Strategy to overcome areas of underperformance

Underperformance is mainly attributed to the outbreak of the COVID 19 which its nature and origins are very tricky for all nations globally. At this stage, it is known that the virus spreads easily when too many people are meeting in one place for various reasons like religious, political rallies, funerals, weddings etc. To this end, government implements a social distancing policy. Considering this, the Department where it is possible delivers and procures services using virtual methods. It will upscale the provision of personal protective equipment and ensure compliance with all COVID 19 protocols. Educating our clients and employees with regards to COVID-19 and compliance with all protocols will be accelerated during service delivery.

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

The Annual Performance Plan of the Department incorporates both the standardised and non-standardised indicators together with concurrent outputs hence there is no extra disclosure to be made under this section.

Reporting on the Institutional Response to the COVID-19 Pandemic

The Department procured and delivered to art centres, museums and other associated establishments across the Province personal protective equipment including masks, sanitizers, surgical gloves, counter protective screens etc. for employees and clients in these institutions. The Department spent more than R3 million on the PPE for all three programmes of the Department. Furthermore, the Department provided COVID-19 relief to artists and is discussed in detail below.

Linking performance with budgets

Guideline

Departments must provide a summary of the actual expenditure in comparison to the adjusted appropriation for both the current year and previous year. The information must be provided at a sub-programme level and must agree to the appropriation statement of the audited financial statements. Reasons for variations should be linked to the information discussed above in the organisational environment and the service delivery environment. The department must also report on how expenditure contributed to achievement of outputs.

Format of disclosure

The following table must be presented with the relevant financial information. Include the narrative after the table discussing how expenditure contributed to the achievement of outputs during the period under review.

Sub-Programm e Name	2020/2021			2019/2020		
	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
Management	4 418	3 441	977	4 547	4 437	110
Arts and Culture	101 263	99 914	1 349	200 702	195 875	4 827
Museum Services	33 083	31 600	1 483	30 880	29 294	1 586
Language Services	14 050	14 017	33	19 609	19 746	-137
Heritage	56 480	56 100	380	62 686	62 686	0
Total	209 294	205 072	4 222	318 424	312 038	6 386

Community based Arts and Culture Structures

The year 2020/21 proved to be the worst year for the cultural and creative industries because of the outbreak of COVID-19 pandemic. Community based Arts and Culture structures as mouthpiece for the artistic and cultural sectors, found themselves locking horns with the government because the ban of festivals, events, exhibitions and other activities that attract masses of people, as dictated by lockdown regulations, drastically shrunk the income making opportunities in these sectors. Instead, sectoral structures spent most of their time pressurizing government to open the sector so that arts and cultural activities can go back to normal. Numerous demonstrations and picketing were witnessed during the period under review. The normal arts and culture forums meetings held to discuss issues affecting the sector and arts in general in the districts were not hosted as expected. It is however expected that the forum meetings will resume as soon as lockdown regulations have been eased.

Support to Cultural and Creative Industries

The Department continued with its support to the various creative and cultural industries establishments that are in a course to develop arts and culture in the Province. In the Annual Performance Plan the Department planned to support 30 organisations for the year and as an achievement 33 organisations were supported during the year. This means that the Department surpassed its own plan and this was made possible by the fact that some organisations requested smaller funding and the surplus funding remaining with the Department was further used to fund next organization in the line. The unprecedented constraints under which the cultural industries operated due to the COVID-19 pandemic compelled all the funded organisations to reduce the delivery of core programmes in order to fund operational costs. That is because institutions like the Playhouse Company, KZN Philharmonic Orchestra, K-CAP etc., have some full-time employees, have to pay rental for utilities and other costs to pay for regardless of the fact that there was no income made from their projects.

COVID Relief Programme for the Arts and Culture Sector.

The lockdown implications were felt across all sectors of the economy world-wide, and South Africa particularly the Province of KwaZulu-Natal was no exception. The Province saw a random increase in Artists demonstrations where they were asking the President to ease the regulations so that they can go back to work. Many also vented their grievances and anger through social media platforms like facebook, twitter etc. The Department had to quickly devise some solutions to address artists' challenges. Virtual concerts were organised and financially supported by the Department. Artists were invited to perform, and these concerts were live streamed on various social media platforms and television programmes. Relief to artists was dispensed in a phased-in approach.

Phase One

This is a period from April to August 2020 where the Department hosted numerous virtual events like the Freedom, Youth and Africa days. The hosting of these events enabled the performing artists to earn income and this project benefitted mainly the intermediate and advanced artists' category. About R 1.6 million was spent on performing artists, R1.1 million was spent on artists in the digital media space and slightly more than R100k was spent on miscellaneous services like cleaning, transport etc. Furthermore, virtual performances targeting districts artists were hosted and around R1.1 million was spent on this project. This project benefitted artists on the basic category. Relief for Gospel artists is another project hosted under this phase of the relief. The Department hosted virtual gospel concerts and performing gospel artists from all categories benefitted. Overall, the Department had budgeted R3.3 million for phase one but ended up using slightly above R3.8 million and 585 artists of which 340 came from the youth category benefitted while 96 were female artists.

Phase Two

This is a period from August to September 2020 in which the Department set aside R4 million for this relief programme. A virtual Women and Heritage month concerts were hosted and the Department spent R700k which was paid mainly to performing artists. The Department also supported the CCFISA conference held during phase two. During the conference the Department spent R1.025 million to artists falling under basic category (R5 000 recipients) and R960k to artists falling under intermediate category (R10 000 recipients). The Department spent a total of R2.682 million during this phase.

Phase Three

Phase three had no dedicated funding except for funds that were left over during phase two. During this phase the Department supported the following events: Worlds Aids Day Commemoration, Reconciliation Day, INKasi Experience, 3rd Wave Provincial relief programme (Crafters) and 150th Commemoration of the life and times of Dr JL Dube. A total of R1.1 million was spent during phase three of the relief programme.

Provincial and Liberation Sites

Heritage unit, a component previously attached to the Premier's Office was transferred to the Department of Arts and Culture effective from 01 April 2018. During the period under review, the Department through this unit was able to implement three Provincial and Liberation sites i.e. DCO Matiwane, Luthuli memorial and Johnny Makhathini. Implementation of these sites is critical to ensure that preservation of our heritage receives the attention it deserves. It is also envisaged that these initiatives will complement the tourism initiaves by other government agencies.

Maintenance of Heritage Sites

Despite limitations imposed by the COVID-19 pandemic, the Department was able to maintain two heritage sites i.e. Shobashobane victims of conflict (Monument and heritage markers) and Queen Thomo monument. Besides COVID-19 limitations, the Department also experienced other budget related challenges which led to the non-achievement of six more sites. These challenges were however resolved before the end of the financial year and such brings hope that the Department will deliver the maintenance with a lightning speed in the new financial year.

Commemoration of Harry Gwala

Harry Gwala would have turned 100 years old had he lived up to this time. The year 2020 was dedicated for his 100 years commemoration and the Department had planned massive events befitting his heroism. However, this did not happen due to the COVID-19 pandemic. The Department settled for the low key initiaves like putting up the exhibition at the Old Prison museum and the virtual launch that was aired on channel 405 Newzroom Afrika.

Literature Development Programmes

In an effort to empower local writers, particularly indigenous writers, the Department is supporting the one township one book initiative. This is an initiative that seeks to document township stories from the KwaZulu-Natal Province while at the same time empowering the indigenous writers. Historically writers, who write stories mostly in indigenous languages like isiZulu, isiXhosa or any other South African native language have difficulty in getting support from the well-established publishers. To this end, the Department has taken the initiave to assist them by funding their research and publishing their work. The Department also ensures that their rights in terms of the Copyright Act are protected by walking them through the process of registering their work. The Department supported two books during the period under review and these are " Singavinjwa yini" by Muntu Dlamini and "School legends and surroundings" by Dr AM Hlatshwayo.

Multilingualism Programmes

Development of previously marginalised languages is amongst the priorities of the current administration, especially in light of the need to increase access to government services to the citizens through the language of their choice. It therefore becomes important for both public servants and citizens to understand the commonly spoken languages in the Province. To this end, the Department planned to host 2 language courses for government employees. One was held as expected. Unfortunately, the second one could not be hosted due to unavailability of participants. It is not clear yet why there was no interest but one can only assume that it was because of COVID-19.

PROGRAMME 3: Libraries and Archives

The table below reflects indicators at the beginning of the financial year until the date of re-tabling.

Programme 3 / Library and Archive Services:									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	**Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
		Number of library materials procured	91 799	180 034	90 000	-	-	Indicator was discontinued due to Budget	Target of 10 000 set for Q1 had
								Reprioritization because of the COVID 19.	not been achieved when the indicator was discontinued due to COVID 19.
		Number of reading for understanding for children under ten years programme supported	-	-	1	-	-	Indicator was discontinued due to Budget Reprioritization because of the COVID 19.	Target was set for Q4.
		Number of reading competitions conducted	-	-	12	-	-	Indicator was discontinued due to Budget Reprioritization because of the COVID 19.	Target of 3 set for Q1 had not been achieved when the indicator was discontinued due to COVID 19.
		Number of MOA's with National Library services implemented	-	-	1	0	1	Refer to the table below	Target was set for Q4.
		Number of new libraries built (Modular Libraries)	2	1	10	0	10	Target was revised because of challenges regarding identified site at the time.	All targets were set for Q4.
		Number of libraries with internet connectivity	-	-	141	141	-		
		Number of existing facilities upgraded for public library purposes	2	2	2	-	-	Indicator was discontinued due to Budget Reprioritization because of the COVID 19.	Target was set for Q4.

		Number of records management training courses presented to government bodies	31	31	30	-	-	Indicator was discontinued due to Budget Reprioritization because of the COVID 19.	Target of 8 set for Q1 had not been achieved when the indicator was discontinued due to COVID 19.

The table below reflects indicators at the beginning of the year and after the re-tabled annual performance plan.

Programme 3 / Library, Archive and Museum Services:								
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020YY	Planned Annual Target 2020/2021	**Actual Achievement 2020/2021	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations
	Resuscitate the culture of reading in the form of reading clubs: Every 10 year old will be able to read for meaning. Increase community libraries	Number of mobile libraries fully equipped	-	-	2	0	2	Arrival of Mobile libraries was delayed due to COVID-19
		Number of MOAs with National Library Services implemented	-	-	1	1	-	No deviation
	New libraries (mega and Modular) libraries built	Number of new libraries built	2	1	9	5	4	3 Modular Libraries that are on sites experienced cash flow challenges and as a result led to the late delivery of modular structure. One Modular was not advertised due to challenges at the time but it has since been advertised.
	Libraries with internet connectivity	Number of libraries with internet connectivity.	-	-	141	141	-	No deviation
		Number of existing facilities upgraded for public library purposes	2	2	6	-	Indicator was discontinued due to Budget Reprioritization because of the COVID 19.	Indicator was discontinued

		Number of library materials procured	91 799	180 034	90 000	-	Indicator was discontinued due to Budget Reprioritization because of the COVID 19.	Indicator was discontinued
		Number of reading for understanding for under ten year olds programme supported	-	-	1	-	Indicator was discontinued due to Budget Reprioritization because of the COVID 19.	Indicator was discontinued
		Number of reading competitions conducted	-	-	12	-	Indicator was discontinued due to Budget Reprioritization because of the COVID 19.	Indicator was discontinued
		Number of existing facilities upgraded for public library purposes.	2	2	2	-	Indicator was discontinued due to Budget Reprioritization because of the COVID 19.	Indicator was discontinued
		Number of records management training courses presented to government bodies	31	31	30	-	Indicator was discontinued due to Budget Reprioritization because of the COVID 19.	Indicator was discontinued

Provision of New Library Materials

The Department had to stop the procurement of library material during the period under review as a result of the impact of COVID 19. The Department redirected funds to other programmes whilst also accommodating the budget cuts as implemented by Treasury. There were nonetheless new materials that were ordered in the previous financial year and were delivered to the Department in the current financial year. These assisted a lot especially in stocking up the 6 modular libraries that have been finished recently. Once lockdown regulations hade been eased and libraries were opened, the Department experienced a surge in book loans and because of the adequate repository the Department have built over time there was really no problem in meeting this demand of books. It is anticipated that procurement of new library material will continue as normal in the coming financial years.

Provision of Internet to Community Libraries

In keeping with demands of the fourth industrial revolution, the Department ensured that all Provincial Libraries are installed and connected to the internet for the benefit of users. Installation and connection to the internet at libraries assisted considerably in mitigating the impact of COVID-19. During this period more and more people needed to use internet for reasons like online shopping, applying for jobs and for communication of various important messages. The many limitations imposed by COVID-19 globally saw a shift from the traditional ways of doing business i.e. personal visits into the new virtual methods. During hard lockdown in South Africa people were forced to purchase many of the goods and services they needed online. The easing of lockdown regulations came but for many goods and services offered by both the public and private sector remained limited thus forcing online interactions. The connectivity in 141 libraries has made it possible for job seekers especially those in rural municipaliiesy to respond to job advertisements by e-mailing their CVs free of charge. This has ensured equal access to job opportunities for those who are well off and the disadvantaged communities. The Department will continue connecting more libraries especially the newly built libraries in the coming years. Furthermore, the rural communities can participate on public debates taking place on various social platforms using this government service.

Building New Libraries

After taking power from the apartheid regime, the new, democratic government sought to undo some of the past imbalances. One of those imbalances was the fact that rural population had no libraries in their villages. People from rural areas had to go to the nearest towns to access libraries and unfortunately some of these rural towns did not have libraries. This contributed to movement of people from rural areas to cities. The democratic government took a conscious decision of ensuring that at least one library had to be built in rural municipalities targeting mainly the densely populated areas. As a result, more and more libraries have been built in the rural neighborhoods. During the period under review, the Department aimed to build 9 modular libraries. Unfortunately, due to COVID 19 and subsequent lockdown some projects delayed and could not be finalised on time. As at the end of the financial year 6 modular libraries had been built.

Modular libraries are designed to address the study space shortage facing mainly rural and township populations. It is generally known that people in the townships and rural villages are faced with overcrowding at homes so much that some learners and students end up doing poorly in their studies. It is for this reason that the government decided to build these libraries to offer conducive study accommodation. Development of library infrastructure also aims at increasing access to education. In the current year the department will procure study material and place them in these libraries for use by communities free of charge.

Mobile Libraries

During the period under review, the Department added two mobile libraries. These were procured in order to enable the department to deliver services even in the far-flung areas where library services are not yet available. These mobile libraries provide communities with library services while while the department is still planning to build a proper library. Mobile libraries are also used to display departmental services during government and departmental events. On these occasions people are able to learn about other departmental programmes like Heritage, Museums, Language, Archives and other various art forms. It is envisaged that the mobile bus/ truck will be customized and equipped with material in this coming financial year for effective and efficient use.

Provision of Specialised Services

In order to ensure that the government caters for all sectors of the population including the disabled and young children under 5 years, the Department procured and delivered to specialized libraries the blind collection and early childhood collection material. Normally the Department targets 4 libraries per annum for the blind collection. Braille materials, computer assistive devices etc. are purchased and delivered to the identified libraries. The Department executed this project in partnership with Library for the Blind South Africa. The Department also identified numerous libraries where Early Childhood Development collections are established. Due to COVID-19 and the fact that the Department halted the procurement of new material, there were no newly added ECD collections. However, the Department supported some ECD centres by supplying them with toy tubs. The Department will resume and accelerate these projects in the next financial year to ensure that it covers for the missed collections.

Records Management Training and Inspections

The Department through our archives directorate conducts inspections with regards to the record keeping in municipalities, government departments and other governmental bodies. During the period under review there were no inspections and records management training that were conducted due to COVID-19. It must be highlighted though that the Department has over the years covered a wide spectrum of these institutions as it relates to inspection and training. Inspections report issued to the client departments had comprehensive recommendations regarding what the departments must do to improve their record keeping. Furthermore, government departments, municipalities and other governmental bodies identified as having weaknesses were supported by the department via online interactions. The Department aims to resume the training in this current financial year to ensure there is no skills gap especially to those who have been appointed recently in the records management environment.

Strategy to overcome areas of underperformance

Underperformance is mainly attributed to the outbreak of the COVID-19 pandemic which its nature and origins are very tricky for all nations globally. At this stage, it is known that the virus spreads easily when too many people are meeting in one place for various reasons like religious, political rallies, funerals, weddings etc. To this end, government implements a social distancing policy. Considering this, the Department where it is possible delivers and procures services using virtual methods. It will also upscale the provision of personal protective equipment and ensure compliance with all COVID-19 protocols. Educating our clients with regards to COVID-19 and compliance with all protocols will be accelerated during service delivery.

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

The Annual Performance Plan of the Department incorporates both the standardised and non-standardised indicators together with concurrent outputs hence nothing will be disclosed under this section.

Reporting on the Institutional Response to the COVID-19 Pandemic

The Department procured and delivered to libraries across the Province personal protective equipment including masks, sanitizers, surgical gloves, counter protective screens etc. for employees and clients in the Department. The Department spent more than R3 million on the PPE equipment for all three programmes of the department.

Format of disclosure

The following table must be presented with the relevant information. Include any narratives after the table.

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 (R'000)	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
1 Administration	PPE	KZN				9 00		
3 Library and Archive services	PPE	KZN				4 244		
TOTAL						5 144		

Format of disclosure

The following table must be presented with the relevant financial information. Include the narrative after the table discussing how expenditure contributed to the achievement of outputs during the period under review.

Sub-Programme Name	2020/2021			2019/2020		
	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
Management	1 896	1 717	179	2 100	1 854	246
Library Services	262 760	261 801	959	310 720	312 503	-1 783
Archives	27 468	27 305	163	34 770	33 232	1 538
Community Library Services Grant	167 370	152 167	15 203	184 417	155 587	28 830
Total	**459 494**	**442 990**	**16 504**	**532 007**	**503 176**	**28 831**

1.4.5 Transfer Payments

Name of Public Entity	Key outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
The Playhouse Company	Development & promotion of creative industry	5 944	5 944	Refer to entity annual report
KZN Amafa Research Inistitute	Provide Heritage Service and Research for the Province	50 944	50 944	Refer to entity annual report

The column for the achievements will be a narrative description.

Transfer payments to all organisations other than public entities

The table below reflects the transfer payments which were budgeted for in the period 1 April 2020 to 31 March 2021, but no transfer payments were made.

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
KZN Philharmonic Orchestra	Orchestra	To develop and promote orchestra in the Province	Yes	5 000	5 000	Not applicable
Bat Centre Trust	Art centre	To develop and promote performing and non-performing arts.	Yes	1 441	1 441	Not applicable
Ewushwini Art Centre	Art centre	To develop and promote performing and non-performing arts.	Yes	250	250	Not applicable
Gobhela Art centre	Art centre	To develop and promote non-performing arts.	Yes	196	196	Not applicable
Jambo Art & Development	Art centre	To develop and promote performing and non-performing arts.	Yes	153	153	Not applicable
Sakhisizwe Organisation	Non-Profit institution	To develop and promote performing and non-performing arts.	Yes	50	50	Not applicable
Rorkes Drift Arts Centre	Arts Centre	To develop and promote performing and non-performing arts.	Yes	250	250	Not applicable
KCAP NPO	Art centre	To develop and promote performing arts	Yes	1 129	1 129	Not applicable
University of Kwazulu Natal (Centre for Creative Arts)	Institution of higher learning	To develop and promote performing and non-performing arts.	Yes	213	213	Not applicable
Durban Music School's Big Band	Non-Profit institution	To promote and develop music	Yes	461	461	Not applicable
East Griqualand Traditional Council	Traditional council	To promote and develop Khoi culture	Yes	248	248	Not applicable

Bhodloza Nzimande Foundation	Non-Profit organization	To develop and promote performing arts	Yes	400	400	Not applicable
Gcina Amasiko	Non-Profit organization	To develop and promote culture	Yes	71	71	Not applicable
Umthayi Murula Festival	Private entity	To develop and promote culture	Yes	500	500	Not applicable
Isigqi SamaHostela	Private entity	To develop and promote performing arts	Yes	1 000	1 000	Not applicable
SA Library for the Blind	Non-profit institution	To support and develop libraries for the Blind	Yes	1 860	1 860	Not applicable
Arts Councils				1 988	1 902	Not applicable
Durban Blues Festival	Private entity	To develop and promote music.	Yes	74	74	Not applicable
Uthungulu Last Dance	Private entity	To develop and promote cultures	Yes	1 100	1 100	Not applicable
Durban Rocks	Private entity	To develop and promote music	Yes	3 000	3 000	Not applicable

The table below reflects the transfer payments which were budgeted for in the period 1 April 2020 to 31 March 2021, but no transfer payments were made.

Name of transferee	Type of organisation	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
-	-	-	-	-	-
-	-	-	-	-	-

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1.4.6. Conditional Grants

Conditional grants and earmarked funds paid

The table/s below details the conditional grants and ear marked funds paid for the period 1 April 2020 to 31 March 2021.

Department/ Municipality to whom the grant has been transferred	National department of Sports, Arts & Culture
Purpose of the grant	Community Library Service Grant
Expected outputs of the grant	Procurement of new library material. Built new libraries. Existing libraries upgraded. Provision of ICT infrastructure to all libraries. Establishment of services for the blind in all community libraries Appointment of additional staff. Provision of capacity building programmes. Improved culture of reading. Establish and maintain monitoring and evaluation system.
Actual outputs achieved	All functions were achieved with the exception of the following that were partially achieved; New Libraries built Upgrading of libraries Equipment for the new libraries
Amount per amended DORA	167 370
Amount transferred (R'000)	167 370
Reasons if amount as per DORA not transferred	Not applicable
Amount spent by the department/ municipality	152 167
(R'000) Reasons for the funds unspent by the entity	Challenges with regards to infrastructure projects were the main cause for under-performance.
Monitoring mechanism by the transferring department	Inherent delays in the SCM processes and poor performance by the contractors were amongst the reasons infrastructure projects were not completed.

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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 2019 to 31 March 2021.

Department who transferred the grant	National Department of Sports, Arts & Culture
Purpose of the grant	Expanded Public Works Programme
Expected outputs of the grant	As employment of EPWP employees/benficaries
Actual outputs achieved	-
Amount per amended DORA	-
Amount received (R'000)	-
Reasons if amount as per DORA was not received	-
Amount spent by the department (R'000)	-
Reasons for the funds unspent by the entity	
Reasons for deviations on performance	
Measures taken to improve performance	
Monitoring mechanism by the receiving department	

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1.4.7 Donor Funds

The table/s below details the donor funds received during for the period 1 April 2019 to 31 March 2021.

Name of donor	**NONE**
Full amount of the funding	
Period of the commitment	
Purpose of the funding	
Expected outputs	
Actual outputs achieved	
Amount received (R'000)	
Amount spent by the department (R'000)	
Reasons for the funds unspent	
Monitoring mechanism by the donor	

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1.4.8 Capital Investment

	2020/2021			2019/2020		
Infrastructure projects	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
New and replacement assets	68 170	63 075	5 095	75 700	38 744	36 956
Existing infrastructure assets	-	-	-	-	-	-
Upgrades and additions	91	91	0	6 446	4 079	2 367
Rehabilitation, renovations and refurbishments	8 811	6 294	2 517	14 700	9 764	4 936
Maintenance and repairs	-	-	-	-	-	-
Infrastructure transfer	5 000	5 000	0	9 500	9 500	0
Current						
Capital	5 000	5 000	0	9 500	9 500	0
	-	-	-	-	-	-
	-	-	-	-	-	-
Total	**87 072**	**79 460**	**7 612**	**115 846**	**71 587**	**44 259**

Part C: Governance

1.5 Part C: Governance

1.5.1. 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 tax payer.

1.5.2. Risk Management

The Department has and maintains a risk management policy and strategy which is annually approved by the Accounting Officer. Risk assessments are conducted annually per business unit to identify emerging risks which are then incorporated into the Department risk register. Progress on the implementation of the risk mitigating strategies are presented to the Departmental Risk Committee which is chaired by the Accounting Officer and these are also presented before the Cluster Audit and Risk Committee on a quarterly basis.

The Risk Management Committee has adopted formal approved terms of reference as contained in the Risk Management Committee Charter and regulates its affairs and discharges its responsibilities in compliance with the Risk Management Charter. The Committee comprises of the Accounting Officer, Chief Directors and selected Directors who represent core operational functions within the DAC. The Committee held four (4) meetings during the 2020/21 financial year with an average attendance rate of 95%. The Department's Risk Management Unit maintained the following policies:

1.5.3. Fraud and Corruption

The Department has an approved Fraud Prevention Strategy and maintained fraud prevention and investigation policies. A whistle-blowing policy is in place and fully applied.

The Department has maintained processes to collate and send all fraud reported by employees received through walk-in, etc. to the Risk Management Directorate, including the escalation of all allegations received from the Public Service Commission. All reported allegations are escalated to the Accounting Officer for preliminary investigations and follow-up

1.5.4. Minimising Conflict of Interest

All departmental employees are obliged to declare their financial interest on an annual basis using the financial disclosure form. Level 1-10 declare to the Executive Authority while MMS/SMS members declare to the Office of the Public Service Commission through the online submission administered by the Department of Public Service and Administration. All employees declared their interest as expected for the year under review.

Employees who wish to undertake remunerative work in addition to them being full-time employees of the Department are obliged to seek permission from the Executive Authority. Performance of such work without permission is treated as a serious transgression and as such those who are found doing it without permission are subjected to disciplinary processes.

1.5.5. Code of Conduct

The Department has made positive strides ensuring that excellent conduct and good ethics are observed. An Ethics Officer was appointed to drive monitoring and compliance to generally accepted public sector ethics.

The Department fully subscribes to the Public Service Code of Conduct as issued by the Office of the Public Service Commission. Employees who are in breach of the code are subjected to disciplinary processes applicable to all public service employees.

1.5.6. Health Safety and Environmental Issues

All departmental buildings have safety and health representatives who have been trained to assist employees in cases of emergency. An official appointed as Health and Safety Officer left the Department some time ago and this has affected other activities that ought to be executed like Fire drills. It is envisaged that upon filling of the vacancy all activities will revert to normal.1.5.7. Portfolio Committees

The Portfolio Committee exercises oversight over the service delivery performance of departments.

Provide commentary on the following:

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

1.5.7. Portfolio Committee Resolutions

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
1	List of modular libraries	The department to submit a list of all modular libraries completed by 2020/21 financial year, their status, budget and amount spent to date in the next meeting. There will be oversight visit by the Committee to check their functionality once the list has been received.	The department reported that all modular libraries have access to the internet.	No

1.5.8. SCOPA Resolutions

Indicate the dates SCOPA meetings were held.

In a tabular format state the resolutions specific to the Department, the details pertaining to the resolutions and the progress made by the Department with regard to each resolution. For each resolution indicate if it has been resolved. Report on all outstanding SCOPA resolutions outstanding from the previous year and all new resolutions passed in the current financial year.

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
IC 94/2021	Irregular Expenditure 2018/19 and prior financial years.	The Accounting Officer to report progress made in the submission of additional information required by the Treasury to consider the condonation request for the irregular expenditure of 8.523 million in 2013/14, the transaction totaling R111.640 million and irregular expenditure of R33.617 million incurred in the period 2001 to 2014. The outcomes of all condonations requests that were either not yet approved as at 28	The requisite submissions were made to Treasury where applicable. The condonation requests were submitted to Treasury in Feb 2021 for	No
		Feb 2021 or that were submitted subsequent thereto. The outcome and recommendations of all investigations in respect of irregular expenditure prior to 2017/18 and the steps taken to implement the recommendations.	2019/20 FY irregular expenditure incurred from 20/21 FY. None of these transactions were condoned at 31 May 2021 and in terms of the irregular expenditure framework, the department will	

			undertake the process of write offs by the Accounting Officer. In terms of the recommendation prior to 17/18 related to expired contracts, Disciplinary actions against officials were implemented such as issuing warning letters. The majority of the matters related to the former HOD and CFO are no longer in the Department and no action could be taken.	
IC 106/2020	Internal investigation pertaining to the procurement of library books in 2019/20	The Accounting Officer provide a report by 31 July 2021 on the reasons for not proceeding with the forensic investigation as the employee had resigned, however, after consideration a request was made to the Office of the Premier (Institutional development and Integrity management) in May 2021 to conduct a forensic investigation.	The department is still awaiting the outcome of the investigation.	
IC 101/2021	Fruitless & wasteful expenditure	The accounting officer to provide a copy of the forensic report relating to the musical instruments matter to the committee by 31 July 2021.	The report was provided to the committee as per the third quarter report dated 30 July 2021	

1.5.9. Prior Modifications to Audit Reports

There were no prior modifications to the audit reports.

1.5.10. Internal Control Unit

Refer to the internal audit committee report below

1.5.11 Internal Audit and Audit Committees

The Committee reports that it has complied with its responsibilities arising from the Public Finance Management Act, No.1 of 1999 (PFMA), Treasury Regulations 3.1, including all other related prescripts, and is pleased to present its report for the financial year ended 31 March 2021.

The Provincial Audit and Risk Committee (PARC) is the shared audit and risk committee for the provincial departments, and is further sub-divided into three Cluster Audit & Risk Committees (CARC's) that provide oversight of key functions to the KZN Provincial Government Departments. The Department of Arts and Culture is served by the Social Protection, Community & Human Development (SPCHD) Cluster Audit & Risk Committee.

The Committee has adopted appropriate formal terms of reference contained in its Audit and Risk Committee Charter and has regulated its affairs in compliance with this charter, and reports that it has discharged all of its responsibilities as contained therein.

1.5.12 Report Of The Audit & Risk Committee on Vote 15 – Department of Arts and Culture

The Committee reports that it has complied with its responsibilities arising from the Public Finance Management Act, No.1 of 1999 (PFMA), Treasury Regulations 3.1, including all other related prescripts, and is pleased to present its report for the financial year ended 31 March 2021.

The Provincial Audit and Risk Committee (PARC) is the shared audit and risk committee for the provincial departments, and is further sub-divided into three Cluster Audit & Risk Committees (CARC's) that provide oversight of key functions to the KZN Provincial Government Departments. The Department of Arts and Culture is served by the Social Protection, Community & Human Development (SPCHD) Cluster Audit & Risk Committee.

The Committee has adopted appropriate formal terms of reference contained in its Audit and Risk Committee Charter and has regulated its affairs in compliance with this charter, and reports that it has discharged all of its responsibilities as contained therein.

1. Audit Committee Members and Attendance

The PARC and SPCHD CARC consists of the members listed hereunder who have met as reflected below, in line with the approved terms of reference.

#	Name of Member	PARC Meetings Attended	SPCHD CARC Meetings Attended
1.	Ms T Njozela (Acting Chairman of SPCHD Cluster)	8 of 8	4 of 4
2	Mr P Christianson	8 of 8	4 of 4
3.	Mr D O'Connor	8 of 8	4 of 4
4.	Mr S Simelane (Acting Chairman of PARC, GSCID and ESID CARC)	7 of 8	4 of 4
5.	Mr V Ramphal	7 of 8	4 of 4
6.	Mr M Tarr	7 of 8	4 of 4

2. The Effectiveness of Internal Controls

The Committee has reviewed the reports of the Provincial Internal Audit Service (PIAS), the Audit Report on the Annual Financial Statements and Management Report of the Auditor General of South Africa (AGSA) and has noted with concern the significant internal control deficiencies that resulted in the basis for the qualified audit opinion for financial year ended 31 March 2021 by the AGSA, specifically noting the weaknesses in controls over the monitoring and record keeping of financial information, performance information and compliance with key legislation.

Although management interventions on certain control weaknesses were considered by the Committee, the Accounting Officer is urged to urgently implement strategies that will prevent any further regression on audit outcomes.

3. Effectiveness of Internal Audit

PIAS activities were reviewed by the Committee during the PARC and CARC monitoring processes. The Committee evaluated internal audit reports detailing the assessment of the adequacy and effectiveness of controls designed to mitigate the risks associated with the operational and strategic activities of the Department.

The PIAS had planned to conduct eleven (11) audit assignments for the period under review, of which eleven (11) were finalised.

The PIAS performed effectively during the period under review; notwithstanding concerns raised by the Committee in respect of the financial and human resource limitations imposed upon the unit. The Committee will monitor the progress made by the PIAS against its operational plans in order to ensure that it continues to fulfil its mandate and add value to the department.

4. Risk Management

The responsibilities of the Committee with respect to risk management are formally defined in its Charter. For the period under review, the Committee's responsibilities have been focused, amongst other things, on the quarterly review of the Department's risk register and monitoring progress against the risk management operational plan.

As at the end of the 2020/21 financial year, the Department's risk register status was as follows:

	Risk Grouping					Total
	Critical	Major	Moderate	Minor	Insignificant	
No of Identified Risks	7	16	16	6	3	48
No of Agreed Action pPlans	18	47	39	6	3	113
No of Implemented Action	12	39	37	6	3	97
% Completion of Action Plans	67%	83%	95%	100%	100%	86%

The Committee 1) noted that the Department made significant progress on the implementation of its risk mitigation plans with a 86% completion rate, 2) commended the Department for having a functional risk management committee which meets and is attended by its members on a regular basis and 3) urged the Department to implement the outstanding risk mitigation plans, particularly for risks classified as critical and major.

The Department is further advised to ensure that all its risk management committee members complete the National Treasury's e-learning risk management course.

With regard to other risk-related improvement plans, the Department is urged to 1) improve its occupational health and safety (OHS) management practices at all its offices, 2) ensure that the recently reviewed fraud prevention plan is approved and implemented, 3) update its business continuity management (BCM) plan and ensure the functioning of its BCM steering committee.

With regard to the current COVID-19 pandemic, the Department is urged to ensure continued compliance with prescribed COVID-19 and OHS control measures that have been implemented in all of its offices, and to put the necessary contingency measures to minimise against the negative impact the pandemic might have on the achievement of the Department's service delivery obligations.

5. Quality of in year management and monthly/quarterly reports

The Committee noted the content of quarterly reports in respect of in year management and quarterly performance, prepared and issued by the Accounting Officer of the Department during the year under review, in terms of the PFMA and the Division of Revenue Act.

Based on the reports of the PIAS and the Auditor General, the Committee noted with concern the failure of the Department to appropriately implement the designed system of internal control to correctly and properly account for additions to immovable assets and expenditure for capital assets resulting in material misstatements reported in the Annual Financial Statements. Concerns have also been noted around the material underspending of the budget related to programmes 1; 2 and 3, and deficiencies identified in the accuracy of reported performance information in the Annual Performance Report, which resulted in material adjustments due to the failure of the Department to implement adequate systems to properly verify information contained in the Annual Performance Report. The management of the Department has been urged to implement the appropriate improvement strategies in order to prevent further regression.

6. Evaluation of Financial Statements

The Committee has:

- Reviewed and discussed the Annual Financial Statements with the Accounting Officer, Auditor General and Internal Audit;
- Reviewed the Auditor General's Audit Report;
- Reviewed the Department's processes for compliance with legal and regulatory provisions, where concerns have been noted around the failure of the Department to prepare the Annual Financial Statements in accordance with the prescribed financial reporting framework resulting in material misstatements being reported in the Annual Financial Statements, and the failure of the Department to prevent fruitless and wasteful expenditure as a result of inadequate controls over expenditure management;
- Reviewed the conclusions on the reliability and usefulness of performance information resulting from the external audit of the Department.

7. Forensic Investigations

During the period under review, the Committee noted that there were eight (8) forensic investigations reported from 1 April 2020 to 31 March 2021, relating to alleged nepotism, supply chain management and procurement irregularities and maladministration, which the Department had referred to the Office of the Premier (OTP) for investigation.

The Committee noted the status of the eight (8) forensic investigations as follows:

- Four (4) of these investigations were completed; i.e. Phase 1 was completed, and four (4) investigations are still in progress.
- Of the four (4) Phase 1 investigations that were completed, one (1) matter has been closed.
- Three (3) of the four (4) completed matters had disciplinary actions recommended of which one (1) disciplinary action could not be implemented due to the Entity being dissolved, one (1) disciplinary proceeding could not be implemented due to the acquittal of senior members in the Department and one (1) disciplinary hearing is still in progress.
- Three (3) of the matters had criminal recommendations and criminal investigations were referred to the South African Police Service (SAPS) to conduct, of which one (1) matter is still under investigation, one (1) matter had been declined to prosecute by the prosecutor and one (1) matter was transferred to SARS for further investigation.

The Department and the OTP are urged to promptly finalise the outstanding investigations and work together to implement recommendations made in the finalised matters.

8. Auditor-General's Report

The Committee has monitored the implementation of corrective action plans to address the audit issues raised by the Auditor General in the prior year. The Committee has met with the Auditor General of South Africa to discuss and evaluate the major issues that emanated from the current regulatory audit. The Committee will ensure that corrective actions in respect of the detailed findings emanating from the current regulatory audit continue to be monitored on a quarterly basis through the CARC processes.

The Committee concurs and accepts the conclusion of the Auditor General's qualified opinion on the Annual Financial Statements, and is of the opinion that the Audited Annual Financial Statements be accepted and read together with the report of the Auditor General.

9. Appreciation

The Committee wishes to express its appreciation to the Management of the Department, the Auditor General of South Africa, and the Provincial Internal Audit Services for the support they have provided to enable us to compile this report.

1.5.13. B-BBEE Compliance Performance Information

The following table should be completed in accordance with the compliance to the BBBEE requirements as required by the BBBEE Act and as determined by the Department of Trade and Industry. Where there has been no or only partial compliance with the criteria, the entity should provide a discussion and also indicate the measures taken to comply.

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 (*include a discussion on your response and indicate what measures have been taken to comply*)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	The Department does not deal with the issuing of licenses.
Developing and implementing a preferential procurement policy?	Yes	The Department developed and implements SCM policy and preferential procurement is an integral component of this policy.
Determining qualification criteria for the sale of state-owned enterprises?	No	The Department does not deal with sale of state-owned entities.
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 information provided in this part is prescribed by the:

- Basic Conditions of Employment Act, no.75 of 1997, as amended;
- Code of Good Practice;
- Employment Equity Act, no.55 of 1998 as amended;
- Employee Health and Wellness Strategic Framework, 2009
- Gender Equity Strategic Framework, 2010;
- Labour Relations Act, no.66 of 1995, as amended;
- Occupational Health and Safety Act, no.85 of 1993;
- Promotion of Administrative Justice Act (PAJA), Act, no.3 of 2000;
- Promotion of Access to Information (PAI), Act, no.2 or 2000
- Protected Disclosure Act, Act, no. 26 of 2000;
- Public Finance Management Act, no.1 of 1999;
- Public Service Act, no.30 of 1994;
- Public Service Amendment Act of 2007
- Public Service Coordinating Bargaining Council (PSCBC) resolutions;
- Public Service Regulations, 2016;
- Public Service Training and Education White Paper;
- Skills Development Act, no.97 of 1998;
- The Constitution of the Republic of South Africa, Act, no.108 of 1996;
- Transforming the Public Service Green Paper;
- Treasury Regulations of 2005;
- White paper on Affirmative Action in the Public Service;
- White Paper on Human Resource Management in the Public Service;
- White Paper on Transformation of the Public Service; and
- White Paper on Transforming Public Service Delivery;

2. HUMAN RESOURCES OVERSIGHT STATISTICS

Status of the Human Resources in the Department

Public Service Regulations, 2016 and the Human Resource Planning Strategic Framework Vision 2015 mandate human resource planning in all Government Departments to be undertaken. The Department of Arts and Culture is in the process of finalising the Draft Human Resource Plan (2021-2023) developed to address the current and future workforce Human Resources challenges within the Department.

The Plan is aimed at determining the demand and supply of skills that are critical to achieve the strategic objectives of the Department. This Plan is aimed at analysing the gaps between the demand and supply in order to develop strategies that will assist in closing those gaps. The success of any organisation is dependent on the availability of employees who have appropriate competencies, skills and knowledge required for enabling the Department to be competitive, forward looking, and focused on achieving its priorities.

The Draft Departmental HR Plan once approved, will be assessed annually to determine whether an adjustment is required in the event that a change to the Departmental Strategy has occurred and it might have an impact on the current HR priorities. There is a pending merger of the Department with Department of Sport and Recreation which will necessitate a review/adjustment of the plan once that merge is complete. This Draft Plan sets out to review human- resource-capacity needs systematically to ensure that the Department ultimately has the right number and type of Human Resources and Practices to deliver relevant, comprehensive, professional and efficient public-sector service to the people of KwaZulu-Natal. It also sets out to ensure that the composition of the Department becomes more representative of the society it serves.

Over and above meeting the compliance criteria, this Human Resource Plan is an important tool which will be used to analyse the strategic objectives of the Department within the political, environmental, social, technological, economical and legal factors which impact on the Department. The analysis will then be considered in terms of the existing workforce within the Department to determine whether it will achieve its strategic objectives within the prevailing applicable factors.

HR challenges identified in the Departmental HR Plan

The Department experiences a number of human resource related strategic issues or challenges which have been identified in the Draft HR Plan as follows:

- Delays in finalizing some evaluated posts including by the DPSA due to no system available;
- Lack of implementation of targeted Change Management Strategies;
- Delay in approval of the reviewed Departmental Organisational Structure which include Department of Sport and Recreation;
- Lack of understanding of legislative prescripts and its implementation;
- Shortage of personnel or capacity due to budget constraints;

- High labour turnover;
- Gaps in Wellness Management;
- Inadequate office space and implementation of SHERQ measures;
- Insufficient training and development budget to address all the skills gaps; and
- Inability to reach employment equity targets;

Human Resource prioritised HR Strategies and their impact

The Department has prioritised the following HR Strategies to address issues and challenges identified and mentioned above:

- Make follow ups on progress with regards to the finalisation of the new system to ensure that jobs are properly graded or benchmarked timeously;
- Evaluate all jobs required by the new Organisational Structure to ensure that these posts are properly graded;
- Implement the approved Change Management Policy with roles and responsibilities attached to all role players to ensure that all stakeholders play a part in the implementation of the Change Management;
- Finalise consultation of the reviewal of the Organisational Structure and implement it so that it assists the Department in meeting its strategic goals;
- Map business processes for distribution and consideration/adherence by all business units to ensure graphic illustration of the processes and streamlining business processes to cut costs and improve turnaround times in delivering the services;
- Conduct further workshops on labour relations matters to capacitate officials for better understanding of the prescripts and procedures to reduce misconducts;
- Attract and recruit suitably qualified and competent personnel to ensure adequate supply of personnel within units so as to meet the Departmental Strategic Objectives;
- Implement the reviewed Retention Policy and Strategies to reduce labour turnover;
- Monitor leave management to ensure full accountability by supervisors of leave taken by their subordinates;
- Implement approved EHWP Operational Plans i.e. Wellness Management, HIV & AIDS, TB, Health and Productivity Management and SHERQ to ensure that the Department has employees that are healthy, productive and dedicated to their work;
- Provide regular office inspections and advise in terms of suitability of offices to ensure the safety of Departmental officials;
- Provide efficient and effective development programmes to ensure a skilled workforce that will assist in achieving the strategic goals of the Department;
- Recruit in line with Employment Equity targets of the Department to ensure equity in the work place;

Highlighted HR Plan achievements in the reporting period in question

The following are some of the HR Plan achievements noted in the last financial year:

- Appointed the Departmental Change Management Steering Committee to facilitate Departmental change initiatives as well as trained them;
- Undertook a benchmarking exercise with other provinces on the best practices of implementing the Heritage Function and prepared a draft work report for approval;
- Held various meetings with business units to discuss their structural inputs as part of consultations;
- Participated in the Provincial PMOG committee dealing with the merge between KZN DAC and KZN DSR;
- Recruited 19 permanent personnel, Contract 12 and EPWP 79;
- Reduced the vacancy rate to 3.55% which is below the acceptable 10%;
- Vetted and verified qualifications for all newly appointed personnel;
- Conducted safety evacuation workshops in some Departmental offices;
- Trained Safety Representative in firefighting;
- Conducted safety audits and decongested office inspections to comply with COVID 19 regulations;
- Implemented the policy on Promoting Physical Exercises & Sports, Recreation & Relaxation Activities Amongst Employees;
- Participated in the District Soccer League;
- Conducted various virtual and physical workshops on

COVID 19 management and containment;

- Distributed condoms in some offices;
- Compiled the WSP and submitted to PSETA by 30 April 2020 and subsequently implemented it;
- Rolled out 19 training programmes for the 2020/21 Financial Year;
- Trained 183 permanent employees;
- Awarded 16 bursaries to employees for 2020 academic year and 12 for the 2021 academic year;
- Awarded 14 bursaries to external students for the 2021 academic year;
- Trained 16 interns;
- Trained 14 in-service trainees (funded by CATHSSETA);
- Trained 12 in-service trainees (funded by DAC);
- Trained 12 young patriots (funded by NYDA through the National Department of Sport, Arts and Culture;
- Achieved 59% representation of women at all levels against the 54% target, 37.50% representation of women at SMS levels against 50% target, and 1.72% representation for People with Disabilities (PWD's) against 2% target;
- Conducted HR Policy workshops to all employees on 5 policies including Employment Equity policy and EPMDS Policy;
- Coordinated the moderation of all performance reports and payments of performance incentives;
- Facilitated submissions of those performing remunerative work outside their work; and
- Facilitated submissions with regard to disclosure of financial interests.

Future HR Plans/ Goals

The assumptions and objectives on which the draft Departmental HR Plan are valid as they were researched within the Department and the Public Service. The new plan once approved will be valid for three years (2021-2023). Most strategies from the previous plan were achieved, although some of the strategies have taken longer to implement because of the scarce resources (mostly finance and staff), but their continuous availability will certainly assist in achieving the departmental goals and objectives. HRM&D has aligned all the identified HR Strategies of the Departmental HR Plan to the Directorate's Operational Plans. These strategies are monitored monthly, quarterly, annually, through HR Implementation Reports or Close Out reports, amongst others.

3. Human Resources Oversight Statistics

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2020 and 31 March 2021

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	137 061	66 869	176	1 584	49	410
CULTURAL AFFAIRS	205 072	84 717	98	2	41	415
LIBRARY & ARCHIVE SERVICES	442 990	75 003	-	3 480	17	392
Total as on Financial Systems (BAS)	**785 123**	**226 589**	**274**	**5 066**	**29**	**406**

Table 3.1.2 Personnel costs by salary band for the period 1 April 2020 and 31 March 2021

Salary band	Personnel expenditure (R'000) incl. transfers	% of total personnel cost	No. of employees	Average personnel cost per employee
01 Lower skilled (Levels 1-2)	4124	1,20	26	158615
02 Skilled (Levels 3-5)	32648	9,50	125	261184
03 Highly skilled production (Levels 6-8)	75607	22,00	183	413148
04 Highly skilled supervision (Levels 9-12)	76240	22,20	104	733067
05 Senior management (Levels >= 13)	27837	8,10	24	1159875
10 Contract (Levels 1-2)	0	0,00	1	0
11 Contract (Levels 3-5)	1031	0,30	5	206200
12 Contract (Levels 6-8)	687	0,20	1	687000
13 Contract (Levels 9-12)	4124	1,20	5	824800
14 Contract (Levels >= 13)	3437	1,00	3	1145333
20 Abnormal Appointment	3093	0,90	81	38195
TOTAL	**228 828**	**66,60**	**558**	**410101**

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2020 and 31 March 2021

Programme	Salaries		Overtime		Home Owners 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
ADMINISTRATION	57732	55	90	0	1537	1	3 290	3
CULTURAL AFFAIRS	72894	56	10	0	2200	2	4 011	3
LIBRARY & ARCHIVE SERVICES	62411	58	0	0	2888	3	5 438	5
TOTAL	**193037**	**56**	**100**	**0**	**6625**	**2**	**12739**	**4**

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2020 and 31 March 2021

Salary band	Salaries		Overtime		Home Owners 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
01 Lower skilled (Levels 1-2)	3 094	51	0	0	280	5	458	8
02 Skilled (Levels 3-5)	24 406	51	30	0	1989	4	3515	7
03 Highly skilled production (Levels 6-8)	59 241	53	10	0	2821	3	5984	5
04 Highly skilled supervision (Levels 9-12)	66 962	59	60	0	1168	1	2548	2
05 Senior management (Levels >= 13)	26 985	59	0	0	349	1	190	0
10 Contract (Levels 1-2)	130	63	0	0	0	0	0	0
11 Contract (Levels 3-5)	1 348	88	0	0	0	0	0	0
12 Contract (Levels 6-8)	709	61	0	0	0	0	44	4
13 Contract (Levels 9-12)	4 236	61	0	0	18	0	0	0
14 Contract (Levels >= 13)	3 321	68	0	0	0	0	0	0
20 Abnormal Appointment	2 605	56	0	0	0	0	0	0
TOTAL	**193 037**	**56**	**100**	**0**	**6625**	**2**	**12739**	**4**

3.2 Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

- Programme
- Salary Band
- Critical occupations (see definition in notes below).

Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

Table 3.2.1 Employment and vacancies by programme as on 31 March 2021

Programme	Number of posts on approved establishment (Incl. Intern and Temp posts)	Number of posts filled (Incl. Intern and Temp posts)	Vacancy Rate	Number of employees / posts additional to the establishment
ADMINISTRATION	138	127	2,22	13
CULTURAL AFFAIRS	161	159	0,41	0
LIBRARY & ARCHIVE SERVICES	196	191	1,01	0
Grand Total	**495**	**477**	**3,64**	**13**

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2021

Salary band	Number of posts on approved establishment (Incl. Intern and Temp posts)	Number of posts filled (Incl. Intern and Temp posts)	Vacancy Rate (permanent posts)	Number of employees / posts additional to the establishment
Lower Skilled (Levels 1-2), Permanent	27	26	0.20	0
Skilled (Levels 3-5), Permanent	126	125	0.20	0
Highly Skilled Production (Levels 6-8), Permanent	191	183	1.63	0
Highly Skilled Supervision (Levels 9-12), Permanent	112	105	1.41	0
Senior Management (Levels 13-16), Permanent	26	25	0.20	0
Other	2	2	0	2
Contract (Levels 1-2)	1	1	0	1
Contract (Levels 3-5)	2	2	0	2
Contract (Levels 6-8)	1	1	0	1
Contract (Levels 9-12)	5	5	0	5
Contract (Levels 13-16)	2	2	0	2
TOTAL	**495**	**477**	**3.64**	**13**

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2021

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees / posts additional to the establishment
Curator	2	2	0	0
Archivist	20	19	4	0
CollectionsPractitioner	2	2	0	0
Restoration and Conservation Practitioner	1	1	0	0
TOTAL	**25**	**24**	**4**	**0**

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –

(a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;

(b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;

(c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and

(d) inrespect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

3.2. Filling of SMS Posts

The tables in this section provide information on employment and vacancies as it relates to members of the Senior Management Service by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken.

Table 3.3.1 SMS post information as on 31 March 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
MEC Salary Level 16	1	1	3.85	-	-
Head of Department Salary Level 15	1	1	3.85	-	-
Salary Level 14	7	7	26.92	-	-
Salary Level 13	17	16	61.54	1	3.85
Total	**26**	**25**	**96.16**	**1**	**3.85**

Table 3.3.2 SMS post information as on 30 September 2020

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
MEC Salary Level 16	1	1	3.57	-	-
Head of Department Salary Level 15	1	1	3.57	-	-
Salary Level 14	6	6	21.43	-	-
Salary Level 13	20	18	64.29	2	7.14
Total	**28**	**26**	**92.86**	**2**	**7.14**

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2020 and 31 March 2021

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	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
MEC Salary Level 16	0	0	0
HOD Salary Level 15	0	0	0
Salary Level 14	1	1	
Salary Level 13	3	1	1
Total	**4**	**2**	**1**

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 2020 and 31 March 2021

Reasons for vacancies not advertised within six months
Director: Infrastructure. The post was delayed due to National Lockdown.
Director: Legal Services: The post was withdrawn because of proposed merger between the two Department of Arts and Culture and Sport and Recreation. It was agreed that since there is an incumbent at DSR, DAC should not continue with the filling of this post.

Reasons for vacancies not filled within twelve months
None

Notes

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.3, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes.

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 2020 and 31 March 2021

Reasons for vacancies not advertised within six months
None.

Reasons for vacancies not filled within six months
None.

Notes

- In terms of the Public Service Regulations Chapter 1, Part VII C.1A.2, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes. In the event of non-compliance with this regulation, the relevant Executive Authority or Head of Department must take appropriate disciplinary steps in terms of Section 16A (1) or (2) of the Public Service Act.

3.3. Job Evaluation

Within a nationally determined framework, Executing Authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations, all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2020 and 31 March 2021

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), Permanent	27	0	0	0	0	0	0
Skilled (Levels 3-5), Permanent	126	0	0	0	0	0	0
Highly Skilled Production (Levels 6-8), Permanent	191	0	0	0	0	0	0
Highly Skilled Supervision (Levels 9-12), Permanent	112	0	0	0	0	0	0
Senior Management (Levels 13-16), Permanent	26	0	0	0	0	0	0
Other	2	0	0	0	0	0	0
Contract (Levels 1-2)	1	0	0	0	0	0	0
Contract (Levels 3-5)	2	0	0	0	0	0	0
Contract (Levels 6-8)	1	0	0	0	0	0	0
Contract (Levels 9-12)	5	0	0	0	0	0	0
Contract (Levels 13-16)	2	0	0	0	0	0	0
TOTAL	**495**	**0**	**0**	**0**	**0**	**0**	**0**

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2020 and 31 March 2021

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**

The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2020 and 31 March 2021

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Driver/Messenger	01	04	05	Resolution 3 of 2009
Administration Clerk Supervisor	04	07	08	Resolution 3 of 2009
Library Assistant	03	04	05	Resolution 3 of 2009
Personal Assistant	02	07	08	Resolution 3 of 2009
Human Resource Clerk Supervisor	01	07	08	Resolution 3 of 2009
Assistant Director	03	09	10	Resolution 3 of 2009
Deputy Director	01	11	12	Resolution 3 of 2009
Total number of employees whose salaries exceeded the level determined by job evaluation				**15**
Percentage of total employed				**3%**

The following table summarises the beneficiaries of the above in terms of race, gender, and disability.

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2020 and 31 March 2021

Gender	African	Asian	Coloured	White	Total
Female	07	00	02	00	09
Male	04	01	00	01	06
Total	**11**	**01**	**02**	**01**	**15**

Employees with a disability	0	0	0	0	0

Notes

If there were no cases where the salary levels were higher than those determined by job evaluation, keep the heading and replace the table with the following

Total number of Employees whose salaries exceeded the grades determine by job evaluation	

3.4. Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the Department. The following tables provide a summary of turnover rates by salary band and critical occupations (see definition in notes below).

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2020 and 31 March 2021

Salary band	Number of employees at beginning of period- 1 April 2020	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Lower skilled (Levels 1-2)	26	1	1	3.85
Skilled (Levels3-5)	130	2	5	3.85
Highly skilled production (Levels 6-8)	190	4	10	5.26
Highly skilled supervision (Levels 9-12)	101	8	8	7.92
Senior Management Service Bands A	18	3	2	11.11
Senior Management Service Bands B	5	2	2	40
Senior Management Service Bands C	1			
Senior Management Service Bands D	1			
Contracts	40	11	29	72.5
Periodical Remuneration	0			
Abnormal Appointment	3	79	78	2.6
Total	**515**	**110**	**135**	**147.09**

Table 3.5.2 **Annual** turnover rates by critical occupation for the period 1 April 2020 and 31 March 2021

Critical occupation	Number of employees at beginning of period-April 2020	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Curator	2	0	0	0
Archivist	20	0	0	0
Collection Practitioner	2	0	0	0
Restoration and Conservation Practitioner	1	0	0	0
TOTAL	**25**	**0**	**0**	**0**

Notes

- The CORE classification, as prescribed by the DPSA, should be used for the completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –

(a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;

(b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;

(c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and

(d) inrespect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

The table below identifies the major reasons why staff left the Department.

Table 3.5.3 Reasons why staff left the department for the period 1 April 2020 and 31 March 2021

Termination Type	Number	% of Total Resignations
Death	4	2.96
Resignation	16	11.85
Contract	29	21.48
Periodical Remuneration		
Abnormal Appointment		
Dismissal – operational changes		
Dismissal – misconduct		
Dismissal – inefficiency		
Discharged due to ill-health		
Retirement	5	3.70
Transfer to other Public Service Departments	3	2.22
Other	78	57.77
Total		
Total number of employees who left as a % of total employment	135	**100**

Table 3.5.4 Promotions by critical occupation for the period 1 April 2020 and 31 March 2021

Occupation	Employees 1 April 2020	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
Curator	2	0	0	2	100%
Archivist	20	0	0	16	80%
Collection Practitioner	2	0	0	2	100%
Restoration and Conservation Practitioner	1	0	0	1	100%
TOTAL	**25**	**0**	**0**	**21**	**84%**

Table 3.5.5 Promotions by salary band for the period 1 April 2020 and 31 March 2021

Salary Band	Employees 1 April 2020	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) Permanent	26			14	53.85%
Skilled (Levels3-5) Permanent	130	2	1.54	106	81.54%
Highly skilled production (Levels 6-8) Permanent	190	9	4.73	124	65.26%
Highly skilled supervision (Levels 9-12) Permanent	101	10	9.9	68	67.33%
Senior Management (Level 13-16) Permanent	25	1	4	8	32%
Other	30			0	0
Contract (Levels 1-2)	1			0	0
Contract (Levels 3-5)	2			0	0
Contract (Levels 6-8)	2			0	0
Contract (Levels 9-12)	4			0	0
Contract (Levels 13)	1			0	0
Total	**512**	**22**	**20.17**	**320**	**62.5%**

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 2021

Occupational Categories	FEMALE				MALE				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior officials and Managers	9	0	2	0	13	0	1	0	25
Professionals	51	2	6	4	37	0	1	4	105
Clerks	99	4	11	8	52	2	4	3	183
Labourers and related workers	11	0	0	0	14	0	1	0	26
Plant and machine operators and associated	0	0	0	0	0	0	0	0	0
Service shop and market sales worker	0	0	0	0	0	0	0	0	0
Technicians and associate professionals	66	4	0	0	53	0	2	0	125
Grand Total	**236**	**10**	**19**	**12**	**169**	**2**	**9**	**7**	**464**
Employees with Disabilities	2	0	1	0	3	0	1	0	7

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2021

Occupational Bands	FEMALE				MALE				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management (Permanent)	1	0	0	0	1	0	0	0	2
Senior Management (Permanent)	8	0	2	0	12	0	1	0	23
Prof Qual & Exp Mid-Management (Permanent)	51	2	6	4	37	0	1	4	105
Skilled Qual & Jun-Management (Permanent)	99	4	11	8	52	2	4	3	183
Semi-Skilled (Permanent)	66	4	0	0	53	0	2	0	125
Unskilled (Permanent)	11	0	0	0	14	0	1	0	26
Other	1	0	0	0	1	0	0	0	2
Senior Management (Contract)	0	0	0	0	2	0	0	0	2
Prof Qual & Exp Mid-Management (Contract)	3	0	0	0	2	0	0	0	5
Skilled Qual & Jun-Management (Contract)	1	0	0	0	0	0	0	0	1
Semi-Skilled (Contract)	1	0	0	0	1	0	0	0	2
Unskilled (Contract)	1	0	0	0	0	0	0	0	1
Total	**243**	**10**	**19**	**12**	**175**	**2**	**9**	**7**	**477**

Table 3.6.3 Recruitment for the period 1 April 2020 and 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management									
Senior Management	1				3				4
Professionally qualified and experienced specialists and mid-management	2				2				4
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1				6	1			8
Semi-skilled and discretionary decision making					2				2
Unskilled and defined decision making	1								1
Contracts	1				10				11
Contract level 13	1								1
Periodical Remuneration									
Abnormal Appointment	27				52				79
Total	**34**	**1**			**75**				**110**
Employees with disabilities									

Table 3.6.4 Promotions for the period 1 April 2020 and 31 March 2021

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management									
Senior Management							1		1
Professionally qualified and experienced specialists and mid-management	4								4
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	5	1	1		6	1	1		15
Semi-skilled and discretionary decision making	2								2
Unskilled and defined decision making									
Total									**22**
Employees with disabilities									

Table 3.6.5 Terminations for the period 1 April 2020 and 31 March 2021

Occupational Bands	MALE				FEMALE				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management (Permanent)									
Senior Management (Permanent)	3				1				4
Prof Qual & Exp Mid-Management (Permanent)	4				4				8
Skilled Qual & Jun-Management (Permanent)	2			1	3	1	1	1	9
Semi-Skilled (Permanent)	2				4				6
Unskilled (Permanent)					1				1
Other [interns]	7				13				20
Periodical Remuneration									
Abnormal Appointment	23				64				87
Senior Management (Contract)									
Prof Qual & Exp Mid-Management (Contract)									
Skilled Qual & Jun-Management (Contract)									
Semi-Skilled (Contract)									
Unskilled (Contract)									
Total	41			1	90	1	1	1	135

Table 3.6.6 Disciplinary action for the period 1 April 2020 and 31 March 2021

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
COMBINATION SANCTION: THREE MONTHS SUSPENSION WITHOUT PAY AND FINAL WRITTEN WARNING	1	0	0	0	0	0	0	0	1
FINAL WRITTEN WARNING	1	0	0	0	0	0	0	0	1

Table 3.6.7 Skills development for the period 1 April 2020 and 31 March 2021

Occupational category	Male				Female				
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers 13-15	6	0	0	0	7	0	1	0	
Professionals 9-12	13	0	1	2	16	2	1	0	
Technicians and associate professionals 7-8	13	1	0	0	16	1	2	2	
Clerks 4-6	6	0	0	1	3	0	0	0	
Service and sales workers	0	0	0	0	0	0	0	0	
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	
Craft and related trades workers	0	0	0	0	0	0	0	0	
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	
Elementary occupations 1-3	5	0	0	0	9	0	0	0	
Interns	2	0	0	0	14	0	0	0	
Total	**45**	**1**	**1**	**3**	**65**	**3**	**4**	**2**	
Employees with disabilities	0	0	0	0	0	0	1	0	

3.7 Signing of Performance Agreements by SMS Members

All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken is presented here.

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2020

SUBMISSION DATE WAS EXTENDED TO 30 AUG 2019 DUE TO ELECTIONS TAKING PLACE

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
MEC Salary Level 16	1	1	0	0
Head of Department Salary Level 15	1	1	0	0
Salary Level 14	7	5	2	40%
Salary Level 13	22	18	10	55.56%
Total	**31**	**25**	**12**	**48%**

Notes

- In the event of a National or Provincial Election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example if elections took place in April, the reporting date in the heading of the table above should change to 31 July 2017.

Table 3.7.2 Reasons for not having concluded Performance Agreements for all SMS members as on 31 March 2021

Reasons
Extension of submission date due to local elections.

Notes

- The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance Agreements as on 31 May 2020

Reasons
Compiled a report which included a list of all officials that did not comply with the said timelines and forwarded that report to Employee Relations for further action.

3.8 Performance Rewards

To encourage good performance, the Department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2020 and 31 March 2021

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost	Average cost per employee
African	4	**405**	0.99%	R 73 349.34	R 18 337.33
Male	2	169	1.18%	R 33 529.62	R 16 764.81
Female	2	236	0.85%	R 39 819.72	R 19 909.86
Asian		**28**			
Male		9			
Female		19			
Coloured		**12**			
Male		2			
Female		10			
White		**19**			
Male		7			
Female		12			
Total	4	**464**	0.86%	R73 349.34	R 18 337.33
Employees with a disability		**7**			

In addition to that which is reflected above, there was also a payment of R3309.42 which was paid (2 officials) in lieu of underpayments which occurred within the 2018/2019 period. These 2 payments were made in 2020. ***Grand Total R 76 659.36***

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2020 and 31 March 2021

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure (000)
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost	Average cost per employee	
Lower Skilled (Levels 1-2), Permanent	0	26				
Skilled (Levels 3-5), Permanent	2	125		R 33 529.62	R 16 764.81	
Highly Skilled Production (Levels 6-8), Permanent	2	183		R 39 819.72	R 19 909.86	
Highly Skilled Supervision (Levels 9-12), Permanent	0	105				
Other	0	2				
Contract (Levels 1-2)	0	1				
Contract (Levels 3-5)	0	2				
Contract (Levels 6-8)	0	1				
Contract (Levels 9-12)	0	5				
TOTAL	**4**	**450**		**R 73 349.34**	R 18 337.33	

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2020 and 31 March 2021

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Curator	0	2			
Archivist	0	19			
Collections Practitioner	0	2			
Restoration and Conservation Practitioner	0	1			
TOTAL	**0**	**24**			

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –

(a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;

(b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;

(c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and

(d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees;

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2020 and 31 March 2021

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure (000)
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	0	16				
Band B	0	7				
Band C	0	1				
Band D	0	1				
Total	**0**	**25**				

3.9 Foreign Workers

The tables below summarise the employment of foreign nationals in the Department in terms of salary band and major occupation.

Table 3.9.1 Foreign workers by salary band for the period 1 April 2020 and 31 March 2021

Salary band	01 April 2019		31 March 2020		Change	
	Number	% of total	Number	% of total	Number	% Change
-	0	0	0	0	0	0

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2020 and 31 March 2021

Major occupation	01 April 2019		31 March 2020		Change	
	Number	% of total	Number	% of total	Number	% Change
-	0	0	0	0	0	0

3.10 Leave Utilisation

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided. Both cases, the estimated cost of the leave is also provided.

Table 3.10.1 Sick leave for the period 1 January 2020 to 31 December 2020

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 Skills (Level 1-2)	74	83.80	13	5.10	6	43
Skilled (levels 3-5)	551	79.70	90	35	6	33.2
Highly skilled production (levels 6-8)	472	78.6	95.00	37	5	732
Highly skilled supervision (levels 9 -12)	224	81.70	48	18.70	5	580
Top and Senior management (levels 13-16)	66	95.50	6	2.30	11	332
Periodical appointment						
Contract						
Contract (Levels 1-2)						
Contract (Levels 3-5)	2	50	2	0.80	1	0
Contract (Levels 6-8)	7	71.40	3	1.21	2	2
Contract (Levels 9-12)						
Contract (Levels 13-16)						
Total	**1396**	**38.73**	**257**	**38.95**	**37**	**2021**

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2020 to 31 December 2020

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee
Lower skilled (Levels 1-2)					
Skilled (Levels 3-5)	193	100	6	60	32

Table 3.10.3 Annual Leave for the period 1 January 2020 to 31 December 2020

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	394	15	26
Skilled Levels 3-5)	2540	19	133
Highly skilled production (Levels 6-8)	3227	17	185
Highly skilled supervision(Levels 9-12)	1876	18	104
Senior management (Levels 13-16)	373	16	23
Periodical Remuneration			
Abnormal Appointment			
Contract (Levels 1-2)			
Contract (Levels 3-5)	42	7	6
Contract (Levels 6-8)	59	5	11
Contract (Levels 9-12)			
Contract			
Contract (Levels 13-16)	10	5	2
Total	**8521**	**102**	**490**

Table 3.10.4 Capped leave for the period 1 January 2020 to 31 December 2020

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 end of period
Lower skilled (Levels 1-2)	0	0	0	48
Skilled Levels 3-5)	45	1	45	30
Highly skilled production (Levels 6-8)	29	2	15	44
Highly skilled supervision(Levels 9-12)	2	1	2	49
Senior management (Levels 13-16)	0	0	0	70
Periodical Remuneration	0	0	0	0
Abnormal Appointment	0	0	0	0
Contract (Levels 1-2)	0	0	0	0
Contract (Levels 3-5)	0	0	0	0
Contract (Levels 6-8)	0	0	0	0
Contract (Levels 9-12)	0	0	0	0
Contract (Levels 13-16)	0	0	0	0
Total	**76**	**4**	**62**	**241**

The table below summarises the utilisation of annual leave. The wage agreement concluded with Trade Unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

The following table summarise payments made to employees as a result of leave that was not taken.

Table 3.10.5 Leave payouts for the period 1 April 2020 and 31 March 2021

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2020/21 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2020/21	597.00	5	119400
Current leave payout on termination of service for 2020/21	265	6	44167
Total	**862**	**11**	**163567**

3.11 HIV/AIDS & Health Promotion Programmes

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided. Both cases, the estimated cost of the leave is also provided.

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
None	

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.	✓		Formerly Mr JSB Jafta- Director: Human Resources Management and Development. Now this is the responsibility of Ms LBP Gwala, Chief Director: Admin Services.
2. Does the Department have 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.	✓		Employee Health and Wellness Unit, Two EHW Practitioners and Acting Deputy Director. Approximately R400 000 budget is set aside for the component.
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.	✓		Employee Health and Wellness Programme has the following four components:- HIV & AIDS and TB Management, Health and ProductivityManagement, Safety, Health, Environment, Risk and Quality Management and Wellness Management Pillars
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.		✓	
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.	✓		HIV and AIDS Management Policy Occupational Health and Safety (SHERQ), Health and Productivity Management, COVID-19 Containment Policy, Labour Relations and People Management Policies
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.	✓		HIV and AIDS and TB Management, Health and Productivity Management as well as COVID-19 Containment Policies
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	✓		Employees attend Health Screenings when the GEMS/ DOH is on site. No officials tested HIV Positive.
8. Has the Department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	✓		The Department utilises the Assessment Readiness Tool as well as the EHW Integrated Reports to monitor and evaluate the impact of the programme.

3.12 Labour Relations

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided. Both cases, the estimated cost of the leave is also provided.

Table 3.12.1 Collective agreements for the period 1 April 2020 and 31 March 2021

None	

Notes

- If there were no agreements, keep the heading and replace the table with the following:

Total number of Collective agreements	**None**

The following table summarises the outcome of disciplinary hearings conducted within the Department for the year under review.

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2020 and 31 March 2021

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	0	0
Final written warning	1	50
Suspended without pay	0	0
Combination sanctions: Three months suspension without pay and a Final Written Warning	1	50
Fine	0	0
Demotion	0	0
Dismissal	0	0
Not guilty	0	0
Case withdrawn	0	0
Total	**2**	**100**

Notes

- If there were no agreements, keep the heading and replace the table with the following:

Total number of Disciplinary hearings finalised	**2**

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2020 and 31 March 2021

Type of misconduct	Number	% of total
*Unauthorised use of state vehicle * Irregular conduct	1	50
Abuse of state vehicle.	1	50
Total	2	100

Table 3.12.4 Grievances logged for the period 1 April 2020 and 31 March 2021

Grievances	Number	% of Total
Number of grievances resolved	7	78
Number of grievances not resolved	2	22
Total number of grievances lodged	9	100

Table 3.12.5 Disputes logged with Councils for the period 1 April 2020 and 31 March 2021

Disputes	Number	% of Total
Number of disputes upheld	1	33
Number of disputes settled	0	0
Number of disputes dismissed	2	67
Disputes pending	0	0
Total number of disputes lodged	3	100

Table 3.12.6 Strike actions for the period 1 April 2020 and 31 March 2021

Total number of persons working days lost	3
Total costs working days lost	**R2272.70**
Amount recovered as a result of no work no pay (R'000)	**R2272.70**

Table 3.12.7 Precautionary suspensions for the period 1 April 2020 and 31 March 2021

Number of people suspended	0
Number of people whose suspension exceeded 30 days	0
Average number of days suspended	0
Cost of suspension(R'000)	0.00

3.13 Skills development

This section highlights the efforts of the Department with regard to skills development.

Table 3.13.1 Training needs identified for the period 1 April 2020 and 31 March 2021

Occupational category	Gender	Number of Employees	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	**8**		Monitoring and Evaluation		**2**
				Change Management		**3**
				Financial Management		**2**
	Sub tot					**7**
	Male	**16**		Internal Control and Risk Management		1
				Monitoring and Evaluation		3
				Change Management		3
				Financial Management		2
	Sub tot					9
Professionals	Female	**59**		Developing Business plans and funding proposals for Artists		**2**
				Communication and report writing		**1**
				Registry and Records Management		**1**
				Facilitation and Presentation Skills		**3**
				Financial Management		**4**
				Supervisory Skills		**2**
				Diversity Management		**2**
				Internal Control and Risk Management		**3**
	Sub tot					**18**

	Male	**42**		Developing Business plans and funding proposals for Artists		**2**
				Communication and report writing		**1**
				Registry and Records Management		**1**
				Facilitation and Presentation Skills		**1**
				Office Administration		**1**
	Sub tot					**6**
Technicians and associate professionals	Female	**123**		Developing Business plans and funding proposals for Artists		**4**
				Communication and Report Writing		**12**
				Registry and Records Management		**15**
				Facilitation and Presentation Skills		**10**
				Financial Management		**22**
				Supervisory Skills		**14**
				Office Administration		**11**
				Customer Care		**3**
				Diversity Management		**3**
				Assessor Training		**4**
				IT Technical Support		**1**
				Enhancing roles and Responsibilities of Personal Assistants		**22**
	Sub tot					**121**
	Male	**57**		Developing Business plans		**4**

				and funding proposals for Artists		
				Advanced Driving		**1**
				Communication and Report Writing		**4**
				Facilitation and Presentation Skills		**5**
				Financial Management		**3**
				Supervisory Skills		**7**
				Office Administration		**7**
				Customer Care		**1**
				Diversity Management		**2**
				Assessor Training		**4**
				IT Technical Support		**3**
	Sub tot					**41**
Clerks	Female	**73**		Communication and Report Writing		**15**
				Registry and Records Management		**10**
				Facilitation and Presentation Skills		**4**
				Financial Management		**1**
				Supervisory Skills		**2**
				Office Administration		**4**
				Customer Care		**8**
				Diversity Management		**4**
	Sub tot					**48**
	Male	**55**		Communication and Report Writing		**7**
				Advanced Driving		14
				Registry and Records		9

				Management Facilitation and Presentation Skills Financial Management Office Administration Customer Care		4 1 4 5
	Sub tot					44
Service and sales workers	Female					
	Male					
Skilled agriculture and fishery workers	Female					
	Male					
Craft and related trades workers	Female					
	Male					
Plant and machine operators and assemblers	Female					
	Male					
Elementary occupations	Female	**16**		Communication and Report Writing Registry and Records Management Customer care		**3** **1** **3**
	Sub tot					**7**
	Male	**22**		Communication and Report Writing Registry and Records Management Customer care		**3** **1** **3**
	Sub tot					**7**
Sub Total	**Female**	**279**				**201**
	Male	**192**				**107**
Total		**470**				**308**

Table 3.13.2 Training provided for the period 1 April 2020 and 31 March 2021

Occupational category	Gender	Number of employees as at 1 April 2020	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	8		SMS Pre- Entry Programme		1
				COVID 19 Containment Information Session		4
				Online: Change Management		5
				SMS Pre Entry		01
	Sub tot					11
	Male	16		Introduction to Strategic Planning and Management		01
				Introduction to Financial Management and Budgeting		01
				Policy and Procedure on Incapacity Leave and ILL- Health Retirement		01
				SMS Pre- Entry Programme		01
				Writing for Government		01
				Introduction to Leading Change		01
				Ethics in Public Service		01
				COVID 19 SCREENING		01
				COVID 19 TRAINING		01
				COVID 19 Containment Information Session		03
				Online Change Management		02
				Health and Safety Skills Programme		01
				Online Introduction to Financial Management and Budgeting		02
				Online Executive Education Programme		01

	Sub tot			Online: Change Management SMS Pre Entry Health and Safety Skills Programme COVID 19 Training		**03** **01** **01** **23**
Professionals	Female Sub tot	**59**		Online: Change Management Employer Representatives Chairpersons Training COVID 19 Containment Information Session Online: Ethics in Public Sector Capacity Building Training for Employer Reps Module 2 Capacity Building Training for Employer Reps Module 2 Online; Managing Performance Online: Strategic Planning and Management Office Disinfection Training		***01*** ***01*** ***14*** ***01*** ***01*** **01** **1** ***01*** ***21***
	Male	**42**		Online: Change Management Lead Facilitator Training COVID 19 Containment Information Session Capacity Building Training for Employer Reps Module 1 Capacity Building Training for		**02** **01** **12** **01**

	Sub tot			Employer Reps Module 2 Online; Managing Performance Health and Safety Skills Programme Office Disinfection Training COVID 19 Training		**01** **3** **1** **2** **2** **25**
Technicians and associate professionals	Female	**123**		COVID 19 Containment Information Session Capacity Building Training for Employer Reps Module 1 Capacity Building Training for Employer Reps Module 2 Online; Managing Performance Online: Ethics in Public Service Introduction to Financial management Online: Writing in Government Health and Safety Skills Programme Office Disinfection Training COVID 19 Training Online: Introduction to Financial Management Online: Policy Formulation and Implementation		**22** **01** **01** **01** **02** **02** **01** **05** **1** **1** **1**
	Sub tot					**38**
	Male	**57**		COVID 19 Containment Information Session Health and Safety Skills Programme Office Disinfection		**15** **1**

	Sub tot			Training		8 24
Clerks	Female Sub tot	**73**		COVID 19 Containment Information Session		**3** **3**
	Male Sub tot	**55**		COVID 19 Containment Information Session		**10** **10**
Service and sales workers	Female					
	Male					
Skilled agriculture and fishery workers	Female					
	Male					
Craft and related trades workers	Female					
	Male					
Plant and machine operators and assemblers	Female					
	Male					
Elementary Occupations	Female Sub tot	**16**		COVID 19 Containment Information Session		**9** **9**
	Male Sub tot	**22**		COVID 19 Containment Information Session Office Disinfection Training		**2** **1** **3**
Interns (CATHSSETA)	Female Sub tot					**14** **14**
	Male Sub tot					**2** **2**
Sub Total	**Female**	**279**				**96**
	Male	**192**				**87**
Total		**470**				**183**

3.14 Injury on Duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2020 and 31 March 2021

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

3.15 Utilisation of Consultants

The following tables relates information on the utilisation of consultants in the Department. In terms of the Public Service Regulations “consultant’ means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a department against remuneration received from any source:

(a) The rendering of expert advice;
(b) The drafting of proposals for the execution of specific tasks; and
(c) The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2020 and 31 March 2021

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

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2020 and 31 March 2021

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

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2020 and 31 March 2021

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2020 and 31 March 2021

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

3.16 Severance Package

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2020 and 31 March 2021

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

Part E:
Financial Statements

Report of the auditor-general to the KwaZulu-Natal Provincial Legislature on vote no. 15: Department of Arts and Culture

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Qualified Opinion

1. I have audited the financial statements of the Department of Arts and Culture set out on pages 113 to 204, which comprises of the appropriation statement, statement of financial position as at 31 March 2021, 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, except for the effects of the matter described in the basis for qualified opinion section of this audit report, the financial statements present fairly, in all material respects, the financial position of the Department of Arts and Culture as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa,1999 (Act No. 1 of 1999)(PFMA) and the Division of Revenue Act of South Africa, 2020 (Act No. 4 of 2020 (Dora).

Basis for Qualified Opinion

Immovable tangible capital assets and expenditure for capital assets

3. The department did not properly account for additions to immovable assets and expenditure for capital assets as required by MCS chapter 11: Capital Assets and chapter 8 to; Expenditure, respectively. This was due to the failure to appropriately implement the designed system of internal control over the approvals of variations in capital costs as well as validation checks to confirm that capital expenditure along with the related assets were represented by goods that were received, resulting incapital expenditure and additions to immovable assets being incorrectly recognised. Consequently, expenditure for capital assets in note 8 to the financial statements was overstated by R8,65 million, and additions to immovable tangible capital assets in note 33 and note 33.1 to the financial statements was overstated by the same amount.

Context for the Opinion

4. 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.

5. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professiona 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.

6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

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

Material underspending of the votes

8. As disclosed in note 4 of the appropriation statement, the department materially underspent their budget by R21,90 million. Programme 1 - Administration was underspent by R1,17 million as a result of delays in the filling of posts, partially due to the covid 19 pandemic. Programme 2 – Cultural Affairs was underspent by R4,22 million due to the cancellation of events impacted by the covid 19 pandemic as well as the non-payment of transfers. Programme 3 – Library and Archive was underspent by R16,50 million due to delays in the purchasing of items for libraries as well as the delays in the construction of some of the libraries and library head office.

Other Matter

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

Unaudited Supplementary Schedules

10. The supplementary information set out on pages 205 to 222 does not form part of the financial statements and is

presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

11. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and Dora, 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.

12. 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

13. 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.

14. 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 AUDIT OF THE ANNUAL PERFORMANCE REPORT

Introduction and scope

15. In accordance with the Public Audit Act of South Africa, 2004 (Act No.25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

16. My procedures address the usefulness and reliability of the reported performance information, 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.

17. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for programme 3 - library and archive services presented on pages 42 to 46 of the annual performance report of the department for the year ended 31 March 2021.

18. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the 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.

19. The material findings on the usefulness and reliability of the performance information of the selected programme is as follows:

Programme 3 - Library and Archive Services

Various indicators

20. The source information and method of calculation for measuring the planned indicators was not clearly defined and related systems and processes were not adequate to enable consistent measurement and reliable reporting of performance against the predetermined indicator definitions. As a result, limitations were placed on the scope of my work and I was unable to audit the reliability of the achievements reported against the targets in the annual performance report for the indicators detailed in the table below:

Indicator	Planned Target	Reported Achievement
Number of MOA's with National Library services implemented	1	1
Number of libraries with internet connectivity	141	141

Other Matters

21. I draw attention to the matters below.

Achievement of planned targets

22. The annual performance report on pages 26 to 46 includes information on the achievement of planned targets for the year and management explanations provided for the under and over-achievement of targets. This information should be considered in the context of material findings on the usefulness and reliability of the reported performance information in paragraphs 20 of this report.

Adjustment of Material mMisstatements

23. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of library and archive services programme. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

Report on the audit of compliance with legislation

Introduction and Scope

24. 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 specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

25. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements

26. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 40(1)(b) of the PFMA. Material misstatements identified by the auditors in the submitted financial statements were not adequately corrected, which resulted in the financial statements receiving a qualified opinion.

Expenditure management

27. Effective steps were not taken to prevent fruitless and wasteful expenditure amounting to R1,33 million as disclosed in note 32.6 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the fruitless and wasteful expenditure was caused by inadequate controls over expenditure.

28. Effective internal controls were not in place for approval and processing of payments, as required by treasury regulation 8.1.1.

Other information

29. 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 the selected programme presented in the annual performance report that has been specifically reported in this auditor's report.

30. My opinion on the financial statements and 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.

31. In connection with my 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 in the audit, or otherwise appears to be materially misstated.

32. The other information I obtained prior to the date of this auditor's report is the draft annual report, and the audit committee report as well as the final annual report are expected to be made available to us after 13 August 2021.

33. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report.

34. When I do receive and read the audit committee's report and final annual report, 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

35. 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. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for qualified opinion, findings on predetermined objectives and findings on compliance with legislation included in this report.

36. Monitoring of financial information and compliance with key legislation was not effective to ensure that the objectives of transparency, credible and reliable reporting was achieved as amounts in the financial statements was not supported by valid and reliable supporting evidence.

37. Management did not clearly define measures for the achievement of service delivery outputs which could be substantiated by supporting evidence.

Other reports

38. I draw attention to the following engagements conducted, 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.

39. Six internal investigations were conducted during the 2020/21 financial year and finalised by the department's Internal Control and Risk Management unit. One of the investigations resulted in disciplinary action being instituted against an official, while one case was referred to a higher authority for further investigation. Recommendations are being implemented by the department for the remaining four investigations.

40. A further eight investigations, four from the preceding financial years, were performed by internal audit of which four were completed and recommendations are being implemented by the department.

Pietermaritzburg
13 August 2021

Auditor-General

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence


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3.1 Annexure A: Statement of Responsibility and Confirmation of Accuracy

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 the National Treasury. The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in 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 2021.

Yours faithfully

Mr N.P Chonco
Accounting Officer: Department of Arts and Culture

3.3 Annexure C: Specimen of the Annual Report

Refer to the specimen copy of the Annual Report for National and Provincial Departments.

3.4 Annexure D: Template of Reporting Compliance to the BBBEE Commission

This is the template to be completed by the Department for submission to the BBBEE Commission and not for inclusion in the Annual Report.

Annual Financial Statements for the Department of Arts and Culture

For year ended 31 March 2021

DEPARTMENT OF ARTS AND CULTURE
VOTE 15

ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2021

Table of Contents

DEPARTMENT OF ARTS AND CULTURE
VOTE 15

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Appropriation per programme									
	2020/21							2019/20	
	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
Programme									
1. Administration	134 881		3 350	138 231	137 061	1 170	99,2%	136 941	136 933
2. Cultural Affairs	211 194		(1 900)	209 294	205 072	4 222	98,0%	318 424	312 038
3. Library and Archives Services	460 944		(1 450)	459 494	442 990	16 504	96,4%	532 007	503 176
Subtotal	**807 019**			**807 019**	**785 123**	**21 896**	**97,3%**	**987 372**	**952 147**
TOTAL	**807 019**			**807 019**	**785 123**	**21 896**	**97,3%**	**987 372**	**952 147**
TOTAL (brought forward)									
Reconciliation with statement of financial performance									
ADD									
Departmental receipts				**834**				**629**	
Actual amounts per statement of financial performance (total revenue)				**807 853**				**988 001**	
Actual amounts per statement of financial performance (total expenditure)					**785 123**				**952 147**

DEPARTMENT OF ARTS AND CULTURE
VOTE 15

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Appropriation per economic classification									
	2020/21							**2019/20**	
	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**
Economic classification									
Current payments	**361 012**		**(1 332)**	**359 680**	**349 375**	**10 305**	**97,1%**	**487 805**	**495 613**
Compensation of employees	235 345		(1 628)	233 717	226 589	7 128	97,0%	235 548	227 545
Salaries and wages	201 648		(1 618)	200 030	193 037	6 993	96,5%	202 051	194 817
Social contributions	33 697		(10)	33 687	33 552	135	99,6%	33 497	32 728
Goods and services	125,667		296	125,963	122 784	3 179	97,5%	252 257	268 013
Administrative fees	645			645	399	246	61,9%	925	2 052
Advertising	920			920	2 666	(1 746)	289,8%	2 897	6 546
Minor assets	8 788			8 788	1 381	7 407	15,7%	48 575	44 884
Audit costs: External	4 953			4 953	4 110	843	83,0%	4 539	3 805
Bursaries: Employees	258			258	325	(67)	126,0%	245	124
Catering: Departmental activities	564			564	13	551	2,3%	1 931	965
Communication	3 281		(5)	3 276	2 744	532	83,8%	5 941	3 526
Computer services	27 656		1 900	29 556	31 138	(1 582)	105,4%	29 690	31 907
Consultants: Business and advisory services	1 138			1 138	5 655	(4 517)	496,9%	6 722	5 025
Legal services	246			246	274	(28)	111,4%	233	108
Contractors	7 755		(37)	7 718	10 131	(2 413)	131,2%	18 105	39 557
Agency and support / outsourced services	4 646			4 646	4 038	608	86,9%	22 367	18 495

DEPARTMENT OF ARTS AND CULTURE
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APPROPRIATION STATEMENT
for the year ended 31 March 2021

Entertainment	228			228		228		290	13
Fleet services	1 462			1 462	8 042	(6 580)	550,1%	3 097	9 879
Inventory: Learner and teacher support material								158	
Inventory: Other supplies	400			400		400			436
Consumable supplies	8 585			8 585	3 558	5 027	41,4%	10 155	4 386
Consumable: Stationery, printing and office supplies	2 343		(300)	2 043	1 331	712	65,1%	5 860	5 887
Operating leases	16 418		(363)	16 055	11 771	4 284	73,3%	14 693	12 493
Property payments	26 251		(400)	25 851	17 889	7 962	69,2%	16 647	22 414
Transport provided: Departmental activity	1 026		(399)	627	224	403	35,7%	16 855	13 513
Travel and subsistence	2 020			2 020	8 108	(6 088)	401,4%	24 801	24 577
Training and development	1 040			1 040	274	766	26,3%	4 144	2 157
Operating payments	2 195			2 195	2 751	(556)	125,3%	2 285	2 541
Venues and facilities	30			30		30		1 667	
Rental and hiring	2 819		(100)	2 719	3 987	(1 268)	146,6%	9 435	12 723
Interest and rent on land					2	(2)			55
Interest					2	(2)			55
Rent on land									-
Transfers and subsidies	**358 683**		**1 285**	**359 968**	**357 236**	**2 730**	**99,2%**	**396 830**	**395 485**
Provinces and municipalities	275 788		40	275 828	274 236	1 592	99,4%	273 926	273 882
Provinces								211	167
Provincial Revenue Funds									
Provincial agencies and funds								211	167

DEPARTMENT OF ARTS AND CULTURE
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APPROPRIATION STATEMENT
for the year ended 31 March 2021

Municipalities	275 788		40	275 828	274 236	1 592	99,4%	273 715	273 715
Municipal bank accounts	275 788		40	275 828	274 236	1 592	99,4%	273 715	273 715
Departmental agencies and accounts	56 888			56 888	56 888		100,0%	66 304	66 304
Departmental agencies and accounts	56 888			56 888	56 888		100,0%	66 304	66 304
Public corporations and private enterprises	4 674			4 674	4 674		100,0%	25 900	25 900
Private enterprises	4 674			4 674	4 674		100,0%	25 900	25 900
Other transfers to private enterprises	4 674			4 674	4 674		100,0%	25 900	25 900
Non-profit institutions	19 370			19 370	18 903	467	97,6%	27 596	27 068
Households	1 963		1 245	3 208	2 537	671	79,1%	3 104	2 331
Social benefits	1 015		946	1 961	1 909	52	97,3%	483	633
Other transfers to households	948		299	1 247	628	619	50.4%	2 621	1 698
Payments for capital assets	**86 829**			**86 829**	**77 968**	**8 861**	**89,8%**	**102 737**	**61 029**
Buildings and other fixed structures	77 072		(80)	76 992	69 460	7 532	90,2%	90 346	52 587
Buildings	77 072		(80)	76 992	69 460	7 532	90.2%	90 346	52 587
Other fixed structures									
Machinery and equipment	9 757			9 757	8 428	1 329	86,4%	12 313	8 427
Transport equipment			773	773	4 841	(4 068)	626,3%		350

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Other machinery and equipment	9 757		(773)	8 984	3 587	5 397	39,9%	12 313	8 077
Heritage assets			80	80	80		100,0%	78	15
Specialised military assets									
Biological assets									
Land and subsoil assets									
Intangible assets									
Payments for financial assets	**495**		**47**	**542**	**542**		**100,0%**		**20**
TOTAL	**807 019**			**807 019**	**785 123**	**21 896**	**97,3%**	**987 372**	**952 147**

DEPARTMENT OF ARTS AND CULTURE
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APPROPRIATION STATEMENT
for the year ended 31 March 2021

Programme 1: ADMINISTRATION									
	2020/21							2019/20	
	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. Office of the MEC	11 659			11 659	10 967	692	94,1%	18 411	18 348
2. Corporate Services	123 222		3 350	126 572	126 094	478	99,6%	118 530	118 585
Total for sub programmes	**134 881**		**3 350**	**138 231**	**137 061**	**1 170**	**99,2%**	**136 941**	**136 933**
Economic classification									
Current payments	**129 719**		**2 890**	**132 609**	**132 333**	**276**	**99,8%**	**133 433**	**132 519**
Compensation of employees	67 373		(10)	67 363	66 869	494	99,3%	69 310	63 992
Salaries and wages	55 719			55 719	57 732	(2 013)	103,6%	57 550	55 149
Social contributions	11 654		(10)	11 644	9 137	2 507	78,5%	11 760	8 843
Goods and services	62 346		2 900	65 246	65 462	(216)	100,3%	64 123	68 473
Administrative fees	303			303	359	(56)	118,5%	311	1 137
Advertising	800			800	952	(152)	119,0%	1 249	2 988
Minor assets	254			254	16	238	6,3%	794	54
Audit costs: External	4 953			4 953	4 110	843	83,0%	4 539	3 805
Bursaries: Employees	258			258	325	(67)	126,0%	245	124
Catering: Departmental activities	75			75	1	74	1,3%	412	174
Communication	617			617	1 086	(469)	176,0%	3 036	1 365
Computer services	12 361		2 900	15 261	15 866	(605)	104,0%	7 553	7 553

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Consultants: Business and advisory services	400			400	1 584	(1 184)	396,0%	660	116
Legal services	246			246	66	180	26,8%	233	108
Contractors					337	(337)		1 035	1 579
Agency and support / outsourced services					994	(994)		410	4 859
Entertainment	210			210		210		225	13
Fleet services	318			318	8 042	(7 724)	2528,9%	955	3 895
Consumable supplies	4 324			4 324	1 326	2 998	30,7%	644	538
Consumable: Stationery, printing and office supplies	237			237	744	(507)	313,9%	932	899
Operating leases	14 883			14 883	11 275	3 608	75,8%	13 393	11 486
Property payments	20 305			20 305	13 081	7 224	64,4%	15 442	15 018
Transport provided: Departmental activity								221	68
Travel and subsistence					4 380	(4 380)		8 582	10 652
Training and development	595			595	176	419	29,6%	2 494	1 110
Operating payments	1 207			1 207	571	636	47,3%	445	906
Venues and facilities								137	
Rental and hiring					171	(171)		176	26
Interest and rent on land					2	(2)			54
Interest					2	(2)			54
Rent on land									
Transfers and subsidies	**1 335**		**413**	**1 748**	**1 129**	**619**	**64,6%**	**1 853**	**699**
Provinces and municipalities	221		40	261	261		100,0%	211	167
Provinces								211	167

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Provincial Revenue Funds									
Provincial agencies and funds								211	167
Households	1 114		373	1 487	868	619	58,4%	1 642	532
Social benefits	166		373	539	539		100,0%	375	417
Other transfers to households	948			948	329	619	34,7%	1 267	115
Payments for capital assets	**3 332**			**3 332**	**3 057**	**275**	**91,7%**	**1 655**	**3 700**
Machinery and equipment	3 332			3 332	3 057	275	91,7%	1 655	3 700
Transport equipment			773	773	773		100,0%		350
Other machinery and equipment	3 332		(773)	2 559	2 284	275	89,3%	1 655	3 350
Payments for financial assets	**495**		**47**	**542**	**542**		**100,0%**		15
TOTAL	**134 881**		**3 350**	**138 231**	**137 061**	**1 170**	**99,2%**	**136 941**	**136 933**

DEPARTMENT OF ARTS AND CULTURE
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APPROPRIATION STATEMENT
for the year ended 31 March 2021

SUB PROGRAMME 1.1: OFFICE OF THE MEC									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**10 804**		**(10)**	**10 794**	**10 064**	**730**	**93.2%**	**18 348**	**18 062**
Compensation of employees	7 917		(10)	7 907	8 337	(430)	105.4%	11 999	9 931
Goods and services	2 887			2 887	1 727	1 160	59.8%	6 349	8 131
Transfers and subsidies	**25**		**10**	**35**	**35**		**100.0%**		**111**
Households	25		10	35	35		100.0%		111
Payments for capital assets	**830**			**830**	**868**	**(38)**	**104.6%**	**63**	**175**
Machinery and equipment	830			830	868	(38)	104,6%	63	175
Payments for financial assets									
TOTAL	**11 659**			**11 659**	**10 967**	**692**	**94.1%**	**18 411**	**18 348**

DEPARTMENT OF ARTS AND CULTURE
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APPROPRIATION STATEMENT
for the year ended 31 March 2021

SUB PROGRAMME 1.2: CORPORATE SERVICES									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**118 915**		**2 900**	**121 815**	**122 269**	**(454)**	**100.4%**	**115 085**	**114 457**
Compensation of employees	59 456			59 456	58 532	924	98.4%	57 311	54 061
Goods and services	59 459		2 900	62 359	63 735	(1 376)	102.2%	57 774	60 342
Interest and rent on land					2	(2)			54
Transfers and subsidies	**1 310**		**403**	**1 713**	**1 094**	**619**	**63.9%**	**1 853**	**588**
Provinces and municipalities	221		40	261	261		100.0%	211	167
Households	1 089		363	1 452	833	619	57.4%	1 642	421
Payments for capital assets	**2 502**			**2 502**	**2 189**	**313**	**87.5%**	**1 592**	**3 525**
Buildings and other fixed structures									
Machinery and equipment	2 502			2 502	2 189	313	87.5%	1 592	3 525
Payments for financial assets	**495**		**47**	**542**	**542**		**100.0%**		**15**
TOTAL	**123 222**		**3 350**	**126 572**	**126 094**	**478**	**99.6%**	**118 530**	**118 585**

DEPARTMENT OF ARTS AND CULTURE
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APPROPRIATION STATEMENT
for the year ended 31 March 2021

Programme 2: CULTURAL AFFAIRS									
	2020/21							2019/20	
	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. Management	4 298	120		4 418	3 441	977	77.9%	4 547	4 437
2. Arts and Culture	101 474	(120)	(91)	101 263	99 914	1 349	98.7%	200 702	195 875
3. Museum Services	33 992		(909)	33 083	31 600	1 483	95.5%	30 880	29 294
4. Language Services	14 950		(900)	14 050	14 017	33	99.8%	19 609	19 746
5. Heritage	56 480			56 480	56 100	380	99.3%	62 686	62 686
Total for sub programmes	**211 194**		**(1 900)**	**209 294**	**205 072**	**4 222**	**98.0%**	**318 424**	**312 038**

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Programme 2: CULTURAL AFFAIRS									
	Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**111 752**		**(2 236)**	**109 516**	**106 788**	**2 728**	**97.5%**	**175 472**	**175 931**
Compensation of employees	85 886			85 886	84 717	1 169	98.6%	86 846	86 388
Salaries and wages	73 999			73 999	72 894	1 105	98.5%	75 751	75 008
Social contributions	11 887			11 887	11 823	64	99.5%	11 095	11 380
Goods and services	25 866		(2 236)	23 630	22 071	1 559	93.4%	88 626	89 543
Administrative fees	138			138	20	118	14.5%	421	663
Advertising					1 711	(1 711)		1 249	1 707
Minor assets	1 138			1 138	55	1 083	4.8%	1 432	69
Catering: Departmental activities	400			400		400		1 161	712
Communication	1 110			1 110	594	516	53.5%	1 453	730
Computer services	533			533		533		162	25
Consultants: Business and advisory services	556			556	2	554	0.4%	1 989	814
Legal					208	(208)			
Contractors	7 547		(1 037)	6 510	9 722	(3 212)	149.3%	15 531	30 827
Agency and support / outsourced services	4 646			4 646	2 925	1 721	63.0%	21 161	11 406
Entertainment								48	-
Fleet services	708			708		708		1 686	3 291
Consumable supplies	434			434	72	362	16.6%	5 099	3 382

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Consumable: Stationery, printing and office supplies	992		(100)	892	276	616	30.9%	1 428	824
Operating leases	567		(200)	367	129	238	35.1%	525	320
Property payments	838		(400)	438	940	(502)	214.6%	920	1 775
Transport provided: Departmental activity	1 026		(399)	627	194	433	30.9%	15 991	10 784
Travel and subsistence	1 748			1 748	2 969	(1 221)	169.9%	8 158	9 978
Training and development	190			190	98	92	51.6%	291	919
Operating payments	446			446	1 425	(979)	319.5%	378	610
Venues and facilities	30			30		30		1 423	
Rental and hiring	2 819		(100)	2 719	731	1 988	26.9%	8 120	10 707
Transfers and subsidies	**97 261**		**336**	**97 597**	**96 124**	**1 473**	**98.5%**	**133 482**	**133 188**
Provinces and municipalities	17 354			17 354	16 399	955	94.5%	14 349	14 349
Municipalities	17 354			17 354	16 399	955	94.5%	14 349	14 349
Municipal bank accounts	17 354			17 354	16 399	955	94.5%	14 349	14 349
Departmental agencies and accounts	56 888			56 888	56 888		100.0%	66 304	66 304
Departmental agencies	56 888			56 888	56 888		100.0%	66 304	66 304
Public corporations and private enterprises	4 674			4 674	4 674		100.0%	25 900	25 900
Private enterprises	4 674			4 674	4 674		100.0%	25 900	25 900
Other transfers to private enterprises	4 674			4 674	4 674		100.0%	25 900	25 900
Non-profit institutions	17 510			17 510	17 043	467	97.3%	25 496	24 968
Households	835		336	1 171	1 120	51	95.6%	1 433	1 667
Social benefits	835		37	872	821	51	94.2%	79	84

Other transfers to households			299	299	299		100.0%	1 354	1 583
Payments for capital assets	**2 181**			**2 181**	**2 160**	**21**	**99.0%**	**9 470**	**2 914**
Buildings and other fixed structures	1 700		(80)	1 620	1 617	3	99.8%	8 396	2 566
Buildings	1 700		(80)	1 620	1 617	3	99.8%	8 396	2 566
Other fixed structures									
Machinery and equipment	481			481	463	18	96.3%	996	333
Transport equipment									
Other machinery and equipment	481			481	463	18	96.3%	996	333
Heritage assets			80	80	80		100.0%	78	15
Payments for financial assets									5
Total	**211 194**		**(1 900)**	**209 294**	**205 072**	**4 222**	**98.0%**	**318 424**	**312 038**

APPROPRIATION STATEMENT
for the year ended 31 March 2021

SUB PROGRAMME 2.1: MANAGEMENT

	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**4 177**			**4 177**	**3 229**	**948**	**77.3%**	**4 547**	**4 404**
Compensation of employees	3 769			3 769	2 960	809	78.5%	3 697	3 862
Goods and services	408			408	269	139	65.9%	850	542
Interest and rent on land									
Transfers and subsidies	76	120		196	196		100.0%		
Households									
Payments for capital assets	**45**			**45**	**16**	**29**	**35.6%**		**33**
Buildings and other fixed structures									
Machinery and equipment	45			45	16	29	35.6%		33
Heritage assets									
Payments for financial assets									
TOTAL	**4 298**	**120**		**4 418**	**3 441**	**977**	**77.9%**	**4 547**	**4 437**

DEPARTMENT OF ARTS AND CULTURE
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APPROPRIATION STATEMENT
for the year ended 31 March 2021

SUB PROGRAMME 2.2: ARTS AND CULTURE									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**73 737**		**(299)**	**73 438**	**73 196**	**242**	**99.7%**	**133 006**	**134 889**
Compensation of employees	52 877			52 877	53 301	(424)	100.8%	54 585	54 568
Goods and services	20 860		(299)	20 561	19 895	666	96.8%	78 421	80 321
Interest and rent on land									
Transfers and subsidies	**25 853**	**(120)**	**299**	**26 032**	**24 926**	**1 106**	**95.8%**	**58 667**	**58 295**
Provinces and municipalities	1 911			1 911	956	955	50.0%	1 911	1 911
Departmental agencies and accounts	5 944			5 944	5 944		100.0%	9 141	9 141
Public corporations and private enterprises	4 674			4 674	4 674		100.0%	25 900	25 900
Private enterprises	4,674			4,674	4,674		100.0%	25 900	25 900
Other transfers to private enterprises	4 674			4 674	4 674		100.0%	25 900	25 900
Non-profit institutions	12 637			12 637	12 551	86	99.3%	20 313	19 785
Households	687	(120)	299	866	801	65	92.5%	1 402	1 558
Payments for capital assets	**1 884**		**(91)**	**1 793**	**1 792**	**1**	**99.9%**	**9 029**	**2 691**
Buildings and other fixed structures	1 700		(171)	1 529	1 526	3	99.8%	8 396	2 406
Machinery and equipment	184			184	186	(2)	101.1%	633	285
TOTAL	**101 474**	**(120)**	**(91)**	**101 263**	**99 914**	**1 349**	**98.7%**	**200 702**	**195 875**

SUB PROGRAMME 2.3: MUSEUM SERVICES

	2020/21							2019/20	
	Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**13 682**		**(1 000)**	**12 682**	**11 574**	**1 108**	**91.3%**	**13 244**	**11 769**
Compensation of employees	11 655			11 655	10 796	859	92.6%	10 272	10 272
Goods and services	2 027		(1 000)	1 027	778	249	75.8%	2 972	1 497
Interest and rent on land									
Transfers and subsidies	**20 103**			**20 103**	**19 736**	**367**	**98.2%**	**17 336**	**17 336**
Provinces and municipalities	15 443			15 443	15 443		100.0%	12 438	12 438
Non-profit institutions	4 660			4 660	4 279	381	91.8%	4 883	4 883
Households					14	(14)		15	15
Payments for capital assets	**207**		**91**	**298**	**290**	**8**	**97.3%**	**300**	**184**
Buildings and other fixed structures			91	91	91		100.0%		160
Machinery and equipment	207			207	199	8	96.1%	300	9
Heritage assets									15
Payments for financial assets									5
TOTAL	**33 992**		**(909)**	**33 083**	**31 600**	**1 483**	**95.5%**	**30 880**	**29 294**

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SUB PROGRAMME 2.4: LANGUAGE SERVICES									
	2020/21							**2019/20**	
	Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**14 707**		**(937)**	**13 770**	**13 750**	**20**	**99.9%**	**19 230**	**19 424**
Compensation of employees	12 521			12 521	12 772	(251)	102.0%	13 097	12 542
Goods and services	2 186		(937)	1 249	978	271	78.3%	6 133	6 882
Transfers and subsidies	**213**		**37**	**250**	**250**		**100.0%**	**316**	**316**
Non-profit institutions	213			213	213		100.0%	300	300
Households			37	37	37		100.0%	16	16
Payments for capital assets	**30**			**30**	**17**	**13**	**56.7%**	**63**	**6**
Machinery and equipment	30			30	17	13	56.7%	63	6
TOTAL	**14 950**		**(900)**	**14 050**	**14 017**	**33**	**99.8%**	**19 609**	**19 746**

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SUB PROGRAMME 2.5: HERITAGE									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**5 449**			**5 449**	**5 039**	**410**	**92.5%**	**5 445**	**5 445**
Compensation of employees	5 064			5 064	4 888	176	96.5%	5 195	5 144
Goods and services	385			385	151	234	39.2%	250	301
Transfers and subsidies	**51 016**			**51 016**	**51 016**		**100.0%**	**57 163**	**57 241**
Provinces and municipalities									
Departmental agencies and accounts	50 944			50 944	50 944		100.0%	57 163	57 163
Households	72			72	72		100.0%		78
Payments for capital assets	15			15	45	(30)	300.0%	78	
Buildings and other fixed structures									
Machinery and equipment	15			15	45	(30)	300.0%	78	
Heritage assets									
Payments for financial assets									
TOTAL	**56 480**			**56 480**	**56 100**	**380**	**99.3%**	**62 686**	**62 686**

APPROPRIATION STATEMENT
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Programme 3: LIBRARY SERVICES									
	2020/21							**2019/20**	
	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. Management	1 896			1 896	1 717	179	90.6%	2 100	1 854
2. Library Services	264 416		(1 656)	262 760	261 801	959	99.6%	310 720	312 503
3. Archives	27 262		206	27 468	27 305	163	99.4%	34 770	33 232
4. Community Library Services Grant	167 370			167 370	152 167	15 203	90.9%	184 417	155 587
Total for sub programmes	**460 944**		**(1 450)**	**459 494**	**442 990**	**16 504**	**96.4%**	**532 007**	**503 176**

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	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**119 541**		**(1 986)**	**117 555**	**110 254**	**7 301**	**93.8%**	**178 900**	**187 163**
Compensation of employees	82 086		(1 618)	80 468	75 003	5 465	93.2%	79 392	77 165
Salaries and wages	71 930		(1 618)	70 312	62 411	7 901	88.8%	68 750	64 660
Social contributions	10 156			10 156	12 592	(2 436)	124.0%	10 642	12 505
Goods and services	37 455		(368)	37 087	35 251	1 836	95.0%	99 508	109 997
Administrative fees	204			204	20	184	9.8%	193	252
Advertising	120			120	3	117	2.5%	399	1 851
Minor assets	7 396			7 396	1 310	6 086	17.7%	46 349	44 761
Catering: Departmental activities	89			89	12	77	13.5%	358	79
Communication	1 554		(5)	1 549	1 064	485	68.7%	1 452	1 431
Computer services	14 762			14 762	15 272	(510)	103.5%	21 975	24 329
Consultants: Business and advisory services	182			182	4 069	(3,887)	2235.7%	4 073	4 095
Contractors	208			208	72	136	34.6%	1 539	7 151
Agency and support / outsourced services					19	(19)		796	2 230
Entertainment	18			18		18		17	
Fleet services	436			436		436		456	2 693
Inventory: Learner and teacher support material								158	
Inventory: Other supplies	400			400		400			436
Consumable supplies	3 827			3 827	4 127	(300)	107.8%	4 412	466

APPROPRIATION STATEMENT
for the year ended 31 March 2021

Consumable: Stationery, printing and office supplies	1 114		(200)	914	319	595	34.9%	3 500	4 164
Operating leases	968		(163)	805	367	438	45.6%	775	687
Property payments	5 108			5 108	3 868	1 240	75.7%	285	5 621
Transport provided: Departmental activity					30	(30)		643	2 661
Travel and subsistence	272			272	759	(487)	279.0%	8 061	3 947
Training and development	255			255		255		1 359	128
Operating payments	542			542	755	(213)	139.3%	1 462	1 025
Venues and facilities								107	
Rental and hiring					3 085	(3 085)		1 139	1 990
Interest and rent on land									1
Interest									1
Transfers and subsidies	**260 087**		**536**	**260 623**	**259 985**	**638**	**99.8%**	**261 495**	**261 598**
Provinces and municipalities	258 213			258 213	257 576	637	99.8%	259 366	259 366
Provinces									
Municipalities	258 213			258 213	257 576	637	99.8%	259 366	259 366
Municipal bank accounts	258 213			258 213	257 576	637	99.8%	259 366	259 366
Non-profit institutions	1 860			1 860	1 860		100.0%	2 100	2 100
Households	14		536	550	549	1	99.8%	29	132
Social benefits	14		536	550	549	1	99.8%	29	132
Payments for capital assets	**81 316**			**81 316**	**72 751**	**8 565**	**89.5%**	**91 612**	**54 415**
Buildings and other fixed structures	75 372			75 372	67 843	7 529	90.0%	81 950	50 021
Buildings	75 372			75 372	67 843	7 529	90.0%	81 950	50 021

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Other fixed structures									
Machinery and equipment	5 944			5 944	4 908	1 036	82.6%	9 662	4 394
Transport equipment					4 068	(4 068)			
Other machinery and equipment	5 944			5 944	840	5 104	14.1%	9 662	4 394
Total	**460 944**		**(1 450)**	**459 494**	**442 990**	**16 504**	**96.4%**	**532 007**	**503 176**

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for the year ended 31 March 2021

SUB PROGRAMME 3.1: MANAGEMENT									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**1 876**			**1 876**	**1 713**	**163**	**91,3%**	**2 100**	**1 854**
Compensation of employees	1 567			1 567	1 566	1	99,9%	1 750	1 782
Goods and services	309			309	147	162	47,6%	350	72
Payments for capital assets	**20**			**20**	**4**	**16**	**20.0%**		
Machinery and equipment	20			20	4	16	20.0		
TOTAL	**1 896**			**1 896**	**1 717**	**179**	**90,6%**	**2 100**	**1 854**

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SUB PROGRAMME 3.2: LIBRARY SERVICES									
	2020/21							**2019/20**	
	Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**46 377**		**(1 981)**	**44 396**	**44 070**	**326**	**99.3%**	**91 193**	**94 188**
Compensation of employees	42 419		(1 618)	40 801	39 996	805	98.0%	41 485	39 359
Goods and services	3 958		(363)	3 595	4 074	(479)	113.3%	49 708	54 828
Interest and rent on land									1
Transfers and subsidies	**212 406**		**531**	**212 937**	**212 936**	**1**	**100,0%**	**207 889**	**207 981**
Provinces and municipalities	212 392			212 392	212 392		100.0%	207 863	207 863
Households	14		531	545	544	1	99.8%	26	118
Payments for capital assets	**5 633**		**(206)**	**5 427**	**4 795**	**632**	**88.4%**	**11 638**	**10 334**
Buildings and other fixed structures	5 000			5 000	4 768	232	95.4%	10 850	10 252
Machinery and equipment	633		(206)	427	27	400	6.3%	788	82
TOTAL	**264 416**		**(1 656)**	**262 760**	**261 801**	**959**	**99.6%**	**310 720**	**312 503**

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SUB PROGRAMME 3.3: ARCHIVES									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**27 171**		**(5)**	**27 166**	**27 131**	**35**	**99.9%**	**31 893**	**32 911**
Compensation of employees	25 056			25 056	25 016	40	99.8%	25 738	26 139
Goods and services	2 115		(5)	2 110	2 115	(5)	100.2%	6 155	6 772
Transfers and subsidies			**5**	**5**	**5**		**100,0%**	**3**	**14**
Households			5	5	5		100,0%	3	14
Payments for capital assets	**91**		**206**	**297**	**169**	**128**	**56.9%**	**2 874**	**307**
Buildings and other fixed structures								2 000	
Machinery and equipment	91		206	297	169	128	56.9%	874	307
TOTAL	**27 262**		**206**	**27 468**	**27 305**	**163**	**99.4%**	**34 770**	**33 232**

APPROPRIATION STATEMENT
for the year ended 31 March 2021

SUB PROGRAMME 3.4: COMMUNITY LIBRARY SERVICES GRANT									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**44 117**			**44 117**	**37 340**	**6 777**	**84.6%**	**53 714**	**58 210**
Compensation of employees	13 044			13 044	8 425	4 619	64.6%	10 419	9 885
Goods and services	31 073			31 073	28 915	2 158	93.1%	43 295	48 325
Transfers and subsidies	**47 681**			**47 681**	**47 044**	**637**	**98.7%**	**53 603**	**53 603**
Provinces and municipalities	45 821			45 821	45 184	637	98.6%	51 503	51 503
Non-profit institutions	1 860			1 860	1 860		100.0%	2 100	2 100
Payments for capital assets	**75 572**			**75 572**	**67 783**	**7 789**	**89.7%**	**77 100**	**43 774**
Buildings and other fixed structures	70 372			70 372	63 075	7 297	89.6%	69 100	39 769
Machinery and equipment	5 200			5 200	4 708	492	90.5%	8 000	4 005
TOTAL	**167 370**			**167 370**	**152 167**	**15 203**	**90.9%**	**184 417**	**155 587**

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NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2021

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 notes and Annexure 1 (A-H) 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 (Annual Appropriation) to the Annual Financial Statements.

3. Detail on payments for financial assets

Detail of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

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

4.1 Per programme	**Final Appropriation**	**Actual Expenditure**	**Variance R'000**	**Variance as a % of Final Appropriation**
Programme 1: Administration	138 231	137 061	1 170	0.01

The under-expenditure was as a result of the delay in the filling of posts which was further impacted by the Covid-19 pandemic and the national lock down. In addition, under-expenditure also incurred against operational costs due to departmental offices being closed during the national lock down.

Programme 2: Cultural Affairs	209 294	205 072	4 222	2.02%

The under-spending is attributed to the cancellation of events due to the Covid-19 pandemic and the non-payment of transfers to the Indonsa Art centre and the DCO Matiwane Museum. The department requested for the roll-over of unspent funds against these transfers.

Programme 3: Library and Archive Services	459 494	442 990	16 504	0.04

The under-expenditure is mainly under the conditional grant due to the impact of the COVID -19 pandemic which resulted in EPWP appointments not being finalised under Compensation of employees. Under Goods and services, purchases of computer equipment, library material, toys, furniture and ICT systems for libraries were delayed due to non-completion of modular libraries. However, during the audit, Covid 19 expenditure incurred for PPEs in respect of the eight modular library structures and the Dukuduku Library were expensed, thus reflecting a higher under-expenditure against this category. Delays with the construction of Dukuduku library and the Library Head office building also contributed to the under-

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NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2021

spending under this programme. The department requested for the roll-over of funds under the Community Library Services grant

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Current payments				
Compensation of employees	233 717	226 589	7 128	0.03
Goods and services	125 963	122 784	3 179	0.03
Interest and rent on land		2	(2)	
Transfers and subsidies				
Provinces and municipalities	275 828	274 236	1 592	0.01
Departmental agencies and accounts	56 888	56 888	0	0.00
Public corporations and private enterprises	4 674	4 674	0	0.00
Non-profit institutions	19 370	18 903	467	0.02
Households	3 208	2 537	671	0.21
Payments for capital assets				
Buildings and other fixed structures	76 992	69 460	7 532	0.10
Machinery and equipment	9 757	8 428	1 329	0.14
Heritage assets	80	80		0.00
Payments for financial assets	542	542		0.00

The under-spending under Compensation of employees was due to the delays in the filling of posts which was further impacted on the Covid-19 pandemic, these posts included EPWP posts funded by the grant. The unspent funds under Goods and Services were predominately under the Community Library Services grant and this was as a result of delays in the procurement of furniture, computer equipment and library material. In addition, events were cancelled in adherence to the restrictions imposed during the Covid- 19 pandemic. The category Provinces and municipalities were underspent, due to payments to the Zululand Municipality for the Indonsa Art Centre not being processed to the correct bank account and the transfer to the Greater Kokstad under the grant funding, not being paid due to the Franklin Modular library not being completed. Under Non-profit institutions the savings were due to non-payment to the DCO Matiwane as a result of the museum being non-compliant with the monitoring and evaluation process. Under households' payments were made to fewer external bursary holders. The under-expenditure against external bursaries was due to the closure of institutions of higher learning as a result of the COVID 19 pandemic as well as the late release of the academic results for students. Under Buildings and other fixed structure, the under-spending against the construction of the Dukuduku library was due to community unrests and the delays in the completion of the Library Head Office building. However, during the audit, Covid 19 expenditure incurred for PPEs in respect of the eight modular library structures and the Dukuduku Library were expensed, thus reflecting a higher under-expenditure against this category. The category Machinery and equipment reflected a saving as the tender process for the procurement of

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NOTES TO THE APPROPRIATION STATEMENT
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computer equipment was not finalised at year-end.

4.3 Per conditional grant	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation R'000
Community Library Services Grant	167 370	152 167	15 203	0.09

The under-spending against the grant was under Compensation of employees due to the delays in the filling of posts which was further impacted on the Covid-19 pandemic, these posts included EPWP posts. The unspent funds under Goods and Services was as a result of delays in the procurement of furniture, computer equipment, toys and library material due to the modular libraries being incomplete at year end. The category Provinces and municipalities reflected unspent funds due to the transfer to the Greater Kokstad not being paid as the Franklin Modular library was not completed. Under Buildings and other fixed structure, the under-spending was against the construction of the Dukuduku library was due to community unrests. However, during the audit, Covid 19 expenditure incurred for PPEs in respect of the eight modular library structures and the Dukuduku Library were expensed, thus reflecting a higher under-expenditure against this category.The category Machinery and equipment reflected a saving as the tender process for the procurement of computer equipment was not finalised at year-end.

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STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2021

	Note	2020/21 R'000	2019/20 R'000
REVENUE			
Annual appropriation	1	807 019	987 372
Statutory appropriation			
Departmental revenue	2	834	629
TOTAL REVENUE		807 853	988 001
Current expenditure			
Compensation of employees	3	226 589	227 545
Goods and services	4	122 784	268 013
Interest and rent on land	5	2	55
Total current expenditure		349 375	495 613
Transfers and subsidies			
Transfers and subsidies	7	357 239	395 485
Total transfers and subsidies		357 239	395 485
Expenditure for capital assets			
Tangible assets	8	77 967	61 029
Total expenditure for capital assets		77 967	61 029
Payments for financial assets	6	542	20
TOTAL EXPENDITURE		**785 123**	**952 147**
SURPLUS/(DEFICIT) FOR THE YEAR		**22 730**	**35 854**

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STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2021

Reconciliation of Net Surplus/(Deficit) for the year

Voted funds		21 896	35 225
Annual appropriation		6 693	
Conditional grants		15 203	
Departmental revenue and NRF Receipts	*14*	834	629
Aid assistance			
SURPLUS/(DEFICIT) FOR THE YEAR		**22 730**	**35 854**

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STATEMENT OF FINANCIAL POSITION
for the year ended 31 March 2021

	Note	2020/21 R'000	2019/20 R'000
ASSETS			
Current assets		**28 026**	**32 796**
Unauthorised expenditure	9	1 369	1 369
Cash and cash equivalents	10	25 533	25 481
Other financial assets			
Prepayments and advances	11		
Receivables	12	1 124	5 946
Loans			
Aid assistance prepayments			
Aid assistance receivable			
Non-current assets		**10 740**	**6 827**
Investments			
Receivables	12	10 740	6 827
Loans			
Other financial assets			
TOTAL ASSETS		**38 766**	**39 623**
LIABILITIES			
Current liabilities		**36 892**	**38 562**
Voted funds to be surrendered to the Revenue Fund	13	21 896	36 594
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	14	75	80
Bank overdraft			
Payables	15	14 921	1 888
Aid assistance repayable			
Aid assistance unutilised			
Non-current liabilities			
Payables	16	865	136
TOTAL LIABILITIES		**37 757**	**38 698**
NET ASSETS		**1 009**	**925**

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STATEMENT OF FINANCIAL POSITION
for the year ended 31 March 2021

	Note	2020/21 R'000	2019/20 R'000
Represented by:			
Capitalisation reserve			
Recoverable revenue		1 009	925
Retained funds			
Revaluation reserves			
TOTAL		**1 009**	**925**

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STATEMENT OF CHANGES IN NET ASSETS
as at 31 March 2021

	Note	2020/21 R'000	2019/20 R'000
Capitalisation Reserves			
Opening balance			
Transfers:			
Movement in Equity			
Movement in Operational Funds			
Other movements			
Closing balance			
Recoverable revenue			
Opening balance		925	442
Transfers:		84	(483)
Irrecoverable amounts written off	6.1	(315)	
Debts revised			
Debts recovered (included in departmental receipts)		(119)	(141)
Debts raised		518	624
Closing balance		1 009	925
Retained funds			
Opening balance			
Transfer from voted funds to be surrendered (Parliament/Legislatures ONLY)			
Utilised during the year			
Other transfers			
Closing balance			
Revaluation Reserve			
Opening balance			
Revaluation adjustment (Housing departments)			
Transfers			
Other			
Closing balance			
TOTAL		**1 009**	**925**

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CASH FLOW STATEMENT
as at 31 March 2021

	Note	**2020/21 R'000**	**2019/20 R'000**
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		807 853	988 001
Annual appropriated funds received	1.1	807 019	987 372
Statutory appropriated funds received			
Departmental revenue received	2	828	610
Interest received	2.3	6	19
NRF Receipts			
Aid assistance received			
Net (increase)/decrease in working capital		17 855	(2 600)
Surrendered to Revenue Fund		(37 433)	(13 899)
Surrendered to RDP Fund/Donor			
Current payments		(349 373)	(495 557)
Interest paid	5	(2)	(55)
Payments for financial assets		(542)	(20)
Transfers and subsidies paid		(357 239)	(395 486)
Net cash flow available from operating activities	17	81 119	80 384
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received			
Payments for capital assets	8	(77 967)	(61 029)
Proceeds from sale of capital assets	2.4		
(Increase)/decrease in loans			
(Increase)/decrease in investments			
(Increase)/decrease in other financial assets			
(Increase)/decrease in non-current receivables	12	(3 913)	3 775
Net cash flows from investing activities		(81 880)	(57 254)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		84	483
Increase/(decrease) in non-current payables		729	39
Net cash flows from financing activities		813	522
Net increase/(decrease) in cash and cash equivalents		52	23 652
Cash and cash equivalents at beginning of period		25 481	1 829
Unrealised gains and losses within cash and cash equivalents			
Cash and cash equivalents at end of period	18	**25 533**	**25 481**

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PART A: ACCOUNTING POLICIES

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	**Basis of preparation** The financial statements have been prepared in accordance with the Modified Cash Standard.
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	**Comparative information**
5.1	**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.
5.2	**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.
6	**Revenue**
6.1	**Appropriated funds** Appropriated funds comprise of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).

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	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 / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.
6.2	**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.
6.3	**Accrued departmental revenue** Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when: • it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and • 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 / penalties) is measured at amounts receivable from collecting agents. Write-offs are made according to the department's debt write-off policy
7	**Expenditure**
7.1	**Compensation of employees**
7.1.1	**Salaries and wages** Salaries and wages are recognised in the statement of financial performance on the date of payment.
7.1.2	**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.
7.2	**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	**Payments for Financial assets** Debts are written off when identified as irrecoverable
9	**Accruals and payables not recognised**

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	Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.
10	**Leases**
10.1	**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.
10.2	**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. 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: • cost, being the fair value of the asset; or • the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.
11	**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.
12	**Prepayments and advances** Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost.
13	**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.
14	**Financial assets**
14.1	**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.
15	**Payables** Payables recognised in the statement of financial position are recognised at cost.

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16	**Capital Assets**
16.1	**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.
16.2	**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 2004 (as approved by the KZN Treasury) 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.
16.3	**Heritage assets** Heritage assets are assets that have cultural, historical, environmental, natural, scientific or technological significance that are held indefinitely for the benefit of present and future generations. Heritage assets are initially recorded in the notes to the financial statements at cost. Heritage assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of the heritage assets cannot be determined accurately, the heritage assets are measured at R1 unless the fair value of the asset has been reliably estimated, in which case the fair value is used.
16.4	**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.

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	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 2004 (as approved by the KZN Treasury) 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.
16.5	**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.
17	**Provisions and Contingents**
17.1	**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.
17.2	**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.
17.3	**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.
18	**Capital commitments** Capital commitments are recorded at cost in the notes to the financial statements.
19	**Unauthorised**

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	Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either: • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.
20	**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.
21	**Irregular expenditure** Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note. Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, 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.
22	**Changes in accounting policies, accounting estimates and errors** Changes in accounting policies that are effected by management have been applied retrospectively 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 change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable. Changes in accounting estimates 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.
23	**Events after the reporting date**

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	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.
24	**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 National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
25	**Related party transactions** Related party transactions within the Minister/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 the full compensation of key management personnel is recorded in the notes to the financial statements.
26	**Inventories** 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.
27	**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.

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PART B: EXPLANATORY NOTES

1.Annual Appropriation

1.1 Annual Appropriation

	2020/21			2019/20		
	Final Appropriation	**Actual Funds Received**	**Funds not requested/not received**	**Final Appropriation**	**Appropriation received**	**Funds not requested /not received**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	
P1: Administration	138 231	138 231	-	136 941	136 941	-
P2:Cultural Affairs	209 294	209 294	-	318 424	318 424	-
P3: Library & Archive Services	459 494	459 494	-	532 007	532 007	-
Total	**807 019**	**807 019**		**987 372**	**987 372**	

1.2 Conditional grants

	Note	2020/21	2019/20
		R'000	**R'000**
Total grants received	35	167 370	186 527
Provincial grants included in Total Grants received			

2. Depart/mental revenue

	Note	2020/21	2019/20
		R'000	**R'000**
Tax revenue		-	-
Sales of goods and services other than capital assets	2.1	385	416
Fines, penalties and forfeits	2.2	21	58
Interest, dividends and rent on land	2.3	6	19
Transactions in financial assets and liabilities	2.4	422	136
Transfer received			
Total revenue collected		**834**	**629**
Less: Own revenue included in appropriation	14		
Departmental revenue collected		**834**	**629**

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The revenue collected is lower than the previous financial year due to the lower write off amount for debt, as the department did not have sufficient funding for write off.

2.1 Sales of goods and services other than capital assets

	Note	**2020/21**	**2019/20**
	2	**R'000**	**R'000**
Sales of goods and services produced by the department		385	416
Sales by market establishment		221	232
Administrative fees			
Other sales		164	184
Sales of scrap, waste and other used current goods			
Total		**385**	**416**

2.2 Fines, penalties and forfeits

	Note	**2020/21**	**2019/20**
	2	**R'000**	**R'000**
Fines			
Penalties		21	58
Forfeits			
Total		**21**	**58**

2.3 Interest, dividends and rent on land

	Note	**2020/21**	**2019/20**
	2	**R'000**	**R'000**
Interest		6	19
Dividends			
Rent on land			
Total		**6**	**19**

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2.4 Transactions in financial assets and liabilities

	Note	**2020/21**	**2019/20**
	2	**R'000**	**R'000**
Receivables		369	136
Other Receipts including Recoverable Revenue		53	
Total		**422**	**136**

3. Compensation of employees

3.1 Salaries and Wages

	Note	**2020/21**	**2019/20**
	3	**R'000**	**R'000**
Basic salary		158 748	159 421
Performance award		77	243
Service Based		236	333
Compensative/circumstantial		1 282	1 965
Periodic payments			411
Other non-pensionable allowances		32 694	32 444
Total		**193 037**	**194 817**

3.2 Social contributions

	Note	**2020/21**	**2019/20**
	3	**R'000**	**R'000**
Employer contributions			
Pension		20 597	20 650
Medical		12 739	11 980
UIF		32	39
Bargaining council		50	47
Official unions and associations			
Insurance		134	12
Total		**33 552**	**32 728**
Total compensation of employees		**226 589**	**227 545**
Average number of employees		499	501

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4. Goods and services

	Note	**2020/21 R'000**	**2019/20 R'000**
Administrative fees		399	2 052
Advertising		2 666	6 546
Minor assets	*4.1*	1 381	44 884
Bursaries (employees)		325	124
Catering		13	965
Communication		2 744	3 526
Computer services	*4.2*	31 138	31 907
Consultants: Business and advisory services		5 655	5 025
Legal services		274	108
Contractors		10 131	37 240
Agency and support / outsourced services		4 038	18 495
Entertainment			13
Audit cost – external	*4.3*	4 110	3 805
Fleet services		8 042	9 879
Inventory	*4.4*		436
Consumables	*4.5*	6 864	10 273
Operating leases		11 771	12 493
Property payments	*4.6*	17 889	24 731
Rental and hiring		3 987	12 723
Transport provided as part of the departmental activities		224	13 513
Travel and subsistence	*4.7*	8 108	24 577
Venues and facilities			
Training and development		274	2 157
Other operating expenditure	*4.8*	2 751	2 541
Total		**122 784**	**268 013**

The department spent an amount of R5.144 million in the current financial year on Personal protective equipment (PPEs) for staff and public libraries including PPEs for the eight modular library structures and Dukuduku library. The amount in the previous financial was R3 011,00 for PPEs for staff.

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4.1 Minor assets

	Note	**2020/21**	**2019/20**
	4	**R'000**	**R'000**
Tangible assets		1 381	44 884
Machinery and equipment		1 381	44 884
Total		**1 381**	**44 884**

4.2 Computer services

	Note	**2020/21**	**2019/20**
	4	**R'000**	**R'000**
SITA computer services		10 989	10 415
External computer service providers		20 149	21 492
Total		**31 138**	**31 907**

4.3 Audit cost – External

	Note	**2020/21**	**2019/20**
	4	**R'000**	**R'000**
Regularity audits		4 110	3 805
Performance audits			
Investigations			
Environmental audits			
Computer audits			
Total		**4 110**	**3 805**

4.4 Inventory

	Note	**2020/21**	**2019/20**
	4	**R'000**	**R'000**
Medicine			
Other supplies	*4.4.1*		436
Total			**436**

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4.4.1 Other supplies

	Note	2020/21	2019/20
	4.4	**R'000**	**R'000**
Assets for distribution			436
Machinery and equipment			
Library material			436
Other assets for distribution			
Other			
Total			**436**

4.5 Consumables

	Note	2020/21	2019/20
	4	**R'000**	**R'000**
Consumable supplies		5 525	4 405
Uniform and clothing		175	216
Household supplies		3 635	3 837
Communication accessories		5	
IT consumables		60	72
Other consumables		748	280
Stationery, printing and office supplies		1 339	5 868
Total		**6 864**	**10 273**

4.6 Property payments

	Note	2020/21	2019/20
	4	**R'000**	**R'000**
Municipal services		3 926	4 205
Property management fees		1	
Property maintenance and repairs		634	3 954
Other		13 328	16 572
Total		**17 889**	**24 731**

In the prior year the department incurred expenditure on current maintenance for public libraries under property maintenance and repairs.

4.7 Travel and subsistence

	Note	2020/21	2019/20
	4	**R'000**	**R'000**
Local		8 070	23 925
Foreign		38	652
Total		**8 108**	**24 577**

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4.8 Other operating expenditure

	Note	2020/21	2019/20
	4	R'000	R'000
Professional bodies, membership and subscription fees		20	11
Resettlement costs		1 811	
Other		920	2 530
Total		**2 751**	**2 541**

5. Interest and rent on land

	Note	2020/21	2019/20
		R'000	R'000
Interest paid		2	55
Rent on land			
Total		**2**	**55**

6. Payments for financial assets

	Note	2020/21	2019/20
		R'000	R'000
Debts written off	*6.1*	542	20
Total		**542**	**20**

6.1 Debts written off

	Note	2020/21	2019/20
	6	R'000	R'000
Nature of debts written off			
Recoverable revenue written off			
Leave without pay		255	
Loss/ Damage to assets		60	
Total		315	
Other debt written off			
Bursary debt		23	
Over-payment to service provider		5	
Tax debt		17	
Salary overpayment		182	20
		227	20
Total debt written off		**542**	**20**

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7. Transfers and subsidies

	Note	2020/21 R'000	2019/20 R'000
Provinces and municipalities	*36, 37*	274 237	273 882
Departmental agencies and accounts	*Annexure 1B*	56 888	66 304
Public corporations and private enterprises	*Annexure 1C*	4 674	25 900
Non-profit institutions	*Annexure 1D*	18 903	27 068
Households	*Annexure 1E*	2 537	2 331
Total		**357 239**	**395 485**

8. Expenditure for capital assets

	Note	2020/21 R'000	2019/20 R'000
Tangible assets		77 967	61 029
Buildings and other fixed structures	*32.1*	69 460	52 587
Heritage assets	*30.1*	80	15
Machinery and equipment	*30.1*	8 427	8 427
Total		**77 967**	**61 029**

Delays in bid processes attributed to lower expenditure under buildings and other fixed structures under the Community Library Services grant

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

	Voted funds R'000	Total R'000
Tangible assets	77 967	77 967
Buildings and other fixed structures	69 460	69 460
Heritage assets	80	80
Machinery and equipment	8 427	8 427
Total	**77 967**	**77 967**

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8.2 Analysis of funds utilised to acquire capital assets – 2019/20

	Voted funds R'000	Total R'000
Tangible assets	61 029	61 029
Buildings and other fixed structures	52 587	52 587
Heritage assets	15	15
Machinery and equipment	8 427	8 427
Total	**61 029**	**61 029**

8.3 Finance lease expenditure included in Expenditure for capital assets

	Note	2020/21 R'000	2019/20 R'000
Tangible assets			
Machinery and equipment		1 594	2 708
Total		**1 594**	**2 708**

9. Unauthorised expenditure

9.1 Reconciliation of unauthorised expenditure

	Note	2020/21 R'000	2019/20 R'000
Opening balance		1 369	1 369
Prior period error			
As restated		1 369	1 369
Unauthorised expenditure – discovered in current year (as restated)			
Closing balance		**1 369**	**1 369**

10. Cash and cash equivalents

	Note	2020/21 R'000	2019/20 R'000
Consolidated Paymaster General Account		25 528	25 465
Cash receipts			
Disbursements			11
Cash on hand		5	5
Total		**25 533**	**25 481**

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11. Prepayments and advances

11.1 Advances paid (Expensed)

	Note	**Amount as at 1 April 2020**	**Less: Received in the current year**	**Add or Less: Other**	**Add: Current Year advances**	**Amount as at 31 March 2021**
		R'000	**R'000**	**R'000**	**R'000**	**R'000**
Other entities		**807**	**()**	**(807)**		
Total		**807**	**()**	**(807)**		

Final costs were paid for the Charlestown library and the library has since been transferred to the Newcastle municipality, all costs have been spent against funds transferred.

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	Note	**Amount as at 1 April 2019**	**Less: Received in the current year**	**Add or Less: Other**	**Add: Current Year advances**	**Amount as at 31 March 2020**
		R'000	**R'000**	**R'000**	**R'000**	**R'000**
Other entities		**5 569**	**(4 762)**			**807**
Total		**5 569**	**(4 762)**			**807**

The balance of the R21m that was transferred as at 1 April 2019 was R5 569m. The amounts expensed includes the payments made by the municipality for this period totalling R4 527m and the staffing and operational costs for the last quarter which was R235 557,35

12. Receivables

		2020/21			**2019/20**		
		Current	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
		R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
	Note						
Claims recoverable	*12.1*		5 484	5 484	1 585	5 484	7 069
Staff debt	*12.3*	29	26	55	15	76	91
Other receivables	*12.4*	1 095	5 230	6 325	4 346	1 267	5 613
Total		**1 124**	**10 740**	**11 864**	**5 946**	**6 827**	**12 773**

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12.1 Claims recoverable

	Note	2020/21	2019/20
	12 and Annex 3	**R'000**	**R'000**
National departments		5 484	5 484
Provincial departments			1 204
Foreign governments			
Public entities			381
Private enterprises			
Total		**5 484**	**7 069**

12.2 Recoverable expenditure (disallowance accounts)

	Note	2020/21	2019/20
	12	**R'000**	**R'000**
Disall Damage & Losses: Recover: CA		(69)	
Disall Damages & Losses: CA		69	
(Group major categories, but list material items)			
Total			

12.3 Staff debt

	Note	2020/21	2019/20
	12	**R'000**	**R'000**
Tax debt		54	1
Salary overpayment		1	27
Loss of assets			43
Leave without pay			6
Other			14
Total		**55**	**91**

12.4 Other receivables

	Note	2020/21	2019/20
	12	**R'000**	**R'000**
Suppliers		5 940	4 700
Non-employee bursary debt			23
Ex-employee debt		385	890
Total		**6 325**	**5 613**

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12.5 Impairment of receivables

	Note	**2020/21**	**2019/20**
		R'000	**R'000**
Estimate of impairment of receivables		217	420
Total		**217**	**420**

The amount is a debt in respect of leave without pay for an ex-employee which has prescribed.

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13. Voted funds to be surrendered to the Revenue Fund

	Note	2020/21 R'000	2019/20 R'000
Opening balance		36 594	14 420
Prior period error			
As restated		36 594	14 420
Transfer from statement of financial performance (as restated)		21 896	35 225
Add: Unauthorised expenditure for current year	9		
Voted funds not requested/not received	1.1		
Paid during the year		(36 594)	(13 051)
Closing balance		**21 896**	**36 594**

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

	Note	2020/21 R'000	2019/20 R'000
Opening balance		80	299
Prior period error			
As restated		80	299
Transfer from Statement of Financial Performance (as restated)		834	629
Paid during the year		(839)	(848)
Closing balance		**75**	**80**

15. Payables – current

	Note	2020/21 R'000	2019/20 R'000
Amounts owing to other entities			
Advances received	15.1	**14 808**	**1 700**
Clearing accounts	15.2	**9**	**87**
Other payables	15.3	**104**	**101**
Total		**14 921**	**1 888**

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15.1 Advances received

		Note	2020/21	2019/20
		15	R'000	R'000
National departments	Annex 8B		14 808	
Provincial departments				
Public entities				
Other institutions				1 700
Total			**14 808**	**1 700**

15.2 Clearing accounts

	Note	2020/21	2019/20
	15	R'000	R'000
Description			
Private Telephone		9	87
Total		**9**	**87**

15.3 Other payables

	Note	2020/21	2019/20
	15	R'000	R'000
Description			
Sal: Income Tax		26	43
Tax debt over-deduction			6
Sal: GEHS Refund		45	51
Sal: Pension Fund: CI		1	1
Sal: ACB Recalls		32	
Total		**104**	**101**

16. Payables – non-current

		2020/21				2019/20
		One to two years	**Two to three years**	**More than three years**	**Total**	**Total**
		R'000	**R'000**	**R'000**	**R'000**	**R'000**
	Note					
Amounts owing to other entities						
Advances received			633		633	
Other payables	*16.1*		232		232	136
Total			**865**		**865**	**136**

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16.1 Advances received

	Note	2020/21	2019/20
	16	R'000	R'000
National departments			
Provincial departments			
Public entities			
Other institutions		633	
Total		**633**	

Include discussion here where deemed relevant

16.2 Other payables

	Note	2020/21	2019/20
	16	R'000	R'000
Description			
Private Telephones (Payment due to service provider-Vodacom)		**232**	**136**
Sal: Income Tax: CI			**-**
Total		**232**	**136**

17. Net cash flow available from operating activities

	Note	2020/21	2019/20
		R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance		22 730	35 854
Add back non cash/cash movements not deemed operating activities		58 389	44 530
(Increase)/decrease in receivables		4 822	(4 267)
(Increase)/decrease in payables current		13 033	1 667
Expenditure on capital assets		77 967	61 029
Surrenders to Revenue Fund		(37 433)	(13 899)
Net cash flow generated by operating activities		**81 119**	**80 384**

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18. Reconciliation of cash and cash equivalents for cash flow purposes

	Note	**2020/21**	**2019/20**
		R'000	**R'000**
Consolidated Paymaster General account		25 528	25 465
Cash receipts			
Disbursements			11
Cash on hand		5	5
Total		**25 533**	**25 481**

19. Contingent liabilities and contingent assets

19.1 Contingent liabilities

		Note	**2020/21**	**2019/20**
			R'000	**R'000**
Liable to	**Nature**			
Motor vehicle guarantees	Employees			
Housing loan guarantees	Employees			
Other guarantees				
Claims against the department		*Annex 2A*	5 219	4 468
Intergovernmental payables (unconfirmed balances)		*Annex 4*	910	812
Total			**6 129**	**5 280**

Employees of the entity had previously received yearly cost of living wage increases in accordance with the DPSA's authorized compensation levels; however, owing to an ongoing legal disagreement between the National Treasury and labour unions, the pay increases for the 2020-21 fiscal year were not implemented. If the decision is against the entity it may be obliged to pay back-pay to employees. The total amount cannot be established as the case is still being heard"

19.2 Contingent assets

	Note	**2020/21**	**2019/20**
		R'000	**R'000**
Nature of contingent asset			
Claim against contractor		864	864
IDT programme balance		3 091	2 988
Total		**3 955**	**3 852**

IDT was appointed in 2013/14 as an implementing agent for infrastructure projects. An agreement was entered between the department and IDT and based on the agreement funds were transferred in advance. The funds that remained in the bank account were for projects that were placed on hold.

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20. Capital commitments

	Note	2020/21 R'000	2019/20 R'000
Buildings and other fixed structures		34 159	93 009
Machinery and equipment		11 389	1 067
Total		**45 548**	**94 076**

21. Accruals and payables not recognised

21.1 Accruals

			2020/21 R'000	2019/20 R'000
Listed by economic classification				
	30 Days	**30+ Days**	**Total**	**Total**
Goods and services	2 032	422	2 454	9 806
Transfers and subsidies				500
Capital assets				41
Other				
Total	2 032	422	**2 454**	**10 347**

	Note	2020/21 R'000	2019/20 R'000
Listed by programme level			
Programme 1: Administration		1 055	7 540
Programme 2: Cultural Affairs		794	2 517
Programme 3: Library and Archive Services		605	290
Total		**2 454**	**10 347**

21.2 Payables not recognised

			2020/21 R'000	2019/20 R'000
Listed by economic classification				
	30 Days	**30+ Days**	**Total**	**Total**
Goods and services	5 378	8 194	13 572	14 627
Transfers and subsidies	1 108		1 108	-
Capital assets		244	244	506
Other				-
Total	**6 486**	**8 438**	**14 924**	**15 133**

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	Note	2020/21 R'000	2019/20 R'000
Listed by programme level			
Programme 1: Administration		5 996	2 340
Programme 2: Cultural Affairs		2 717	1 912
Programme 3: Library and Archive Services		6 211	10 881
Total		**14 924**	**15 133**

	Note	2020/21 R'000	2019/20 R'000
Included in the above totals are the following:			
Confirmed balances with other departments	*Annex 5*	**5 660**	**3 322**
Confirmed balances with other government entities	*Annex 5*		
Total		**5 660**	**3 322**

22. Employee benefits

	Note	2020/21 R'000	2019/20 R'000
Leave entitlement		17 276	12 147
Service bonus		6 253	6 271
Performance awards		220	220
Capped leave		7 409	8 700
Other		1 837	897
Total		**32 995**	**28 235**

The increase in the leave entitlement is due to the national lock -down and the closure of most departmental offices, therefore staff did not utilise leave due. Included in this balance are negative balances that arise when officials use their annual leave entitlement before accruing their full leave balances. These negative balances unwind with each month of sustained employment. Included under the category other are amounts included for a re-location dispute for staff in - service due to a labour court ruling

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23. Lease commitments

23.1 Operating leases

2020/21	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	2 950	39	2 989
Later than 1 year and not later than 5 years	-	-			
Later than five years	-	-			
Total lease commitments	-	-	**2 950**	**39**	**2 989**

2019/20	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	3 322	315	3 637
Later than 1 year and not later than 5 years	-	-	2 950	39	2 989
Later than five years	-	-	-	-	-
Total lease commitments	-	-	**6 272**	**354**	**6 626**

The department has a lease agreement with Konica Minolta South Africa for the rental of office machines and with the Department of Public Works for the leases of office buildings

23.2 Finance leases

2020/21	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	1 214	1 214
Later than 1 year and not later than 5 years				516	516
Later than five years					
Total lease commitments				**1 730**	**1 730**

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2019/20	**Specialised military equipment R'000**	**Land R'000**	**fixed structures R'000**	**Machinery and equipment R'000**	**Total R'000**
Not later than 1 year				937	937
Later than 1 year and not later than 5 years				450	450
Later than five years					
Total lease commitments				**1 387**	**1 387**

The finance leases are in respect of commitments for the balance of the contract periods in respect of cell contracts and data costs in terms of a transversal contract with Vodacom

24. Irregular expenditure

24.1 Reconciliation of irregular expenditure

	Note	**2020/21 R'000**	**2019/20 R'000**
Opening balance		368 547	378 814
Prior period error			(12 307)
As restated		368 547	366 507
Add: Irregular expenditure – relating to prior year		4 239	-
Add: Irregular expenditure – relating to current year		70 083	94 458
Less: Prior year amounts condoned			(92 418)
Closing balance		**442 869**	**368 547**

Analysis of awaiting condonation per age classification		
Current year	70 083	94 458
Prior years	372 786	274 089
Total	**442 869**	**368 547**

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24.2 Details of current and prior year irregular expenditure – added current year (under determination and investigation)

Incident	Disciplinary steps taken/criminal proceedings	2020/21 R'000
Contract expired - Prior year infrastructure		6 590
Contract expired - operational and building leases		487
SCM Non -compliance		2 477
Appointment of Architects - prior year non-compliant SCM process		3 957
Library material (current year SCM processes – non compliant)		839
BAC not constituted		50 813
The funds paid to Telkom for internet connectivity for public libraries was reclassified as irregular as payment was made on expired contract		4 239
Contract expired – Telkom		4 920
Total		**74 322**

24.3 Prior period error

	Note	2019/20 R'000
Nature of prior period error		
Relating to 2018/19 *[affecting the opening balance]*		(12 307)
		(12 307)
Relating to 2019/20		(2 724)
		(2 724)
Total prior period errors		**(15 031)**

The amounts disclosed are in respect of inter-institutional arrangement with the Department of Public Works for the hiring of office buildings which expired.

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25. Fruitless and wasteful expenditure

25.1 Reconciliation of fruitless and wasteful expenditure

	Note	2020/21 R'000	2019/20 R'000
Opening balance			7 479
Prior period error			
As restated			7 479
Fruitless and wasteful expenditure – relating to prior year			580
Fruitless and wasteful expenditure – relating to current year		1 487	81
Less: Amounts recoverable	*15.6*		(8 140)
Less: Amounts written off			
Closing balance		**1 487**	

25.2 Details of current and prior year fruitless and wasteful expenditure – added current year (under determination and investigation)

Incident	Disciplinary steps taken/criminal proceedings	2020/21 R'000
Possible duplication of internet connectivity		1 487
Total		**1 487**

25.3 Details of fruitless and wasteful expenditures under assessment (not included in the main note)

Nature of prior period error	R'000
Fruitless and wasteful expenditure re-classified as irregular expenditure for payments made Telkom for internet connectivity for public libraries	(4 239)
Relating to 2019/20	
Total	**(4 239)**

25.4 Details of fruitless and wasteful expenditures under assessment (not included in the main note)

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Incident	**2020/21** **R'000**
Repairs to MECs vehicle - investigation to include previous years hiring and repair costs	762
Bilanyoni Library - variation order for payment of EPWP	564
Total	**1 326**

26. Related party transactions

The Department of Arts and Culture shares the same MEC with the Department of Sport and Recreation.

27. Key management personnel

	No. of Individuals	**2020/21** **R'000**	**2019/20** **R'000**
Political office bearers (provide detail below)			
Officials:	1	1 978	2 042
Head of Department: Level 15	1	1 885	1 885
Chief Directors: Level 14	9	9 348	7 929
Directors: Level 13	21	20 095	24 205
Family members of key management personnel	1	601	595
Total		**33 907**	**36 656**

28. Provisions

	Note	**2020/21** **R'000**	**2019/20** **R'000**
Retentions		3 561	2 393
Legal Dispute			29
Relocation disputes of ex-employees		300	
Total		**3 861**	**2 422**

The retention is in respect of the Dukuduku library and seven modular libraries .The relocation provision is for ex-staff due to a dispute regarding the amounts paid.

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28.1 Reconciliation of movement in provisions – 2020/21

	Provision 1 R'000	Provision 2 R'000	Provision 3 R'000	Total provisions R'000
Opening balance	2 393	29		2 422
Increase in provision	3 561		300	3 861
Settlement of provision	(2 393)			(2 393)
Unused amount reversed		(29)		(29)
Reimbursement expected from third party				
Change in provision due to change in estimation of inputs				
Closing balance	**3 561**		**300**	**3 861**

Reconciliation of movement in provisions – 2019/20

	Provisions 1 R'000	Provision 2 R'000	Provision 3 R'000	Total provisions R'000
Opening balance	674	40		714
Increase in provision	1 225			1,225
Settlement of provision				
Unused amount reversed		-11		
Reimbursement expected from third party				
Change in provision due to change in estimation of inputs	494			494
Closing balance	**2 393**	**29**		**2 422**

29. Non-adjusting events after reporting date

Nature of event	**2020/21 R'000**
In the 2020/21 financial year the departmental baseline budget was reduced in the special adjustments for Covid-19 priorities in the Province	
Total	

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30. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
HERITAGE ASSETS					
Heritage assets	1 366				1 366
MACHINERY AND EQUIPMENT	**90 445**		**14 930**	**10 927**	**94 448**
Transport assets	36 316		5 466	855	40 927
Computer equipment	18 376		1 403	943	18 836
Furniture and office equipment	13 866		1 066	576	14 356
Other machinery and equipment	21 887		6 995	8 553	20 329
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**91 811**		**14 930**	**10 927**	**95 814**

Movable Tangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Heritage assets		
Machinery and equipment	1 029	20 885
Specialised military assets		
Biological assets		

Assets under investigation relate to movable assets. Management has commissioned an investigation into this matter.

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30.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Cash*	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS					
Heritage assets	80		(80)		
MACHINERY AND EQUIPMENT	**8 427**	**8 397**	**(1 594)**	**(300)**	**14 930**
Transport assets	4 841	390	-	235	5 466
Computer equipment	1 140	648	-	(385)	1 403
Furniture and office equipment	560	656	-	(150)	1 066
Other machinery and equipment	1 886	6 703	(1 594)		6 995
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	**8 507**	**8 397**	**(1 674)**	**(300)**	**14 930**

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30.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash Received Actual R'000
MACHINERY AND EQUIPMENT		**10 927**	**10 927**	
Transport assets		855	855	
Computer equipment		943	943	
Furniture and office equipment		576	576	
Other machinery and equipment		8 553	8 553	
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS		**10 927**	**10 927**	

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30.3 Movement for 2019/20

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
HERITAGE ASSETS					
Heritage assets	1 351		15		1 366
MACHINERY AND EQUIPMENT	**93 247**	**(1 145)**	**5 901**	**7 558**	**90 445**
Transport assets	37 891	(215)	-	1 360	36 316
Computer equipment	18 618	(487)	2 973	2 728	18 376
.Furniture and office equipment	14 086	(325)	2 455	2 350	13 866
Other machinery and equipment	22 652	(118)	473	1 120	21 887
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**94 598**	**(1 145)**	**5 916**	**7 558**	**91 811**

30.3.1 Prior period error

Nature of prior period error	*Note*	**2019/20 R'000**
Prior period disposals		(1 145)
Relating to 2019/20 Prior period disposals		2 584
Total prior period errors		**1 439**

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30.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2021

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance			1 263	440 545		441 808
Value adjustments						
Additions				2 192		2 192
Disposals				4 182		4 182
TOTAL MINOR ASSETS			**1 263**	**438 555**		**439 818**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets			87	66 698		66 785
Number of minor assets at cost			3 515	3 401 788		3 405 303
TOTAL NUMBER OF MINOR ASSETS			**3 602**	**3 468 486**		**3 472 088**

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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:		
Specialised military assets		
Intangible assets		
Heritage assets		
Machinery and equipment	5 591	3 495
Biological assets		

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2020

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance			1 251	414 359		415 610
Prior period error				(762)		(762)
Additions			12	42 855		42 867
Disposals				15 907		15 907
TOTAL MINOR ASSETS			**1 263**	**440 545**		**473 622**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets			87	66 025		66 112
Number of minor assets at cost			3 515	3 333 750		3 337 265
TOTAL NUMBER OF MINOR ASSETS			**3 602**	**3 399 775**		**3 403 377**

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30.4.1 Prior period error

	Note	2019/20 R'000
Nature of prior period error		
2018/19 Disposals prior period error		(762)
Total prior period errors		**(762)**

31. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	77			77	
TOTAL INTANGIBLE CAPITAL ASSETS	**77**			**77**	

31.1 Disposals

DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash Received Actual R'000
SOFTWARE		77	77	
TOTAL DISPOSALS OF INTANGIBLE CAPITAL ASSETS		**77**	**77**	

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31.2 Movement for 2019/20

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	1 217	(139)		1 001	77
TOTAL INTANGIBLE CAPITAL ASSETS	**1 217**	**(139)**		**1 001**	**77**

31.2.1 Prior period error

	Note	2019/20 R'000
Nature of prior period error		
Relating to the reclassification of hardware		(139)
Total prior period errors		(139)

32. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Value adjustments	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**209 506**		**37 455**	**138 395**	**108 566**
Dwellings					
Non-residential buildings					
Other fixed structures	209 506		37 455	138 395	108 566
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**209 506**		**37 455**	**138 395**	**108 566**

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The closing balance includes five libraries, five modular libraries and the final costs for one library already transferred. The disposals comprise two libraries and four modular structures.

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32.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	**69 460**	**28 450**	**(60 431)**	**(24)**	**37 455**
Dwellings					
Non-residential buildings					
Other fixed structures	69 460	28 450	(60 431)	(24)	37 455
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	**69 460**	**28 450**	**(60 431)**	**(24)**	**37 455**

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Disposals

DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash Received Actual R'000
BUILDINGS AND OTHER FIXED STRUCTURES		**138 395**	**138 395**	
Dwellings				
Non-residential buildings				
Other fixed structures		138 395	138 395	
TOTAL DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS		**138 395**	**138 395**	

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32.3 Movement for 2019/20

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**240 840**	**2 451**	**83 044**	**116 829**	**209 506**
Dwellings					
Non-residential buildings					
Other fixed structures	240 840	2 451	83 044	116 829	209 506
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**240 840**	**2 451**	**83 044**	**116 829**	**209 506**

32.3.1 Prior period error

	Note	2019/20 R'000
Nature of prior period error		
The error relates to prior year cost not recognised relating to Charelestown Library and the Ngolookodo modular library which was ready to use in the 2018/19 as per the S42 certificate.		2 451
Total prior period errors		**2 451**

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Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2021

	Note	**Opening balance 1 April 2020**	**Current Year WIP**	**Ready for use (Assets to the AR) / Contracts terminated**	**Closing balance 31 March 2021**
	Annexure 7	**R'000**	**R'000**	**R'000**	**R'000**
Heritage assets			80		80
Buildings and other fixed structures		68 437	60 431	28 057	100 811
Machinery and equipment					
Intangible assets					
TOTAL		**68 437**	**60 511**	**28 057**	**100 891**

Age analysis on ongoing projects	**Number of projects: Planned, Construction not started**	**Planned, Construction started**	**2020/21 Total R'000**
0 to 1 Year		7	8 779
1 to 3 Years		3	5 925
3 to 5 Years		6	66 931
Longer than 5 Years		2	19 176
Total		18	**100 811**

The two long outstanding projects comprise the Imbali library project and the Uthungulu Art Centre. Both these projects will commence in the 2021/22 financial year

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CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2020

	Note	**Opening balance 1 April 2019**	**Prior period error**	**Current Year WIP**	**Ready for use (Assets to the AR)) / Contracts terminated**	**Closing balance 31 March 2020**
	Annexure 7	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Heritage assets						
Buildings and other fixed structures		98 356	(1 536)	38 778	67 161	68 437
TOTAL		**98 356**	**(1 536)**	**38 778**	**67 161**	**68 437**

The prior period error relates to the Ngolokodo modular library which was ready to use in the 2018/19 F.Y as per the S42 certificate

Age analysis on ongoing projects	**Number of projects**		**2019/20**
	Planned, Construction not started	**Planned, Construction started**	**Total R'000**
0 to 1 Year		5	3 649
1 to 3 Years		7	42 721
3 to 5 Years		2	2 891
Longer than 5 Years		2	19 176
Total		**16**	**68 437**

The two long outstanding projects comprise the Imbali library project and the uThungulu Art Centre. The design for the Imbali library was completed but the project was not awarded to a contractor. The uThungulu Art Centre was placed on hold due to a forensic investigation.

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IMMOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2020

	Buildings and other fixed structures	Heritage assets	Land and subsoil assets	Total
	R'000	R'000	R'000	R'000
				2 453
Assets written off	2 453			
TOTAL IMMOVABLE ASSETS WRITTEN OFF	**2 453**			**2 453**

Cost of WIP was decreased by R2,453 million in respect of KwaNokweja Modular which was burnt down by the community before completion. Therefore, it was written off due to losses which could not be recovered

S42 Immovable assets
Assets to be transferred in terms of S42 of the PFMA – 2020/21

	Number of assets	Value of assets R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**5**	**62 069**
Other fixed structures	5	62 069
TOTAL	**5**	**62 069**

Included in the 5 projects are two library buildings, one modular library,the final payment for one library building and the RFID gates

Assets to be transferred in terms of S42 of the PFMA – 2019/20

	Number of assets	Value of assets R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**7**	**105 545**
Other fixed structures	7	105 545
TOTAL	**7**	**105 5**

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33. Department acting as the agent

33.1. Revenue received for agency activities

	2020/21 R'000	2019/20 R'000
National Heritage Council		
National Department of Arts and Culture		
Total		

The department entered into a principal agent relationship with the National Heritage Council for infrastructure projects on identified liberation heritage sites. The department received an advance in the 2019/20 f.y . The closing balance includes the balance of funds after the processing of disbursements. The department will be assuming the role of an implementing agent on behalf of the National Heritage Council and no management fee is incurred. The department also entered into a principal agent relationship with the National department of Arts and Culture for phase 1 of the Enyokeni Cultural precinct. The advance was received in the current f.y . The project is managed by the Department of Public Works. The closing balance includes the amounts disbursed in the current financial year against the advance received. The National department will reimburse the department for any expenditure incurred in relation to this project

33.1.2 Reconciliation of funds and disbursements – 2020/21

Category of revenue or expenditure per arrangement	Total funds received R'000	Expenditure incurred against funds R'000
Advance received from the National Heritage Council	-	1 067
Advance received from the National Department of Arts and Culture	15 000	192
Total	**15 000**	**1 259**

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Reconciliation of funds and disbursements – 2019/20

Category of revenue or expenditure per arrangement	Total funds received R'000	Expenditure incurred against funds R'000
	1 700	
Total	**1 700**	

The department received an advance from the National Heritage Council for infrastructure for identified heritage sites of which payments were disbursed in 2020/21 f.y.

Payables

Name of principal entity	Opening balance 1 Apr 2020 R'000	Expenses incurred on behalf of the principal R'000	Cash paid on behalf of the principal R'000	Closing Balance 31 Mar 2021 R'000
National Heritage Council	1 700	(1 067)		633
National Department of Arts and Culture	-	(192)	(15 000)	14 808
Total	**1 700**	**(1 259)**	**(15 000)**	**15 441**

Payables

Name of principal entity	Opening balance 1 Apr 2019 R'000	Expenses incurred on behalf of the principal R'000	Cash paid on behalf of the principal R'000	Closing Balance 31 March 2020 R'000
National Heritage Council			(1 700)	1 700
Total			**(1 700)**	**1 700**

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34. Prior period errors

34.1 Correction of prior period errors

Expenditure: ***(E.g. Compensation of employees, Goods and services, Tangible capital assets, etc.)***				
Minor assets - Prior period error to opening balances	39	415 339	(980)	414 359
Immovable assets prior year closing balance for costs not recognised	41	207 055	2 354	209 409
Prior year error for WIP closing balance	41	69 973	(1 740)	68 233
Net effect		**692 367**	**(366)**	**692 001**

The prior period error in respect of immovable assets pertains to costs for projects that were not recognised under the note as a completed ready to use asset. Under minor assets the error is as a result of assets not disposed.

Assets: ***(E.g. Receivables, Investments, Accrued departmental revenue, Movable tangible capital assets, etc.)***				
Assets (M&E) Prior period error to opening balances	39	94 174	(3 729)	90 445
Net effect		**94 174**	**(3 729)**	**90 445**

Other: ***(E.g. Irregular expenditure, Fruitless and wasteful expenditure, etc.)***				
Fruitless & Expenditure -relating to current year	32	4 320	-4 239	81
Irregular expenditure opening balance - prior period (2018-19)	31	378 814	-12 307	366 507
Irregular expenditure relating to prior year	31	97 182	-2 724	94 458
Net effect		**480 316**	**-19 270**	**461 046**

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35. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION					SPENT				2019/20	
	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
Community Library Service Grant	167 370				167 370	167 370	152 167	15 203	91%	184 417	155 587
EPWP										2 110	2 110
	167 370				**167 370**	**167 370**	**152 167**	**15 203**		**186 527**	**157 697**

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36. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES

NAME OF PROVINCE / GRANT	GRANT ALLOCATION				TRANSFER			SPENT				2019/20	
	Division of Revenue Act	Roll Overs	Adjust-ments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Depart-ment	Amount received by department	Amount spent by department	Unspent funds	% of available funds spent by depart-ment	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	
Summary by province													
Kwazulu-Natal (Motor Licencing fees)	221			221	260							211	167
TOTAL	221			221	260							211	
Summary by grant													
Motor Licensing Kwazulu-Natal	221			221	260							211	167
	221			221	260							211	167

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37. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

	2020/21							2019/20	
	GRANT ALLOCATION				TRANSFER				
NAME OF MUNICIPALITY	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
	R'000	R'000	R'000	R'000	R'000	R'000	%		
eThekwini	85 761			85 761	85 761			91 707	91 707
Umdoni	9 338			9 338	9 338			9 003	9 003
Umuziwabantu	1 768			1 768	1 768			1 686	1 686
Ray Nkonyeni	14 447			14 447	14 447			13 259	13 259
Umshwathi	2 940			2 940	2 940			2 851	2 851
Umngeni	4 284			4 284	4 284			4 144	4 144
Mpofana	2 248			2 248	2 248			2 173	2 173
Impendle	2 035			2 035	2 035			1 971	1 971
Msunduzi	21 674			21 674	21 674			20 515	20 515
Mkhambathini	1 816			1 816	1 816			1 714	1 714
Richmond	2 940			2 940	2 940			2 851	2 851
Okhahlamba	2 933			2 933	2 933			2 796	2 796
iNkosi Langalibalele	6 512			6 512	6 512			6 298	6 298
Alfred Duma	7 229			7 229	7 229			6 948	6 948
Endumeni	5 196			5 196	5 196			5 000	5 000
Nqutu	3 631			3 631	3 631			3 428	3 428
Msinga	1 179			1 179	1 179			1 119	1 119

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Umvoti	2 248			2 248	2 248			2 173	2 173
Newcastle	9 448			9 448	9 448			9 092	9 092
Emadlangeni	1 768			1 768	1 768			1 091	1 091
Dannhauser	1 131			1 131	1 131			1 091	1 091
Edumbe	3 080			3 080	3 080			2 931	2 931
Uphongolo	2 261			2 261	2 261			2 182	2 182
Abaqulusi	4 660			4 660	4 660			4 486	4 486
Nongoma	2 405			2 405	2 405			1 686	1 686
Ulundi	1 816			1 816	1 816			1 119	1 119
Zululand District Municipality	1 911			1 911	956	955		1 911	1 911
Umhlabuyalingana	2 672			2 672	2 672			3 055	3 055
Jozini	5 186			5 186	5 186			6 186	6 186
Mtubatuba	4 378			4 378	4 378			3 621	3 621
The Big 5 Hlabisa	4 172			4 172	4 172			2 777	2 777
Umfolozi	2 898			2 898	2 898			2 777	2 777
Umhlathuze	11 591			11 591	11 591			10 579	10 579
Umlalazi	5 917			5 917	5 917			5 236	5 236
Mthonjaneni	1 131			1 131	1 131			1 091	1 091
Nkandla	1 768			1 768	1 768			1 686	1 686
Mandeni	4 029			4 029	4 029			3 868	3 868
KwaDukuza	11 319			11 319	11 319			9 114	9 114
Ndwedwe	1 816			1 816	1 816			1 714	1 714
Maphumulo	2 383			2 383	2 383			1 632	1 632
Greater Kokstad	2 898			2 898	2 261	637		2 182	2 182
Ubuhlebezwe	1 131			1 131	1 131			1 101	1 101
Umzimkulu	1 816			1 816	1 816			1 714	1 714
Dr Nkosazana Dlamini Zuma	3 803			3 803	3 803			3 657	10 157
TOTAL	**275 567**			**275 567**	**273 974**	**1 592**		**267 215**	**273 715**

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38 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.

		Note	2020/21 R'000	2019/20 R'000
39	**COVID 19 Response Expenditure**	ANNEXURE 8		
	Compensation of employees		-	-
	Goods and services		5 144	3
	Transfers and subsidies		-	-
	Expenditure for capital assets		-	-
	Other		-	-
	Total		**5 144**	**3**

ANNEXURE 1A
STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				2019/20	
	DoRA and other transfers	Roll Overs	Adjust-ments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Depart-ment	Amount received by munici-pality	Amount spent by municipality	Unspent funds	% of available funds spent by munici-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
eThekwini	85 761			85 761	85 761			85 761	60 086	25 675	70%	91 707	91 707
Umdoni	9 338			9 338	9 338			9 338	7 406	1 932	79%	9 003	9 003
Umuziwabantu	1 768			1 768	1 768			1 768	1 608	160	91%	1 686	1 686
Ray Nkonyeni	14 447			14 447	14 447			14 447	11 377	3 070	79%	13 259	13 259
Umshwathi	2 940			2 940	2 940			2 940	1 849	1 091	63%	2 851	2 851
Umngeni	4 284			4 284	4 284			4 284	3 360	924	78%	4 144	4 144
Mpofana	2 248			2 248	2 248			2 248	1 753	495	78%	2 173	2 173
Impendle	2 035			2 035	2 035			2 035	1 383	652	68%	1 971	1 971
Msunduzi	21 674			21 674	21 674			21 674	12 446	9 228	57%	20 515	20 515
Mkhambathini	1 816			1 816	1 816			1 816	1 816	-	100%	1 714	1 714
Richmond	2 940			2 940	2 940			2 940	2 048	892	70%	2 851	2 851
Okhahlamba	2 933			2 933	2 933			2 933	2 665	268	91%	2 796	2 796
iNkosi Langalibalele	6 512			6 512	6 512			6 512	4 458	2 054	68%	6 298	6 298

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Alfred Duma	7 229			7 229	7 229			7 229	3 478	3 751	48%	6 948	6 948
Endumeni	5 196			5 196	5 196			5 196	4 810	386	93%	5 000	5 000
Nqutu	3 631			3 631	3 631			3 631	3 547	84	98%	3 428	3 428
Msinga	1 179			1 179	1 179			1 179	1 097	82	93%	1 119	1 119
Umvoti	2 248			2 248	2 248			2 248	1 333	915	59%	2 173	2 173
Newcastle	9 448			9 448	9 448			9 448	6 513	2 935	69%	9 092	9 092
Emadlangeni	1 768			1 768	1 768			1 768	619	1 149	35%	1 091	1 091
Dannhauser	1 131			1 131	1 131			1 131	757	374	67%	1 091	1 091
Edumbe	3 080			3 080	3 080			3 080	2 980	100	97%	2 931	2 931
Uphongolo	2 261			2 261	2 261			2 261	2 261	-	100%	2 182	2 182
Abaqulusi	4 660			4 660	4 660			4 660	3 488	1 172	75%	4 486	4 486
Nongoma	2 405			2 405	2 405			2 405	2 405	-	100%	1 686	1 686
Ulundi	1 816			1 816	1 816			1 816	1 071	745	59%	1 119	1 119
Zululand District Municipality	1 911			1 911	956	955		956	956	-	100%	1 911	1 911
Umhlabuyalingana	2 672			2 672	2 672			2 672	2 488	184	93%	3 055	3 055
Jozini	5 186			5 186	5 186			5 186	3 879	1 307	75%	6 186	6 186
Mtubatuba	4 378			4 378	4 378			4 378	3 432	946	78%	3 621	3 621
The Big 5 Hlabisa	4 172			4 172	4 172			4 172	3 508	664	84%	2 777	2 777
Umfolozi	2 898			2 898	2 898			2 898	2 643	255	91%	2 777	2 777
Umhlathuze	11 591			11 591	11 591			11 591	10 581	1 010	91%	10 579	10 579
Umlalazi	5 917			5 917	5 917			5 917	5 435	482	92%	5 236	5 236

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Mthonjaneni	1 131			1 131	1 131			1 131	992	139	88%	1 091	1 091
Nkandla	1 768			1 768	1 768			1 768	1 307	461	74%	1 686	1 686
Mandeni	4 029			4 029	4 029			4 029	2 812	1 217	70%	3 868	3 868
KwaDukuza	11 319			11 319	11 319			11 319	6 908	4 411	61%	9 114	9 114
Ndwedwe	1 816			1 816	1 816			1 816	1 681	135	93%	1 714	1 714
Maphumulo	2 383			2 383	2 383			2 383	1 110	1 273	47%	1 632	1 632
Greater Kokstad	2 898			2 898	2 261	637		2 261	1 555	706	69%	2 182	2 182
Ubuhlebezwe	1 131			1 131	1 131			1 131	1 098	33	97%	1 101	1 101
Umzimkulu	1 816			1 816	1 816			1 816	1 816	-	100%	1 714	1 714
Dr Nkosazana Dlamini Zuma	3 803			3 803	3 803			3 803	3 311	492	87%	3 657	10 157
TOTAL	**275 567**	**-**	**-**	**275 567**	**273 975**	**1 592**	**-**	**273 975**	**202 126**	**71 849**		**267 215**	**273 715**

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ANNEXURE 1B
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2019/20
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
The Playhouse Company	5 944			5 944	5 944	100%	9 141
Prov DA: KZN Amafa & Research Inst	50 944			50 944	50 944	100%	57 163
TOTAL	**56 888**			**56 888**	**56 888**		**66 304**

ANNEXURE 1C
STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2019/20
	Adjusted Appro-priation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Public Corporations									
Ugu Jaz Festival									500
Durban Blues Festival	74			74	74	100,0%			100
Uthungulu Last Dance	1 100			1 100	1 100	100,0%			400
Beads Festival									1 100
Armco Dam									500
Gumba Festival									
Pmb Jazz									500
Indoni									2 000
Impucuzeko Training									1 600
NN International Jazz									1 500
Extravaganza									
Drakensburg									4 000
Extravaganza									
Hazelmere Dam Festival									600

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Umlalazi festival Expo									2 000
Youth own your Power									1 500
Amasiko Omzinyathi									1 500
Durban Rocks	3 000			3 000	1 000	100,0%			1 000
Nquthu Gospel Music Festival									1 100
Abaqulusi Maskandi Festival									1 000
Amagugu Esizwe									2 500
Umthayi	500			500	500	100.0%			
Yonke Imizamo-Soul and Jazz experience									1 100
The Last Adam-uMgungundlovu Gospel Extravagenza									800
KZN Beach Festivals Tzozo Projects									600
TOTAL	**4 674**			**4 674**	**4 674**	**100,0%**			**25 900**

ANNEXURE 1D
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2019/20
	Adjusted Appro-priation Act	Roll overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
KZN Phiharmonic Orchestra	5 000			5 000	5 000	100%	10 700
Bat Centre	1 441			1 441	1 441	100%	1 951
Ewushwini Arts Centre	250			250	250	100%	300
Gobhela Arts Centre	196			196	196	100%	236
Jambo Arts Centre	153			153	153	100%	183
Khula Arts Centre	-			-			300
Rorkes Drift Arts Centre	250			250	250	100%	300
KwaMashu Community Arts Centre (Ekhaya)	1 129			1 129	1 129	100%	1 545
Art in the Park							60
Centre for Creative Arts KZN	213			213	213	100%	300
Die Vensterfees							
Dolosfees							100
Durban School of Music	461			461	461	100%	650
East Griqualand Festival	248			248	248	100%	350
Hilton Arts Festival	-			-			100
KwaCulture	-			-			150
				-			

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Love to Live							80
Bhodloza Talent Development	400			400	400	100%	1 000
Sakhisizwe Organisation	50			50	50	100%	220
Gcina amasiko	71			71	71	100%	100
Isigqi samaHostela NPC	1 000			1 000	1 000	100%	
Usiba Writers Guilt							
Community Library Services Conditional grant							
Family Literacy Project	-			-			500
SA Library for the Blind	1 860			1 860	1 860	100%	1 600
Arts Councils	1 988			1 988	1 902	96%	1 988
Museum subsidies							
Baynesfield Museum	255			255	255	100%	243
Comrades House Museum	318			318	318	100%	303
DCO Matiwana	381			381	0	0%	363
Deutsche Schule Hermannsburg	318			318	318	100%	303
East Griqualand Museum Trust	318			318	318	100%	303
Himeville Museum	381			381	381	100%	363
Mazisi Kunene Museum	318			318	318	100%	430
Mpophomeni Museum	318			318	318	100%	303
Phansi Museum	255			255	255	100%	243
Richmond, Byrne & District Museum	388			388	388	100%	243
Utrecht Museum	381			381	381	100%	363
Vukani Museum	-			-			463
Heritage Centre: Doc Centre	381			381	381	100%	363
KwaCulture							405
Prince Mangosuthu Buthelezi Museum	446			446	446	100%	-
Project Gateway	202			202	202	100%	192
TOTAL	**19 370**	**-**	**-**	**19 370**	**18 903**		**27 596**

ANNEXURE 1E
STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2019/20
HOUSEHOLDS	**Adjusted Appro-priation Act R'000**	**Roll Overs R'000**	**Adjust-ments R'000**	**Total Available R'000**	**Actual Transfer R'000**	**% of Available funds Transferred %**	**Final Appropriation R'000**
Transfers							
Donations and gifts		-	-		299		854
Service benefits: Leave gratuity	1 015	-	-	1 015	1 910	188%	483
External Bursaries	948	-	-	948	328	35%	1 267
Acts of grace		-	-				500
Erection of a Tombstone		-	-				78
TOTAL	**1 963**	**-**	**-**	**1 963**	**2 537**		**3 182**

ANNEXURE 2
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2021

Nature of Liability	Opening Balance 1 April 2020 R'000	Liabilities incurred during the year R'000	Liabilities paid/cancelled/reduced during the year R'000	Liabilities recoverable (Provide details hereunder) R'000	Closing Balance 31 March 2021 R'000
Claims against the department					
Compensation Claims	842				842
Third Party Motor Vehicle accident					-
Acting Allowance – Dept official	767				767
Creditor Claims	1 833				1 833
Remuneration Benefits	5	198			203
Goods and Services (Cleaning Contract)	1 021		-1 021		0
		1 574			1 574
TOTAL	**4 468**	**1 772**	**1 021**		**5 219**

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ANNEXURE 3
CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2020/21 *	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
Department of Sports and Recreation		127		69		196		
National Department of Arts and Culture		500	5 484	4 984	5 484	5 484		
Department of Education								
Office of the Premier		1 000				1 000		
COGTA				6		6		
KZN Provincial Treasury								
Kwa Zulu-Natal Amafa and Research Institute		381				381		
Department of Social Development				2		2		
TOTAL		**2 008**	**5 484**	**5 061**	**5 484**	**7 069**		

ANNEXURE 4
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2020/21 *	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
Department of Transport	234		423	678	657	678		14
Department of Works	5 302	3 321	407		5 709	3 321		5,204
Government Printing Works	1	1			1	1		
SAPS	45		45	134	90	134		89
Department of Agriculture	21				21			
Department of Justice	57		35		92			
Subtotal	**5 660**	**3 322**	**910**	**812**	**6 570**	**4 134**		**5 307**
TOTAL INTERGOVERNMENT PAYABLES	**5 660**	**3 322**	**910**	**812**	**6 570**	**4 134**		**5 307**

ANNEXURE 5
INVENTORIES

Inventories for the year ended 31 March 2020	**Insert major category of inventory R'000**	**Insert major category of inventory R'000**	**Insert major category of inventory R'000**	**Insert major category of inventory R'000**	**TOTAL R'000**
Opening balance					
Add/(Less): Adjustments to prior year balances					
Add: Additions/Purchases – Cash	436				436
Add: Additions - Non-cash					
(Less): Disposals	(436)				(436)
(Less): Issues					
Add/(Less): Received current, not paid (Paid current year, received prior year)					
Add/(Less): Adjustments					
Closing balance	**-**				

Include discussion where deemed relevant

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ANNEXURE 6
MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Current Year Capital WIP R'000	Ready for use (Asset register) / Contract terminated R'000	Closing balance R'000
HERITAGE ASSETS		**80**		**80**
Heritage assets		80		80
BUILDINGS AND OTHER FIXED STRUCTURES				
Other fixed structures	68 437	60 431	28 057	100 811
TOTAL	**68 437**	**60 511**	**28 057**	**100 891**

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance R'000	Prior period error R'000	Current Year Capital WIP R'000	Ready for use (Asset register) / Contract terminated R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES					
Other fixed structures	98 356	(1 5 36)	38 778	(67 161)	68 437
TOTAL	**98 356**	**(1 536)**	**38 778**	**(67 161)**	**68 437**

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ANNEXURE 7
INTER-ENTITY ADVANCES RECEIVED (note 14)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
Current						
National Department of Arts and Culture	14 808				14 808	
OTHER ENTITIES						
Current						
National Heritage Council		1 700				1 700
Non-current						
National Heritage Council	633				633	
Subtotal	633				633	
TOTAL	**15 441**	**1 700**			**15 441**	**1 700**
Current	14 808	1 700			14 808	1 700
Non-current	633				633	

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ANNEXURE 8
COVID 19 RESPONSE EXPENDITURE
Per quarter and in total

Expenditure per economic classification	2020/21					2019/20
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees						
Goods and services						
List all applicable SCOA level 4 items						
CONS SUPPLIES	880	1 683	1 998	583	5 411	3
Transfers and subsidies						
List all applicable SCOA level 4 items						
Expenditure for capital assets						
List all applicable SCOA level 4 items						
Other expenditure not listed above						
List all applicable SCOA level 4 items						
TOTAL COVID 19 RESPONSE EXPENDITURE	**880**	**1 683**	**1 998**	**583**	**5 411**	**3**

In the 2019/20 financial year the department incurred expenditure totalling R3.011 for personal protective equipment (PPEs) for staff. In the current year the department spent funds under the equitable share for PPEs for staff and under the conditional grant funds were spent on PPEs for

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public libraries. In addition PPEs were purchased for 8 modular libraries and the Dukuduku library.