

Vote 37

Arts and Culture

Adjusted budget summary

R thousand	Appropriation	2019/20		Adjusted appropriation
		Decrease	Increase	
Amount to be appropriated	4 617 485	(45 400)	–	4 572 085
<i>of which:</i>				
Current payments	675 570	(5 400)	–	670 170
Transfers and subsidies	3 696 643	(10 000)	–	3 686 643
Payments for capital assets	245 272	(30 000)	–	215 272
Executive authority	Minister of Arts and Culture			
Accounting officer	Director-General of Arts and Culture			
Website address	www.dac.gov.za			

Vote purpose

Contribute to sustainable economic development and enhance job creation by preserving, protecting and developing South African arts, culture and heritage to sustain a socially cohesive and democratic nation.

2019 National macro organisation of government

The Department of Arts and Culture will merge with the Department of Sport and Recreation South Africa by 1 April 2020. The two departments are working together to implement action plans for different workstreams to develop organisational and programme structures for the new Department of Sports, Arts and Culture.

Mid-year performance

Indicator	Programme	MTSF outcome	Annual performance		
			Projected for 2019/20 as published in the 2019 ENE	Achieved in the first half of 2019/20 (April to September)	Changed target for 2019/20
Number of community conversations on social cohesion and nation building conducted per year	Institutional Governance	Outcome 14: Nation building and social cohesion	9	6	–
Number of flagship cultural events supported per year	Arts and Culture Promotion and Development		18	9	–
Number of community arts programmes activated per year	Arts and Culture Promotion and Development		9	0	–
Number of artists placed in schools per year	Arts and Culture Promotion and Development	Outcome 1: Quality basic education	360	0	–
Number of language practice bursaries awarded per year	Arts and Culture Promotion and Development	Outcome 5: A skilled and capable workforce to support an inclusive growth path	300	0	–
Number of newly built and/or modular libraries supported financially per year	Heritage Promotion and Preservation	Outcome 14: Nation building and social cohesion	32	32	–

Mid-year progress

Although the department supported only 5 flagship cultural events in the first half of 2019/20 against its annual target of 18, it is on track to achieve the annual target by the end of March 2020.

The department did not activate any community arts programmes during the first half of the financial year due to delays in signing service-level agreements with service providers. However, consultative meetings were held with 5 provinces to develop provincial community arts development programmes and the department is on track to activate 9 community arts programmes before the end of the financial year.

The target of 360 artists placed in schools and 300 language practice bursaries awarded are set to be delivered in the third quarter, in line with the start of the school and university year.

The department achieved the annual target of financially supporting the construction of 32 new and/or modular libraries within the first half of the financial year.

Adjusted estimates

Programme	2019/20							Adjusted appropriation
	Appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
R thousand								
Administration	308 274	–	–	–	(5 400)	–	(5 400)	302 874
Institutional Governance	150 393	–	–	–	–	–	–	150 393
Arts and Culture Promotion and Development	1 132 238	–	–	–	–	–	–	1 132 238
Heritage Promotion and Preservation	3 026 580	–	–	–	(40 000)	–	(40 000)	2 986 580
Total	4 617 485	–	–	–	(45 400)	–	(45 400)	4 572 085
Economic classification								
Current payments	675 570	–	–	–	(5 400)	–	(5 400)	670 170
Compensation of employees	272 858	–	–	–	(5 400)	–	(5 400)	267 458
Goods and services	402 712	–	–	–	–	–	–	402 712
Transfers and subsidies	3 696 643	–	–	–	(10 000)	–	(10 000)	3 686 643
Provinces and municipalities	1 501 199	–	–	–	–	–	–	1 501 199
Departmental agencies and accounts	1 860 753	–	–	–	(10 000)	–	(10 000)	1 850 753
Higher education institutions	8 818	–	–	–	–	–	–	8 818
Foreign governments and international organisations	5 050	–	–	–	–	–	–	5 050
Public corporations and private enterprises	101 827	–	–	–	–	–	–	101 827
Non-profit institutions	196 484	–	–	–	–	–	–	196 484
Households	22 512	–	–	–	–	–	–	22 512
Payments for capital assets	245 272	–	–	–	(30 000)	–	(30 000)	215 272
Machinery and equipment	8 635	–	–	–	–	–	–	8 635
Heritage assets	236 637	–	–	–	(30 000)	–	(30 000)	206 637
Total	4 617 485	–	–	–	(45 400)	–	(45 400)	4 572 085

Programme 1: Administration

Subprogramme	2019/20							Adjusted appropriation
	Appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
R thousand								
Ministry	5 163	–	–	–	(2 332)	–	(2 332)	2 831
Management	50 868	–	–	–	(3 068)	–	(3 068)	47 800
Corporate Services	113 319	–	–	–	–	–	–	113 319
Office of the Chief Financial Officer	34 603	–	–	–	–	–	–	34 603
Office Accommodation	104 321	–	–	–	–	–	–	104 321
Total	308 274	–	–	–	(5 400)	–	(5 400)	302 874

Programme 1: Administration (continued)

Economic classification		2019/20						
		Appropriation	Adjustments appropriation					Total adjustments appropriation
Roll-overs	Virements and shifts		Shifts between votes	Declared unspent funds	Other adjustments			
R thousand								
Current payments	299 639	–	–	–	(5 400)	–	(5 400)	294 239
Compensation of employees	114 385	–	–	–	(5 400)	–	(5 400)	108 985
Goods and services	185 254	–	–	–	–	–	–	185 254
Payments for capital assets	8 635	–	–	–	–	–	–	8 635
Machinery and equipment	8 635	–	–	–	–	–	–	8 635
Total	308 274	–	–	–	(5 400)	–	(5 400)	302 874

Programme 4: Heritage Promotion and Preservation

Subprogramme		2019/20						
		Appropriation	Adjustments appropriation					Total adjustments appropriation
Roll-overs	Virements and shifts		Shifts between votes	Declared unspent funds	Other adjustments			
R thousand								
Heritage Promotion	60 486	–	–	–	–	–	–	60 486
National Archive Services	48 770	–	–	–	–	–	–	48 770
Heritage Institutions	571 813	–	–	–	–	–	–	571 813
National Library Services	137 183	–	–	–	–	–	–	137 183
Public Library Services	1 531 667	–	–	–	–	–	–	1 531 667
Infrastructure Management Office	541 932	–	–	–	(40 000)	–	(40 000)	501 932
South African Heritage Resources Agency	58 315	–	–	–	–	–	–	58 315
South African Geographical Names Council	5 061	–	–	–	–	–	–	5 061
National Heritage Council	71 353	–	–	–	–	–	–	71 353
Total	3 026 580	–	–	–	(40 000)	–	(40 000)	2 986 580
Economic classification								
Current payments	126 151	–	–	–	–	–	–	126 151
Compensation of employees	60 130	–	–	–	–	–	–	60 130
Goods and services	66 021	–	–	–	–	–	–	66 021
Transfers and subsidies	2 663 792	–	–	–	(10 000)	–	(10 000)	2 653 792
Provinces and municipalities	1 501 199	–	–	–	–	–	–	1 501 199
Departmental agencies and accounts	1 115 008	–	–	–	(10 000)	–	(10 000)	1 105 008
Higher education institutions	4 373	–	–	–	–	–	–	4 373
Foreign governments and international organisations	2 025	–	–	–	–	–	–	2 025
Public corporations and private enterprises	900	–	–	–	–	–	–	900
Non-profit institutions	34 032	–	–	–	–	–	–	34 032
Households	6 255	–	–	–	–	–	–	6 255
Payments for capital assets	236 637	–	–	–	(30 000)	–	(30 000)	206 637
Heritage assets	236 637	–	–	–	(30 000)	–	(30 000)	206 637
Total	3 026 580	–	–	–	(40 000)	–	(40 000)	2 986 580

Details of adjustments to the 2019 Estimates of National Expenditure

Declared unspent funds – R45.4 million

Programme 1: Administration

R5.4 million in unspent funds has been declared on compensation of employees as the department does not have to carry the costs of the office of the deputy minister, which are carried by the Department of Sport and Recreation South Africa.

Programme 4: Heritage Promotion and Preservation

R40 million in unspent funds has been declared on capital works due to various challenges in implementing heritage and infrastructure projects. Of this, R5 million has been declared on the Sarah Baartman Centre; R5 million on the Isibhubhu Cultural Arena; R20 million on the National Archives; R5 million on the Performing Arts Centre of the Free State; and R5 million on the KwaZulu-Natal Museum.

Expenditure outcome for 2018/19 and actual expenditure for 2019/20

Programme	2018/19					2019/20			
	Adjusted appropriation	Outcome				Adjusted appropriation	Adjusted appropriation/ Total (%)	Actual expenditure	
		Apr 18 - Sep 18	% of adjusted appropriation	Apr 18 - Mar 19	% of adjusted appropriation			Apr 19 - Sep 19	% of adjusted appropriation
R thousand									
Administration	310 317	146 628	47.3	308 865	99.5	302 874	6.6	120 899	39.9
Institutional Governance	287 823	59 471	20.7	226 079	78.5	150 393	3.3	70 212	46.7
Arts and Culture Promotion and Development	1 167 540	606 306	51.9	1 132 471	97.0	1 132 238	24.8	523 668	46.3
Heritage Promotion and Preservation	2 573 057	1 236 066	48.0	2 570 570	99.9	2 986 580	65.3	1 317 654	44.1
Total	4 338 737	2 048 471	47.2	4 237 985	97.7	4 572 085	100.0	2 032 433	44.5
Economic classification									
Current payments	631 042	306 703	48.6	623 635	98.8	670 170	14.7	310 394	46.3
Compensation of employees	253 530	117 807	46.5	238 841	94.2	267 458	5.8	126 035	47.1
Goods and services	377 512	180 009	47.7	375 907	99.6	402 712	8.8	184 358	45.8
Interest and rent on land	–	8 887	–	8 887	–	–	–	1	–
Transfers and subsidies	3 580 452	1 731 989	48.4	3 526 650	98.5	3 686 643	80.6	1 692 685	45.9
Provinces and municipalities	1 423 684	704 051	49.5	1 423 686	100.0	1 501 199	32.8	802 147	53.4
Departmental agencies and accounts	1 795 366	823 640	45.9	1 760 575	98.1	1 850 753	40.5	758 505	41.0
Higher education institutions	5 441	1 563	28.7	5 440	100.0	8 818	0.2	1 592	18.1
Foreign governments and international organisations	4 809	1 000	20.8	4 265	88.7	5 050	0.1	–	–
Public corporations and private enterprises	115 051	68 438	59.5	120 134	104.4	101 827	2.2	50 263	49.4
Non-profit institutions	212 452	117 544	55.3	188 353	88.7	196 484	4.3	70 128	35.7
Households	23 649	15 753	66.6	24 197	102.3	22 512	0.5	10 050	44.6

Economic classification	2018/19					2019/20			
	Adjusted appropriation	Outcome				Adjusted appropriation	Adjusted appropriation/ Total (%)	Actual expenditure	
		Apr 18 - Sep 18	% of adjusted appropriation	Apr 18 - Mar 19	% of adjusted appropriation			Apr 19 - Sep 19	% of adjusted appropriation
R thousand									
Payments for capital assets	127 243	9 749	7.7	87 479	68.7	215 272	4.7	29 324	13.6
Buildings and other fixed structures	–	–	–	35 800	–	–	–	–	–
Machinery and equipment	17 650	5 905	33.5	17 858	101.2	8 635	0.2	1 014	11.7
Heritage assets	109 593	2 409	2.2	32 827	30.0	206 637	4.5	26 640	12.9
Software and other intangible assets	–	1 435	–	994	–	–	–	1 670	–
Payments for financial assets	–	30	–	221	–	–	–	30	–
Total	4 338 737	2 048 471	47.2	4 237 985	97.7	4 572 085	100.0	2 032 433	44.5

Expenditure trends for the first half of 2019/20

Total expenditure in 2018/19 was R4.2 billion, 97.7 per cent of the adjusted appropriation for the year. Mid-year expenditure in 2018/19 was R2 billion, 47.2 per cent of the 2018/19 adjusted appropriation, whereas expenditure in the first half of 2019/20 was R2 billion, 44.5 per cent of the adjusted appropriation of R4.6 billion for the year. Compared to the first half of 2018/19, expenditure over the same period in 2019/20 decreased by R16 million, 0.8 per cent, due to the slow spending on capital works projects and delays in the processing of payments for Mzansi golden economy projects.

Departmental receipts

	2018/19					2019/20				
	Adjusted estimate	Outcome				Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Actual receipts	
		Apr 18 - Sep 18	% of adjusted estimate	Apr 18 - Mar 19	% of adjusted estimate				Apr 19 - Sep 19	% of adjusted estimate
R thousand										
Departmental receipts	573	310	54.1	966	168.6	758	940	100.0	481	51.2
Sales of goods and services produced by department	293	131	44.7	260	88.7	429	214	22.8	106	49.5
Sales of scrap, waste, arms and other used current goods	3	–	–	–	–	7	150	16.0	74	49.3
Interest, dividends and rent on land	9	3	33.3	14	155.6	12	12	1.3	6	50.0
Sales of capital assets	–	–	–	–	–	220	–	–	–	–
Transactions in financial assets and liabilities	268	176	65.7	692	258.2	90	564	60.0	295	52.3
Total	573	310	54.1	966	168.6	758	940	100.0	481	51.2

Revenue trends for the first half of 2019/20

Mid-year revenue for 2018/19 was R310 000, 54.1 per cent of the 2018/19 adjusted estimate, whereas mid-year revenue in 2019/20 was R481 000, 51.2 per cent of the adjusted estimate of R940 000 for the year. Compared to the first half of 2018/19, revenue over the same period in 2019/20 increased by R171 000, 55.2 per cent, mainly due to debt recovered through a court settlement and the auction of old assets.

Changes to transfers and subsidies**Summary of changes to transfers and subsidies per programme**

		2019/20						
		Adjustments appropriation					Total	Adjusted appropriation
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments	adjustments appropriation	
Heritage Promotion and Preservation								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Capital	59 517	–	–	–	(10 000)	–	(10 000)	49 517
KwaZulu-Natal Museum:	33 542	–	–	–	(5 000)	–	(5 000)	28 542
Pietermaritzburg								
Performing Arts Centre of the Free State	25 975	–	–	–	(5 000)	–	(5 000)	20 975