

# Vote 15

## Arts and Culture

R thousand	2017/18			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Operational budget	872 166	836 912	(35 254)	
MEC remuneration <sup>1</sup>	1 902	1 902		
<b>Total amount to be appropriated</b>	<b>874 068</b>	<b>838 814</b>	<b>(35 254)</b>	
<i>of which:</i>				
Current payments	464 689	466 409		1 720
Transfers and subsidies	252 243	249 948	(2 295)	
Payments for capital assets	157 136	122 457	(34 679)	
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 KwaZulu-Natal 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.

<sup>1</sup> At the time of going to print, the proclamation determining the 2017 salary adjustment relating to public office bearers had not been signed, hence this amount remains unchanged from the 2017/18 EPRE.

### 3. Summary of adjusted estimates for the 2017/18 financial year

The main appropriation of the Department of Arts and Culture was R874.068 million as per the 2017/18 EPRE. During the year, the department's main appropriation was reduced by R35.254 million to R838.814 million.

The main adjustments are summarised below and detailed in Section 4:

- *Roll-overs:* The department received a roll-over of R14.127 million in respect of the Community Library Services grant (R9.878 million) under Programme 3: Library and Archive Services and the equitable share (R4.249 million) against Programme 2: Cultural Affairs. It is noted that the conditional grant roll-over is reflected as a provincial roll-over, as the unspent funds were not surrendered to National Treasury. The roll-over was allocated for the following:
  - R2 million for the feasibility study of the Archive Repository against Programme 3 under *Buildings and other fixed structures*.
  - R1.519 million under Programmes 2 and 3 against *Transfers and subsidies to: Provinces and municipalities* for transfers to the Msunduzi Municipality (R400 000) and Nquthu Municipality (R1.119 million) in respect of the staffing and operational costs of the Tatham Art Gallery and provincialisation funds.
  - R650 000 against Programme 2 under *Transfers and subsidies to: Public corporations and private enterprises* in respect of transfers to the Umgababa Youth Festival (R250 000) and the Gumba Festival (R400 000).
  - R80 000 against Programme 2 under *Transfers and subsidies to: Non-profit institutions* in respect of Love to Live.
  - R908 000 against Programme 3 in respect of the Community Library Services grant for staffing and operational costs of libraries in the Nquthu Municipality under *Transfers and subsidies to: Provinces and municipalities*.
  - R8.970 million was approved as a roll-over under Programme 3 against *Buildings and other fixed structures* for committed funding under the Community Library Services grant in respect of the supply and erection of modular libraries in areas such as Bhekuzulu, Ndwedwe, Bulwer, uMzimkhulu and Nquthu. Prior to the notification of the receipt of the roll-over, though, the department used the Community Library Services grant allocation to pay for the supply and erection of these modular libraries and therefore requested to change the purpose of the roll-over to procurement of e-learning kiosks, Information Communication Technology (ICT), library books, and furnishing the libraries under *Goods and services* (R7.470 million) and *Machinery and equipment* (R1.500 million) within Programme 3. The department obtained approval from the National Department of Arts and Culture (NDAC) in respect of the change in purpose.
- *Virement between programmes:* The department moved R2.119 million from Programme 3 under *Compensation of employees* (R1.969 million) and *Goods and services* (R150 000) due to non-filling of budgeted critical vacant posts, such as the Chief Director: Library, Archives and Museums, Deputy Director: Planning, Research and Promotions and Deputy Director: Library Services, as a result of lengthy internal recruitment processes. These funds were moved to Programme 2 under *Goods and services* to fund projects/programmes for empowering artists, such as hosting of art exhibitions and talent scouting.

In addition to this virement between programmes, the department undertook virements across sub-programmes and economic categories within programmes. Details of these virements are provided per programme in Section 4. All of these virements are permissible in terms of the PFMA and Treasury Regulations, though the virements undertaken within Programme 3 under the Community Library Services grant required NDAC approval, as this constituted a change to the business plan. The department received approval from NDAC for the change in the business plan.

It is noted that several virements undertaken within the programmes require Legislature approval and these are highlighted in grey shading in Section 4.

- *Shift*: An amount of R2.800 million was shifted from *Goods and services* to *Buildings and other fixed structures* within Programme 2 in respect of installation of exhibition and cabinet stands at the Maritime Museum in Port Shepstone. The Maritime Museum was completed in 2016/17, however, the installation of these fixtures was budgeted for in 2017/18 under *Goods and services*. Due to the fixtures being capital in nature, the department moved these funds to *Buildings and other fixed structures*. The purpose of the funds remains unchanged.
- *Other adjustments*: The department's budget was decreased by R49.381 million as follows:
  - o The allocation for the Arts and Culture Academy was reduced by R33.500 million. This was due to the department's request for a change in purpose and re-scheduling of these funds, taking into account that the cost of constructing the academy far exceeded the original amount requested. The department requested that R20.500 million of the funds be used for the refurbishment of the Winston Churchill Theatre in Pietermaritzburg, and that R13 million be allocated toward the development of a Music Academy in Ladysmith, which is a project to be jointly undertaken with the Department of Economic Development, Tourism and Environmental Affairs (EDTEA). The department only required R2 million for 2017/18 to be used for the refurbishment of the Winston Churchill Theatre against Programme 2 under *Buildings and other fixed structures*. The balance of the funds are removed from the department's budget in 2017/18 and R31.500 million will be re-allocated in 2018/19 in respect of the refurbishment of the Winston Churchill Theatre and the establishment of the Music Academy.
  - o The allocation for the Archive Repository was reduced by R20.881 million and R3 million was allocated back to the department for the feasibility study of the repository due to the department requesting for the re-scheduling of these funds in line with project requirements. The total amount allocated for the feasibility study is R5 million, as the balance of R2 million is funded by the approved roll-over, as mentioned. These funds are allocated under Programme 3 against *Buildings and other fixed structures*. The balance of the reduction of R17.881 million relating to the Archive Repository will be allocated back to the department in the 2018/19 MTEF.

Legislature approval is required for the change in purpose of the Arts and Culture Academy funds in line with Section 43 (4)(a) of the PFMA, as these funds were specifically and exclusively appropriated for that purpose. The resultant decrease in *Buildings and other fixed structures* also requires Legislature approval. In addition, the decrease and re-scheduling of the Archive Repository funding requires Legislature approval, as these funds were specifically and exclusively appropriated in the 2017 Main Appropriation Act.

Tables 15.1 and 15.2 reflect the summary of the 2017/18 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	149 387	-	-	-	-	-	-	149 387
2. Cultural Affairs	263 350	1 130	-	2 119	-	(31 500)	(28 251)	235 099
3. Library and Archive Services	461 331	12 997	-	(2 119)	-	(17 881)	(7 003)	454 328
<b>Total</b>	<b>874 068</b>	<b>14 127</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(49 381)</b>	<b>(35 254)</b>	<b>838 814</b>
Amount to be voted								<b>(35 254)</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>464 689</b>	<b>7 470</b>	<b>-</b>	<b>(2 950)</b>	<b>(2 800)</b>	<b>-</b>	<b>1 720</b>	<b>466 409</b>
Compensation of employees	227 940	-	-	(12 881)	-	-	(12 881)	215 059
Goods and services	236 749	7 470	-	9 931	(2 800)	-	14 601	251 350
Interest and rent on land	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>252 243</b>	<b>3 157</b>	<b>-</b>	<b>(5 452)</b>	<b>-</b>	<b>-</b>	<b>(2 295)</b>	<b>249 948</b>
Provinces and municipalities	210 582	2 427	-	(12 000)	-	-	(9 573)	201 009
Departmental agencies and accounts	8 174	-	-	-	-	-	-	8 174
Higher education institutions	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	4 805	650	-	4 850	-	-	5 500	10 305
Non-profit institutions	27 682	80	-	1 331	-	-	1 411	29 093
Households	1 000	-	-	367	-	-	367	1 367
<b>Payments for capital assets</b>	<b>157 136</b>	<b>3 500</b>	<b>-</b>	<b>8 402</b>	<b>2 800</b>	<b>(49 381)</b>	<b>(34 679)</b>	<b>122 457</b>
Buildings and other fixed structures	151 864	2 000	-	2 520	2 800	(49 381)	(42 061)	109 803
Machinery and equipment	5 272	1 500	-	5 882	-	-	7 382	12 654
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>874 068</b>	<b>14 127</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(49 381)</b>	<b>(35 254)</b>	<b>838 814</b>
<b>Amount to be voted</b>								<b>(35 254)</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 2017/18.

However, there were minor discrepancies between the department's 2017/18 APP and the tabled *EPRE*. When the *EPRE* was finalised, the department was still in the process of finalising the APP, therefore the wording of some performance indicators is different from the wording in the *EPRE*. This is now corrected.

##### 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 2017/18 adjusted appropriation of Programme 1: Administration, summarised according to sub-programme and economic classification.

Details of the main adjustments, which resulted in no change to the main appropriation, are provided in the paragraphs following 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	15 989	-	-	5 800	-	-	5 800	21 789
2. Corporate Services	133 398	-	-	(5 800)	-	-	(5 800)	127 598
<b>Total</b>	<b>149 387</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>149 387</b>
<b>Amount to be voted</b>								<b>-</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>	147 965	-	-	(1 910)	-	(1 910)	146 055
Compensation of employees	80 341			(5 174)		(5 174)	75 167
Goods and services	67 624			3 264		3 264	70 888
Interest and rent on land						-	-
<b>Transfers and subsidies to:</b>	1 190	-	-	224	-	224	1 414
Provinces and municipalities	190					-	190
Departmental agencies and accounts						-	-
Higher education institutions						-	-
Foreign governments and international organisations						-	-
Public corporations and private enterprises						-	-
Non-profit institutions						-	-
Households	1 000			224		224	1 224
<b>Payments for capital assets</b>	232	-	-	1 686	-	1 686	1 918
Buildings and other fixed structures						-	-
Machinery and equipment	232			1 686		1 686	1 918
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>	149 387	-	-	-	-	-	149 387
<b>Amount to be voted</b>							-

### Virement – Programme 1: Administration

The following virements were undertaken which affected the two sub-programmes, which resulted in no change to the main appropriation of Programme 1:

- R5.174 million was moved from *Compensation of employees* under the Corporate Services sub-programme due to delays in filling budgeted critical vacant posts as a result of lengthy internal recruitment processes. These posts include the Director: Internal Control and Risk Management and Deputy Director: Supply Chain Management. These funds were moved as follows:
  - R3.264 million was moved to *Goods and services* in respect of the operational costs for the Office of the MEC, such as travelling and accommodation for the MEC and her staff in the execution of the mandates of both departments that fall under the MEC, namely the Departments of Arts and Culture and Sport and Recreation.
  - R224 000 was moved to *Transfers and subsidies to: Households* to cater for higher than budgeted staff exit costs.
  - R1.686 million was moved to *Machinery and equipment* for the purchase of new motor vehicles for the ministry.

In addition to the above, several virements were undertaken across sub-programmes within economic classifications. 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.

Tables 15.5 and 15.6 reflect a summary of the 2017/18 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 R28.251 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		
1. Management	4 586					-	4 586
2. Arts and Culture	210 132	730		2 119		(31 500)	181 481
3. Museum Services	31 923	400				400	32 323
4. Language Services	16 709					-	16 709
<b>Total</b>	<b>263 350</b>	<b>1 130</b>	<b>-</b>	<b>2 119</b>	<b>-</b>	<b>(31 500)</b>	<b>235 099</b>
<b>Amount to be voted</b>							<b>(28 251)</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>172 092</b>	<b>-</b>	<b>-</b>	<b>(6 905)</b>	<b>(2 800)</b>	<b>-</b>	<b>(9 705)</b>	<b>162 387</b>
Compensation of employees	73 145			(5 722)			(5 722)	67 423
Goods and services	98 947			(1 183)	(2 800)		(3 983)	94 964
Interest and rent on land							-	-
<b>Transfers and subsidies to:</b>	<b>49 533</b>	<b>1 130</b>	<b>-</b>	<b>5 308</b>	<b>-</b>	<b>-</b>	<b>6 438</b>	<b>55 971</b>
Provinces and municipalities	11 469	400		(1 000)			(600)	10 869
Departmental agencies and accounts	8 174						-	8 174
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises	4 805	650		4 850			5 500	10 305
Non-profit institutions	25 085	80		1 331			1 411	26 496
Households				127			127	127
<b>Payments for capital assets</b>	<b>41 725</b>	<b>-</b>	<b>-</b>	<b>3 716</b>	<b>2 800</b>	<b>(31 500)</b>	<b>(24 984)</b>	<b>16 741</b>
Buildings and other fixed structures	40 883			2 520	2 800	(31 500)	(26 180)	14 703
Machinery and equipment	842			1 196			1 196	2 038
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>263 350</b>	<b>1 130</b>	<b>-</b>	<b>2 119</b>	<b>-</b>	<b>(31 500)</b>	<b>(28 251)</b>	<b>235 099</b>
<b>Amount to be voted</b>							<b>(28 251)</b>	

### Roll-overs – Programme 2: Cultural Affairs: R1.130 million

The department received an equitable share roll-over of R1.130 million from 2016/17 for the following:

- R400 000 relating to the transfer to the Msunduzi Municipality in respect of staffing and operational costs of the Tatham Art Gallery under the sub-programme: Museum Services against *Transfers and subsidies to: Provinces and municipalities*.
- R650 000 against the sub-programme: Arts and Culture under *Transfers and subsidies to: Public corporations and private enterprises* in respect of transfers to the Umgababa Youth Festival (R250 000) and the Gumba Festival (R400 000).
- R80 000 under the sub-programme: Arts and Culture against *Transfers and subsidies to: Non-profit institutions* for transfers to Love to Live.

### Virement – Programme 2: Cultural Affairs: R2.119 million

The following virements were undertaken which affected the Arts and Culture sub-programme, and resulted in a net increase of R2.119 million in respect of Programme 2:

- R2.119 million was moved from Programme 3 under *Compensation of employees* (R1.969 million) and *Goods and services* (R150 000) due to non-filling of budgeted critical vacant posts, as mentioned previously, because of lengthy internal recruitment processes. These funds were moved to the Arts and Culture sub-programme in Programme 2 under *Goods and services* to fund various projects aimed at empowering artists, such as hosting of art exhibitions and talent scouting.

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

- R5.722 million was moved from *Compensation of employees* due to the non-filling of budgeted vacant posts, such as Director: Arts Development, because of lengthy internal recruitment processes.
- R3.302 million was moved from *Goods and services* due to enforced savings, mainly in respect of artists contracted for various events.
- R1 million was moved from *Transfers and subsidies to: Provinces and municipalities* against the eThekweni Metro in respect of transfers to the Stable Theatre. The Stable Theatre did not comply with the departmental transfer policy, such as the submission of close-out reports.

The total savings of R10.024 million were moved as follows:

- R4.850 million was moved to *Transfers and subsidies to: Public corporations and private enterprises* for the introduction of various transfers, including MPF Production for hosting the Amasiko Ehlangene (R4 million), the PMB Jazz Festival (R500 000) and the KZN Imbizo (R350 000). The KZN Imbizo is an annual international music business conference and exhibition.
- R1.331 million was moved to *Transfers and subsidies to: Non-profit institutions* in respect of the introduction of new transfers to the Bhodloza Talent Development Programme (R1 million), Natya Ananda Fine Arts (R150 000), as well as an increase to museum subsidies (R181 000) for transfer to the Prince Mangosuthu Buthelezi Museum and Documentation Centre. The Bhodloza Talent Development Programme focuses on music talent scouting, identification and development. The funds will be used for organising and hosting auditions. The transfer to Natya Ananda Fine Arts is in respect of a tour undertaken by a classical dance artist.
- R127 000 was moved to *Transfers and subsidies to: Households* for staff exit costs.
- R2.520 million was moved to *Buildings and other fixed structures* for the refurbishment of the Gerhard Bhengu Museum, Mooi River Museum, and the installation of exhibition and cabinet fixtures at the Maritime Museum.
- R1.196 million was moved to *Machinery and equipment* for the purchase of new motor vehicles.

All of these virements are permissible in terms of the PFMA and the Treasury Regulations. Treasury approval was obtained for the introduction and increase in *Transfers and subsidies to: Public corporations and private enterprises* and *Transfers and subsidies to: Non-profit institutions*.

Legislature approval is required for the decrease of R1 million against *Transfers and subsidies to: Provinces and municipalities* relating to the transfer to the eThekweni Metro for the Stable Theatre.

### Shift – Programme 2: Cultural Affairs

An amount of R2.800 million was shifted from *Goods and services* to *Buildings and other fixed structures* for the installation of exhibition and cabinet fixtures at the Maritime Museum in Port Shepstone. The Maritime Museum was completed in 2016/17, but the installation of these fixtures was budgeted for in 2017/18 under *Goods and services*. Due to the fixtures being capital in nature, these funds were moved to *Buildings and other fixed structures*. The purpose of the funds remains unchanged.

### Other adjustments – Programme 2: Cultural Affairs: (R31.500 million)

The allocation for the Arts and Culture Academy was reduced by R33.500 million, due to the department's request for a change in purpose and re-scheduling of these funds, taking into account that the cost of constructing the academy far exceeded the original amount requested. The department only required R2 million for 2017/18 for the refurbishment of the Winston Churchill Theatre against *Buildings and other fixed structures*. The balance of the funds are removed from the department's budget in 2017/18 and R31.500 million will be re-allocated in 2018/19 in respect of the refurbishment of the Winston Churchill Theatre and the establishment of a Music Academy in Ladysmith.

Legislature approval is required for the change in purpose of the Arts and Culture Academy funds in line with Section 43 (4)(a) of the PFMA, as these funds were specifically and exclusively appropriated. Also, the decrease in *Buildings and other fixed structures* requires Legislature approval.

**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 is largely aligned to the information contained in the *EPRE*.

The wording of several performance indicators has been revised to be aligned to the APP, as shown in bold italics.

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

Outputs	Performance indicators	Performance targets		
		2017/18 Original target	2017/18 Mid-year actual	2017/18 Revised target
<b>1. Arts and Culture</b>				
1.1 To implement interventions that advance arts, culture and heritage industry in KZN contributing to job creation and poverty alleviation	• No. of SLAs for cultural institutions and art centres provided with financial resources	20	15	
	• No. of SMMEs funded	18	-	
	• No. of arts and culture structures provided with administrative services	29	2	
	• No. of practitioners benefitting from capacity building opportunities ( <i>sector specific</i> )	2 250	-	
	• No. of EPWP job opportunities created per annum	200	165	
	• No. of awareness/promotional projects rolled out to communities	54	50	
	• No. of research projects conducted on cultural practices	2	-	
1.2 To advance the 2063 Africa Agenda to achieve a socially cohesive society	• No. of arts, culture and heritage festivals hosted to promote social cohesion and nation building	73	30	
	• No. of community conversations conducted	12	8	
	• No. of provincial Social Cohesion Summits hosted	1	1	
1.3 To contribute to quality of education in the arts, culture and heritage sector	• No. of artists placed in schools	180	-	
<b>2. Language Services</b>				
2.1 To promote multilingualism and redress past linguistic imbalances	• No. of language co-ordinating structures <i>provided with financial resources and administrative services</i>	5	-	
	• No. of literary exhibitions conducted	1	-	
	• No. of pages translated into and/or edited in the relevant languages of the province	2 320	1 542	
	• No. of interpreting services provided into the relevant languages of the province including sign language	20	29	
	• No. govt institutions assisted toward the development of institutional language policies	7	4	
	• No. of technical term lists developed	2	1	
	• No. of multilingualism promotion projects hosted	4	-	
<b>3. Museum Services</b>				
3.1 To provide museum services to drive the transformation agenda	• No. of community outreach programmes <i>in libraries, museums and archives conducted</i>	118	74	
	• No. of training sessions offered to museums	2	1	
	• No. of collection items digitised	3 000	1 549	
	• No. of museums renovated	2	-	
	• No. of exhibitions/displays staged	3	-	
	• No. of geographical names submitted to the KZN Provincial Geographic Naming Committee	105	32	

**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 2017/18 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 R7.003 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	1 641						-	1 641
2. Library Services	233 182	1 119					1 119	234 301
3. Archives	53 415	2 000		(2 119)		(17 881)	(18 000)	35 415
4. Community Library Services grant	173 093	9 878					9 878	182 971
<b>Total</b>	<b>461 331</b>	<b>12 997</b>	<b>-</b>	<b>(2 119)</b>	<b>-</b>	<b>(17 881)</b>	<b>(7 003)</b>	<b>454 328</b>
<b>Amount to be voted</b>								<b>(7 003)</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>144 632</b>	<b>7 470</b>	<b>-</b>	<b>5 865</b>	<b>-</b>	<b>-</b>	<b>13 335</b>	<b>157 967</b>
Compensation of employees	74 454			(1 985)			(1 985)	72 469
Goods and services	70 178	7 470		7 850			15 320	85 498
Interest and rent on land							-	-
<b>Transfers and subsidies to:</b>	<b>201 520</b>	<b>2 027</b>	<b>-</b>	<b>(10 984)</b>	<b>-</b>	<b>-</b>	<b>(8 957)</b>	<b>192 563</b>
Provinces and municipalities	198 923	2 027		(11 000)			(8 973)	189 950
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions	2 597						-	2 597
Households				16			16	16
<b>Payments for capital assets</b>	<b>115 179</b>	<b>3 500</b>	<b>-</b>	<b>3 000</b>	<b>-</b>	<b>(17 881)</b>	<b>(11 381)</b>	<b>103 798</b>
Buildings and other fixed structures	110 981	2 000				(17 881)	(15 881)	95 100
Machinery and equipment	4 198	1 500		3 000			4 500	8 698
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>461 331</b>	<b>12 997</b>	<b>-</b>	<b>(2 119)</b>	<b>-</b>	<b>(17 881)</b>	<b>(7 003)</b>	<b>454 328</b>
<b>Amount to be voted</b>								<b>(7 003)</b>

### Roll-overs – Programme 3: Library and Archive Services: R12.997 million

The department received a roll-over of R12.997 million in respect of equitable share (R3.119 million) and the Community Library Services grant (R9.878 million). It is noted that the conditional grant roll-over is reflected as a provincial roll-over, as the unspent funds were not surrendered to National Treasury. The roll-over was allocated as follows:

- R2 million was against the equitable share for the feasibility study of the Archive Repository. This was allocated under the sub-programme: Archives against *Buildings and other fixed structures*.
- R2.027 million related to staffing and operational costs, as well as the provincialisation of libraries in the Nquthu Municipality. These funds were allocated against *Transfers and subsidies to: Provinces and municipalities*. This roll-over is made up of both equitable share funding (R1.119 million) under the sub-programme: Library Services, as well as the Community Library Services grant (R908 000).
- An amount of R8.970 million was approved as a roll-over for committed funding under the Community Library Services grant sub-programme in respect of the supply and erection of modular libraries in areas such as Bhekuzulu, Ndwedwe, Bulwer, uMzimkhulu and Nquthu under *Buildings and other fixed structures*. Prior to the notification of the receipt of the roll-over, the department used the current year allocation for the supply and erection of modular libraries, though, and has requested to change the purpose of the roll-over to procurement of e-learning kiosks, ICT, library books, and furnishing the libraries under *Goods and services* (R7.470 million) and *Machinery and equipment* (R1.500 million). The department obtained approval from the NDAC for the change in purpose.

### Virement – Programme 3: Library and Archive Services: (R2.119 million)

The following virements were undertaken at programme level resulting in a net reduction of R2.119 million:

- Savings of R2.119 million were identified under the Archives sub-programme against *Compensation of employees* (R1.969 million) and *Goods and services* (R150 000) due to non-filling of posts, such as the Chief Director: Library, Archives and Museums, Archivist: Records Management, Repository Management and Researcher: Repository, and Oral History, because of lengthy internal recruitment processes. These funds were moved to Programme 2 under *Goods and services* for various projects aimed at empowering artists, such as hosting of art exhibitions and talent scouting.

In addition to the above virement, the following virements were undertaken within the sub-programmes within Programme 3, across economic classifications:

- R16 000 was moved from *Compensation of employees* due to delays in the filling of budgeted critical vacant posts, as mentioned because of lengthy internal recruitment processes. These funds were moved to *Transfers and subsidies to: Households* for staff exit costs.
- R11 million was moved from *Transfers and subsidies to: Provinces and municipalities*, relating to transfers to the Newcastle Municipality for the finalisation of the Charlestown library under the Community Library Services grant. The department requested NDAC for a change in the Community Library Services grant business plan for funds originally allocated for finalisation of the Charlestown library and this was approved. These funds were moved as follows:
  - R8 million was moved to *Goods and services* for undertaking minor renovations to various libraries, refurbishing, equipping, procurement of e-learning kiosks, and the establishment of toy libraries within 13 existing libraries, including modular libraries.
  - R3 million was moved to *Machinery and equipment* for the installation of the Radio Frequency Identification (RFID) gates in existing libraries and modular libraries.

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

The decrease in *Transfers and subsidies to: Provinces and municipalities* relating to the Newcastle Municipality for the finalisation of the Charlestown library under the Community Library Services grant received approval from NDAC.

The decrease of R11 million against <i>Transfers and subsidies to: Provinces and municipalities</i> requires Legislature approval.
--

### **Other adjustments – Programme 3: Library and Archive Services: (R17.881 million)**

The allocation in respect of the Archive Repository was reduced by R20.881 million under the Archives sub-programme against *Buildings and other fixed structures*. Of this reduction, R3 million was allocated back for the feasibility study for this repository due to the department requesting for the re-scheduling of funds in line with project requirements. The total amount allocated for the feasibility study is R5 million, with the balance of R2 million being funded by the approved roll-over. The balance of the Archive Repository reduction will be allocated back to the department over the 2018/19 MTEF.

### **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 aligned to the information contained in the *EPRE*, as well as the actual achievement for the first six months of the year.

The wording of one of the performance indicators has been revised to ensure alignment with the APP, as shown in bold italics.

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

Outputs	Performance indicators	Performance targets		
		2017/18 Original target	2017/18 Mid-year actual	2017/18 Revised target
<b>1. Library Services</b>				
1.1 To provide library and information services that are free, equitable and accessible	• No. of library materials procured	180 000	-	-
	• No. of new libraries built	2	-	-
	• No. of existing facilities upgraded for public library purposes	2	-	-
<b>2. Archive Services</b>				
2.1 To provide archival and records management services for records of national and provincial significance	• No. of promotional interventions on <i>promotion national symbols and orders</i>	21	-	-
	• No. of records management training courses presented	24	15	-
	• No. of govt. bodies inspected	120	60	-
	• No. of disposal authorities issued	8	6	-
	• No. of inventories compiled or updated	3	-	-
	• No. of oral history interviews undertaken	180	134	-

## 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, 2017.

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 R47.381 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	Other adjustments		
1. Prog 2: Arts and Culture Academy	33 500					(33 500)	(33 500)	-
2. Prog 2: Refurbishment of Winston Churchill Theatre						2 000	2 000	2 000
3. Prog 3: Archive Repository	20 881					(20 881)	(20 881)	-
4. Prog 3: Archive Repository		2 000				3 000	5 000	5 000
<b>Total</b>	<b>54 381</b>	<b>2 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(49 381)</b>	<b>(47 381)</b>	<b>7 000</b>
<b>Amount to be voted</b>								<b>(47 381)</b>

- *Roll-overs*: An amount of R2 million was rolled over from 2016/17 for the feasibility study of the Archive Repository under *Buildings and other fixed structures*.
- *Other adjustments*: The department's budget was reduced by R49.381 million due to the following:
  - o The allocation for the Arts and Culture Academy was reduced by R33.500 million. This was due to the department's request for a change in purpose and re-scheduling of these funds, taking into account that the cost of constructing the academy far exceeded the original amount requested. The department only required R2 million for 2017/18 to be used for the refurbishment of the Winston Churchill Theatre against *Buildings and other fixed structures*. The balance of the funds are removed from the department's budget in 2017/18 and R31.500 million will be re-allocated in 2018/19 in respect of the refurbishment of the Winston Churchill Theatre and the establishment of a Music Academy, as mentioned.
  - o The allocation in respect of the Archive Repository was reduced by R20.881 million, but R3 million was allocated back for the feasibility study of this repository due to the department requesting for the re-scheduling of funds in line with project requirements. The total amount

allocated for the feasibility study is R5 million, with the balance of R2 million being funded by the approved roll-over, as mentioned. These funds are allocated under Programme 3 against *Buildings and other fixed structures*.

Legislature approval is required for the change in purpose of the Arts and Culture Academy funds as these funds were specifically and exclusively appropriated for that purpose. The resultant decrease in *Buildings and other fixed structures* also requires Legislature approval. In addition, the decrease and re-scheduling of the Archive Repository requires Legislature approval, as these funds were specifically and exclusively appropriated for that purpose.

## 6. Gifts, donations and sponsorships

The department is not envisaging giving any gifts, donations and sponsorships in excess of R100 000.

## 7. Infrastructure

Table 15.12 shows the infrastructure payments per main category. Details of the main adjustments, which led to a net decrease of R53.061 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>	<b>21 594</b>	-	-	2 520	-	-	<b>2 520</b>	<b>24 114</b>
Maintenance and repair: Current	-						-	-
Upgrades and additions: Capital	12 383						-	12 383
Refurbishment and rehabilitation: Capital	9 211			2 520			2 520	11 731
<b>New infrastructure assets: Capital</b>	<b>130 270</b>	<b>2 000</b>			<b>2 800</b>	<b>(49 381)</b>	<b>(44 581)</b>	<b>85 689</b>
<b>Infrastructure transfers</b>	<b>11 000</b>	-	-	(11 000)	-	-	(11 000)	-
Infrastructure transfers: Capital	11 000			(11 000)			(11 000)	-
Infrastructure transfers: Current	-						-	-
<b>Infrastructure: Payments for financial assets</b>	<b>-</b>						-	-
<b>Infrastructure: Leases</b>	<b>-</b>						-	-
<b>Non infrastructure</b>	<b>-</b>						-	-
<i>Capital infrastructure</i>	162 864	2 000	-	(8 480)	2 800	(49 381)	(53 061)	109 803
<i>Current infrastructure</i>	-	-	-	-	-	-	-	-
<b>Total</b>	<b>162 864</b>	<b>2 000</b>	<b>-</b>	<b>(8 480)</b>	<b>2 800</b>	<b>(49 381)</b>	<b>(53 061)</b>	<b>109 803</b>
<b>Amount to be voted</b>								<b>(53 061)</b>

- *Roll-overs*: An amount of R2 million was rolled over from 2016/17 for the feasibility study of the Archive Repository against *New infrastructure assets: Capital*.
- *Virement*: The following virements were undertaken against the infrastructure budget of the department resulting in a net decrease of R8.480 million, as follows:
  - R2.520 million was moved to *Refurbishment and rehabilitation: Capital* for the refurbishment of the Gerhard Bhengu and Mooi River Museums, from *Goods and services*.
  - R11 million was moved from *Infrastructure transfers: Capital*. These funds relate to transfers to the Newcastle Municipality for the finalisation of the Charlestown library under the Community Library Services grant. The department requested NDAC for a change in the Community Library Services grant business plan, and this resulted in funds being moved to *Goods and services* (R8 million) for undertaking minor renovations to various libraries, refurbishing, equipping, procurement of e-learning kiosks, and the establishment of toy libraries within 13 existing libraries, including modular libraries, as well as *Machinery and equipment* (R3 million) for the installation of the RFID gates in new libraries and modular libraries.
- *Shifts*: R2.800 million was moved to *New infrastructure assets: Capital* from *Goods and services* for the installation of the exhibition and cabinet fixtures at the Maritime Museum. The construction of the Maritime Museum was completed in 2016/17, however the installation of these fixtures was budgeted for in 2017/18 under *Goods and services*.

- *Other adjustments:* The infrastructure budget was decreased by R49.381 million as follows:
  - The allocation for the Arts and Culture Academy was reduced by R33.500 million, due to the department's request for a change in purpose and re-scheduling of these funds, taking into account that the cost of constructing the academy far exceeded the original amount requested. The department only required R2 million for 2017/18 to be used for the refurbishment of the Winston Churchill Theatre. The balance of the funds are removed from the department's budget in 2017/18 and R31.500 million will be re-allocated in 2018/19 in respect of the refurbishment of the Winston Churchill Theatre and the establishment of a Music Academy.
  - The Archive Repository allocation was reduced by R20.881 million, and R3 million was allocated back for the feasibility study due to the department requesting for the re-scheduling of funds in line with project requirements. The total amount allocated back for the feasibility study is R5 million, with the balance of R2 million being funded by the approved roll-over.

Legislature approval is required for the change in purpose of the Arts and Culture Academy funds, as these funds are specifically and exclusively appropriated. The resultant decrease in *Buildings and other fixed structures* also requires Legislature approval. In addition, the decrease and re-scheduling of the Archive Repository requires Legislature approval, as these funds were specifically and exclusively appropriated for that purpose.

## 8. Conditional grants

Tables 15.13 and 15.14 reflect changes to the conditional grant funding. Details of the main adjustments, which led to an increase of R9.878 million, are provided in the paragraphs following the tables. The department undertook virements at economic classification 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	Other adjustments		
<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>173 093</b>	<b>9 878</b>	-	-	-	-	<b>9 878</b>	<b>182 971</b>
Community Library Services grant	173 093	9 878					9 878	182 971
<b>Total</b>	<b>175 093</b>	<b>9 878</b>	-	-	-	-	<b>9 878</b>	<b>184 971</b>
<b>Amount to be voted</b>								<b>9 878</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	Other adjustments		
<b>Current payments</b>	<b>47 881</b>	<b>7 470</b>	-	<b>8 000</b>	-	-	<b>15 470</b>	<b>63 351</b>
Compensation of employees	10 430						-	10 430
Goods and services	37 451	7 470		8 000			15 470	52 921
Interest and rent on land							-	-
<b>Transfers and subsidies to:</b>	<b>42 323</b>	<b>908</b>	-	<b>(11 000)</b>	-	-	<b>(10 092)</b>	<b>32 231</b>
Provinces and municipalities	39 726	908		(11 000)			(10 092)	29 634
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions	2 597						-	2 597
Households							-	-
<b>Payments for capital assets</b>	<b>84 889</b>	<b>1 500</b>	-	<b>3 000</b>	-	-	<b>4 500</b>	<b>89 389</b>
Buildings and other fixed structures	82 889						-	82 889
Machinery and equipment	2 000	1 500		3 000			4 500	6 500
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>175 093</b>	<b>9 878</b>	-	-	-	-	<b>9 878</b>	<b>184 971</b>
<b>Amount to be voted</b>								<b>9 878</b>

- *Roll-overs:* The department received a roll-over of R9.878 million from 2016/17 against the Community Library Services grant as follows:
  - R908 000 in respect of staffing and operational costs of libraries in Nquthu Municipality against *Transfers and subsidies to: Provinces and municipalities*.
  - An amount of R8.970 million was approved as a roll-over for committed funding under the Community Library Services grant in respect of the supply and erection of modular libraries under *Buildings and other fixed structures*, as mentioned. Prior to the notification of the receipt of the roll-over, the department used the current year allocation for the supply and erection of modular libraries and therefore requested to change the purpose of the roll-over to procurement of e-learning kiosks, ICT, library books, furnishing the libraries under *Goods and services* (R7.470 million) and *Machinery and equipment* (R1.500 million). The department obtained approval from NDAC in respect of the change in purpose.
- *Virement:* The following virements were undertaken between economic classifications:
  - R11 million was moved from *Transfers and subsidies to: Provinces and municipalities*. These funds relate to transfers to the Newcastle Municipality for the finalisation of the Charlestown library under the Community Library Services grant. The department requested NDAC for a change in the Community Library Services grant business plan. The change in business plan resulted in funds being moved as follows:
    - R8 million was moved to *Goods and services* for undertaking minor renovations to various libraries, refurbishing, equipping, procurement of e-learning kiosks, and the establishment of toy libraries within 13 existing libraries, including modular libraries.
    - R3 million was moved to *Machinery and equipment* for the installation of the RFID gates in existing libraries and modular libraries.

The department received approval from NDAC for the change in business plan.

The decrease in *Transfers and subsidies to: Provinces and municipalities*, although approved by NDAC, requires Legislature approval because it relates to a reduction in a transfer.

## 9. Transfers and subsidies

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

The table includes transfers made to the department's public entity, namely The Playhouse Company, which are specifically and exclusively appropriated in terms of the KZN Adjustments Appropriation Act, 2017.

Details of the main adjustments, which led to a net decrease of R2.295 million, are given above and below the table:

- *Roll-overs:* R3.157 million was rolled over from 2016/17 under *Transfers and subsidies* as follows:
  - The department received a roll-over of R1.130 million under Programme 2, as follows:
    - R400 000 relating to the transfer to the Msunduzi Municipality in respect of staffing and operational costs of the Tatham Art Gallery under *Provinces and municipalities*.
    - R650 000 against *Public corporations and private enterprises* in respect of transfers to the Umgababa Youth Festival (R250 000) and the Gumba Festival (R400 000).
    - R80 000 under *Non-profit institutions* for transfers to Love to Live.
  - R2.027 million was rolled over from 2016/17 under Programme 3 against *Provinces and municipalities* for staffing and operational costs of libraries in the Nquthu Municipality.

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>1 190</b>	-	-	<b>224</b>	-	-	<b>224</b>	<b>1 414</b>
Provinces and municipalities	190	-	-	-	-	-	-	190
Motor vehicle licences	190	-	-	-	-	-	-	190
Households	1 000	-	-	224	-	-	224	1 224
Staff exit costs	-	-	-	224	-	-	224	224
Bursaries to non-employees	1 000	-	-	-	-	-	-	1 000
<b>2. Cultural Affairs</b>	<b>49 533</b>	<b>1 130</b>	-	<b>5 308</b>	-	-	<b>6 438</b>	<b>55 971</b>
Provinces and municipalities	11 469	400	-	(1 000)	-	-	(600)	10 869
Museum subsidies	8 558	400	-	-	-	-	400	8 958
Operational costs for art centres	2 911	-	-	(1 000)	-	-	(1 000)	1 911
Departmental agencies and accounts	8 174	-	-	-	-	-	-	8 174
The Playhouse Company	8 174	-	-	-	-	-	-	8 174
Public corporations and private enterprises	4 805	650	-	4 850	-	-	5 500	10 305
Ugu Jazz Festival	500	-	-	-	-	-	-	500
International Jazz Extravaganza	2 105	-	-	-	-	-	-	2 105
Durban International Blues Festival	100	-	-	-	-	-	-	100
MPF Production	-	-	-	4 000	-	-	4 000	4 000
Uthungulu Last Dance	600	-	-	-	-	-	-	600
PMB Jazz Festival	-	-	-	500	-	-	500	500
Beads Festival	500	-	-	-	-	-	-	500
Midmar Festival	500	-	-	-	-	-	-	500
KZN Imbizo	-	-	-	350	-	-	350	350
Umgababa Youth Festival	-	250	-	-	-	-	250	250
Armco Dam Festival	500	-	-	-	-	-	-	500
Gumba Festival	-	400	-	-	-	-	400	400
Non-profit institutions	25 085	80	-	1 331	-	-	1 411	26 496
KZN Philharmonic Orchestra	10 700	-	-	-	-	-	-	10 700
Museum subsidies	4 426	-	-	181	-	-	181	4 607
Transfers to Art Centres	5 351	-	-	-	-	-	-	5 351
Arts and Culture support to:	2 620	80	-	1 150	-	-	1 230	3 850
Art in the Park	50	-	-	-	-	-	-	50
Centre for Creative Arts (UKZN)	100	-	-	-	-	-	-	100
Dolosfees Festival	70	-	-	-	-	-	-	70
Durban School of Music	650	-	-	-	-	-	-	650
Love to Live	-	80	-	-	-	-	80	80
Hilton Arts Festival	100	-	-	-	-	-	-	100
Natya Ananda Fine Arts	-	-	-	150	-	-	150	150
Bhodoza Talent Development Programme	-	-	-	1 000	-	-	1 000	1 000
KwaCulture	150	-	-	-	-	-	-	150
KZN Youth Wind Band	150	-	-	-	-	-	-	150
Ushaka Marine	600	-	-	-	-	-	-	600
East Griqualand Festival	350	-	-	-	-	-	-	350
Die Ventersfees	250	-	-	-	-	-	-	250
Usiba Writers Guild	150	-	-	-	-	-	-	150
Transfers to Art Councils	1 988	-	-	-	-	-	-	1 988
Households	-	-	-	127	-	-	127	127
Staff exit costs	-	-	-	127	-	-	127	127
<b>3. Library and Archive Services</b>	<b>201 520</b>	<b>2 027</b>	-	<b>(10 984)</b>	-	-	<b>(8 957)</b>	<b>192 563</b>
Provinces and municipalities	198 923	2 027	-	(11 000)	-	-	(8 973)	189 950
Community Library Services grant	39 726	908	-	(11 000)	-	-	(10 092)	29 634
Provincialisation of Libraries	159 197	1 119	-	-	-	-	1 119	160 316
Non-profit institutions	2 597	-	-	-	-	-	-	2 597
Africa Ignite	1 000	-	-	-	-	-	-	1 000
Family Literacy project	500	-	-	-	-	-	-	500
SA for the Blind	1 097	-	-	-	-	-	-	1 097
Households	-	-	-	16	-	-	16	16
Staff exit costs	-	-	-	16	-	-	16	16
<b>Total</b>	<b>252 243</b>	<b>3 157</b>	-	<b>(5 452)</b>	-	-	<b>(2 295)</b>	<b>249 948</b>
<b>Amount to be voted</b>								<b>(2 295)</b>

- **Virement:** The department undertook various virements affecting *Transfers and subsidies*, which resulted in a net decrease of R5.452 million. The virements are discussed following the table.
  - o An amount of R224 000 was moved to *Households* for staff exit costs from *Compensation of employees* under Programme 1.
  - o 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 R5.308 million:

## Vote 15: Arts and Culture

- R1 million was moved from *Provinces and municipalities* in respect of the Stable Theatre due to non-compliance of the theatre with the departmental transfer policy, such as the submission of close-out reports. These funds were moved to *Goods and services* for projects/programmes empowering artists, such as hosting of art exhibitions and talent scouting.
- R4.850 million was moved from *Goods and services* to *Public corporations and private enterprises* in respect of the following:
  - R4 million for the introduction of a transfer to MPF Production, a company that hosted the Amasiko Ehlangene, aimed at promoting indigenous culture and creating an environment for long term community sustainability through arts, fashion, cuisine and music.
  - R500 000 for the introduction of a transfer to the PMB Jazz Festival.
  - R350 000 for the introduction of a transfer to the KZN Imbizo, an annual international music business conference and exhibition. The conference collects various music industry stakeholders under one roof to map the way forward for the music industry in the continent. It is a platform to exhibit, network, and to share expertise and knowledge.
- *Non-profit institutions* was increased by R1.331 million due to a movement of funds from *Compensation of employees* and *Goods and services* as follows:
  - R181 000 against museum subsidies for transfers to the Prince Mangosuthu Buthelezi Museum and Documentation Centre.
  - R1 million was in respect of an introduction of a new transfers to the Bhodloza Talent Development Programme which focuses on music talent scouting, identification and development. The funds were used for organising and hosting auditions.
  - R150 000 for the introduction of a transfer to Natya Ananda Fine Arts which is in respect of a tour undertaken by a classical dance artist.
  - R127 000 was moved to *Households* for staff exit costs.
- o Programme 3 caters for transfers to municipalities in respect of the Community Library Services grant and the provincialisation of libraries. The following virements were undertaken resulting in a net decrease of R10.984 million:
  - R11 million was moved from *Transfers and subsidies to: Provinces and municipalities*. These funds relate to transfers to the Newcastle Municipality for the finalisation of the Charlestown library under the Community Library Services grant. The department requested NDAC for a change in the Community Library Services grant business plan and this was approved. The change in business plan resulted in funds being moved as follows:
    - R8 million was moved to *Goods and services* for undertaking minor renovations to various libraries, refurbishing, equipping, procurement of e-learning kiosks, and establishment of toy libraries within 13 existing libraries, including modular libraries.
    - R3 million moved to *Machinery and equipment* for the installation of the RFID gates.
  - R16 000 was moved to *Households* from *Compensation of employees* for staff exit costs.

Treasury approval was provided for the increase against *Transfers and subsidies* in terms of the PFMA and Treasury Regulations.

The decrease of R12 million against *Provinces and municipalities*, as highlighted in the table, requires Legislature approval.

## 10. Transfers to local government

Tables 15.16 to 15.20 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 R9.573 million. These changes will be gazetted after the tabling of the Adjustments Estimate. Details are provided in the paragraphs following the tables.

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	73 563	-	-	(1 000)	-	-	(1 000)	72 563
<b>Total: Ugu Municipalities</b>	<b>18 204</b>	-	-	-	-	-	-	<b>18 204</b>
B KZN212 uMdoni	6 141	-	-	-	-	-	-	6 141
B KZN213 uMzumbane	-	-	-	-	-	-	-	-
B KZN214 uMzizwabantu	771	-	-	-	-	-	-	771
B KZN216 Ray Nkonyeni	11 292	-	-	-	-	-	-	11 292
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-
<b>Total: uMgungundlovu Municipalities</b>	<b>30 078</b>	<b>400</b>	-	<b>(505)</b>	-	-	<b>(105)</b>	<b>29 973</b>
B KZN221 uMshwathi	932	-	-	-	-	-	-	932
B KZN222 uMngeni	3 333	-	-	-	-	-	-	3 333
B KZN223 iMpofana	1 489	-	-	-	-	-	-	1 489
B KZN224 iMpindle	932	-	-	-	-	-	-	932
B KZN225 Msunduzi	21 135	400	-	-	-	400	400	21 535
B KZN226 Mkhambathini	1 325	-	-	(505)	-	-	(505)	820
B KZN227 Richmond	932	-	-	-	-	-	-	932
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-
<b>Total: uThukela Municipalities</b>	<b>10 094</b>	-	-	-	-	-	-	<b>10 094</b>
B KZN235 Okhahlamba	1 152	-	-	-	-	-	-	1 152
B KZN237 iNkosi Langalibalele	3 785	-	-	-	-	-	-	3 785
B KZN238 Alfred Duma	5 157	-	-	-	-	-	-	5 157
C DC23 uThukela District Municipality	-	-	-	-	-	-	-	-
<b>Total: uMzinyathi Municipalities</b>	<b>8 476</b>	<b>2 027</b>	-	-	-	-	<b>2 027</b>	<b>10 503</b>
B KZN241 eNdameni	4 287	-	-	-	-	-	-	4 287
B KZN242 Nquthu	2 117	2 027	-	-	-	2 027	2 027	4 144
B KZN244 uMsinga	795	-	-	-	-	-	-	795
B KZN245 uMvoti	1 277	-	-	-	-	-	-	1 277
C DC24 uMzinyathi District Municipality	-	-	-	-	-	-	-	-
<b>Total: Amajuba Municipalities</b>	<b>19 379</b>	-	-	<b>(11 000)</b>	-	-	<b>(11 000)</b>	<b>8 379</b>
B KZN252 Newcastle	17 837	-	-	(11 000)	-	-	(11 000)	6 837
B KZN253 eMahlangueni	771	-	-	-	-	-	-	771
B KZN254 Dannhauser	771	-	-	-	-	-	-	771
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-
<b>Total: Zululand Municipalities</b>	<b>10 248</b>	-	-	-	-	-	-	<b>10 248</b>
B KZN261 eDumbe	1 118	-	-	-	-	-	-	1 118
B KZN262 uPhongolo	1 378	-	-	-	-	-	-	1 378
B KZN263 Abaqulusi	4 052	-	-	-	-	-	-	4 052
B KZN265 Nongoma	771	-	-	-	-	-	-	771
B KZN266 Ulundi	1 018	-	-	-	-	-	-	1 018
C DC26 Zululand District Municipality	1 911	-	-	-	-	-	-	1 911
<b>Total: uMkhanyakude Municipalities</b>	<b>8 847</b>	-	-	<b>505</b>	-	-	<b>505</b>	<b>9 352</b>
B KZN271 uMhlabyalingana	1 657	-	-	-	-	-	-	1 657
B KZN272 Jozini	1 938	-	-	505	-	-	505	2 443
B KZN275 Mtubatuba	3 278	-	-	-	-	-	-	3 278
B KZN276 Big Five Hlabisa	1 974	-	-	-	-	-	-	1 974
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	-
<b>Total: King Cetshwayo Municipalities</b>	<b>17 484</b>	-	-	-	-	-	-	<b>17 484</b>
B KZN281 Mfolozi	2 007	-	-	-	-	-	-	2 007
B KZN282 uMhlathuze	9 568	-	-	-	-	-	-	9 568
B KZN284 uMlalazi	3 837	-	-	-	-	-	-	3 837
B KZN285 Mthonjaneni	771	-	-	-	-	-	-	771
B KZN286 Nkandla	1 301	-	-	-	-	-	-	1 301
C DC28 King Cetshwayo District Municipality	-	-	-	-	-	-	-	-
<b>Total: iLembe Municipalities</b>	<b>7 756</b>	-	-	-	-	-	-	<b>7 756</b>
B KZN291 Mandeni	2 639	-	-	-	-	-	-	2 639
B KZN292 KwaDukuza	3 792	-	-	-	-	-	-	3 792
B KZN293 Ndwedwe	1 325	-	-	-	-	-	-	1 325
B KZN294 Maphumulo	-	-	-	-	-	-	-	-
C DC29 iLembe District Municipality	-	-	-	-	-	-	-	-
<b>Total: Harry Gwala Municipalities</b>	<b>6 263</b>	-	-	-	-	-	-	<b>6 263</b>
B KZN433 Greater Kokstad	1 758	-	-	-	-	-	-	1 758
B KZN434 uBuhlebezwe	771	-	-	-	-	-	-	771
B KZN435 uMzimkhulu	1 325	-	-	-	-	-	-	1 325
B KZN436 Dr Nkosazana Dlamini Zuma	2 409	-	-	-	-	-	-	2 409
C DC43 Harry Gwala District Municipality	-	-	-	-	-	-	-	-
<b>Unallocated</b>	<b>-</b>	-	-	-	-	-	-	<b>-</b>
<b>Total</b>	<b>210 392</b>	<b>2 427</b>	-	<b>(12 000)</b>	-	-	<b>(9 573)</b>	<b>200 819</b>
<b>Amount to be voted</b>								<b>(9 573)</b>

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

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
A KZN2000 eThekweni	1 000	-	-	(1 000)	-	-	(1 000)	-
<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>2 911</b>	-	-	<b>(1 000)</b>	-	-	<b>(1 000)</b>	<b>1 911</b>
<b>Amount to be voted</b>								<b>(1 000)</b>

Table 15.18 : 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	Other adjustments		
<b>A</b>	<b>KZN2000 eThekweni</b>	<b>6 376</b>						<b>6 376</b>
	<b>Total: Ugu Municipalities</b>	<b>2 895</b>	-	-	-	-	-	<b>2 895</b>
B	KZN212 uMdoni	1 435						1 435
B	KZN214 uMuziwabantu	188						188
B	KZN216 Ray Nkonyeni	1 272						1 272
	<b>Total: uMgungundlovu Municipalities</b>	<b>2 482</b>	-	-	(505)	-	(505)	<b>1 977</b>
B	KZN221 uMshwathi	188						188
B	KZN222 uMngeni	376						376
B	KZN223 Mpofana	188						188
B	KZN224 iMpindle	188						188
B	KZN225 Msunduzi	612						612
B	KZN226 Mkhambathini	742		(505)			(505)	237
B	KZN227 Richmond	188						188
	<b>Total: uThukela Municipalities</b>	<b>1 552</b>	-	-	-	-	-	<b>1 552</b>
B	KZN235 Okhahlamba	212						212
B	KZN237 iNkosi Langalibalele	564						564
B	KZN238 Alfred Duma	776						776
	<b>Total: uMzinyathi Municipalities</b>	<b>2 260</b>	908	-	-	-	908	<b>3 168</b>
B	KZN241 eNdameni	906						906
B	KZN242 Nquthu	954	908				908	1 862
B	KZN244 uMsinga	212						212
B	KZN245 uMvoti	188						188
	<b>Total: Amajuba Municipalities</b>	<b>11 940</b>	-	-	(11 000)	-	(11 000)	<b>940</b>
B	KZN252 Newcastle	11 564		(11 000)			(11 000)	564
B	KZN253 eMadlangeni	188						188
B	KZN254 Dannhauser	188						188
	<b>Total: Zululand Municipalities</b>	<b>1 894</b>	-	-	-	-	-	<b>1 894</b>
B	KZN261 eDumbe	212						212
B	KZN262 uPhongolo	376						376
B	KZN263 AbaQulusi	906						906
B	KZN265 Nongoma	188						188
B	KZN266 Ulundi	212						212
	<b>Total: uMkhanyakude Municipalities</b>	<b>1 999</b>	-	-	505	-	505	<b>2 504</b>
B	KZN271 uMhlabuyalingana	188						188
B	KZN272 Jozini	1 059		505			505	1 564
B	KZN275 Mtubatuba	376						376
B	KZN276 Big Five Hlabisa	376						376
	<b>Total: King Cetshwayo Municipalities</b>	<b>3 716</b>	-	-	-	-	-	<b>3 716</b>
B	KZN281 Mfolozi	906						906
B	KZN282 uMhlatuze	1 504						1 504
B	KZN284 uMlalazi	400						400
B	KZN285 Mthonjaneni	188						188
B	KZN286 Nkandla	718						718
	<b>Total: iLembe Municipalities</b>	<b>2 400</b>	-	-	-	-	-	<b>2 400</b>
B	KZN291 Mandeni	1 094						1 094
B	KZN292 KwaDukuza	564						564
B	KZN293 Ndwedwe	742						742
	<b>Total: Harry Gwala Municipalities</b>	<b>2 212</b>	-	-	-	-	-	<b>2 212</b>
B	KZN433 Greater Kokstad	376						376
B	KZN434 uBuhlebezwe	188						188
B	KZN435 uMzimkhulu	742						742
B	KZN436 Dr Nkosazana Dlamini Zuma	906						906
	<b>Total</b>	<b>39 726</b>	<b>908</b>	<b>-</b>	<b>(11 000)</b>	<b>-</b>	<b>(10 092)</b>	<b>29 634</b>
	<b>Amount to be voted</b>							<b>(10 092)</b>

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	Other adjustments		
<b>A</b>	<b>KZN2000 eThekweni</b>	<b>4 854</b>						<b>4 854</b>
	<b>Total: Ugu Municipalities</b>	<b>350</b>	-	-	-	-	-	<b>350</b>
B	KZN216 Ray Nkonyeni	350						350
	<b>Total: uMgungundlovu Municipalities</b>	<b>786</b>	400	-	-	-	400	<b>1 186</b>
B	KZN222 uMngeni	183						183
B	KZN223 Mpofana	183						183
B	KZN225 Msunduzi	420	400				400	820
	<b>Total: uThukela Municipalities</b>	<b>716</b>	-	-	-	-	-	<b>716</b>
B	KZN235 Okhahlamba	183						183
B	KZN237 iNkosi Langalibalele	350						350
B	KZN238 Alfred Duma	183						183
	<b>Total: uMzinyathi Municipalities</b>	<b>603</b>	-	-	-	-	-	<b>603</b>
B	KZN241 eNdameni	420						420
B	KZN245 uMvoti	183						183
	<b>Total: Amajuba Municipalities</b>	<b>350</b>	-	-	-	-	-	<b>350</b>
B	KZN252 Newcastle	350						350
	<b>Total: Zululand Municipalities</b>	<b>183</b>	-	-	-	-	-	<b>183</b>
B	KZN263 AbaQulusi	183						183
	<b>Total: King Cetshwayo Municipalities</b>	<b>533</b>	-	-	-	-	-	<b>533</b>
B	KZN282 uMhlatuze	183						183
B	KZN284 uMlalazi	350						350
	<b>Total: iLembe Municipalities</b>	<b>183</b>	-	-	-	-	-	<b>183</b>
B	KZN292 KwaDukuza	183						183
	<b>Total</b>	<b>8 558</b>	<b>400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>400</b>	<b>8 958</b>
	<b>Amount to be voted</b>							<b>400</b>

Table 15.20 : Transfers to local government - Provincialisation of libraries

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
A	KZN2000 eThekweni	61 333					-	61 333
	<b>Total: Ugu Municipalities</b>	<b>14 959</b>	-	-	-	-	-	<b>14 959</b>
B	KZN212 uMdoni	4 706					-	4 706
B	KZN214 uMuziwabantu	583					-	583
B	KZN216 Ray Nkonyeni	9 670					-	9 670
	<b>Total: uMgungundlovu Municipalities</b>	<b>26 810</b>	-	-	-	-	-	<b>26 810</b>
B	KZN221 uMshwathi	744					-	744
B	KZN222 uMngeni	2 774					-	2 774
B	KZN223 Mpofana	1 118					-	1 118
B	KZN224 iMpindle	744					-	744
B	KZN225 Msunduzi	20 103					-	20 103
B	KZN226 Mkhambathini	583					-	583
B	KZN227 Richmond	744					-	744
	<b>Total: uThukela Municipalities</b>	<b>7 826</b>	-	-	-	-	-	<b>7 826</b>
B	KZN235 Okhahlamba	757					-	757
B	KZN237 iNkosi Langalibalele	2 871					-	2 871
B	KZN238 Alfred Duma	4 198					-	4 198
	<b>Total: uMzinyathi Municipalities</b>	<b>5 613</b>	<b>1 119</b>	-	-	-	<b>1 119</b>	<b>6 732</b>
B	KZN241 eNdameni	2 961					-	2 961
B	KZN242 Nquthu	1 163	1 119				1 119	2 282
B	KZN244 uMsinga	583					-	583
B	KZN245 uMvoti	906					-	906
	<b>Total: Amajuba Municipalities</b>	<b>7 089</b>	-	-	-	-	-	<b>7 089</b>
B	KZN252 Newcastle	5 923					-	5 923
B	KZN253 eMadlangeni	583					-	583
B	KZN254 Dannhauser	583					-	583
	<b>Total: Zululand Municipalities</b>	<b>6 260</b>	-	-	-	-	-	<b>6 260</b>
B	KZN261 eDumbe	906					-	906
B	KZN262 uPhongolo	1 002					-	1 002
B	KZN263 Abaqulusi	2 963					-	2 963
B	KZN265 Nongoma	583					-	583
B	KZN266 Ulundi	806					-	806
	<b>Total: uMkhanyakude Municipalities</b>	<b>6 848</b>	-	-	-	-	-	<b>6 848</b>
B	KZN271 uMhlabuyalingana	1 469					-	1 469
B	KZN272 Jozini	879					-	879
B	KZN275 Mtubatuba	2 902					-	2 902
B	KZN276 Big Five Hlabisa	1 598					-	1 598
	<b>Total: King Cetshwayo Municipalities</b>	<b>13 235</b>	-	-	-	-	-	<b>13 235</b>
B	KZN281 Mfolozi	1 101					-	1 101
B	KZN282 uMhlatuze	7 881					-	7 881
B	KZN284 uMlalazi	3 087					-	3 087
B	KZN285 Mthonjaneni	583					-	583
B	KZN286 Nkandla	583					-	583
	<b>Total: iLembe Municipalities</b>	<b>5 173</b>	-	-	-	-	-	<b>5 173</b>
B	KZN291 Mandeni	1 545					-	1 545
B	KZN292 KwaDukuza	3 045					-	3 045
B	KZN293 Ndwedwe	583					-	583
	<b>Total: Harry Gwala Municipalities</b>	<b>4 051</b>	-	-	-	-	-	<b>4 051</b>
B	KZN433 Greater Kokstad	1 382					-	1 382
B	KZN434 uBuhlebezwe	583					-	583
B	KZN435 uMzimkhulu	583					-	583
B	KZN436 Dr Nkosazana Dlamini Zuma	1 503					-	1 503
	<b>Total</b>	<b>159 197</b>	<b>1 119</b>	-	-	-	<b>1 119</b>	<b>160 316</b>
	<b>Amount to be voted</b>							<b>1 119</b>

- **Roll-overs:** An amount of R2.427 million was received as a roll-over from 2016/17 against *Provinces and municipalities*, as follows:
  - o R400 000 against Museum Subsidies relating to the transfer to the Msunduzi Municipality in respect of staffing and operational costs of the Tatham Art Gallery.
  - o R2.027 million for staffing and operational costs, as well as provincialisation of libraries in the Nquthu Municipality. This roll-over is made up of both equitable share funding (R1.119 million) and the Community Library Services grant (R908 000).
- **Virement:** The virement column in Table 15.16 reflects a net decrease of R12 million in respect of *Provinces and municipalities*, as follows:
  - o R11 million was moved from *Provinces and municipalities*, relating to the transfer to the Newcastle Municipality for the finalisation of the Charlestown library under the Community Library Services grant. The department requested NDAC for a change in the Community Library Services grant business plan and this was approved resulting in funds being moved as follows:
    - R8 million was moved to *Goods and services* for undertaking minor renovations to various libraries, refurbishing, equipping, procurement of e-learning kiosks, and the establishment of toy libraries within 13 existing libraries, including modular libraries.

Vote 15: Arts and Culture

- R3 million was moved to *Machinery and equipment* for the installation of the RFID gates.
- o R1 million was moved from *Provinces and municipalities* in respect of the Stable Theatre due to non-compliance of the theatre with the departmental transfer policy, such as the submission of the close-out reports. These funds were moved to *Goods and services* for projects/programmes empowering artists, such as hosting of art exhibitions and talent scouting.

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

Legislature approval is required for the decrease of R12 million against *Provinces and municipalities*.

## 11. Actual payments and revised spending projections for the rest of 2017/18

Tables 15.21 and 15.22 reflect actual payments as at the end of September 2017, 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 2016/17 Audited outcome. As at mid-year, the Vote as a whole is projecting to fully spend its budget by year-end.

**Table 15.21 : Actual payments and revised spending projections by programme**

R thousand	2016/17 Audited outcome	Adjusted appropriation	Actual payments		Projected payments		Projected actual
			April 2017 - September 2017	% of budget	October 2017 - March 2018	% of budget	
1. Administration	144 454	149 387	65 714	44.0	83 673	56.0	149 387
2. Cultural Affairs	217 119	235 099	104 101	44.3	130 998	55.7	235 099
3. Library and Archive Services	431 766	454 328	137 547	30.3	316 781	69.7	454 328
<b>Total</b>	<b>793 339</b>	<b>838 814</b>	<b>307 362</b>	<b>36.6</b>	<b>531 452</b>	<b>63.4</b>	<b>838 814</b>

**Table 15.22 : Actual payments and revised spending projections by economic classification**

R thousand	2016/17 Audited outcome	Adjusted appropriation	Actual payments		Projected payments		Projected actual
			April 2017 - September 2017	% of budget	October 2017 - March 2018	% of budget	
<b>Current payments</b>	<b>402 310</b>	<b>466 409</b>	<b>213 433</b>	<b>45.8</b>	<b>252 976</b>	<b>54.2</b>	<b>466 409</b>
Compensation of employees	198 400	215 059	104 875	48.8	110 184	51.2	215 059
Goods and services	203 888	251 350	108 558	43.2	142 792	56.8	251 350
Interest and rent on land	22	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>290 459</b>	<b>249 948</b>	<b>61 350</b>	<b>24.5</b>	<b>188 598</b>	<b>75.5</b>	<b>249 948</b>
Provinces and municipalities	231 797	201 009	36 747	18.3	164 262	81.7	201 009
Departmental agencies and accounts	7 787	8 174	4 089	50.0	4 085	50.0	8 174
Higher education institutions	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-
Public corporations and private enterprises	11 569	10 305	4 705	45.7	5 600	54.3	10 305
Non-profit institutions	36 583	29 093	14 553	50.0	14 540	50.0	29 093
Households	2 723	1 367	1 256	91.9	111	8.1	1 367
<b>Payments for capital assets</b>	<b>95 796</b>	<b>122 457</b>	<b>32 579</b>	<b>26.6</b>	<b>89 878</b>	<b>73.4</b>	<b>122 457</b>
Buildings and other fixed structures	83 151	109 803	30 305	27.6	79 498	72.4	109 803
Machinery and equipment	12 645	12 654	2 274	18.0	10 380	82.0	12 654
Heritage assets	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>4 774</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>793 339</b>	<b>838 814</b>	<b>307 362</b>	<b>36.6</b>	<b>531 452</b>	<b>63.4</b>	<b>838 814</b>

The department spent 36.6 per cent of its annual budget by mid-year. This is significantly lower than the straight-line benchmark of 50 per cent, despite the re-scheduling of R54.381 million to the outer years in respect of the refurbishment of the Winston Churchill Theatre, establishment of a Music Academy in Ladysmith and construction of the Archive Repository. The variances per programme and economic classification are explained below:

The percentage spent against Programme 1 is, at 44 per cent, lower than the straight-line benchmark of 50 per cent. The low spending is largely due to delays in the filling of critical vacant posts as a result of lengthy internal recruitment processes. In addition, the payment for leased head office and district

offices was delayed because of the late receipt of invoices from Department of Public Works. The department is projecting to fully spend against this programme by year-end.

Programme 2 reflects spending at 44.3 per cent of the adjusted budget, again lower than the straight-line benchmark of 50 per cent. The low spending is mainly due to slow internal recruitment processes, no transfers made to the Metro in respect of the Stable Theatre, and non-finalisation of MOAs between the department and some municipalities in respect of museum subsidies. The department is projecting to fully spend its budget against this programme by year-end.

Spending against Programme 3 is, at 30.3 per cent of the adjusted budget, significantly lower than the straight-line benchmark of 50 per cent. The slow spending is partly attributed to slow internal recruitment processes. Moreover, the department experienced challenges with regard to the construction and upgrading of various libraries, such as Imbali library, as well as delays in the transfer of funds to some municipalities in respect of the provincialisation of libraries as a result of delays in the signing of MOAs between the department and some municipalities. The department is projecting to fully spend against this programme.

With regard to economic classification, it is noted that:

The department spent 48.8 per cent of the annual budget against *Compensation of employees* at the end of the first half of the year, after the virement of R12.881 million from this category. It must be noted that 74 posts in total were approved to be filled in the current year, however, none have been filled to date as a result of the department's lengthy internal recruitment processes.

*Goods and services* reflects spending at 43.2 per cent of the annual budget at the end of the first half of the year, due to delayed payments for leased head office and district offices as a result of the late receipt of invoices from the Department of Public Works. In addition, payments to the travel agent, Travel IT, were delayed as a result of challenges experienced by the department with regard to accessing supplier bank details when uploading entities to the new BAS version from the Central Supplier Database.

With regard to *Transfers and subsidies*:

- *Provinces and municipalities* reflects transfers to municipalities for library building projects, museum subsidies, motor vehicle licences, and for transfers relating to the provincialisation of libraries and museums. The department only spent 18.3 per cent of the annual budget at mid-year. This low rate of spending was mainly due to delays in the signing of MOAs in respect of the provincialisation of museums and libraries, as mentioned. The department is projecting full expenditure against this category by year-end.
- *Departmental agencies and accounts* is in respect of transfer payments to The Playhouse Company and reflects mid-year spending at 50 per cent, in line with the straight-line benchmark.
- *Public corporations and private enterprises* reflects 45.7 per cent spending by mid-year, which is slightly low due to transfers to various organisations not being effected because of non-finalisation of SLAs between the department and organisations. This under-expenditure was offset by a transfer to the International Jazz Extravaganza.
- *Non-profit institutions* reflects spending at 50 per cent of the annual budget, which is in line with the straight-line benchmark. This is mainly due to the department transferring funds to the KZN Philharmonic Orchestra against no projections and more funds than projected to museum subsidies as a result of entities finalising their SLAs earlier than anticipated. The department is projecting to transfer all funds against this category by year-end.
- *Households* relates to bursaries and staff exit costs. The department moved funds from *Compensation of employees* to offset unanticipated expenditure for staff exit costs.

*Buildings and other fixed structures* reflects very low spending at 27.6 per cent of the adjusted budget. This is mainly attributed to the lack of capacity in the department's SCM unit. The department is projecting full expenditure against this category.

*Machinery and equipment* reflects spending at 18 per cent of the annual budget by mid-year. This is lower than the straight-line benchmark of 50 per cent due to delays in the purchase of computer equipment, such as printers, desktops and scanners for libraries due to SCM challenges.



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>464 689</b>	<b>7 470</b>	<b>-</b>	<b>(2 950)</b>	<b>(2 800)</b>	<b>-</b>	<b>1 720</b>	<b>466 409</b>
Compensation of employees	227 940	-	-	(12 881)	-	-	(12 881)	215 059
Salaries and wages	198 808	-	-	(12 881)	-	-	(12 881)	185 927
Social contributions	29 132	-	-	-	-	-	-	29 132
Goods and services	236 749	7 470	-	9 931	(2 800)	-	14 601	251 350
Administrative fees	1 918	-	-	-	-	-	-	1 918
Advertising	6 050	-	-	-	-	-	-	6 050
Minor assets	34 210	7 470	-	8 000	-	-	15 470	49 680
Audit cost: External	4 425	-	-	-	-	-	-	4 425
Bursaries: Employees	221	-	-	-	-	-	-	221
Catering: Departmental activities	3 294	-	-	-	-	-	-	3 294
Communication (G&S)	6 696	-	-	-	-	-	-	6 696
Computer services	18 531	-	-	-	-	-	-	18 531
Cons & prof serv: Business and advisory services	4 170	-	-	-	-	-	-	4 170
Infrastructure and planning	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-
Legal services	210	-	-	-	-	-	-	210
Contractors	19 236	-	-	-	-	-	-	19 236
Agency and support / outsourced services	22 257	-	-	(200)	(2 800)	-	(3 000)	19 257
Entertainment	264	-	-	-	-	-	-	264
Fleet services (incl. govt motor transport)	2 804	-	-	1 500	-	-	1 500	4 304
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	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-
Consumable supplies	12 750	-	-	-	-	-	-	12 750
Consumable: Stationery, printing and office supplies	8 391	-	-	-	-	-	-	8 391
Operating leases	14 228	-	-	-	-	-	-	14 228
Property payments	15 887	-	-	-	-	-	-	15 887
Transport provided: Departmental activity	15 077	-	-	517	-	-	517	15 594
Travel and subsistence	19 924	-	-	1 614	-	-	1 614	21 538
Training and development	3 154	-	-	-	-	-	-	3 154
Operating payments	2 356	-	-	-	-	-	-	2 356
Venues and facilities	10 867	-	-	-	-	-	-	10 867
Rental and hiring	9 829	-	-	(1 500)	-	-	(1 500)	8 329
Interest and rent on land	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to</b>	<b>252 243</b>	<b>3 157</b>	<b>-</b>	<b>(5 452)</b>	<b>-</b>	<b>-</b>	<b>(2 295)</b>	<b>249 948</b>
Provinces and municipalities	210 582	2 427	-	(12 000)	-	-	(9 573)	201 009
Provinces	190	-	-	-	-	-	-	190
Provincial Revenue Funds	-	-	-	-	-	-	-	-
Provincial agencies and funds	190	-	-	-	-	-	-	190
Municipalities	210 392	2 427	-	(12 000)	-	-	(9 573)	200 819
Municipalities	210 392	2 427	-	(12 000)	-	-	(9 573)	200 819
Municipal agencies and funds	-	-	-	-	-	-	-	-
Departmental agencies and accounts	8 174	-	-	-	-	-	-	8 174
Social security funds	-	-	-	-	-	-	-	-
Entities receiving funds	8 174	-	-	-	-	-	-	8 174
Higher education institutions	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	4 805	650	-	4 850	-	-	5 500	10 305
Public corporations	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Private enterprises	4 805	650	-	4 850	-	-	5 500	10 305
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	4 805	650	-	4 850	-	-	5 500	10 305
Non-profit institutions	27 682	80	-	1 331	-	-	1 411	29 093
Households	1 000	-	-	367	-	-	367	1 367
Social benefits	-	-	-	143	-	-	143	143
Other transfers to households	1 000	-	-	224	-	-	224	1 224
<b>Payments for capital assets</b>	<b>157 136</b>	<b>3 500</b>	<b>-</b>	<b>8 402</b>	<b>2 800</b>	<b>(49 381)</b>	<b>(34 679)</b>	<b>122 457</b>
Buildings and other fixed structures	151 864	2 000	-	3 716	2 800	(49 381)	(40 865)	110 999
Buildings	151 864	2 000	-	2 520	2 800	(49 381)	(42 061)	109 803
Other fixed structures	-	-	-	1 196	-	-	1 196	1 196
Machinery and equipment	5 272	1 500	-	4 686	-	-	6 186	11 458
Transport equipment	842	-	-	-	-	-	-	842
Other machinery and equipment	4 430	1 500	-	4 686	-	-	6 186	10 616
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-
Land and sub-soil 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>874 068</b>	<b>14 127</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(49 381)</b>	<b>(35 254)</b>	<b>838 814</b>
<b>Amount to be voted</b>								<b>(35 254)</b>