

# Vote 15

## Arts and Culture

R thousand	2018/19			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Operational budget	960 593	872 502	(88 091)	
MEC remuneration <sup>1</sup>	1 978		(1 978)	
<b>Total amount to be appropriated</b>	<b>962 571</b>	<b>872 502</b>	<b>(90 069)</b>	
<i>of which:</i>				
Current payments	450 893	449 056	(1 837)	
Transfers and subsidies	337 212	333 478	(3 734)	
Payments for capital assets	174 466	89 968	(84 498)	
Payments for financial assets	-	-		
Responsible MEC	MEC for Arts, Culture, Sport and Recreation			
Administering department	Arts and Culture			
Accounting Officer	Head: Arts and Culture			

### 1. Vision and mission

#### Vision

The vision of the department is: *Prosperity and social cohesion through arts, culture and heritage.*

#### Mission statement

The department's mission is to *Provide integrated arts and culture services for the people of KZN by developing and promoting arts and culture in the province and mainstreaming its role in socio-economic development.*

### 2. Strategic objectives

#### Strategic policy direction:

The department's strategic objectives are as follows:

- Ensuring an effective policy and internal control environment.
- Advance stakeholder engagements and forge partnerships in support of the department's mandate.
- Interventions that grow the arts, culture and heritage industry in KZN contributing to job creation and poverty alleviation.
- Advance the 2063 Africa agenda to achieve a socially cohesive society.
- Promote multilingualism and redress past linguistic imbalances.
- Contribute to quality of education in the arts, culture and heritage sector.
- Provision of museum services to drive the transformation agenda.
- Provision of library and information services that are free, equitable and accessible.
- Provision of archival and records management services for records of national and provincial significance.

### 3. Summary of adjusted estimates for the 2018/19 financial year

The main appropriation of the Department of Arts and Culture was R962.571 million as per the 2018/19 EPRE. During the year, the department's main appropriation was reduced by R90.069 million to R872.502 million. The main adjustments are summarised below and detailed in Section 4:

<sup>1</sup> At the time of going to print, the proclamation determining the 2018 salary adjustment relating to public office bearers had not been signed, hence this amount remains unchanged from the 2018/19 EPRE.

- *Roll-overs*: An amount of R931 000 in respect of the equitable share was rolled over under Programme 2: Cultural Affairs against *Transfers and subsidies to: Non-profit institutions* in respect of transfers to non-profit organisations, such as Byrne District Museum, Rorkes Drift Art Centre, Ezengenkatho Community Art Centre, Usiba Writers Guild and KwaCulture. The department under-spent against this category in 2017/18 as a result of non-compliance by these non-profit organisations, with regard to the departmental transfer policy, such as the submission of tax clearance forms. These documents were submitted after year-end.
- *Virement between programmes*: The department moved savings of R8.400 million from Programme 3: Library and Archive Services against *Goods and services* as a result of the department's decision to not host the Annual Languages, Archives and Museums Conference, of which the estimated cost is R2 million for the conference, which is usually held at the International Convention Centre (ICC). This decision to not hold this event is based on the fact that the conference is not a direct service delivery event. In addition, there were enforced savings on items such as travel and subsistence and accommodation. These funds were moved to Programme 1: Administration and Programme 2 as follows:
  - R300 000 was moved to Programme 1 against *Goods and services* for branding and marketing costs for departmental events which are centralised under Programme 1, such as advertising *via* radio, which were under-budgeted for. In addition, the department provided for the balance of the shared ministerial operational costs, such as telephone, accommodation, travel and subsistence. These costs relate to the Office of the MEC and date back to 2013/14 and were brought to book from a suspense account in 2018/19. The department shares a MEC with the Department of Sport and Recreation (DOSR).
  - R8.100 million was moved to Programme 2 as follows:
    - R3.300 million was moved to *Goods and services* for various events initiated by the MEC to re-focus its mandate from only hosting events at a provincial level to hosting events at district level and these were not budgeted for. These include events such as Izingoma which are celebrations of dance and music to welcome those who work away from home, and are to be held in various districts in KZN in December, as well as the Nelson Mandela Centenary aimed at acknowledging the pivotal aspects of the Madiba legacy ingrained within the KZN province to be held on 22 December at Midmar Dam in Howick. Further events include the Mgungundlovu Gospel Extravaganza and Prayer held on 17 November in Pietermaritzburg, to celebrate arts and culture talents by respecting and equally recognising various religious beliefs and cultural values, as well as the uMgungu Zwakala Festival to be held on 16 December in Pietermaritzburg, which is a family event aimed at promoting music, arts and culture.
    - R4.800 million was moved to *Transfers and subsidies to: Public corporations and private enterprises* for the introduction of new transfers to various entities, such as the National Annual Choral Music Awards (NACMA) (Pty) Ltd, Durban Cultural Festival and Picnic Day, Nquthu Gospel Music Festival and Gumba Festival.

Treasury approval was given for the increase in *Transfers and subsidies to: Public corporations and private enterprises*. In addition to the above virements, the department undertook extensive virements across sub-programmes and economic classifications within programmes, as detailed in Section 4.

Legislature approval is required for the reduction in transfers, however, this is only evident in Table 15.15. In addition, Legislature approval is required for the donation of R130 000 toward the funeral of an artist and the sponsorship of R1.200 million for the celebration of the life of Prince Mangosuthu Buthelezi, as they both exceed R100 000.

- *Shift*: The department undertook no shifts across programmes, but several shifts were undertaken across economic classifications within programmes, and these are discussed in detail in Section 4.

- *Other adjustments:* The department's budget was decreased by R91 million as follows:
  - R5 million, allocated as a transfer payment to the Alfred Duma Municipality in respect of the Music Academy in Ladysmith against *Transfers and subsidies to: Provinces and municipalities* under Programme 2, was removed from the department's budget in 2018/19 due to a decision taken by the department to implement this project in 2019/20 and to do so directly as opposed to *via* the municipality. The department was unable to implement this project in 2018/19 as a result of capacity constraints within the department's infrastructure unit. It must also be noted that the budget for this project was inadvertently stated as R13 million instead of R5 million in the KZN Appropriation Act, 2018, and this is now corrected. The allocation was correctly stated in all tables in the 2018/19 *EPRE*, apart from the additional funding table (Table 15.3).
  - R9 million in respect of the refurbishment of the Winston Churchill Theatre under Programme 2 against *Buildings and other fixed structures* was suspended to 2019/20. The department indicated that this project will only commence in 2019/20 as a result of capacity constraints within its infrastructure unit. It must also be noted that the budget for this project was inadvertently stated as R18.500 million instead of R9.500 million in the KZN Appropriation Act, 2018 and this is now corrected. However, the allocation was correctly stated in all tables in the 2018/19 *EPRE*, apart from the additional funding table. The balance of R500 000 which is not suspended will be spent in the current year in respect of the feasibility study.
  - The department allocated R10 million toward the upgrade and additions of the Osizweni Art Centre under Programme 2 against *Buildings and other fixed structures*. The department was not able to implement the project in 2018/19 due to capacity constraints within the department's infrastructure unit. The department therefore requested that R9 million be suspended to 2019/20 and the balance of R1 million is allocated towards the Mbazwana Art Centre in 2018/19.
  - The department requested that an amount of R68 million relating to the Archive Repository be suspended from the 2018/19 budget under Programme 3 against *Buildings and fixed structures* and be allocated back to the department in 2019/20. The department is experiencing challenges with regard to the completion of the feasibility study for the construction of the Archive Repository, as a result of delays in the acquisition of a preferred site. In addition, the department lacks capacity within its infrastructure unit. The feasibility study was completed and the preferred site has been identified to be in Pietermaritzburg at Fillan Park which is near the Grange. The total budget in 2018/19 for the Archive Repository was R73.130 million. The department has decided to appoint the Department of Public Works (DOPW), who will appoint contractors to design the Archive Repository in 2018/19 with the balance of R5.130 million.

It is noted that the decrease in the allocations for the Music Academy in Ladysmith, Winston Churchill Theatre and Archive Repository results in a decrease in funds that were specifically and exclusively appropriated in terms of the KZN Appropriation Act, 2018. This is replaced by the KZN Adjustments Appropriation Act, 2018.

Tables 15.1 and 15.2 reflect the summary of the 2018/19 adjusted appropriation of the department, summarised according to programme and economic classification.

Details of the economic classification are given in *Annexure – Vote 15: Arts and Culture*.

**Table 15.1 : Summary by programmes**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Administration	152 667	-	-	300	-	-	300	152 967
2. Cultural Affairs	255 489	931	-	8 100	-	(23 000)	(13 969)	241 520
3. Library and Archive Services	554 415	-	-	(8 400)	-	(68 000)	(76 400)	478 015
<b>Total</b>	<b>962 571</b>	<b>931</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(91 000)</b>	<b>(90 069)</b>	<b>872 502</b>
<b>Amount to be voted</b>								<b>(90 069)</b>

Table 15.2 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>450 893</b>	-	-	<b>(7 937)</b>	<b>6 100</b>	-	<b>(1 837)</b>	<b>449 056</b>
Compensation of employees	233 508	-	-	(1 907)	2 113	-	206	233 714
Goods and services	217 385	-	-	(6 030)	3 987	-	(2 043)	215 342
Interest and rent on land	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>337 212</b>	<b>931</b>	-	<b>6 435</b>	<b>(6 100)</b>	<b>(5 000)</b>	<b>(3 734)</b>	<b>333 478</b>
Provinces and municipalities	270 790	-	-	(556)	(6 100)	(5 000)	(11 656)	259 134
Departmental agencies and accounts	8 657	-	-	-	-	-	-	8 657
Higher education institutions	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	28 400	-	-	4 800	-	-	4 800	33 200
Non-profit institutions	28 165	931	-	284	-	-	1 215	29 380
Households	1 200	-	-	1 907	-	-	1 907	3 107
<b>Payments for capital assets</b>	<b>174 466</b>	-	-	<b>1 502</b>	-	<b>(86 000)</b>	<b>(84 498)</b>	<b>89 968</b>
Buildings and other fixed structures	166 324	-	-	(4 071)	-	(86 000)	(90 071)	76 253
Machinery and equipment	8 142	-	-	5 573	-	-	5 573	13 715
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-
<b>Total</b>	<b>962 571</b>	<b>931</b>	-	-	-	<b>(91 000)</b>	<b>(90 069)</b>	<b>872 502</b>
<b>Amount to be voted</b>							<b>(90 069)</b>	

#### 4. Changes to programme purposes and service delivery measures

The department has not changed the purpose of any of its programmes, which conform to the customised programme and budget structure of the Arts and Culture sector for 2018/19.

However, there were changes to some outputs and targets to align the service delivery information originally published in the 2018/19 EPRE with the department's APP, which was published after the EPRE, as detailed in Sections 4.1 to 4.3

##### 4.1 Programme 1: Administration

The purpose of this programme is to provide for effective management and administration of the department and to ensure effective and efficient use of financial and human resources.

Tables 15.3 and 15.4 reflect a summary of the 2018/19 adjusted appropriation of Programme 1: Administration, summarised according to sub-programme and economic classification.

Details of the main adjustments, which resulted in an increase of R300 000 in the main appropriation of Programme 1, are given in the paragraphs below the tables.

Table 15.3 : Programme 1: Administration

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Office of the MEC	16 705	-	-	200	-	-	200	16 905
2. Corporate Services	135 962	-	-	100	-	-	100	136 062
<b>Total</b>	<b>152 667</b>	-	-	<b>300</b>	-	-	<b>300</b>	<b>152 967</b>
<b>Amount to be voted</b>								<b>300</b>

Table 15.4 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts		
<b>Current payments</b>	<b>150 998</b>	-	-	(563)	-	(563)	<b>150 435</b>
Compensation of employees	84 525			(1 384)		(1 384)	83 141
Goods and services	66 473			821		821	67 294
Interest and rent on land						-	-
<b>Transfers and subsidies to:</b>	<b>1 400</b>	-	-	54	-	54	<b>1 454</b>
Provinces and municipalities	200					-	200
Departmental agencies and accounts						-	-
Higher education institutions						-	-
Foreign governments and international organisations						-	-
Public corporations and private enterprises						-	-
Non-profit institutions						-	-
Households	1 200			54		54	1 254
<b>Payments for capital assets</b>	<b>269</b>	-	-	809	-	809	<b>1 078</b>
Buildings and other fixed structures						-	-
Machinery and equipment	269			809		809	1 078
Heritage assets						-	-
Specialised military assets						-	-
Biological assets						-	-
Land and subsoil assets						-	-
Software and other intangible assets						-	-
<b>Payments for financial assets</b>						-	-
<b>Total</b>	<b>152 667</b>	-	-	300	-	300	<b>152 967</b>
Amount to be voted							<b>300</b>

#### Virement – Programme 1: Administration: R300 000

The following virements were undertaken which affected both sub-programmes, which resulted in an increase of R300 000 to the main appropriation of Programme 1:

- Savings of R300 000 were moved from Programme 3 under *Goods and services* as a result of the department's decision to not host the Annual Languages, Archives and Museums Conference, as well as enforced savings. These funds were moved to the same category in Programme 1 for branding and marketing costs for departmental events which are centralised under Programme 1, such as advertising *via* radio, which were under-budgeted for. In addition, the department provided for the balance of the shared ministerial operational costs, such as telephone, accommodation, travel and subsistence, which were brought to book from a suspense account in 2018/19, as mentioned.

In addition to the above virements, the following virements were undertaken within the sub-programmes, but across economic classification:

- R1.384 million was moved from *Compensation of employees* due to delays in filling budgeted critical vacant posts as a result of lengthy internal recruitment processes, such as the Chief Financial Officer (CFO), Deputy Director: Security Services and Deputy Director: Budget Control. These funds were moved as follows:
  - o R521 000 was moved to *Goods and services* for the appointment of a BAS Systems Controller (Syscon) on contract due to delays in filling this budgeted critical vacant post. The increase also provided for higher than anticipated external audit costs as a result of an increase in the audit scope relating to the audit undertaken by the A-G.
  - o R54 000 was moved to *Transfers and subsidies to: Households* for staff exit costs that were not budgeted for.
  - o R809 000 was moved to *Machinery and equipment* for the purchase of a new motor vehicle for the Office of the HOD, as well as new office furniture and equipment for newly appointed staff.

All of these virements are permissible in terms of the PFMA and the Treasury Regulations.

#### 4.2 Programme 2: Cultural Affairs

The purpose of this programme is to provide for projects and interventions in the arts, culture, language and museum services. The aim is to provide an environment conducive to the celebration, nourishment and growth of these sectors.

Vote 15: Arts and Culture

It must be noted that an amount of R100 000 relating to transfers to the Durban International Blues Festival was inadvertently included under *Transfers and subsidies to: Non-profit institutions* instead of *Transfers and subsidies to: Public corporations and private enterprises* but only in Table 15.16 of the 2018/19 EPRE. This is now corrected under Table 15.6 in the main appropriation. *Transfers and subsidies to: Non-profit institutions* was stated at R25.465 million instead of R25.365 million in the EPRE. This does not impact on any other table in the 2018/19 EPRE or in this document.

Tables 15.5 and 15.6 reflect a summary of the 2018/19 adjusted appropriation of Programme 2, summarised according to sub-programme and economic classification. Details of the main adjustments, which resulted in an overall decrease of R13.969 million, are given in the paragraphs below the tables.

**Table 15.5 : Programme 2: Cultural Affairs**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Management	5 546						-	5 546
2. Arts and Culture	203 404	561		9 600		(23 000)	(12 839)	190 565
3. Museum Services	27 999	220		(700)			(480)	27 519
4. Language Services	18 540	150		(800)			(650)	17 890
<b>Total</b>	<b>255 489</b>	<b>931</b>	<b>-</b>	<b>8 100</b>	<b>-</b>	<b>(23 000)</b>	<b>(13 969)</b>	<b>241 520</b>
Amount to be voted								<b>(13 969)</b>

**Table 15.6 : Summary by economic classification**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>156 123</b>	<b>-</b>	<b>-</b>	<b>801</b>	<b>-</b>	<b>-</b>	<b>801</b>	<b>156 924</b>
Compensation of employees	74 524			(492)			(492)	74 032
Goods and services	81 599			1 293			1 293	82 892
Interest and rent on land							-	-
<b>Transfers and subsidies to:</b>	<b>78 320</b>	<b>931</b>	<b>-</b>	<b>6 606</b>	<b>-</b>	<b>(5 000)</b>	<b>2 537</b>	<b>80 857</b>
Provinces and municipalities	15 898					(5 000)	(5 000)	10 898
Departmental agencies and accounts	8 657						-	8 657
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises	28 400			4 800			4 800	33 200
Non-profit institutions	25 365	931		(16)			915	26 280
Households				1 822			1 822	1 822
<b>Payments for capital assets</b>	<b>21 046</b>	<b>-</b>	<b>-</b>	<b>693</b>	<b>-</b>	<b>(18 000)</b>	<b>(17 307)</b>	<b>3 739</b>
Buildings and other fixed structures	19 500			(71)		(18 000)	(18 071)	1 429
Machinery and equipment	1 546			764			764	2 310
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>255 489</b>	<b>931</b>	<b>-</b>	<b>8 100</b>	<b>-</b>	<b>(23 000)</b>	<b>(13 969)</b>	<b>241 520</b>
Amount to be voted								<b>(13 969)</b>

**Roll-overs – Programme 2: Cultural Affairs: R931 000**

The department received an equitable share roll-over of R931 000 from 2017/18 under the Arts and Culture, Museum Services and Language Services sub-programmes against *Transfers and subsidies to: Non-profit institutions* in respect of transfers to non-profit organisations, such as Byrne District Museum (R220 000), Rorkes Drift Art Centre (R300 000), Ezengenkatho Community Art Centre (R111 000), Usiba Writers Guild (R150 000), and KwaCulture (R150 000). The department under-spent against this category in 2017/18 as a result of non-compliance by these non-profit organisations, with regard to the departmental transfer policy, such as the submission of tax clearance forms. These documents were submitted after year-end. Provincial Treasury approval was obtained for the introduction of a new transfer to Usiba Writers Guild, as well as the increases in the other transfer payments.

**Virement – Programme 2: Cultural Affairs: R8.100 million**

The following virements were undertaken which affected the Arts and Culture, Museum Services and Language Services sub-programmes, and resulted in an increase of R8.100 million in respect of Programme 2:

- An amount of R8.100 million was moved to Programme 2 from Programme 3 under *Goods and services* as a result of the department's decision to not host the Annual Languages, Archives and Museums Conference, as well as enforced savings. These funds were moved as follows:
  - R3.300 million was moved to *Goods and services* for various events initiated by the MEC to re-focus the department's mandate from only hosting events at a provincial level to hosting at district level, and these were not budgeted for. These include events such as Izingoma, Nelson Mandela Centenary, the Mgungundlovu Gospel Extravaganza and Prayer, as well as the uMgungu Zwakala Festival, as mentioned.
  - There was a net increase of R4.800 million in *Transfers and subsidies to: Public corporations and private enterprises* in respect of new transfers to various entities, such as NACMA (Pty) Ltd, Durban Cultural Festival and Picnic Day, Nquthu Gospel Music Festival and Gumba Festival. This increase was offset by a reduction in the transfer to the Essence Festival, Midmar Festival and MPF Production. This is detailed in Section 9: *Transfers and subsidies*.
- In addition to the above, savings of R2.586 million were identified within Programme 2 as follows:
  - R2.007 million was moved from *Goods and services* due to the KZN Music House being non-functional since 2017/18. There is currently no professional team appointed to manage the entity and the department does not have the capacity to operate the entity. The department intends to outsource this function and is in the bid process and anticipates that the appointment of the professional team will only be finalised in the latter part of the year, hence the savings.
  - R492 000 was moved from *Compensation of employees* due to delays in filling budgeted vacant posts, such as Deputy Director: Zululand District, due to lengthy internal recruitment processes.
  - Net savings of R16 000 were identified against *Transfers and subsidies to: Non-profit institutions* due to the withdrawal of transfers in respect of museum subsidies, namely Natal Arts Trust and Amazwi Abesifazane, due to these entities not complying with the departmental transfer policy, such as submission of tax clearance forms. This was offset by an increase in the transfer to the Hilton Arts Festival and the transfer to art centres in respect of the Ewushini Art Centre. This is detailed under Section 9: *Transfers and subsidies*.
  - Savings of R71 000 were realised from *Buildings and other fixed structures* in respect of the construction of various art centres and museums due to delays in the appointment of project managers to implement and monitor these infrastructure projects.

These savings were moved within Programme 2 as follows:

- R1.822 million was moved to *Transfers and subsidies to: Households* for staff exit costs (R492 000), a donation toward the funeral costs for one artist and this decision was made by the MEC (R130 000), as well as a sponsorship for the celebration of the life of Prince Mangosuthu Buthelezi (R1.200 million). The Provincial Executive Council mandated that the department contributes to the celebration in the form of procurement of the venue. The event was not hosted by the department, hence, this is classified as a sponsorship.
- R764 000 was moved to *Machinery and equipment* for the replacement of some motor vehicles for four regional offices.

These virements are permissible in terms of the PFMA and Treasury Regulations. Provincial Treasury approval was granted for the introduction and increase in *Transfers and subsidies to: Public corporations and private enterprises* and *Non-profit institutions*. The decrease in *Buildings and other fixed structures* is permissible because the capital budget for the Vote as a whole is not reduced.

Legislature approval is required for the decrease in *Transfers and subsidies to: Non-profit institutions* in respect of museum subsidies, relating to the Natal Arts Trust and Amazwi Abesifazane museums. The decrease in *Transfers and subsidies to: Public corporations and private enterprises*, in respect of the Essence Festival, Midmar Festival and MPF Production, shown in Table 15.15, also requires Legislature approval. In addition, Legislature approval is required for the donation of R130 000 toward the funeral of an artist, as well as the sponsorship of R1.200 million for the celebration of the life of Prince Mangosuthu Buthelezi, as they are in excess of R100 000.

**Other adjustments – Programme 2: Cultural Affairs: (R23 million)**

The budget was decreased by R23 million against the sub-programme: Arts and Culture as follows:

- R5 million, allocated as a transfer payment to the Alfred Duma Municipality in respect of the Music Academy in Ladysmith against *Transfers and subsidies to: Provinces and municipalities*, was removed from the department’s budget in 2018/19 due to the department deciding to implement this project in 2019/20 and to do so directly, as opposed to *via* the municipality. The department was unable to implement this project in 2018/19 as a result of capacity constraints within the department’s infrastructure unit, and thus requested that the funds be suspended.
- R9 million in respect of the refurbishment of the Winston Churchill Theatre against *Buildings and other fixed structures* was suspended to 2019/20. The department indicated that this project will only commence in 2019/20 as a result of capacity constraints within its infrastructure unit, and thus requested that the funds be suspended.
- R9 million was suspended from the department for the upgrade and additions of the Osizweni Art Centre against *Buildings and other fixed structures*. The department was not able to implement the project in 2018/19 due to capacity constraints within the department’s infrastructure unit, and thus requested that the funds be suspended and the balance of R1 million be allocated toward the Mbazwana Art Centre.

It is noted that the decrease in the allocations for the Music Academy in Ladysmith and Winston Churchill Theatre results in a decrease in funds that were specifically and exclusively appropriated in terms of the KZN Appropriation Act, 2018. This is replaced by the KZN Adjustments Appropriation Act, 2018. Approval was obtained from the Provincial Executive Council for all three suspensions.

**Service delivery measures – Programme 2: Cultural Affairs**

Table 15.7 shows the service delivery targets for Programme 2 as per the department’s APP, which are largely aligned to the information contained in the *EPRE*. One of the outputs was adjusted, as reflected in the 2018/19 Revised target column, to align it to the target included in the APP, which was tabled after the *EPRE* was tabled. Note that the wording of some outputs and performance indicators changed and these are highlighted in bold italics, and one measure was removed and this is reflected in the 2018/19 Revised target column as “n/a”, to ensure alignment to the APP.

**Table 15.7 : Service delivery measures – Programme 2: Cultural Affairs**

Outputs	Performance indicators	Performance targets		
		2018/19 Original target	2018/19 Mid-year actual	2018/19 Revised target
<b>1. Arts and Culture</b>				
1.1 To advance the 2035 <i>PGDP</i> agenda to achieve a socially cohesive society and nation building	<ul style="list-style-type: none"> <li>• No. of community structures supported</li> <li>• No. of SMMEs funded through creative industry initiatives</li> <li>• No. of practitioners benefiting from capacity building opportunities</li> <li>• No. of structured Arts, Culture and Heritage (ACH) research that address moral regeneration and social cohesion completed</li> <li>• No. of EPWP job opportunities created per annum</li> <li>• No. of provincial social cohesion and moral regeneration summits hosted</li> <li>• No. of marketing platforms/opportunities provided to ACH practitioners</li> <li>• <b><i>No. of community conversations</i></b></li> <li>• No. of national <b><i>and</i></b> historical days celebrated</li> <li>• No. of ACH centres built or renovated</li> <li>• No. of war-room intervention package programmes implemented</li> <li>• <b><i>No. of ACH centres renovated</i></b></li> </ul>	18 24 2 410 4 250 1 52 67 10 3 1 2	3 6 1190 1 - 13 45 7 n/a - -	220 n/a
<b>2. Language Services</b>				
2.1 To advance the 2035 <i>PGDP</i> agenda to achieve a socially cohesive society and nation building	<ul style="list-style-type: none"> <li>• No. of language co-ordinating structures supported</li> <li>• No. of KZN use of official language <b><i>policies</i></b> reviewed</li> </ul>	3 1	- -	
<b>3. Museum Services</b>				
3.1 To advance the 2035 <i>PGDP</i> agenda to achieve a socially cohesive society and nation building	<ul style="list-style-type: none"> <li>• No. of exhibitions staged</li> <li>• No. of training sessions offered to museums</li> </ul>	3 2	1 -	

### 4.3 Programme 3: Library and Archive Services

The aim of this programme is to provide library and information services, as well as archive services. The Community Library Services conditional grant resides within this programme. Tables 15.8 and 15.9 reflect a summary of the 2018/19 adjusted appropriation of Programme 3, summarised according to sub-programme and economic classification. Details of the main adjustments, which resulted in an overall decrease of R76.400 million, are given in the paragraphs below the tables.

**Table 15.8 : Programme 3: Library and Archive Services**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Management	1 638						-	1 638
2. Library Services	273 861			(7 400)			(7 400)	266 461
3. Archives	104 519			(1 000)		(68 000)	(69 000)	35 519
4. Community Library Services grant	174 397						-	174 397
<b>Total</b>	<b>554 415</b>	<b>-</b>	<b>-</b>	<b>(8 400)</b>	<b>-</b>	<b>(68 000)</b>	<b>(76 400)</b>	<b>478 015</b>
<b>Amount to be voted</b>								<b>(76 400)</b>

**Table 15.9 : Summary by economic classification**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>143 772</b>	<b>-</b>	<b>-</b>	<b>(8 175)</b>	<b>6 100</b>	<b>-</b>	<b>(2 075)</b>	<b>141 697</b>
Compensation of employees	74 459			(31)	2 113		2 082	76 541
Goods and services	69 313			(8 144)	3 987		(4 157)	65 156
Interest and rent on land							-	-
<b>Transfers and subsidies to:</b>	<b>257 492</b>	<b>-</b>	<b>-</b>	<b>(225)</b>	<b>(6 100)</b>	<b>-</b>	<b>(6 325)</b>	<b>251 167</b>
Provinces and municipalities	254 692			(556)	(6 100)		(6 656)	248 036
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions	2 800			300			300	3 100
Households				31			31	31
<b>Payments for capital assets</b>	<b>153 151</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(68 000)</b>	<b>(68 000)</b>	<b>85 151</b>
Buildings and other fixed structures	146 824			(4 000)		(68 000)	(72 000)	74 824
Machinery and equipment	6 327			4 000			4 000	10 327
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
<b>Payments for financial assets</b>							-	-
<b>Total</b>	<b>554 415</b>	<b>-</b>	<b>-</b>	<b>(8 400)</b>	<b>-</b>	<b>(68 000)</b>	<b>(76 400)</b>	<b>478 015</b>
<b>Amount to be voted</b>								<b>(76 400)</b>

#### Virement – Programme 3: Library and Archive Services: (R8.400 million)

The following virements were undertaken at programme level resulting in a net reduction of R8.400 million in the main appropriation of Programme 3. Savings of R12.987 million were identified under Programme 3, and were moved as follows:

- Savings of R8.400 million were moved from the programme under *Goods and services*, resulting in a reduction in the main appropriation as a result of the department's decision to not host the Annual Languages, Archives and Museums Conference, as well as enforced savings. These savings were moved to Programme 1 and 2 as follows:
  - o R300 000 was moved to Programme 1 against *Goods and services* for centralisation of the branding and marketing costs for departmental events, such as advertising *via* radio, which were under-budgeted for. In addition, the department provided for the balance of the shared ministerial operational costs, such as telephone, accommodation, travel and subsistence, which were brought to book from a suspense account in 2018/19, as mentioned.
  - o R8.100 million was moved to Programme 2 as follows:
    - R3.300 million was moved to *Goods and services* for various events initiated by the MEC to re-focus the department's mandate from only hosting events at a provincial level to hosting at district level, and these events were not budgeted for. These include events such

as Izingoma, Nelson Mandela Centenary, the Mgungundlovu Gospel Extravaganza and Prayer, as well as the uMgungu Zwakala Festival, as mentioned.

- R4.800 million was moved to *Transfers and subsidies to: Public corporations and private enterprises* for the introduction of new transfers to various new entities, such as the NACMA (Pty) Ltd, Durban Cultural Festival and Picnic Day, Nquthu Gospel Music Festival and Gumba Festival.
- In addition to the above, savings of R4.587 million were identified within Programme 3 as follows:
  - o R31 000 was moved from *Compensation of employees* due to delays in filling budgeted critical vacant posts, and were moved to *Transfers and subsidies to: Households* for staff exit costs.
  - o R556 000 was moved from *Transfers and subsidies to: Provinces and municipalities*. These funds relate to the transfer to the uBuhlebezwe Municipality in respect of provincialisation within the Community Library Services grant. The reduction against the uBuhlebezwe Municipality was due to KwaNokwega library being burnt down during community unrests. These funds were moved within the conditional grant as follows:
    - R300 000 was moved to *Transfers and subsidies to: Non-profit institutions* for an increase in the transfer to SA Library for the Blind for the replacement of outdated equipment and to market the services provided to the visually impaired. This was not included in the original budget of the entity.
    - R256 000 was moved to *Goods and services* for operational costs of new modular libraries.
  - o R4 million was moved from *Buildings and other fixed structures* due to delays in the appointment of project managers to implement and monitor infrastructure projects, such as the Mtubatuba, Ngwelezane and Bhongweni libraries, in respect of the Community Library Services grant. These funds were moved to *Machinery and equipment* for the purchase of new furniture for completed libraries, such as Port Shepstone, Newcastle extension, as well as eight modular libraries within the conditional grant.

These virements are permissible in terms of the PFMA and Treasury Regulations. The increase in *Transfers and subsidies to: Non-profit institutions* was approved by Provincial Treasury. The decrease in *Buildings and other fixed structures* is permissible because the capital budget for the Vote as a whole is not reduced.

The decrease of R556 000 against *Transfers and subsidies to: Provinces and municipalities* in respect of the transfer to the uBuhlebezwe Municipality relating to provincialisation under the Community Library Services grant requires Legislature approval.

### Shifts – Programme 3: Library and Archive Services

The following shifts were undertaken within Programme 3 under the Community Library Services grant:

- R6.100 million was shifted from *Transfers and subsidies to: Provinces and municipalities* in respect of transfers to uMhlabuyalingana, Jozini and Nkandla Municipalities for the appointment of staff for provincialised libraries under the Community Library Services grant. The municipalities experienced challenges with regard to the appointment of staff due to lengthy consultations with regard to the transfer of staff from municipalities to the province. Funds relating to the operational costs of these libraries, such as municipal costs, stationery and printing were also not transferred as a result of the lengthy consultations. The purpose of the funds remains unchanged, as explained below:
  - o R2.113 million was shifted to *Compensation of employees* within the Community Library Services grant for the appointment of staff for provincialised libraries, namely Jozini, Nkandla and uMhlabuyalingana, as mentioned.

- o R3.987 million was shifted to *Goods and services* for operational costs, such as municipal costs, stationery and printing in respect of provincialised libraries, namely uMhlabuyalingana, Jozini and Nkandla. The department will provide for these operational costs directly.

### Other adjustments – Programme 3: Library and Archive Services: (R68 million)

The department requested that an amount of R68 million relating to the Archive Repository be suspended from 2018/19 to 2019/20 under the sub-programme: Archives against *Buildings and other fixed structures*. The department is experiencing challenges with regard to the completion of the feasibility study for the construction of the Archive Repository as a result of delays in the acquisition of a preferred site. In addition, the department lacks capacity to undertake the construction of the project in 2018/19, as mentioned. The feasibility study was completed and the preferred site has been identified to be in Pietermaritzburg at Fillan Park, which is near the Grange.

It is noted that the decrease in the allocation for the Archive Repository results in a decrease in funds that were specifically and exclusively appropriated funds in terms of the KZN Appropriation Act, 2018. This is replaced by the KZN Adjustments Appropriation Act, 2018.

### Service delivery measures – Programme 3: Library and Archive Services

Table 15.10 shows the service delivery targets for Programme 3 as per the department's APP which is largely aligned to the information contained in the *EPRE*. The table show also shows the actual achievements for the first six months of the year.

Note that the wording of two performance indicators changed and this is highlighted in bold italics. Also, one measure was removed and this is reflected in the 2018/19 Revised target column as "n/a", to ensure alignment with the APP.

Table 15.10 : Service delivery measures – Programme 3: Library and Archive Services

Outputs	Performance indicators	Performance targets		
		2018/19 Original target	2018/19 Mid-year actual	2018/19 Revised target
<b>1. Library Services</b>				
1.1 To advance the 2035 agenda to achieve a socially cohesive society and nation building	• No. of library materials procured	200 000	46 198	
	• No. of new libraries built	3	-	
	• No. of existing facilities upgraded for public library purposes	2	-	
<b>2. Archive Services</b>				
2.1 To advance the 2035 agenda to achieve a socially cohesive society and nation building	• No. of promotional interventions on promotion of national symbols and orders <b><i>undertaken</i></b>	27	22	
	• No. of govt. bodies receiving records <b><i>management training courses presented to govt. bodies</i></b>	24	-	
	• No. of govt. bodies inspected	4	n/a	n/a
	• No. of oral history projects undertaken	162	-	4

## 5. Specifically and exclusively appropriated allocations

Table 15.11 shows the amounts that are specifically and exclusively appropriated for specific purposes in terms of the KZN Adjustments Appropriation Act, 2018.

Note that conditional grants, as well as transfers to public entities and local government (which are also specifically and exclusively appropriated funds) are not included here, as they are discussed in Sections 8, 9 and 10 below.

Details of the main adjustments, which resulted in an overall decrease of R82 million in respect of the department's specifically and exclusively appropriated funding, are provided in the paragraphs following the table.

Table 15.11 : Summary of specifically and exclusively appropriated funding

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts		
1. Prog 2: Museum subsidies	8 987					-	8 987
2. Prog 2: Operational costs for art centres	1 911					-	1 911
3. Prog 2: Music Academy in Ladysmith	5 000					(5 000)	-
4. Prog 2: Refurbishment of Winston Churchill Theatre	9 500					(9 000)	500
5. Prog 3: Archive Repository	73 130					(68 000)	5 130
6. Prog 3: Provincialisation of libraries	197 965					-	197 965
<b>Total</b>	<b>296 493</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(82 000)</b>	<b>214 493</b>
<b>Amount to be voted</b>							<b>(82 000)</b>

- *Other adjustments:* The specific and exclusive funding was reduced by R82 million as follows:

- o R5 million, allocated for the Music Academy in Ladysmith, was removed from the department's budget in 2018/19 due to the department deciding to implement this project in 2019/20, and to do so directly as opposed to *via* the Alfred Duma Municipality. The department was unable to implement this project in 2018/19 due to capacity constraints in its infrastructure unit, as mentioned.
- o R9 million in respect of the refurbishment of the Winston Churchill Theatre was suspended to 2019/20. The department indicated that this project will only commence in 2019/20 as a result of capacity constraints within its infrastructure unit.
- o R68 million relating to the Archive Repository was suspended from 2018/19 to 2019/20 due to challenges with regard to the completion of the feasibility study for the construction of the Archive Repository as a result of delays in the acquisition of a preferred site, as mentioned. The feasibility study was completed and the preferred site has been identified to be in Pietermaritzburg at Fillan Park, which is near the Grange, and the department anticipates that construction will commence in 2019/20.

It is noted that the decrease in the allocations for the Music Academy in Ladysmith, Winston Churchill Theatre and Archive Repository results in a decrease in funds that were specifically and exclusively appropriated funds in terms of the KZN Appropriation Act, 2018. This is replaced by the KZN Adjustments Appropriation Act, 2018. The decrease in *Buildings and other fixed structures* is permissible because the capital budget for the Vote as a whole is not reduced.

## 6. Gifts, donations and sponsorships

Gifts, donations and sponsorships exceeding R100 000 require Legislature approval. In this regard, the department made the following donation and sponsorship exceeding R100 000, and Legislature approval is therefore required:

- The department made a donation toward the burial costs of one artist in the form of hiring a marquee, chairs, and tables for the funeral, as well as catering at a cost of R130 000.
- A sponsorship of R1.200 million was made for the procurement of the venue for the celebration of the life of Prince Mangosuthu Buthelezi.

The department allocated this donation and sponsorship under Programme 2 against *Transfers and subsidies to: Households*.

## 7. Infrastructure

Table 15.12 shows the infrastructure payments per main category.

Details of the main adjustments, which led to a net decrease of R95.071 million, are provided in the paragraphs following the table.

Table 15.12 : Summary of infrastructure payments by category

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Existing infrastructure assets</b>	27 500	-	-	-	-	(18 000)	(18 000)	9 500
Maintenance and repair: Current							-	-
Upgrades and additions: Capital	25 500					(18 000)	(18 000)	7 500
Refurbishment and rehabilitation: Capital	2 000						-	2 000
<b>New infrastructure assets: Capital</b>	<b>138 824</b>			(4 071)		(68 000)	(72 071)	<b>66 753</b>
<b>Infrastructure transfers</b>	<b>16 000</b>	-	-	-	-	(5 000)	(5 000)	<b>11 000</b>
Infrastructure transfers: Capital	16 000					(5 000)	(5 000)	11 000
Infrastructure transfers: Current							-	-
<b>Infrastructure: Payments for financial assets</b>							-	-
<b>Infrastructure: Leases</b>							-	-
<b>Non infrastructure</b>							-	-
Capital infrastructure	182 324	-	-	(4 071)	-	(91 000)	(95 071)	87 253
Current infrastructure	-	-	-	-	-	-	-	-
<b>Total</b>	<b>182 324</b>	<b>-</b>	<b>-</b>	<b>(4 071)</b>	<b>-</b>	<b>(91 000)</b>	<b>(95 071)</b>	<b>87 253</b>
<b>Amount to be voted</b>								<b>(95 071)</b>

- *Virement*: R4.071 million was moved from *New infrastructure assets: Capital* due to delays in the construction of various art centres, museums and libraries as a result of delays in the appointment of project managers to implement and monitor infrastructure projects, such as the Mtubatuba, Ngwelezane and Bhongweni libraries. These funds were moved to *Machinery and equipment* for the purchase of motor vehicles, furniture and computers for newly appointed staff and completed libraries, such as Port Shepstone, Newcastle extension, as well as eight modular libraries. The decrease in *New infrastructure assets: Capital* is permissible because the capital budget for the Vote as a whole is not reduced.
- *Other adjustments*: The infrastructure budget was decreased by R91 million as follows:
  - R9 million in respect of the refurbishment of the Winston Churchill Theatre against *Upgrades and additions: Capital* was suspended to 2019/20. The department indicated that this project will only commence in 2019/20 as a result of capacity constraints within its infrastructure unit.
  - R9 million was suspended from the department for the upgrade and additions of the Osizweni Art Centre against *Upgrades and additions: Capital*. The department was not able to implement the project in 2018/19 due to capacity constraints within the department's infrastructure unit. and the balance of R1 million is to be allocated toward the Mbazwana Art Centre.
  - R68 million for the construction of the Archive Repository against *New infrastructure assets: Capital* was suspended from 2018/19 to 2019/20. The department experienced challenges with regard to the completion of the feasibility study for the Archive Repository as a result of delays in the acquisition of a preferred site. In addition, the department lacks capacity to undertake the construction of the project in 2018/19, as mentioned. The feasibility study was completed and the preferred site has been identified to be in Pietermaritzburg at Fillan Park, which is near the Grange, and the department anticipates that construction will commence in 2019/20.
  - R5 million, allocated as a capital transfer payment to the Alfred Duma Municipality in respect of the Music Academy in Ladysmith under *Infrastructure transfers: Capital*, was removed from the department's budget in 2018/19 due to the department deciding to implement this project in 2019/20, and to do so directly as opposed to *via* the municipality. The department was unable to implement this project in 2018/19 as a result of capacity constraints within the department's infrastructure unit.

It is noted that the decrease in the allocations for the Music Academy in Ladysmith, Winston Churchill Theatre and Archive Repository results in a decrease in funds that were specifically and exclusively appropriated in terms of the KZN Appropriation Act, 2018. This is replaced by the KZN Adjustments Appropriation Act, 2018.

The decrease in *New infrastructure assets: Capital* in terms of the virements undertaken is permissible because the capital budget for the Vote as a whole is not reduced.

## 8. Conditional grants

Tables 15.13 and 15.14 reflect changes to the conditional grant funding.

Details of the main adjustments, which led to no change to the main appropriation, are provided in the paragraphs following the tables. The department undertook virements at economic classification level and these are explained in detail below.

**Table 15.13 : Summary of changes to conditional grants**

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts		
<b>2. Cultural Affairs</b>	<b>2 000</b>	-	-	-	-	-	<b>2 000</b>
EPWP Integrated Grant for Provinces	2 000						2 000
<b>3. Library and Archive Services</b>	<b>174 397</b>	-	-	-	-	-	<b>174 397</b>
Community Library Services grant	174 397						174 397
<b>Total</b>	<b>176 397</b>	-	-	-	-	-	<b>176 397</b>
<b>Amount to be voted</b>							<b>-</b>

**Table 15.14 : Summary of conditional grants by economic classification**

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts		
<b>Current payments</b>	<b>45 176</b>	-	-	<b>256</b>	<b>6 100</b>	-	<b>6 356</b>
Compensation of employees	9 863				2 113		11 976
Goods and services	35 313			256	3 987		4 243
Interest and rent on land							-
<b>Transfers and subsidies to:</b>	<b>59 527</b>	-	-	<b>(256)</b>	<b>(6 100)</b>	-	<b>(6 356)</b>
Provinces and municipalities	56 727			(556)	(6 100)		(6 656)
Departmental agencies and accounts							-
Higher education institutions							-
Foreign governments and international organisations							-
Public corporations and private enterprises							-
Non-profit institutions	2 800			300			300
Households							-
<b>Payments for capital assets</b>	<b>71 694</b>	-	-	-	-	-	<b>71 694</b>
Buildings and other fixed structures	67 694			(4 000)			(4 000)
Machinery and equipment	4 000			4 000			4 000
Heritage assets							-
Specialised military assets							-
Biological assets							-
Land and subsoil assets							-
Software and other intangible assets							-
<b>Payments for financial assets</b>							-
<b>Total</b>	<b>176 397</b>	-	-	-	-	-	<b>176 397</b>
<b>Amount to be voted</b>							<b>-</b>

- **Virement:** The following virements were undertaken between economic classifications under the Community Library Services grant:
  - R556 000 was moved from *Transfers and subsidies to: Provinces and municipalities*. These funds relate to transfers to the uBuhlebezwe Municipality in respect of provincialisation within the Community Library Services grant. The reduction against the uBuhlebezwe Municipality was due to KwaNokwega library being burnt down during community unrests. These funds were moved within the conditional grant as follows:
    - R300 000 was moved to *Transfers and subsidies to: Non-profit institutions* for an increase in the transfer to the SA Library for the Blind for the replacement of outdated equipment and to market the services provided to the visually impaired. This was not included in the original budget of the entity.
    - R256 000 was moved to *Goods and services* to cater for the operational costs of new modular libraries which were under-budgeted for.
  - R4 million was moved from *Buildings and other fixed structures* due to delays in the appointment of project managers to implement and monitor infrastructure projects, such as the Mtubatuba, Ngwelezane and Bhongweni libraries. These funds were moved to *Machinery and*

equipment for the purchase of new furniture for completed libraries, such as the Port Shepstone library, Newcastle extension, as well as eight modular libraries.

These virements are permissible in terms of the PFMA and Treasury Regulations. The increase in *Transfers and subsidies to: Non-profit institutions* was approved by Provincial Treasury. The decrease in *Buildings and other fixed structures* is permissible as there is no decrease in capital for the Vote as a whole.

The decrease of R556 000 in *Transfers and subsidies to: Provinces and municipalities* in respect of the uBuhlebezwe Municipality requires Legislature approval.

- *Shifts*: The following shifts were undertaken within Programme 3 under the Community Library Services grant:
  - R6.100 million was shifted from *Transfers and subsidies to: Provinces and municipalities* in respect of transfers to uMhlabuyalingana, Jozini and Nkandla Municipalities for the appointment of staff for provincialised libraries. The municipalities experienced challenges with regard to the appointment of staff due to lengthy consultations with regard to the transfer of staff from municipalities to the province. Funds relating to the operational costs of these libraries, such as municipal costs, stationery and printing were also not transferred as a result of the lengthy consultations. These funds were shifted as follows:
    - R2.113 million was shifted to *Compensation of employees* within the Community Library Services grant for the appointment of staff in respect of provincialised libraries, namely uMhlabuyalingana, Jozini and Nkandla, as mentioned above. The purpose of the funds remains unchanged.
    - R3.987 million was shifted to *Goods and services* for operational costs, such as municipal costs, stationery and printing of the above-mentioned provincialised libraries, namely uMhlabuyalingana, Jozini and Nkandla. The department will provide for these operational costs directly. The purpose of the funds remains unchanged.

## 9. Transfers and subsidies

Table 15.15 shows the summary of transfers and subsidies per programme.

The table includes transfers made to the public entity that falls under the department, namely the national public entity The Playhouse Company, which are specifically and exclusively appropriated in terms of the KZN Adjustments Appropriation Act, 2018.

Details of the main adjustments which led to a decrease of R3.734 million in the main appropriation, are provided in the paragraphs before and after the table:

- *Roll-overs*: The department received an equitable share roll-over of R931 000 from 2017/18 under Programme 2 against *Non-profit institutions* in respect of transfers to the following non-profit organisations, which under-spent in 2017/18 as a result of non-compliance with regard to the departmental transfer policy:
  - R220 000 under museum subsidies in respect of the Byrne District Museum.
  - R300 000 under transfers to art centres for the Rorkes Drift Art Centre.
  - R150 000 in respect of transfer to Usiba Writers Guild.
  - R150 000 for transfer to KwaCulture.
  - R111 000 for transfer to art councils for the Ezengenkatho Community Art Centre.

Table 15.15 : Summary of transfers and subsidies by programme and main category

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>1. Administration</b>	<b>1 400</b>	-	-	54	-	-	<b>54</b>	<b>1 454</b>
Provinces and municipalities	200	-	-	-	-	-	-	200
Motor vehicle licences	200	-	-	-	-	-	-	200
Households	1 200	-	-	54	-	-	54	1 254
Staff exit costs				54			54	54
Bursaries to non-employees	1 200	-	-	-	-	-	-	1 200
<b>2. Cultural Affairs</b>	<b>78 320</b>	<b>931</b>	-	<b>6 606</b>	-	<b>(5 000)</b>	<b>2 537</b>	<b>80 857</b>
Provinces and municipalities	15 898	-	-	-	-	(5 000)	(5 000)	10 898
Museum subsidies	8 987							8 987
Music Academy in Ladysmith	5 000					(5 000)	(5 000)	-
Operational costs for art centres	1 911							1 911
Departmental agencies and accounts	8 657	-	-	-	-	-	-	8 657
The Playhouse Company	8 657	-	-	-	-	-	-	8 657
Public corporations and private enterprises	28 400	-	-	4 800	-	-	4 800	33 200
Abaqulusi Maskandi Festival				1 000			1 000	1 000
Amagugu Esizwe Maskandi Music Festival				2 500			2 500	2 500
Amantshontsho kaMaskandi	1 000							1 000
Amasiko Omzinyathi	1 500							1 500
Armco Dam Festival	500							500
Beads Festival	1 100							1 100
Drakensburg Extravaganza	4 000							4 000
Durban Cultural Festival and Picnic Day				1 500			1 500	1 500
Durban International Blues Festival	100							100
Durban Rocks	500							500
Essence Festival	2 000			(2 000)			(2 000)	-
Gumba Festival				400			400	400
Hazelmere Dam Jazz Festival	600							600
Impucuzeko Maskandi Festival	2 000							2 000
Indoni	2 000							2 000
Mazibuye Arts and Cultural Festival				2 000			2 000	2 000
Midmar Festival	500			(500)			(500)	-
MPF Production	4 000			(4 000)			(4 000)	-
NACMA (Pty) Ltd				2 000			2 000	2 000
Newcastle Jazz Festival	1 500							1 500
Nquthu Gospel Music Festival				1 100			1 100	1 100
PMB Jazz Festival	500							500
The Seven Days War				800			800	800
Ugu Jazz Festival	500							500
Ukhozi Nyusi Volume	1 500							1 500
Umgababa Youth Festival	500							500
Umlalazi Festival Expo	2 000							2 000
Uthungulu Last Dance	1 100							1 100
Youth Own Your Power	1 000							1 000
Non-profit institutions	25 365	931	-	(16)	-	-	915	26 280
Art in the Park	60							60
Bhodoza Talent Development Programme	1 000							1 000
Centre for Creative Arts (UKZN)	100							100
Dolosfees Festival	100							100
Durban School of Music	650							650
East Griqualand Festival	350							350
Hilton Arts Festival	100			100			100	200
KwaCulture	150	150					150	300
KZN Philharmonic Orchestra	10 700							10 700
Love to Live	80							80
Museum subsidies	5 052	220		(216)			4	5 056
Sakhisizwe Organisation	220							220
Transfers to Art Centres	4 815	300		100			400	5 215
Transfers to Art Councils	1 988	111					111	2 099
Usiba Writers Guild		150					150	150
Households	-	-	-	1 822	-	-	1 822	1 822
Staff exit costs				492			492	492
Acts of grace				130				130
Prince Mangosuthu Buthelezi Celebration				1 200				1 200
<b>3. Library and Archive Services</b>	<b>257 492</b>	-	-	<b>(225)</b>	<b>(6 100)</b>	-	<b>(6 325)</b>	<b>251 167</b>
Provinces and municipalities	254 692	-	-	(556)	(6 100)	-	(6 656)	248 036
Community Library Services grant	56 727			(556)	(6 100)		(6 656)	50 071
Provincialisation of libraries	197 965							197 965
Non-profit institutions	2 800	-	-	300	-	-	300	3 100
Africa Ignite	1 000							1 000
Family Literacy Project	500							500
SA Library for Blind	1 300			300			300	1 600
Households	-	-	-	31	-	-	31	31
Staff exit costs				31			31	31
<b>Total</b>	<b>337 212</b>	<b>931</b>	-	<b>6 435</b>	<b>(6 100)</b>	<b>(5 000)</b>	<b>(3 734)</b>	<b>333 478</b>
<b>Amount to be voted</b>								<b>(3 734)</b>

- *Virement*: The department undertook various virements affecting *Transfers and subsidies*, which resulted in a net increase of R6.435 million, as follows:
  - An amount of R54 000 was moved to *Households* for staff exit costs from *Compensation of employees* under Programme 1.
  - Programme 2 provides for transfers to the KZN Philharmonic Orchestra, the Playhouse Company, arts councils, art centres and other arts organisations. In addition, the department also provides for transfers in respect of Museum Services, to the board of trustees managing museums, as well as for the provincialisation of museum services. The following virements were undertaken, resulting in a net increase of R6.606 million:
    - A net increase of R4.800 million against *Public corporations and private enterprises* for the introduction of new transfers to various entities, as well as the decrease in transfers due to non-compliance of entities with the departmental transfer policy, such as providing audited AFS, as follows:
      - R1 million was introduced as a transfer to Abaqulusi Maskandi Festival aimed at celebrating the late Maskandi legends, such as Mgqumeni, Mtshengiseni and Mjikijelwa.
      - R2.500 million was introduced as a transfer to the Amagugu Esizwe Maskandi Music Festival, scheduled to take place on 7 December in Durban at the King Goodwill Zwelithini Stadium. This event will honor and celebrate the contributions made by Maskandi legends, such as the late Bhekumuzi Luthuli, Mfazomnyama, Busi Mhlongo, Mtshengiseni Gcwensa and Mgqumeni.
      - R1.500 million was introduced as a transfer in respect of the Durban Cultural Festival and Picnic Day, which is scheduled to take place on 26 December at the Moses Mabhida Stadium – People’s Park.
      - R400 000 was introduced as a transfer for the Gumba Festival. The transfer relates to an event that was hosted in 2016/17 but not paid for in that year, hence a roll-over was approved in 2017/18. However, no transfer was made in 2017/18 due to the entity not providing supporting documents, such as tax clearance forms, and these have now been provided.
      - R2 million was introduced as a transfer for the Mazibuye Arts and Cultural Festival, planned to take place on 8 December at Jozini Municipality. The festival will address the triple challenges of poverty, inequality and unemployment by involving communities, including the youth, to play a major role in arts, culture and heritage tourism.
      - R2 million was introduced as a transfer to NACMA (Pty) Ltd, which aims to grow the local choral music genre.
      - R1.100 million was introduced as a transfer for the Nquthu Gospel Music Festival, planned to take place on 27 December at Nquthu. This event aims to address social ills which are prevalent in communities and can be attributed to the decaying morals in society.
      - R800 000 was introduced as a transfer in respect of The Seven Days War, a play based on the political conflicts that took place in KZN in the western part of Pietermaritzburg on 8 December.
      - An amount of R2 million was withdrawn as a transfer to the Essence Festival due to non-compliance with the departmental transfer policy in respect of submission of the audited AFS.
      - R500 000 was withdrawn as a transfer toward the Midmar Festival due to non-compliance with the departmental transfer policy in respect of submission of the audited AFS.
      - R4 million was withdrawn as a transfer toward the MPF Production due to non-compliance with the departmental transfer policy in respect of submission of the audited AFS.
    - A net decrease of R16 000 against *Non-profit institutions* due to the following movements to and from *Goods and services*:

- R216 000 was moved to *Goods and services* in respect of museum subsidies relating to transfers to the Natal Arts Trust and Amazwi Abesifazane, due to these entities not complying with the departmental transfer policy, such as submission of tax clearance forms.
- R100 000 was moved to Transfers to art centres in respect of an increase in transfer to the Ewushini Art Centre, to allow the organisation to support the Botho International Heritage Festival, which is a social cohesion activity.
- R100 000 was moved from *Goods and services* to the Hilton Arts Festival for the inclusion of a craft exhibition at the festival.
- *Households* was increased by R1.822 million as follows:
  - R492 000 for staff exit costs.
  - R130 000 for the donation toward the burial of one artist with these funds providing for hiring a marquee, chairs, and tables for the funeral, as well as catering.
  - R1.200 million as a sponsorship toward the celebration of the life of Prince Mangosuthu Buthelezi.
- o Programme 3 caters for transfers to municipalities in respect of the Community Library Services grant relating to the provincialisation of libraries. The following virements were undertaken within the grant undertaken resulting in a net decrease of R225 000:
  - R556 000 was moved from *Provinces and municipalities* relating to the transfer to the uBuhlebezwe Municipality in respect of provincialisation. The reduction against the uBuhlebezwe Municipality was due to KwaNokwega library being burnt down during community unrests. These funds were moved as follows:
    - R300 000 was moved to *Non-profit institutions* for an increase in the transfer to SA Library for the Blind for the replacement of outdated equipment and to market the services provided to the visually impaired. This was not included in the original budget of the entity.
    - R256 000 was moved to *Goods and services* for operational costs of new modular libraries.
  - R31 000 was moved to *Households* from *Compensation of employees* for staff exit costs.

The decreases of R6.500 million against *Public corporations and private enterprises*, R216 000 against *Non-profit institutions* and R556 000 under *Provinces and municipalities*, as highlighted in the table, require Legislature approval.

Provincial Treasury approval was obtained for the various increases against *Transfers and subsidies* in terms of the PFMA and Treasury Regulations.

It is noted that the decrease in the allocations for the Music Academy in Ladysmith results in a decrease in funds that were specifically and exclusively appropriated in terms of the KZN Appropriation Act, 2018. This is replaced by the KZN Adjustments Appropriation Act, 2018.

- *Shifts*: The following shifts were undertaken within Programme 3 and within the Community Library Services grant:
  - o R6.100 million was shifted from *Transfers and subsidies to: Provinces and municipalities* in respect of transfers to uMhlabuyalingana, Jozini and Nkandla municipalities for the appointment of staff for provincialised libraries under the Community Library Services grant. The municipalities experienced challenges with regard to the appointment of staff, and funds relating to the operational costs of these libraries were also not transferred as a result of the lengthy consultations. These funds were shifted as follows:
    - R2.113 million was shifted to *Compensation of employees* within the Community Library Services grant for the appointment of staff in respect of provincialised libraries, namely uMhlabuyalingana, Jozini and Nkandla, as mentioned above. The purpose of the funds remains unchanged.

- R3.987 million was shifted to *Goods and services* for operational costs, such as municipal costs, stationery and printing of the above-mentioned provincialised libraries, namely uMhlabuyalingana, Jozini and Nkandla. The department will provide for these operational costs directly. The purpose of the funds remains unchanged.
- *Other adjustments*: R5 million, allocated for the Music Academy in Ladysmith, was removed from the department's budget in 2018/19 due to the department deciding to implement this project in 2019/20 and will do so directly as opposed to *via* the municipality. The department was unable to implement this project in 2018/19 as a result of capacity constraints in its infrastructure unit, as mentioned.

## 10. Transfers to local government

Tables 15.16 to 15.21 show the details of transfers to local government. It is noted that the amount against *Provinces and municipalities* in Table 15.15 includes provision for motor vehicle licences. This amount is excluded from the transfer to local government table, as these funds will not be transferred to any municipality. The department made adjustments to transfers to local government which resulted in a decrease of R11.656 million. These changes will be gazetted after the tabling of the Adjustments Estimate. Details are provided in the paragraphs below:

- *Virement*: The virement column in Table 15.16 reflects a decrease of R556 000 from *Provinces and municipalities*. These funds relate to the transfer to the uBuhlebezwe Municipality in respect of provincialisation within the Community Library Services grant. The reduction against uBuhlebezwe Municipality was due to the KwaNokwega library being burnt down during community unrests. These funds were moved as follows:
  - o R300 000 was moved to *Non-profit institutions* for an increase in the transfer to SA Library for the Blind for the replacement of outdated equipment and to market the services provided to the visually impaired. This was not included in the original budget of the entity.
  - o R256 000 was moved to *Goods and services* for operational costs of new modular libraries.

Treasury approval was provided for the increase in transfers in terms of the PFMA and Treasury Regulations.

Legislature approval is required for the decrease of R556 000 against *Provinces and municipalities*.

- *Shifts*: Funds were shifted in Programme 3 within the Community Library Services grant as follows:
  - o R6.100 million was shifted from *Transfers and subsidies to: Provinces and municipalities* in respect of transfers to uMhlabuyalingana, Jozini and Nkandla Municipalities for the appointment of staff for provincialised libraries under the Community Library Services grant. The municipalities experienced challenges with regard to the appointment of staff, and funds relating to the operational costs of these libraries were also not transferred as a result of the lengthy consultations. These funds were shifted as follows:
    - R2.113 million was shifted to *Compensation of employees* within the Community Library Services grant for the appointment of staff in respect of provincialised libraries, namely uMhlabuyalingana, Jozini and Nkandla, as mentioned above. The purpose of the funds remains unchanged.
    - R3.987 million was shifted to *Goods and services* for operational costs, such as municipal costs, stationery and printing of the above-mentioned provincialised libraries, namely uMhlabuyalingana, Jozini and Nkandla. The department will provide for these operational costs directly. The purpose of the funds remains unchanged.
- *Other adjustments*: R5 million, allocated as a transfer to the Alfred Duma Municipality in respect of the Music Academy in Ladysmith, was removed from the department's budget in 2018/19 due to the department deciding to implement this project directly as opposed to *via* the municipality in 2019/20. The department was unable to implement this project in 2018/19 as a result of capacity constraints within the department's infrastructure unit.

Table 15.16: Summary of transfers to local government

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts	Other adjustments		
A	KZN2000 eThekweni	87 212	-	-	-	-	-	87 212
<b>Total: Ugu Municipalities</b>		<b>22 730</b>	-	-	-	-	-	<b>22 730</b>
B	KZN212 uMdoni	8 539	-	-	-	-	-	8 539
B	KZN214 uMuziwabantu	1 591	-	-	-	-	-	1 591
B	KZN216 Ray Nkonyeni	12 600	-	-	-	-	-	12 600
<b>Total: uMgungundlovu Municipalities</b>		<b>34 915</b>	-	-	-	-	-	<b>34 915</b>
B	KZN221 uMshwathi	2 711	-	-	-	-	-	2 711
B	KZN222 uMngeni	3 938	-	-	-	-	-	3 938
B	KZN223 Mpofana	2 065	-	-	-	-	-	2 065
B	KZN224 iMpendle	1 873	-	-	-	-	-	1 873
B	KZN225 Msunduzi	20 000	-	-	-	-	-	20 000
B	KZN226 Mkhambathini	1 617	-	-	-	-	-	1 617
B	KZN227 Richmond	2 711	-	-	-	-	-	2 711
<b>Total: uThukela Municipalities</b>		<b>20 224</b>	-	-	-	(5 000)	(5 000)	<b>15 224</b>
B	KZN235 Okhahlamba	2 647	-	-	-	-	-	2 647
B	KZN237 iNkosi Langalibalele	5 987	-	-	-	-	-	5 987
B	KZN238 Alfred Duma	11 590	-	-	-	(5 000)	(5 000)	6 590
<b>Total: uMzinyathi Municipalities</b>		<b>11 103</b>	-	-	-	-	-	<b>11 103</b>
B	KZN241 eNdumeni	4 743	-	-	-	-	-	4 743
B	KZN242 Nquthu	3 234	-	-	-	-	-	3 234
B	KZN244 uMsinga	1 061	-	-	-	-	-	1 061
B	KZN245 uMvoti	2 065	-	-	-	-	-	2 065
<b>Total: Amajuba Municipalities</b>		<b>20 819</b>	-	-	-	-	-	<b>20 819</b>
B	KZN252 Newcastle	18 749	-	-	-	-	-	18 749
B	KZN253 eMahlangueni	1 035	-	-	-	-	-	1 035
B	KZN254 Dannhauser	1 035	-	-	-	-	-	1 035
<b>Total: Zululand Municipalities</b>		<b>13 656</b>	-	-	-	-	-	<b>13 656</b>
B	KZN261 eDumbe	2 770	-	-	-	-	-	2 770
B	KZN262 uPhongolo	2 070	-	-	-	-	-	2 070
B	KZN263 AbaQulusi	4 253	-	-	-	-	-	4 253
B	KZN265 Nongoma	1 591	-	-	-	-	-	1 591
B	KZN266 Ulundi	1 061	-	-	-	-	-	1 061
C	DC26 Zululand District Municipality	1 911	-	-	-	-	-	1 911
<b>Total: uMkhanyakude Municipalities</b>		<b>15 252</b>	-	-	(3 050)	-	(3 050)	<b>12 202</b>
B	KZN271 uMhlabuyalingana	3 398	-	-	(1 525)	-	(1 525)	1 873
B	KZN272 Jozini	5 787	-	-	(1 525)	-	(1 525)	4 262
B	KZN275 Mtubatuba	3 441	-	-	-	-	-	3 441
B	KZN276 Big Five Hlabisa	2 626	-	-	-	-	-	2 626
<b>Total: King Cetshwayo Municipalities</b>		<b>23 323</b>	-	-	(3 050)	-	(3 050)	<b>20 273</b>
B	KZN281 uMfolozi	2 626	-	-	-	-	-	2 626
B	KZN282 uMhlatuze	10 043	-	-	-	-	-	10 043
B	KZN284 uMlalazi	4 978	-	-	-	-	-	4 978
B	KZN285 Mthonjaneni	1 035	-	-	-	-	-	1 035
B	KZN286 Nkandla	4 641	-	-	(3 050)	-	(3 050)	1 591
<b>Total: iLembe Municipalities</b>		<b>12 614</b>	-	-	-	-	-	<b>12 614</b>
B	KZN291 Mandeni	3 661	-	-	-	-	-	3 661
B	KZN292 KwaDukuza	5 811	-	-	-	-	-	5 811
B	KZN293 Ndwedwe	1 617	-	-	-	-	-	1 617
B	KZN294 Maphumulo	1 525	-	-	-	-	-	1 525
<b>Total: Harry Gwala Municipalities</b>		<b>8 742</b>	-	-	(556)	-	(556)	<b>8 186</b>
B	KZN433 Greater Kokstad	2 070	-	-	-	-	-	2 070
B	KZN434 uBuhlebezwe	1 591	-	(556)	-	-	(556)	1 035
B	KZN435 uMzimkhulu	1 617	-	-	-	-	-	1 617
B	KZN436 Dr Nkosazana Dlamini Zuma	3 464	-	-	-	-	-	3 464
<b>Unallocated</b>		<b>-</b>	-	-	-	-	-	<b>-</b>
<b>Total</b>		<b>270 590</b>	-	-	(556)	(6 100)	(5 000)	<b>258 934</b>
<b>Amount to be voted</b>								<b>(11 656)</b>

Table 15.17: Transfers to local government - Operational costs of art centre

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts	Other adjustments		
<b>Total: Zululand Municipalities</b>		<b>1 911</b>	-	-	-	-	-	<b>1 911</b>
C	DC26 Zululand District Municipality	1 911	-	-	-	-	-	1 911
<b>Total</b>		<b>1 911</b>	-	-	-	-	-	<b>1 911</b>
<b>Amount to be voted</b>								<b>-</b>

Table 15.18 : Transfers to local government - Provincialisation of libraries

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts		
A KZN2000 eThekweni	75 420					-	75 420
<b>Total: Ugu Municipalities</b>	<b>18 436</b>	-	-	-	-	-	<b>18 436</b>
B KZN212 uMdoni	6 704					-	6 704
B KZN214 uMuziwabantu	838					-	838
B KZN216 Ray Nkonyeni	10 894					-	10 894
<b>Total: uMgungundlovu Municipalities</b>	<b>31 486</b>	-	-	-	-	-	<b>31 486</b>
B KZN221 uMshwathi	2 514					-	2 514
B KZN222 uMngeni	3 352					-	3 352
B KZN223 Mpofana	1 676					-	1 676
B KZN224 iMpindle	1 676					-	1 676
B KZN225 Msunduzi	18 916					-	18 916
B KZN226 Mkhambathini	838					-	838
B KZN227 Richmond	2 514					-	2 514
<b>Total: uThukela Municipalities</b>	<b>11 732</b>	-	-	-	-	-	<b>11 732</b>
B KZN235 Okhahlamba	1 676					-	1 676
B KZN237 iNkosi Langalibalele	5 028					-	5 028
B KZN238 Alfred Duma	5 028					-	5 028
<b>Total: uMzinyathi Municipalities</b>	<b>7 542</b>	-	-	-	-	-	<b>7 542</b>
B KZN241 eNdumeni	3 352					-	3 352
B KZN242 Nquthu	1 676					-	1 676
B KZN244 uMsinga	838					-	838
B KZN245 uMvoti	1 676					-	1 676
<b>Total: Amajuba Municipalities</b>	<b>7 910</b>	-	-	-	-	-	<b>7 910</b>
B KZN252 Newcastle	6 234					-	6 234
B KZN253 eMadlangeni	838					-	838
B KZN254 Dannhauser	838					-	838
<b>Total: Zululand Municipalities</b>	<b>8 139</b>	-	-	-	-	-	<b>8 139</b>
B KZN261 eDumbe	1 676					-	1 676
B KZN262 uPhongolo	1 676					-	1 676
B KZN263 AbaQulusi	3 111					-	3 111
B KZN265 Nongoma	838					-	838
B KZN266 Ulundi	838					-	838
<b>Total: uMkhanyakude Municipalities</b>	<b>7 237</b>	-	-	-	-	-	<b>7 237</b>
B KZN271 uMhlabyalingana	1 676					-	1 676
B KZN272 Jozini	838					-	838
B KZN275 Mtubatuba	3 047					-	3 047
B KZN276 Big Five Hlabisa	1 676					-	1 676
<b>Total: King Cetshwayo Municipalities</b>	<b>15 817</b>	-	-	-	-	-	<b>15 817</b>
B KZN281 uMfolozi	1 676					-	1 676
B KZN282 uMhlatuze	8 275					-	8 275
B KZN284 uMlalazi	4 190					-	4 190
B KZN285 iMthonjaneni	838					-	838
B KZN286 Nkandla	838					-	838
<b>Total: iLembe Municipalities</b>	<b>8 380</b>	-	-	-	-	-	<b>8 380</b>
B KZN291 Mandeni	2 514					-	2 514
B KZN292 KwaDukuza	5 028					-	5 028
B KZN293 Ndwedwe	838					-	838
<b>Total: Harry Gwala Municipalities</b>	<b>5 866</b>	-	-	-	-	-	<b>5 866</b>
B KZN433 Greater Kokstad	1 676					-	1 676
B KZN434 uBuhlebezwe	838					-	838
B KZN435 uMzimkhulu	838					-	838
B KZN436 Dr Nkosazana Dlamini Zuma	2 514					-	2 514
<b>Total</b>	<b>197 965</b>	-	-	-	-	-	<b>197 965</b>
Amount to be voted							-

Table 15.19 : Transfers to local government - Museum subsidies

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts		
A KZN2000 eThekweni	5 097					-	5 097
<b>Total: Ugu Municipalities</b>	<b>368</b>	-	-	-	-	-	<b>368</b>
B KZN216 Ray Nkonyeni	368					-	368
<b>Total: uMgungundlovu Municipalities</b>	<b>825</b>	-	-	-	-	-	<b>825</b>
B KZN222 uMngeni	192					-	192
B KZN223 Mpofana	192					-	192
B KZN225 Msunduzi	441					-	441
<b>Total: uThukela Municipalities</b>	<b>752</b>	-	-	-	-	-	<b>752</b>
B KZN235 Okhahlamba	192					-	192
B KZN237 iNkosi Langalibalele	368					-	368
B KZN238 Alfred Duma	192					-	192
<b>Total: uMzinyathi Municipalities</b>	<b>633</b>	-	-	-	-	-	<b>633</b>
B KZN241 eNdumeni	441					-	441
B KZN245 uMvoti	192					-	192
<b>Total: Amajuba Municipalities</b>	<b>368</b>	-	-	-	-	-	<b>368</b>
B KZN252 Newcastle	368					-	368
<b>Total: Zululand Municipalities</b>	<b>192</b>	-	-	-	-	-	<b>192</b>
B KZN263 AbaQulusi	192					-	192
<b>Total: King Cetshwayo Municipalities</b>	<b>560</b>	-	-	-	-	-	<b>560</b>
B KZN282 uMhlatuze	192					-	192
B KZN284 uMlalazi	368					-	368
<b>Total: iLembe Municipalities</b>	<b>192</b>	-	-	-	-	-	<b>192</b>
B KZN292 KwaDukuza	192					-	192
<b>Total</b>	<b>8 987</b>	-	-	-	-	-	<b>8 987</b>
Amount to be voted							-

Vote 15: Arts and Culture

Table 15.20 : Transfers to local government - Music Academy in Ladysmith

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts		
<b>Total: uThukela Municipalities</b>	<b>5 000</b>	-	-	-	-	<b>(5 000)</b>	-
B KZN238 Alfred Duma	5 000					(5 000)	-
<b>Total</b>	<b>5 000</b>	-	-	-	-	<b>(5 000)</b>	-
<b>Amount to be voted</b>							<b>(5 000)</b>

Table 15.21 : Transfers to local government - Community Library Services grant

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts		
<b>A KZN2000 eThekweni</b>	<b>6 695</b>					-	<b>6 695</b>
<b>Total: Ugu Municipalities</b>	<b>3 926</b>	-	-	-	-	-	<b>3 926</b>
B KZN212 uMdoni	1 835					-	1 835
B KZN214 uMuziwabantu	753					-	753
B KZN216 Ray Nkonyeni	1 338					-	1 338
<b>Total: uMgungundlovu Municipalities</b>	<b>2 604</b>	-	-	-	-	-	<b>2 604</b>
B KZN221 uMshwathi	197					-	197
B KZN222 uMngeni	394					-	394
B KZN223 Mpofana	197					-	197
B KZN224 iMpindle	197					-	197
B KZN225 Msunduzi	643					-	643
B KZN226 Mkhambathini	779					-	779
B KZN227 Richmond	197					-	197
<b>Total: uThukela Municipalities</b>	<b>2 740</b>	-	-	-	-	-	<b>2 740</b>
B KZN235 Okhahlamba	779					-	779
B KZN237 iNkosi Langalibalele	591					-	591
B KZN238 Alfred Duma	1 370					-	1 370
<b>Total: uMzinyathi Municipalities</b>	<b>2 928</b>	-	-	-	-	-	<b>2 928</b>
B KZN241 eNdameni	950					-	950
B KZN242 Nquthu	1 558					-	1 558
B KZN244 uMsinga	223					-	223
B KZN245 uMvoti	197					-	197
<b>Total: Amajuba Municipalities</b>	<b>12 541</b>	-	-	-	-	-	<b>12 541</b>
B KZN252 Newcastle	12 147					-	12 147
B KZN253 eMadlangeni	197					-	197
B KZN254 Dannhauser	197					-	197
<b>Total: Zululand Municipalities</b>	<b>3 414</b>	-	-	-	-	-	<b>3 414</b>
B KZN261 eDumbe	1 094					-	1 094
B KZN262 uPhongolo	394					-	394
B KZN263 AbaQulusi	950					-	950
B KZN265 Nongoma	753					-	753
B KZN266 Ulundi	223					-	223
<b>Total: uMkhanyakude Municipalities</b>	<b>8 015</b>	-	-	-	<b>(3 050)</b>	<b>(3 050)</b>	<b>4 965</b>
B KZN271 uMhlabuyalingana	1 722				(1 525)	(1 525)	197
B KZN272 Jozini	4 949				(1 525)	(1 525)	3 424
B KZN275 Mtubatuba	394					-	394
B KZN276 Big Five Hlabisa	950					-	950
<b>Total: King Cetshwayo Municipalities</b>	<b>6 946</b>	-	-	-	<b>(3 050)</b>	<b>(3 050)</b>	<b>3 896</b>
B KZN281 uMfolozi	950					-	950
B KZN282 uMhlatuze	1 576					-	1 576
B KZN284 uMlalazi	420					-	420
B KZN285 Mthonjaneni	197					-	197
B KZN286 Nkandla	3 803				(3 050)	(3 050)	753
<b>Total: iLembe Municipalities</b>	<b>4 042</b>	-	-	-	-	-	<b>4 042</b>
B KZN291 Mandeni	1 147					-	1 147
B KZN292 KwaDukuza	591					-	591
B KZN293 Ndwedwe	779					-	779
B KZN294 Maphumulo	1 525					-	1 525
<b>Total: Harry Gwala Municipalities</b>	<b>2 876</b>	-	-	<b>(556)</b>	-	<b>(556)</b>	<b>2 320</b>
B KZN433 Greater Kokstad	394					-	394
B KZN434 uBuhlebezwe	753			(556)		(556)	197
B KZN435 uMzimkhulu	779					-	779
B KZN436 Dr Nkosazana Dlamini Zuma	950					-	950
<b>Unallocated</b>							-
<b>Total</b>	<b>56 727</b>	-	-	<b>(556)</b>	<b>(6 100)</b>	<b>(6 656)</b>	<b>50 071</b>
<b>Amount to be voted</b>							<b>(6 656)</b>

## 11. Actual payments and revised spending projections for the rest of 2018/19

Tables 15.22 and 15.23 reflect actual payments as at the end of September 2018, projected payments for the rest of the financial year in Rand value and as a percentage of the Adjusted appropriation and the total revised spending. The tables also show the 2017/18 Audited outcome. As at mid-year, the Vote as a whole is projecting to fully spend its budget by year-end.

**Table 15.22 : Actual payments and revised spending projections by programme**

R thousand	2017/18 Audited outcome	Adjusted appropriation	Actual payments		Projected payments		Projected actual
			April 2018 - September 2018	% of budget	October 2018 - March 2019	% of budget	
1. Administration	145 196	152 967	66 231	43.3	86 736	56.7	152 967
2. Cultural Affairs	228 017	241 520	107 976	44.7	133 544	55.3	241 520
3. Library and Archive Services	445 351	478 015	167 447	35.0	310 568	65.0	478 015
<b>Total</b>	<b>818 564</b>	<b>872 502</b>	<b>341 654</b>	<b>39.2</b>	<b>530 848</b>	<b>60.8</b>	<b>872 502</b>

**Table 15.23 : Actual payments and revised spending projections by economic classification**

R thousand	2017/18 Audited outcome	Adjusted appropriation	Actual payments		Projected payments		Projected actual
			April 2018 - September 2018	% of budget	October 2018 - March 2019	% of budget	
<b>Current payments</b>	<b>464 615</b>	<b>449 056</b>	<b>200 902</b>	<b>44.7</b>	<b>248 154</b>	<b>55.3</b>	<b>449 056</b>
Compensation of employees	214 857	233 714	109 740	47.0	123 974	53.0	233 714
Goods and services	249 631	215 342	91 162	42.3	124 180	57.7	215 342
Interest and rent on land	127	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>247 544</b>	<b>333 478</b>	<b>114 577</b>	<b>34.4</b>	<b>218 901</b>	<b>65.6</b>	<b>333 478</b>
Provinces and municipalities	200 936	259 134	85 402	33.0	173 732	67.0	259 134
Departmental agencies and accounts	8 174	8 657	4 329	50.0	4 328	50.0	8 657
Higher education institutions	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-
Public corporations and private enterprises	9 045	33 200	9 500	28.6	23 700	71.4	33 200
Non-profit institutions	26 995	29 380	13 995	47.6	15 385	52.4	29 380
Households	2 394	3 107	1 351	43.5	1 756	56.5	3 107
<b>Payments for capital assets</b>	<b>105 279</b>	<b>89 968</b>	<b>26 133</b>	<b>29.0</b>	<b>63 835</b>	<b>71.0</b>	<b>89 968</b>
Buildings and other fixed structures	92 505	76 253	22 218	29.1	54 035	70.9	76 253
Machinery and equipment	12 474	13 715	3 915	28.5	9 800	71.5	13 715
Heritage assets	300	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>1 126</b>	<b>-</b>	<b>42</b>	<b>-</b>	<b>(42)</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>818 564</b>	<b>872 502</b>	<b>341 654</b>	<b>39.2</b>	<b>530 848</b>	<b>60.8</b>	<b>872 502</b>

The department spent 39.2 per cent of its annual budget by mid-year. This is significantly lower than the straight-line benchmark of 50 per cent, despite the suspension of R91 million to 2019/20 in respect of the Archive Repository, Winston Churchill Theatre, Music Academy and Osizweni Art Centre, as mentioned previously. The department is projecting to remain within budget at year-end. All programmes, as well as all economic categories, are projecting a balanced budget at year-end, after taking into account the roll-over of R931 000 and suspension of R91 million in the Adjustments Estimate.



Table 15.A : Summary by economic classification : Arts and Culture

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts			Other adjustments
<b>Current payments</b>	<b>450 893</b>	-	-	<b>(7 937)</b>	<b>6 100</b>	-	<b>(1 837)</b>	<b>449 056</b>
Compensation of employees	233 508	-	-	(1 907)	2 113	-	206	233 714
Salaries and wages	203 823	-	-	(1 907)	2 113	-	206	204 029
Social contributions	29 685	-	-	-	-	-	-	29 685
Goods and services	217 385	-	-	(6 030)	3 987	-	(2 043)	215 342
Administrative fees	674	-	-	-	-	-	-	674
Advertising	4 676	-	-	(300)	-	-	(300)	4 376
Minor assets	29 736	-	-	500	-	-	500	30 236
Audit cost: External	4 410	-	-	430	-	-	430	4 840
Bursaries: Employees	232	-	-	-	-	-	-	232
Catering: Departmental activities	1 959	-	-	212	-	-	212	2 171
Communication (G&S)	6 240	-	-	200	500	-	700	6 940
Computer services	19 725	-	-	(1 215)	657	-	(558)	19 167
Cons. & prof serv: Business and advisory services	3 133	-	-	380	-	-	380	3 513
Infrastructure and planning	250	-	-	(250)	-	-	(250)	-
Laboratory services	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-
Legal costs	221	-	-	-	-	-	-	221
Contractors	15 003	-	-	1 143	-	-	1 143	16 146
Agency and support / outsourced services	14 865	-	-	-	-	-	-	14 865
Entertainment	274	-	-	-	-	-	-	274
Fleet services (incl gov't motor transport)	3 311	-	-	(104)	500	-	396	3 707
Housing	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	150	-	-	-	-	-	-	150
Inventory: Materials and supplies	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-
Consumable supplies	12 250	-	-	(970)	244	-	(726)	11 524
Consumable: Stationery, printing and office supplies	8 122	-	-	(1 092)	586	-	(506)	7 616
Operating leases	14 673	-	-	-	500	-	500	15 173
Property payments	14 900	-	-	(357)	500	-	143	15 043
Transport provided: Departmental activity	17 210	-	-	(12)	-	-	(12)	17 198
Travel and subsistence	20 009	-	-	(100)	-	-	(100)	19 909
Training and development	4 092	-	-	(216)	-	-	(216)	3 876
Operating payments	2 161	-	-	-	500	-	500	2 661
Venues and facilities	7 482	-	-	(3 789)	-	-	(3 789)	3 693
Rental and hiring	11 627	-	-	(490)	-	-	(490)	11 137
Interest and rent on land	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to</b>	<b>337 212</b>	<b>931</b>	-	<b>6 435</b>	<b>(6 100)</b>	<b>(5 000)</b>	<b>(3 734)</b>	<b>333 478</b>
Provinces and municipalities	270 790	-	-	(556)	(6 100)	(5 000)	(11 656)	259 134
Provinces	200	-	-	-	-	-	-	200
Provincial Revenue Funds	-	-	-	-	-	-	-	-
Provincial agencies and funds	200	-	-	-	-	-	-	200
Municipalities	270 590	-	-	(556)	(6 100)	(5 000)	(11 656)	258 934
Municipalities	270 590	-	-	(556)	(6 100)	(5 000)	(11 656)	258 934
Municipal agencies and funds	-	-	-	-	-	-	-	-
Departmental agencies and accounts	8 657	-	-	-	-	-	-	8 657
Social security funds	-	-	-	-	-	-	-	-
Entities receiving funds	8 657	-	-	-	-	-	-	8 657
Higher education institutions	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	28 400	-	-	4 800	-	-	4 800	33 200
Public corporations	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Private enterprises	28 400	-	-	4 800	-	-	4 800	33 200
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	28 400	-	-	4 800	-	-	4 800	33 200
Non-profit institutions	28 165	931	-	284	-	-	1 215	29 380
Households	1 200	-	-	1 907	-	-	1 907	3 107
Social benefits	-	-	-	577	-	-	577	577
Other transfers to households	1 200	-	-	1 330	-	-	1 330	2 530
<b>Payments for capital assets</b>	<b>174 466</b>	-	-	<b>1 502</b>	-	<b>(86 000)</b>	<b>(84 498)</b>	<b>89 968</b>
Buildings and other fixed structures	166 324	-	-	(4 071)	-	(86 000)	(90 071)	76 253
Buildings	166 324	-	-	(4 071)	-	(86 000)	(90 071)	76 253
Other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	8 142	-	-	5 573	-	-	5 573	13 715
Transport equipment	-	-	-	490	-	-	490	490
Other machinery and equipment	8 142	-	-	5 083	-	-	5 083	13 225
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-
<b>Total</b>	<b>962 571</b>	<b>931</b>	-	-	-	<b>(91 000)</b>	<b>(90 069)</b>	<b>872 502</b>
<b>Amount to be voted</b>								<b>(90 069)</b>