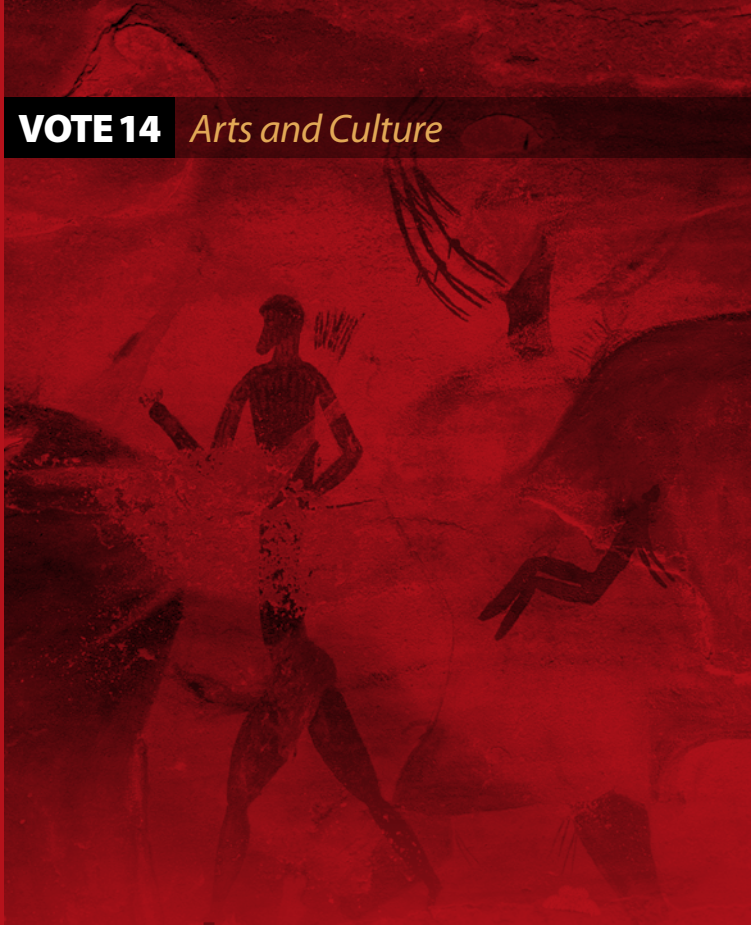


VOTE 14 *Arts and Culture*



National Treasury

BUDGET 2012

ESTIMATES OF NATIONAL EXPENDITURE



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Estimates of National Expenditure

2012

National Treasury

Republic of South Africa

22 February 2012



ISBN: 978-0-621-40578-1

RP: 01/2012

The Estimates of National Expenditure 2012 e-publications are compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za.

Compared to the abridged version of the Estimates of National Expenditure, these publications contain more comprehensive coverage of goods and services, transfers and subsidies, and public entities. Additional tables are included containing information on the main and adjusted appropriation, with revised spending estimates for the current financial year, on skills training, conditional grants to provinces and municipalities, public private partnerships and information on donor funding. Expenditure information at the level of service delivery is also included, where appropriate.

Foreword

The current global economic context is characterised by high levels of uncertainty. Against this backdrop, South Africa's development depends largely on government improving its level and quality of service delivery in support of the inclusive and equitable economic roadmap, as contained in the new growth path. The 2012 Budget is an important tool of government for giving effect to these objectives, and this Budget allocates resources to specific interventions that will be actioned over the period of the medium term expenditure framework (MTEF). Growth in spending focuses particularly on infrastructure development, job creation, enterprise support and the enhancement of local government delivery.

South Africa's fiscal stance and public spending programmes are focused on long term structural transformation. Over the next three years of the MTEF period, government priorities will continue to be realised within a sustainable fiscal trajectory, which balances current needs with intergenerational equity. In line with this, spending baselines have undergone rigorous review, areas of inefficiency and lower priority have been identified, and funds have been redirected towards government's key priorities, both new and existing. This has been done in recognition of the relationship between the composition of spending and fiscal sustainability over the long term. Here, the balance between consumption and investment is extremely important. Even the distribution of consumption spending between wages, goods and services and transfers is significant, as is the balance between the functional categories expenditure (such as education, health and economic services). Underspending on key priorities undermines the aims of the spending proposed within MTEF Budgets.

Since introducing the functional approach to budget decision-making in 2009, transparency and coordination in budgeting has been enhanced, largely due to the participation by the stakeholders responsible for delivery across all spheres of government. South African budget reforms, especially the intensified focus on budget trade-offs and the composition of expenditure, will lead to greater accountability and improved control.

It is not enough to demonstrate a change in the composition of budgeted expenditure; nor is it enough to pinpoint the specific actions required and proposed within the Budget. Success will only be achieved when we can demonstrate that a shift in the composition of actual expenditure has taken place, together with the achievement of improved delivery targets.

This year, the layout of this publication has been altered substantially. The focus is on linking more closely expenditure planned with targeted performance. Specific focus is on the outcomes to which institutions contribute and the output and other performance measures supporting them. The sections covering employee numbers, personnel budgets and the purpose and key activities of each subprogramme within a vote are now more prominent, giving expression to the budget and service delivery. This publication still indicates details per vote of the allocation of new monies, monies reprioritised between or within budget programmes, and Cabinet approved budget reductions over the period ahead. Compared to the abridged version of the Estimates of National Expenditure, the e-publications for each vote contain more comprehensive coverage of goods and services, transfers and subsidies, and public entities. Additional tables are included, containing information on: the main and adjusted appropriation, with revised spending estimates for the current financial year; skills training; conditional grants to provinces and municipalities; public private partnerships; and donor funding. Expenditure information at the level of service delivery is also included, where appropriate.

The expenditure estimates of departments are the outcome of a rigorous administrative and executive process. Treasury budget analysts, under the guidance of the Ministers' Committee on the Budget, follow a wide-ranging intergovernmental consultative process, working closely with the policy and budget teams of departments and entities to ensure that government priorities are appropriately funded within the available resource envelope. The Treasury is grateful for the contribution of these teams. Appreciation is also due to the people in the Treasury team, who worked with great diligence to produce a high quality document that provides a comprehensive account of government's spending and performance plans.



Lungisa Fuzile
Director General: National Treasury

Introduction

The Estimates of National Expenditure publications

The Estimates of National Expenditure publications are important accountability documents, which set out the details in relation to planned expenditure and planned performance at the time of the tabling of the Budget. Estimates of National Expenditure publications continue to make a significant contribution to the changes relating to budgeting by programme. As part of these ongoing efforts, several changes have been made to the 2012 Estimates of National Expenditure publications. Departments still provide information on the key objectives of each subprogramme within a programme, and note the activities carried out, the number of personnel responsible for undertaking these activities and the funding allocations supporting this. This year in the 2012 publications, information on expenditure and performance is more closely linked under the 'expenditure trends' section, with a brief discussion on the impact of budget allocations on the achievement of outputs over the seven-year period. In addition, an explanation of the personnel trends, per programme by salary level, over the seven years in relation to compensation of employees has also been included. Finally, information on Cabinet approved cost reduction measures and other budget reprioritisation has been included per programme.

The 2012 abridged Estimates of National Expenditure publication, and the separate Estimates of National Expenditure e-publications for each vote are the product of an extensive consultative review process of budgets and policy, and policy implementation by programme, and include the latest improvements in non-financial performance information. These publications provide the details of the spending estimates for the next three financial years (2012/13 to 2014/15), expenditure outcomes for the past three years (2008/09 to 2010/11) and revised estimates for the current financial year (2011/12). Information is provided on performance targets over the seven year period as well as changes in these, as they relate to trends in planned expenditure.

The e-publications for individual votes contain more comprehensive coverage of goods and services, transfers and subsidies, and public entities. Additional tables are included containing information on: the main and adjusted appropriation, with revised spending estimates for the current financial year; skills training; conditional grants to provinces and municipalities; public private partnerships; and donor funding. Expenditure information at the level of service delivery is also included, where appropriate.

A consolidated account, summarising the Estimates of National Expenditure publication information across votes, is provided in the form of a narrative and summary tables in the Introduction chapter, which is included in the front pages of the abridged version of the Estimates of National Expenditure. A write-up containing the explanation of the information that is contained in each section of the publications has also been included in the abridged version of the Estimates of National Expenditure. Like the separate Estimates of National Expenditure e-publications for each vote, the abridged Estimates of National Expenditure publication is also available on www.treasury.gov.za.

Arts and Culture

**National Treasury
Republic of South Africa**



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Vote 14

Arts and Culture

Budget summary

R thousand	2012/13				2013/14	2014/15
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	209 687	206 137	–	3 550	223 892	236 508
Performing Arts	639 996	77 034	562 666	296	718 681	760 606
National Language Services	111 850	26 555	84 321	974	124 128	132 742
Cultural Development	180 410	162 044	17 855	511	227 812	281 085
Heritage Promotion	744 243	61 055	682 794	394	835 414	884 816
National Archives and Library Services	799 471	45 976	752 606	889	782 147	834 905
Total expenditure estimates	2 685 657	578 801	2 100 242	6 614	2 912 074	3 130 662
Executive authority	Minister of Arts and Culture					
Accounting officer	Director General of Arts and Culture					
Website address	www.dac.gov.za					

Aim

Develop and preserve South African arts and culture to ensure social cohesion and nation building.

Programme purposes

Programme 1: Administration

Purpose: Provides leadership, management and support functions of the department.

Programme 2: Performing Arts

Purpose: Promote the performing arts.

Programme 3: National Language Services

Purpose: Promote the official languages of South Africa and enhance the linguistic diversity of the country.

Programme 4: Cultural Development

Purpose: Promote and develop South African arts and culture.

Programme 5: Heritage Promotion

Purpose: Provide policy, legislation and strategic direction for identifying, conserving and promoting cultural heritage.

Programme 6: National Archives and Library Services

Purpose: Facilitate full and open access to the archival and information resources of South Africa.

Strategic overview: 2008/09 – 2014/15

The Department of Arts and Culture seeks to create better conditions for the production, distribution and consumption of art so that it yields greater economic and social benefits for communities and the country as a whole. It does this chiefly through ongoing policy development and reviews. In order to realise the economic

value of arts and culture, it is crucial that the arts and culture value chain is managed holistically. Increasing the creative capacity of the arts, culture and heritage sector will stimulate creativity, demand, audience development and consumption of the products and services related to arts, culture and heritage.

Alignment with national outcomes

While the focus over the medium term will be on improving the economic competitiveness of arts and culture, the department will still uphold and pursue its developmental mission. In relation to government's 12 outcomes, the department's work relates to the broad outcome of an empowered, fair and inclusive citizenship, (outcome 12). Specifically, the department has been mandated to lead in the area of social cohesion, which includes the promotion of national cultural identity. This involves ensuring that culture and the arts are supported to play a meaningful role in the lives of citizens, and be a vehicle for them to achieve better awareness of their national identity, and experience and show national pride and a greater self-confidence.

The new Mzansi Golden Economy strategy was introduced in 2011/12 and aims to increase focus on unleashing the potential of the arts, culture and heritage sector to contribute to job creation and economic growth (outcome 4). Through this strategy, the department has outlined a detailed plan on how the arts, culture and heritage sector will contribute to the national goal of creating 5 million jobs within the next 10 years. The strategy redirects funds from the Investing in Culture programme to the Mzansi Golden Economy strategy to create employment and stimulate the economy on a broader scale in relation to arts, culture and heritage.

Changes in policy and practice

Between December 2010 and April 2011, the department conducted a rapid review of prior research and a status quo assessment, which culminated in high level conceptual proposals to reposition the arts, culture and heritage sector and introduce large scale, high impact programmes. Following a consultative conference in April 2011, 13 project teams were established to develop detailed concept documents and business plans for implementation of the Mzansi Golden Economy strategy. This strategy will work through existing institutions and is built on existing initiatives categorised into five areas: stimulation of demand, audience development and consumption, heritage, a cultural observatory, and human capital development. The implementation of these projects is estimated to create 16 000 work opportunities and 2 300 full time equivalent jobs between 2013/14 and 2014/15. The public art programme, which will focus on beautification and storytelling through art in communities and showcasing artistic talent, is one of the three projects aimed at stimulating demand in the sector. The programme is projected to create 5 000 work opportunities between 2013/14 and 2014/15. The heritage legacy projects include the national liberation heritage route and a marine heritage project. The latter is the establishment of a recreational underwater museum in Kosi Bay in KwaZulu-Natal, which will interpret aspects of the history of slavery, indentured labour and the South African Native Labour Corps with the potential to create 1 517 work opportunities with annual growth of between 200 and 968 work opportunities between 2013/14 and 2014/15.

Focus over the medium term

Promoting social cohesion through national symbols and events

The dissemination and popularisation of national symbols through education, publications, workshops, exhibitions and the distribution and installation of flags in schools, public buildings and households are some of the initiatives being undertaken to advance a national identity. Moreover, the department supports the commemoration of national events which bring people together to experience the wealth and diversity of South Africa's cultural offerings. An inaugural social cohesion summit is planned for 2012/13, which will coincide with the anniversary of the African National Congress' adoption of the Freedom Charter in 1955. The summit will be a significant historical event as it seeks to crystallise and achieve agreement on the social values and standards that underpin South Africa's democracy.

Language policy and archives

The implementation of the national language policy framework, approved by Cabinet in 2003, has gained momentum in the areas of language planning, translation and editing, terminology development and coordination of human language technologies. Moreover, as the custodian of government records, the department will continue to support and guide records and information management procedures across government to ensure that records of enduring value are permanently preserved in the archives. Over the medium term, the national automated archival information retrieval system will be upgraded to make access to information easier.

Strengthening public entities in the sector

The success of the arts and culture sector is reliant on good governance, infrastructure development, and establishing partnerships for greater impact. The department will conclude shareholder compacts with all its public entities to ensure better alignment of strategies and thus greater impact. Demand driven investment in cultural infrastructure will ensure the state's creative spaces remain accessible, functional and vibrant places for artists and communities.

Selected performance indicators**Table 14.1 Arts and Culture**

Indicator	Programme	Past			Current	Projections		
		2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Number of jobs created through the public art programme per year	Performing Arts	- ¹	- ¹	- ¹	- ¹	2 000	2 500	2 500
Number of cultural programmes developed in support of arts and culture events, including in cultural precincts per year	Performing Arts	- ²	- ²	- ²	- ²	6	6	6
Number of art works procured through the establishment of the art bank per year	Cultural Development	- ¹	- ¹	- ¹	- ¹	1 500	1 700	1 900
Number of projects supported in Investing in Culture initiative per year	Cultural Development	501	520	41	28	Phased out	Phased out	Phased out
Number of jobs created through Investing in Culture projects per year	Cultural Development	10 020	11 000	352	1 391	Phased out	Phased out	Phased out
Number of jobs created through Touring Venture programme per year	Performing Arts	- ¹	- ¹	- ¹	- ¹	250	300	350
Number of community libraries upgraded per year	National Archives and Library Services	40	43	56	75	50	85	90
Number of new community libraries built per year	National Archives and Library Services	9	7	10	14	15	18	20
Number of national flags and poles installed in schools per year	National Archives and Library Services	14 000	6 000	350 000 ³	12 000	4 000	4 000	4 000

1. New indicator – the Mzansi Golden Economy strategy.

2. New indicator.

3. Flags distributed during 2010 FIFA World Cup.

Expenditure estimates**Table 14.2 Arts and Culture**

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12		2012/13	2013/14	2014/15
R thousand								
Administration	182 371	162 850	190 798	196 972	192 431	209 687	223 892	236 508
Performing Arts	369 232	490 781	530 799	581 179	581 029	639 996	718 681	760 606
National Language Services	92 703	85 918	92 207	100 270	100 070	111 850	124 128	132 742
Cultural Development	150 476	119 435	138 863	171 844	151 644	180 410	227 812	281 085
Heritage Promotion	863 763	803 252	716 406	766 702	666 552	744 243	835 414	884 816
National Archives and Library Services	455 951	562 695	579 746	719 966	719 466	799 471	782 147	834 905
Total	2 114 496	2 224 931	2 248 819	2 536 933	2 411 192	2 685 657	2 912 074	3 130 662
Change to 2011 Budget estimate				68 356	(57 385)	60 540	127 331	178 834

Table 14.2 Arts and Culture (continued)

R thousand	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12		2012/13	2013/14	2014/15
Economic classification								
Current payments	381 683	380 545	361 218	483 615	473 661	578 801	661 845	745 723
Compensation of employees	126 848	146 271	152 833	167 362	167 362	180 030	191 807	203 499
Goods and services	254 835	234 274	208 385	316 253	306 299	398 771	470 038	542 224
<i>of which:</i>								
Administrative fees	340	264	1 148	2 449	2 449	2 322	2 450	2 595
Advertising	6 052	11 392	6 916	4 826	4 826	4 269	4 505	4 772
Assets less than the capitalisation threshold	2 495	1 095	202	3 013	3 013	2 864	3 026	3 208
Audit cost: External	4 457	7 737	7 003	1 915	1 915	2 030	2 141	2 269
Bursaries: Employees	453	747	657	474	474	502	529	561
Catering: Departmental activities	3 807	3 742	1 495	1 654	1 654	1 654	1 745	1 850
Communication	10 118	8 803	8 711	7 426	7 426	7 517	7 932	8 407
Computer services	8 354	5 042	5 233	3 169	3 169	3 359	3 544	3 756
Consultants and professional services: Business and advisory services	1 746	394	14 686	13 686	13 686	14 135	15 228	15 623
Consultants and professional services: Legal costs	1 110	2 980	5 803	508	508	538	568	602
Contractors	–	–	29 075	15 740	15 740	17 044	17 982	19 061
Agency and support / outsourced services	54 757	61 451	10 157	129 812	123 899	205 857	264 012	323 853
Entertainment	617	499	306	424	424	441	465	493
Fleet services (including government motor transport)	–	–	51	–	–	–	–	–
Inventory: Food and food supplies	–	–	5	–	–	–	–	–
Inventory: Fuel, oil and gas	186	127	1	153	153	264	279	295
Inventory: Materials and supplies	–	–	410	7 414	7 414	7 600	8 018	8 501
Inventory: Medical supplies	–	–	2	–	–	–	–	–
Inventory: Other consumables	2 164	3 238	1 156	300	300	4 280	4 292	4 549
Inventory: Stationery and printing	7 731	5 688	4 819	5 231	5 231	5 098	4 661	5 063
Lease payments	35 030	32 391	41 689	53 874	49 833	61 278	66 468	70 455
Property payments	11 735	18 918	22 271	13 469	13 469	15 044	16 328	17 307
Travel and subsistence	81 624	58 276	41 541	24 692	24 692	22 260	23 547	24 959
Training and development	4 533	3 251	2 810	1 648	1 648	1 780	1 897	2 013
Operating expenditure	393	542	326	15 800	15 800	12 083	13 862	14 716
Venues and facilities	17 133	7 697	1 912	8 576	8 576	6 552	6 559	7 316
Transfers and subsidies	1 726 377	1 839 249	1 885 161	2 046 912	1 932 825	2 100 242	2 243 250	2 377 541
Provinces and municipalities	344 646	440 600	462 445	569 934	569 934	564 574	597 786	631 614
Departmental agencies and accounts	1 185 097	1 210 030	1 235 616	1 317 382	1 217 382	1 435 831	1 538 183	1 632 676
Non-profit institutions	10 037	10 518	11 304	12 258	12 258	12 873	13 581	14 396
Households	186 597	178 101	175 796	147 338	133 251	86 964	93 700	98 855
Payments for capital assets	5 971	4 463	2 208	6 406	4 706	6 614	6 979	7 398
Machinery and equipment	5 971	4 463	2 193	6 406	4 706	6 614	6 979	7 398
Heritage assets	–	–	15	–	–	–	–	–
Payments for financial assets	465	674	232	–	–	–	–	–
Total	2 114 496	2 224 931	2 248 819	2 536 933	2 411 192	2 685 657	2 912 074	3 130 662

Expenditure trends

Over the medium term, the spending focus will be on the community library services conditional grant to increase access to library services, transfers to various heritage and arts institutions and the Mzansi Golden Economy strategy.

Over the seven-year period, total expenditure grows from R2.1 billion to R3.1 billion, at an average annual rate of 6.8 per cent, due to inflation related increases. Spending on agency and support and outsourced services is expected to grow from R129.8 million in 2011/12 to R323.9 million in 2014/15, at an average annual rate of 35.6 per cent, driven largely by Mzansi Golden Economy job creation projects. Consultants are used to provide coordination and implementation support, project management services, and to monitor and evaluate the implementation of the projects.

The 2012 Budget provides additional allocations of R77 million in 2012/13, R143.9 million in 2013/14 and R198.9 million in 2014/15:

- R3.7 million in 2012/13, R6 million in 2013/14 and R6.5 million in 2014/15 for the department for improvement in conditions of service
- R50 million in 2012/13, R100 million in 2013/14 and R150 million in 2014/15 for the Mzansi Golden Economy strategy
- R13.3 million in 2012/13, R22.9 million in 2013/14 and R25.9 million in 2014/15 for the public entities for improvement in conditions of service
- R10 million in 2012/13, R15 million in 2013/14 and R16.5 million for the Pan South African Language Board to address operational shortfalls.

The department has reprioritised R94 million in 2012/13, R33 million in 2013/14 and R42.6 million in 2014/15 from capital works in the *Performing Arts* and *Cultural Development* programmes to capital works in the *National Archives and Library Services* programme for the building of libraries. Cabinet has approved baseline cuts of R10.3 million in 2012/13, R12.2 million in 2013/14 and R13.4 million in 2014/15 mainly from goods and services, and transfers to households.

Due to capacity constraints, 8 consultants have been appointed at an estimated cost of R46.7 million mainly to assist with the implementation of the Mzansi Golden Economy strategy, enhancing media liaison strategies and implementing heritage infrastructure policies. Details of consultants are discussed in each programme.

Infrastructure spending

Spending on infrastructure grows from R448.6 million in 2008/09 to R540.1 million in 2014/15. The earmarked infrastructure allocation will be used to build, upgrade, restore and maintain museums, performing art centres, libraries and archives. In 2008/09, the department entered into the planning phase of the new National English Literary Museum in Grahamstown and the construction of storage space at Iziko Museum in Cape Town. Both are scheduled for completion in 2013/14 at a total cost of R350 million, which includes R20 million that has already been spent on consultant fees.

Infrastructure spending for the national legacy projects will increase over the MTEF period due to the focus on the national liberation heritage route. The department will spend an estimated R168 million on the construction of the Sarah Bartmann Centre of Remembrance in the Eastern Cape and R44 million on the construction of the Matola Monument Museum.

The upgrade to the Craigelea building on Church Street, used as the headquarters of the National Film and Video Archives, was completed in 2011/12. Several other projects will be running from 2012/13, such as the upgrading of facilities for people with disabilities at the National Archives of South Africa.

Personnel information

Table 14.3 Details of approved establishment and personnel numbers according to salary level¹

	Personnel post status as at 30 September 2011			Number of personnel posts filled / planned for on funded establishment						
	Number of posts on approved establishment	Number of funded posts	Number of posts additional to the establishment	Actual			Mid-year ²	Medium-term estimate		
				2008/09	2009/10	2010/11		2011/12	2012/13	2013/14
Department	824	474	–	427	492	461	439	474	474	474
Salary level 1 – 6	240	107	–	111	126	118	103	107	107	107
Salary level 7 – 10	385	222	–	194	233	225	210	222	222	222
Salary level 11 – 12	123	83	–	80	90	78	77	83	83	83
Salary level 13 – 16	76	62	–	42	43	40	49	62	62	62

Table 14.3 Details of approved establishment and personnel numbers according to salary level¹ (continued)

	Personnel post status as at 30 September 2011			Number of personnel posts filled / planned for on funded establishment						
	Number of posts on approved establishment	Number of funded posts	Number of posts additional to the establishment	Actual			Mid-year ²	Medium-term estimate		
				2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Administration	275	187	–	151	182	174	172	187	187	187
Salary level 1 – 6	77	36	–	36	43	43	33	36	36	36
Salary level 7 – 10	125	82	–	69	86	79	77	82	82	82
Salary level 11 – 12	45	35	–	28	34	31	34	35	35	35
Salary level 13 – 16	28	34	–	18	19	21	28	34	34	34
Performing Arts	52	22	–	20	24	24	18	22	22	22
Salary level 1 – 6	1	–	–	–	–	–	–	–	–	–
Salary level 7 – 10	28	11	–	7	12	14	11	11	11	11
Salary level 11 – 12	13	6	–	9	9	8	5	6	6	6
Salary level 13 – 16	10	5	–	4	3	2	2	5	5	5
National Language Services	86	60	–	55	60	62	60	60	60	60
Salary level 1 – 6	5	3	–	3	4	3	3	3	3	3
Salary level 7 – 10	70	46	–	45	46	50	46	46	46	46
Salary level 11 – 12	6	6	–	3	6	5	6	6	6	6
Salary level 13 – 16	5	5	–	4	4	4	5	5	5	5
Cultural Development	88	48	–	54	59	44	43	48	48	48
Salary level 1 – 6	8	1	–	1	1	1	1	1	1	1
Salary level 7 – 10	35	20	–	20	24	20	18	20	20	20
Salary level 11 – 12	31	18	–	25	25	18	17	18	18	18
Salary level 13 – 16	14	9	–	8	9	5	7	9	9	9
Heritage Promotion	67	28	–	28	28	23	22	28	28	28
Salary level 1 – 6	6	1	–	4	4	1	1	1	1	1
Salary level 7 – 10	40	13	–	12	13	11	10	13	13	13
Salary level 11 – 12	13	9	–	8	7	7	7	9	9	9
Salary level 13 – 16	8	5	–	4	4	4	4	5	5	5
National Archives and Library Services	256	129	–	119	139	134	124	129	129	129
Salary level 1 – 6	143	66	–	67	74	70	65	66	66	66
Salary level 7 – 10	87	50	–	41	52	51	48	50	50	50
Salary level 11 – 12	15	9	–	7	9	9	8	9	9	9
Salary level 13 – 16	11	4	–	4	4	4	3	4	4	4

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. As at 30 September 2011.

The department is reviewing its organisational structure following an organisational development exercise. The anticipated adjustments to the structure include eliminating duplication of responsibilities, introducing the sharing of resources, using the capacity of its entities and that of the department in joint projects, considering organising employees into teams to work on specific projects, and finding the optimal balance of core and support functions. The new structure is scheduled for implementation in April 2012. 439 posts of the funded established of 474 are filled as at 30 September 2011. The remaining 35 are expected to be filled over the medium term.

As at September 2011, the ratio of support staff to line staff in the department was 1:1. Consultants represent 1.8 per cent of total personnel.

Departmental receipts

Table 14.4 Receipts

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimate		
	2008/09	2009/10	2010/11	2011/12		2012/13	2013/14	2014/15
Departmental receipts	3 554	1 097	2 087	1 040	1 925	2 020	2 042	2 167
Sales of goods and services produced by department	237	248	206	352	216	229	229	252
Sales by market establishments	9	12	12	1	12	14	14	16
<i>of which:</i>								
<i>Rental parking: Covered and open</i>	9	12	12	1	12	14	14	16
Administration fees	1	6	6	344	4	5	5	6
<i>of which:</i>								
<i>Access to information act</i>	1	6	5	344	3	4	4	5
<i>Duplicate certificates</i>	–	–	1	–	1	1	1	1
Other sales	227	230	188	7	200	210	210	230
<i>of which:</i>								
<i>Coat of arms</i>	227	230	93	7	97	99	99	107
<i>Photocopy and faxes</i>	–	–	33	–	36	40	40	46
<i>Commission on insurance and garnishee</i>	–	–	61	–	65	69	69	75
<i>Traffic fines</i>	–	–	1	–	2	2	2	2
Sales of scrap, waste, arms and other used current goods	1	1	1	–	1	1	1	1
<i>of which:</i>								
<i>Waste paper</i>	1	1	1	–	1	1	1	1
Fines, penalties and forfeits	1	–	2	–	–	–	–	–
Interest, dividends and rent on land	25	12	4	8	8	10	12	14
Interest	25	12	4	8	8	10	12	14
Transactions in financial assets and liabilities	3 290	836	1 874	680	1 700	1 780	1 800	1 900
Total	3 554	1 097	2 087	1 040	1 925	2 020	2 042	2 167

Departmental receipts include mainly miscellaneous items, such as debt repayments, revenue generated through service fees charged by the National Archives of South Africa for copying documents, registering coats of arms and parking fees. Receipts are projected to grow from R1 million in 2011/12 to R2.2 million in 2014/15, at an average annual rate of 27.7 per cent. Receipts from transactions in financial assets and liabilities increased from R836 000 in 2009/10 to R1.9 million in 2010/11, due to the increased recovery of staff debt.

Programme 1: Administration

Expenditure estimates

Table 14.5 Administration

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
R thousand							
Ministry	2 493	3 025	3 244	3 494	3 669	3 871	4 103
Management	102 262	39 695	38 815	80 230	50 959	53 230	56 424
Corporate Services	31 400	68 892	89 350	45 905	79 841	85 151	89 443
Office Accommodation	46 216	51 238	59 389	67 343	75 218	81 640	86 538
Total	182 371	162 850	190 798	196 972	209 687	223 892	236 508
Change to 2011 Budget estimate				18 215	16 658	17 588	17 826

Table 14.5 Administration (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Economic classification							
Current payments	175 314	157 729	190 108	193 476	206 137	220 147	232 538
Compensation of employees	52 120	58 656	64 781	74 287	80 139	84 462	88 690
Goods and services	123 194	99 073	125 327	119 189	125 998	135 685	143 848
<i>of which:</i>							
Administrative fees	340	35	959	1 039	1 100	1 160	1 229
Advertising	5 010	2 101	585	1 771	1 877	1 980	2 098
Assets less than the capitalisation threshold	1 908	737	60	1 511	1 602	1 690	1 792
Audit cost: External	4 457	268	4 768	1 915	2 030	2 141	2 269
Bursaries: Employees	453	114	400	474	502	529	561
Catering: Departmental activities	1 532	555	344	773	819	864	916
Communication	6 195	2 548	5 554	4 610	4 887	5 156	5 465
Computer services	5 551	2 155	4 571	3 169	3 359	3 544	3 756
Consultants and professional services: Business and advisory services	627	24	14 031	4 835	5 125	5 407	5 732
Consultants and professional services: Legal costs	823	1 792	2 992	508	538	568	602
Contractors	–	–	4 062	27	29	31	33
Agency and support / outsourced services	22 848	15 683	840	3 657	–	–	–
Entertainment	602	499	254	392	416	439	466
Fleet services (including government motor transport)	–	–	51	–	–	–	–
Inventory: Fuel, oil and gas	176	125	–	131	139	147	156
Inventory: Materials and supplies	–	–	310	2 974	3 152	3 326	3 526
Inventory: Medical supplies	–	–	1	–	–	–	–
Inventory: Other consumables	1 258	2 157	676	279	296	312	330
Inventory: Stationery and printing	4 656	1 830	2 074	3 925	3 841	3 449	3 656
Lease payments	35 030	32 342	41 667	53 874	61 278	66 468	70 455
Property payments	11 735	18 918	22 271	13 469	15 044	16 328	17 307
Travel and subsistence	17 042	15 927	15 636	8 374	8 880	9 370	9 932
Training and development	1 256	773	2 660	1 648	1 780	1 897	2 013
Operating expenditure	393	300	15	7 077	6 382	7 795	8 285
Venues and facilities	1 302	190	546	2 757	2 922	3 084	3 269
Transfers and subsidies	2 923	2 708	284	–	–	–	–
Departmental agencies and accounts	101	432	157	–	–	–	–
Households	2 822	2 276	127	–	–	–	–
Payments for capital assets	4 065	2 249	381	3 496	3 550	3 745	3 970
Machinery and equipment	4 065	2 249	366	3 496	3 550	3 745	3 970
Heritage assets	–	–	15	–	–	–	–
Payments for financial assets	69	164	25	–	–	–	–
Total	182 371	162 850	190 798	196 972	209 687	223 892	236 508

Details of transfers and subsidies

Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	101	432	157	–	–	–	–
Gifts and donations	101	432	157	–	–	–	–
Households							
Other transfers to households							
Current	2 822	2 276	127	–	–	–	–
Households: Employees	2 822	2 276	127	–	–	–	–

Expenditure trends

Expenditure increased from R182.4 million in 2008/09 to R197 million in 2011/12, at an average annual rate of 2.6 per cent. Over the medium term, expenditure is expected to increase to R236.5 million, at an average annual rate of 6.3 per cent. The increase in both periods is due to inflation related adjustments to the baseline.

Spending in the *Corporate Services* subprogramme is projected to grow from R45.9 million in 2011/12 to R89.4 million in 2014/15, at an average annual rate of 24.9 per cent, due to the reprioritisation of funds to spending on compensation of employees to fund the revised establishment. Spending in the *Management* subprogramme is expected to decrease from R80.2 million in 2011/12 to R56.4 million in 2014/15, at an average annual rate of 11.1 per cent, due to a realignment between the corporate services and management subprogrammes.

In 2011/12 and 2012/13, this programme will spend R11 million on consultants. Due to the lack of capacity, a media strategy consultant has been appointed at a cost of R1.5 million to enhance the department's profile and manage communication on the new Mzansi Golden Economy strategy. This appointment was made in 2011/12 and will continue into 2012/13. A consultant was also appointed at a cost of R2.8 million to assist with the finalisation of the social cohesion policy and implementation plan over the same period.

Programme 2: Performing Arts

Objectives and measures

- Promote arts, culture and heritage in South Africa and mainstream its role in socioeconomic development by implementing at least 57 programmes and projects that improve the social and economic status of South African communities in 2012/13.
- Promote social enrichment, social cohesion and nation building through the arts, culture and heritage by improving the allocation of resources and ensuring that productions promoting social inclusion and nation building reach identified areas by using data collection tools that accurately capture the number of people accessing cultural facilities in 2012/13.
- Provide socioeconomic opportunities for women and vulnerable groups (children, youth, persons with disabilities and the aged) by implementing at least 6 arts, culture and heritage programmes by 2012/13.
- Foster good governance in all public entities to ensure compliance and efficiency in service delivery by signing shareholder compacts with all Department of Arts and Culture public entities by 1 April 2012.
- Stimulate the economy by creating 2 300 decent job opportunities through the implementation of the public art and touring venture programmes in 2012/13.
- Provide suitable infrastructure for the development and promotion of the arts, culture and heritage by undertaking an audit of infrastructure at 63 community arts centres to establish their suitability, condition and usage in 2012/13 for the purpose of improving access to arts, culture and heritage programmes and facilities by 2013/14.

Subprogrammes

- *Promotion of Performing Arts* promotes and develops the literary, visual and performing arts through policy development and providing financial assistance to performing arts institutions, organisations, community arts centres and individuals. It also supports the arts and social development through activities directed at: women, children and the youth; and persons with disabilities and the aged. It focuses on skills development through the improvement of basic education through the arts, culture and heritage. This subprogramme had a staff complement of 18 and a total budget of R102.9 million in 2011/12, of which 8.4 per cent is used for compensation of employees and 91.6 per cent was used to provide financial assistance to individuals and communities implementing visual or performing arts projects that promote social cohesion and the Mzansi Golden Economy projects. In 2010/11, 2 joint projects were implemented in collaboration with the Department of Basic Education (the My 2010 School Adventure competition and the South African Schools Choral Eisteddfod) at a cost of R2.3 million. Approved budget cuts of R1.8 million in 2012/13 have been identified in transfers to households.

- *National Arts Council* transfers funds to the National Arts Council, which supports the various disciplines of arts and culture through financial support, guided by funding criteria that promote government objectives. This subprogramme had no staff complement and a total budget of R68.5 million in 2011/12, which was transferred in full to the council. No approved budget cuts in 2012/13 have been made in this subprogramme.
- *Arts Institutions* transfers funds to various performing arts institutions to promote the performing arts. This subprogramme had no staff complement and a total budget of R315.5 million in 2011/12, which was transferred in full to performing arts institutions for operations and capital works, and to Business and Arts South Africa for operations. No approved budget cuts in 2012/13 have been made in this subprogramme.
- *National Film and Video Foundation* transfers funds to the National Film and Video Foundation in support of skills, local content and local marketing development in South Africa's film and video industry. This subprogramme had no staff complement and a total budget of R84.9 million in 2011/12, which was transferred in full to the foundation. No approved budget cuts in 2012/13 have been made in this subprogramme.
- *Capital Works of Playhouses* funds and administers capital grants to playhouses for maintenance and other capital projects. This subprogramme had no staff complement and a total budget of R9.4 million in 2011/12, which was transferred in full to entities based on approved plans. In 2010/11, R123.5 million was transferred for maintenance and repairs. R9 million of this was transferred to the Playhouse Company, R22.9 million to the Windybrow Theatre, R11.6 million to the State Theatre, R36.7 million to the Artscape Theatre, R27.3 million to the Market Theatre and R16 million to the Performing Arts Centre of the Free State. R15 million has been reprioritised in 2012/13 from capital works to the *National Archives and Library Services* programme for the building of libraries.

Expenditure estimates

Table 14.6 Performing Arts

Subprogramme	Audited outcome			Adjusted appropriation 2011/12	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
R thousand							
Promotion of Performing Arts	98 470	136 910	82 463	102 919	118 980	135 557	147 860
National Arts Council	72 853	78 522	65 625	68 485	87 527	88 054	93 365
Arts Institutions	154 414	165 183	210 337	315 467	197 047	209 847	222 793
National Film and Video Foundation	37 895	39 136	48 859	84 879	86 442	105 223	111 588
Capital Works of Playhouses	5 600	71 030	123 515	9 429	150 000	180 000	185 000
Total	369 232	490 781	530 799	581 179	639 996	718 681	760 606
Change to 2011 Budget estimate				31 800	33 141	62 831	65 405

Economic classification

	53 299	38 918	31 380	61 388	77 034	91 600	101 534
Current payments							
Compensation of employees	8 191	10 492	12 105	8 668	9 363	10 029	10 682
Goods and services	45 108	28 426	19 275	52 720	67 671	81 571	90 852
<i>of which:</i>							
Administrative fees	–	30	–	418	420	443	469
Advertising	135	4 447	1 580	110	115	122	129
Assets less than the capitalisation threshold	17	34	31	–	–	–	–
Audit cost: External	–	1 642	–	–	–	–	–
Bursaries: Employees	–	109	34	–	–	–	–
Catering: Departmental activities	773	2 163	352	524	530	559	593
Communication	621	1 951	496	200	210	222	235
Computer services	–	967	–	–	–	–	–
Consultants and professional services: Business and advisory services	–	61	43	1 710	1 750	1 846	1 957
Consultants and professional services: Legal costs	–	163	707	–	–	–	–
Contractors	–	–	9 054	9 700	10 000	10 550	11 183
Agency and support / outsourced services	15 138	9 326	1 469	35 000	49 970	62 843	71 000
Entertainment	–	–	12	–	–	–	–
Inventory: Materials and supplies	–	–	–	178	185	195	207

Table 14.6 Performing Arts (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Economic classification							
Current payments							
<i>Inventory: Other consumables</i>	6	249	272	–	–	–	–
<i>Inventory: Stationery and printing</i>	631	511	1 439	165	170	179	190
<i>Lease payments</i>	–	12	–	–	–	–	–
<i>Travel and subsistence</i>	14 582	3 409	3 737	3 563	3 131	3 357	3 559
<i>Training and development</i>	100	116	1	–	–	–	–
<i>Operating expenditure</i>	–	78	12	181	190	200	212
<i>Venues and facilities</i>	13 105	3 158	36	971	1 000	1 055	1 118
Transfers and subsidies	315 546	451 761	499 349	519 509	562 666	626 769	658 741
Departmental agencies and accounts	265 582	348 418	442 472	472 035	514 478	576 226	605 434
Non-profit institutions	5 180	5 453	5 864	6 225	6 538	6 898	7 312
Households	44 784	97 890	51 013	41 249	41 650	43 645	45 995
Payments for capital assets	234	95	69	282	296	312	331
Machinery and equipment	234	95	69	282	296	312	331
Payments for financial assets	153	7	1	–	–	–	–
Total	369 232	490 781	530 799	581 179	639 996	718 681	760 606

Details of transfers and subsidies

Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	259 982	277 388	318 957	462 606	364 478	396 226	420 434
Artscape	35 501	37 704	56 424	68 982	44 985	47 821	50 755
Market Theatre	19 343	20 634	21 776	54 582	24 611	26 196	27 810
National Arts Council	72 853	78 522	65 625	68 485	87 527	88 054	93 365
Performing Arts Centre of the Free State	25 828	27 884	37 553	38 672	33 250	35 487	37 690
Playhouse Company	30 182	32 268	40 477	64 908	38 488	40 970	43 495
State Theatre	30 942	33 300	38 323	50 319	39 706	42 393	45 028
Windybrow Theatre	7 438	7 940	9 920	31 779	9 469	10 082	10 703
National Film and Video Foundation	37 895	39 136	48 859	84 879	86 442	105 223	111 588
Capital	5 600	71 030	123 515	9 429	150 000	180 000	185 000
Playhouses: Capital works	5 600	71 030	123 515	9 429	150 000	180 000	185 000
Non-profit institutions							
Current	5 180	5 453	5 864	6 225	6 538	6 898	7 312
Business and Arts South Africa	5 180	5 453	5 864	6 225	6 538	6 898	7 312
Households							
Other transfers to households							
Current	44 784	97 890	51 013	41 249	41 650	43 645	45 995
Visual and performing arts projects	13 841	46 104	51 013	41 249	41 650	43 645	45 995
2010 FIFA World Cup projects	30 943	51 786	–	–	–	–	–

Expenditure trends

Expenditure grew from R369.2 million in 2008/09 to R581.2 million in 2011/12, at an average annual rate of 16.3 per cent. Over the medium term, expenditure is projected to grow to R760.6 million, at an average annual rate of 9.4 per cent. The increase in expenditure between 2008/09 and 2011/12 is due to the inclusion of the repairs, maintenance and upgrading of arts institutions in the *Capital Works of Playhouses* subprogramme. In 2010/11, the department collaborated with the Department of Basic Education to implement the My 2010 School Adventure competition and the South African Schools Choral Eisteddfod at a cost of R2.3 million.

Over the MTEF period, an additional R300 million has been allocated for the Mzansi Golden Economy strategy, which was established to create employment and stimulate the economy using arts and culture.

In 2011/12, 3 consultants were appointed for three years to manage the Mzansi Golden Economy strategy at a total cost of R5.6 million over the period.

Programme 3: National Language Services

Objectives and measures

- Promote access to services and information for all citizens in the official language of choice through the development and implementation of human language technologies by March 2013.
- Promote the use of all official languages by:
 - providing ongoing translation and editing services to all government departments
 - developing specialised terminologies in 10 official languages to facilitate communication in life orientation, mathematics and elections in March 2013.

Subprogrammes

- *National Language Services* promotes the national language policy and develops strategies for implementation. This subprogramme had a staff complement of 60 and a total budget of R44.2 million in 2011/12, of which 49 per cent was used for compensation of employees. The bulk of the budget was used for implementing language development programmes, such as the development of human language technologies, translation of government documents in all 11 official languages and foreign languages, and the development of specialised terminologies. In 2011/12, 39.8 per cent of the budget was transferred to households to fund postgraduate bursaries and projects such as the development of language literature, and the rollout of telephone based information services and machine translation tools. The department awarded 119 postgraduate bursaries in 2010/11 and established the South African Language Practitioners Council at a cost of R5.2 million. Approved budget cuts of R1.5 million have been identified from spending on goods and services, and transfers to households.
- *Pan South African Language Board* transfers funds to the Pan South African Language Board, which creates an environment conducive to developing, using and promoting the 11 official languages, as well as the Khoe, Nama, San and South African sign languages. This subprogramme had no staff complement and a total budget of R56.1 million in 2011/12, which was transferred in full to the board. No approved budget cuts in 2012/13 have been made in this subprogramme.

Expenditure estimates

Table 14.7 National Language Services

Subprogramme	Audited outcome			Adjusted appropriation 2011/12	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
R thousand							
National Language Services	45 252	35 762	39 336	44 151	42 370	45 948	49 245
Pan South African Language Board	47 451	50 156	52 871	56 119	69 480	78 180	83 497
Total	92 703	85 918	92 207	100 270	111 850	124 128	132 742
Change to 2011 Budget estimate				(1 300)	6 695	13 003	14 949

Economic classification

	20 723	26 010	22 470	25 604	26 555	29 123	31 409
Current payments							
Compensation of employees	14 712	17 301	18 883	21 638	23 138	25 510	27 614
Goods and services	6 011	8 709	3 587	3 966	3 417	3 613	3 795
<i>of which:</i>							
<i>Administrative fees</i>	–	43	–	30	–	–	–
<i>Advertising</i>	33	55	74	790	–	–	–
<i>Assets less than the capitalisation threshold</i>	37	44	86	307	–	–	–
<i>Audit cost: External</i>	–	428	–	–	–	–	–
<i>Bursaries: Employees</i>	–	63	102	–	–	–	–
<i>Catering: Departmental activities</i>	163	89	124	55	–	–	–
<i>Communication</i>	320	454	320	144	–	–	–
<i>Computer services</i>	–	560	–	–	–	–	–
<i>Consultants and professional services: Business and advisory services</i>	1 119	197	477	563	1 199	1 583	1 158
<i>Consultants and professional services: Legal costs</i>	–	378	144	–	–	–	–
<i>Contractors</i>	–	–	119	–	–	–	–

Table 14.7 National Language Services (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Economic classification							
Current payments							
Agency and support / outsourced services	238	2 218	248	–	–	–	–
Entertainment	–	–	11	–	–	–	–
Inventory: Materials and supplies	–	–	2	–	–	–	–
Inventory: Other consumables	–	19	1	–	–	–	–
Inventory: Stationery and printing	507	445	221	389	400	307	447
Lease payments	–	12	–	–	–	–	–
Travel and subsistence	2 945	2 375	1 089	539	862	1 070	1 134
Training and development	82	67	–	–	–	–	–
Operating expenditure	–	19	23	236	214	253	268
Venues and facilities	567	1 243	546	913	742	400	788
Transfers and subsidies	71 081	59 845	69 694	73 738	84 321	93 977	100 243
Departmental agencies and accounts	47 451	50 156	52 871	56 119	69 480	78 180	83 497
Households	23 630	9 689	16 823	17 619	14 841	15 797	16 746
Payments for capital assets	894	59	35	928	974	1 028	1 090
Machinery and equipment	894	59	35	928	974	1 028	1 090
Payments for financial assets	5	4	8	–	–	–	–
Total	92 703	85 918	92 207	100 270	111 850	124 128	132 742

Details of transfers and subsidies

Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	47 451	50 156	52 871	56 119	69 480	78 180	83 497
Pan South African Language Board	47 451	50 156	52 871	56 119	69 480	78 180	83 497
Households							
Other transfers to households							
Current	23 630	9 689	16 823	17 619	14 841	15 797	16 746
Language development projects	23 630	9 689	16 823	17 619	14 841	15 797	16 746

Expenditure trends

Expenditure grew from R92.7 million in 2008/09 to R100.3 million in 2011/12, at an average annual rate of 2.7 per cent, and is expected to grow to R132.7 million over the medium term, at an average annual rate of 9.8 per cent. Growth over the MTEF period is attributed to the additional R41.5 million allocated for the transfer to the Pan South African Language Board to address operational shortfalls.

The department awarded 119 postgraduate bursaries in 2010/11 and established the South African Language Practitioners Council at a cost of R5.2 million.

R3.9 million has been allocated over the medium term for spending on consultants. The department has appointed consultants to develop and assist with the rollout of the telephone based information services and machine translation tools.

Programme 4: Cultural Development**Objectives and measures**

- Conduct research and innovation and develop policies and strategies that will create and sustain an enabling environment and improve the regulatory framework of cultural industries by March 2013.

- Provide strategic support for the cultural industries value chain for human capital development and entrepreneurial economic opportunities by March 2013.
- Continue to promote the sector nationally and internationally through awareness, marketing and distribution of creative industry products annually.
- Increase access and participation by arts and culture practitioners in international cultural events by adding 10 more signed international agreements, programmes of cooperation and cultural exchanges by March 2013.
- Align the department's international programme with its domestic mandate through broad departmental and national consultations on a draft international relations policy by March 2013.
- Rationalise and consolidate the department's international relations programme by conducting an audit of 150 existing bilateral cultural agreements by March 2013.
- Increase job opportunities and stimulate the economy through running art exhibitions at national events and the procurement and curation of art works in 2012.
- Improve access to sustainable economic markets by driving and supporting initiatives aimed at moving 660 creative industry practitioners from the fringes of economic activity into the mainstream economy by March 2013.

Subprogrammes

- *Cultural Development* supports the creative industries by developing strategies, participating in various stakeholder forums, supporting projects in the various disciplines and providing training. This subprogramme had a staff complement of 19 and a total budget of R78.1 million in 2011/12, of which 10.8 per cent is used for compensation of employees and 64 per cent was used for creating employment and stimulating the economy through the establishment of the Art Bank, which will procure and curate 6 national artworks and 6 national events to be piloted, with an additional 26 events supported nationally. Focus is placed on craft, technical services, music, books and publishing as well as research and development, which is the cross-cutting function in the programme. Approved budget cuts in 2012/13 of R2.3 million have been identified from transfers to households.
- *Investing in Culture* promotes job creation, skills development and economic empowerment, and supports business start-ups and poverty alleviation projects. This subprogramme had a staff complement of 4 and a total budget in 2011/12 of R60.3 million. The bulk of the budget is used for transfers to poverty alleviation projects that provide empowerment opportunities in the second economy for unemployed people through training and job creation in arts, culture and heritage. The transfers are initially disbursed on the basis of business plans and agreements between the department and the individual or group contractors. This subprogramme has been absorbed into the Mzansi Golden Economy strategy from 2012/13 and is therefore included in the *Cultural Development* subprogramme. No approved budget cuts in 2012/13 have been made in this subprogramme.
- *International Cooperation* manages South Africa's cultural participation in bilateral and multilateral activities; secures official development assistance; promotes the national arts, culture and heritage presence in the international arena; and builds international partnerships. This subprogramme had a staff complement of 20 and a total budget of R33.4 million in 2011/12, of which 29.3 per cent was used on compensation of employees and 64.4 per cent was used for spending on goods and services, mainly travel and subsistence, and agency and outsourced service that will contribute to the Common Wealth Foundation and the United Nations Educational Scientific and Cultural Organisation bilateral activities. In 2010/11, focus was placed on the approval of the African Union (AU) and Southern African Development Community (SADC) common policies and directives on arts and culture. No approved budget cuts in 2012/13 have been made in this subprogramme.

Expenditure estimates

Table 14.8 Cultural Development

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
R thousand							
Cultural Development	38 859	44 506	21 819	78 098	143 523	188 391	239 109
Investing in Culture	55 590	39 071	88 605	60 346	–	–	–
International Cooperation	56 027	35 858	28 439	33 400	36 887	39 421	41 976
Total	150 476	119 435	138 863	171 844	180 410	227 812	281 085
Change to 2011 Budget estimate				(8 873)	(8 106)	28 686	70 011

Economic classification

	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Current payments	65 862	67 303	43 204	94 869	162 044	208 321	260 531
Compensation of employees	19 335	22 402	18 325	19 797	21 361	22 860	24 329
Goods and services	46 527	44 901	24 879	75 072	140 683	185 461	236 202
<i>of which:</i>							
Administrative fees	–	77	40	620	447	472	500
Advertising	148	225	119	110	77	81	85
Assets less than the capitalisation threshold	80	50	24	39	28	29	31
Audit cost: External	–	4 106	800	–	–	–	–
Bursaries: Employees	–	309	56	–	–	–	–
Catering: Departmental activities	428	549	89	53	37	39	41
Communication	1 353	2 054	1 136	284	200	212	224
Computer services	–	2	1	–	–	–	–
Consultants and professional services: Business and advisory services	–	25	31	1 872	1 267	1 337	1 417
Consultants and professional services: Legal costs	–	320	1 579	–	–	–	–
Contractors	–	–	7 115	4	5	5	5
Agency and support / outsourced services	8 436	10 948	367	66 197	130 632	175 079	225 198
Inventory: Food and food supplies	–	–	5	–	–	–	–
Inventory: Fuel, oil and gas	–	–	–	–	100	106	112
Inventory: Materials and supplies	–	–	31	90	63	66	71
Inventory: Other consumables	–	114	11	–	3 959	3 954	4 191
Inventory: Stationery and printing	437	1 251	88	243	167	177	189
Lease payments	–	13	–	–	–	–	–
Travel and subsistence	32 482	21 550	13 014	4 849	3 217	3 394	3 597
Training and development	2 175	2 104	32	–	–	–	–
Operating expenditure	–	65	127	175	120	126	134
Venues and facilities	988	1 139	214	536	364	384	407
Transfers and subsidies	83 954	51 536	95 381	76 497	17 855	18 952	19 983
Departmental agencies and accounts	–	–	100	–	–	–	–
Households	83 954	51 536	95 281	76 497	17 855	18 952	19 983
Payments for capital assets	459	505	117	478	511	539	571
Machinery and equipment	459	505	117	478	511	539	571
Payments for financial assets	201	91	161	–	–	–	–
Total	150 476	119 435	138 863	171 844	180 410	227 812	281 085

Details of transfers and subsidies

Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	–	–	100	–	–	–	–
Gifts and donations	–	–	100	–	–	–	–
Households							
Other transfers to households							
Current	83 954	51 536	95 281	76 497	17 855	18 952	19 983
Cultural industries	30 350	29 054	11 563	18 716	16 148	17 151	18 074
Investing in culture	42 956	11 750	81 725	56 155	–	–	–
International promotion programme	10 648	10 732	1 993	1 626	1 707	1 801	1 909

Expenditure trends

Expenditure grew from R150.5 million in 2008/09 to R171.8 million in 2011/12, at an average annual rate of 4.5 per cent, driven largely by spending on transfers to households for the investing in culture projects.

In 2010/11, R81.7 million was spent on investing in culture projects like the performing arts project. R375 000 was transferred in the performing arts project to the BAT Centre project in Durban where groups of learners are taken through professionally facilitated training programmes in sound technology, music business management, performance, voice training and financial management.

Over the medium term, spending is projected to grow to R281.1 million, at an average annual rate of 17.8 per cent. The investing in culture programme has been absorbed in the Mzansi Golden Economy strategy and growth in this period is attributed to additional funds allocated for the strategy, which will create employment and stimulate the economy using arts and culture. This also accounts for the growth over the medium term in spending on agency and support/outsourced services as consultants are used to manage the implementation of the strategy. R4 million has been allocated for spending on consultants between 2012/13 and 2014/15.

Programme 5: Heritage Promotion

Objectives and measures

- Improve the effective management of the heritage sector by :
 - evaluating 15 draft strategic plans and 60 quarterly reports of national heritage institutions by March 2013
 - developing a new phased-in implementation framework for legacy projects by March 2013
 - developing a national museums policy by March 2013
 - finalising work plans and first research on the human remains policy and legacy project policy by 31 March 2013
 - approving and implementing 10 per cent of the digitisation policy and living heritage policy by March 2013.
- Preserve and promote South Africa's cultural heritage in aid of socioeconomic development by:
 - signing a memorandum of agreement with the national Department of Tourism by March 2013
 - supporting 9 historically significant foundations, including the Steve Biko Foundation, the LiliesLeaf Trust and the African World Heritage Fund
 - implementing 60 per cent of the United Nations Educational Scientific and Cultural Organisation and African world heritage fund agreement by 31 March 2013.
- Promote skills development through cultural projects by:
 - increasing the number of heritage practitioners by awarding 66 bursaries by 31 March 2013
 - finalising and approving the heritage human resources development strategy by March 2013.
- Promote South Africa's national cultural heritage and symbols through:
 - commemorating and celebrating 6 historic and national days as well as the popularisation of national symbols by March 2013
 - holding 4 national symbols exhibitions and 7 workshops by March 2013
 - co-hosting the annual national orders award ceremony.

Subprogrammes

- *Promotion of Heritage* funds a range of heritage initiatives and projects such as Heritage Month and the repatriation of South African culture and heritage objects. It also funds the Bureau of Heraldry, which registers symbols, popularises national symbols through public awareness campaigns, and coordinates the national orders awards ceremony. This subprogramme had a staff complement of 22 and a total budget of R56 million in 2011/12, of which 26 per cent was used for compensation of employees and 17.9 per cent was used on agency and outsourced services for Heritage Day celebrations and other heritage initiative programmes, projects and events. In 2010/11, a draft national digitisation policy was developed and the

department co-hosted Heritage Day celebrations with the KwaZulu–Natal provincial government at a cost of R4.4 million. Approved budget cuts in 2012/13 of R2.5 million have been identified from goods and services and transfers to households.

- *Heritage Institutions* funds and determines policy for declared cultural institutions and heritage bodies by ensuring that funds to the institutions are used to preserve, protect and promote heritage. This subprogramme had no staff complement and a total budget of R380.5 million in 2011/12, which was transferred in full to the institutions for operations. No approved budget cuts in 2012/13 have been made in this subprogramme.
- *South African Heritage Resources Agency* transfers funds to the South African Heritage Resources Agency, whose key strategic objectives are developing and implementing norms and standards for managing heritage resources. This subprogramme had no staff complement and a total budget of R85.5 million in 2011/12, which was transferred in full to the South African Heritage Resources Agency for operations. No approved budget cuts in 2012/13 have been made in this subprogramme.
- *South African Geographical Names Council* transfers funds to the South African Geographical Names Council, which is an advisory body that facilitates name changes by consulting with communities to advise the minister. This subprogramme had no staff complement and a total budget of R11 million in 2011/12, which was transferred in full to the council. No approved budget cuts in 2012/13 have been made in this subprogramme.
- *Capital Works of Heritage Institutions* is mainly used for the provision and administration of capital grants for constructing and maintaining heritage infrastructure and the construction of new commemorative structures under national legacy projects. Funds are awarded annually based on entity business plans. This subprogramme had no staff complement and a total budget of R233.8 million in 2011/12, which was transferred in full to heritage institutions. R79 million in 2012/13 has been reprioritised from capital works to the *National Archives and Library Services* programme for building libraries.

Expenditure estimates

Table 14.9 Heritage Promotion

Subprogramme	Audited outcome			Adjusted appropriation 2011/12	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
R thousand							
Promotion of Heritage	47 720	52 002	40 139	55 960	65 220	70 289	74 674
Heritage Institutions	480 573	533 140	496 132	380 465	397 368	423 857	450 067
South African Heritage Resources Agency	31 382	33 845	36 204	85 526	41 037	43 666	46 417
South African Geographical Names Council	5 138	5 609	1 849	10 958	7 668	8 090	8 575
Capital Works of Heritage Institutions	298 950	178 656	142 082	233 793	232 950	289 512	305 083
Total	863 763	803 252	716 406	766 702	744 243	835 414	884 816
Change to 2011 Budget estimate				3 000	(67 384)	(16 732)	(18 458)

Economic classification

	28 447	42 717	30 061	55 785	61 055	64 096	68 194
Current payments							
Compensation of employees	9 894	9 820	9 558	14 572	15 470	16 531	17 777
Goods and services	18 553	32 897	20 503	41 213	45 585	47 565	50 417
of which:							
Administrative fees	–	42	147	95	100	106	112
Advertising	274	3 834	4 230	640	700	739	782
Assets less than the capitalisation threshold	44	4	1	81	95	100	106
Audit cost: External	–	729	1 154	–	–	–	–
Bursaries: Employees	–	69	10	–	–	–	–
Catering: Departmental activities	563	187	408	63	68	72	76
Communication	435	842	374	403	420	443	470
Computer services	2 803	625	–	–	–	–	–

Table 14.9 Heritage Promotion (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Economic classification							
Current payments							
Consultants and professional services:	–	84	99	1 294	1 320	1 393	1 477
Business and advisory services							
Consultants and professional services:	287	223	381	–	–	–	–
Legal costs							
Contractors	–	–	5 518	6 000	7 000	7 385	7 828
Agency and support / outsourced services	6 395	16 743	3 314	20 958	25 255	26 090	27 655
Entertainment	–	–	8	–	–	–	–
Inventory: Fuel, oil and gas	1	–	–	1	–	–	–
Inventory: Materials and supplies	–	–	–	384	400	422	447
Inventory: Other consumables	745	23	–	–	–	–	–
Inventory: Stationery and printing	–	532	76	44	50	53	56
Lease payments	–	12	–	–	–	–	–
Travel and subsistence	6 069	7 464	4 202	5 925	4 500	4 748	5 033
Training and development	267	73	–	–	–	–	–
Operating expenditure	–	37	39	4 884	5 177	5 488	5 817
Venues and facilities	670	1 374	542	441	500	526	558
Transfers and subsidies	835 118	760 446	686 314	710 542	682 794	770 902	816 181
Departmental agencies and accounts	810 700	745 425	674 194	699 538	671 096	756 762	801 278
Non-profit institutions	205	216	232	246	259	273	289
Households	24 213	14 805	11 888	10 758	11 439	13 867	14 614
Payments for capital assets	188	87	31	375	394	416	441
Machinery and equipment	188	87	31	375	394	416	441
Payments for financial assets	10	2	–	–	–	–	–
Total	863 763	803 252	716 406	766 702	744 243	835 414	884 816

Details of transfers and subsidies

Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	511 750	566 769	532 112	465 745	438 146	467 250	496 195
Gifts and donations	–	–	8	–	–	–	–
Iziko Museums of Cape Town	44 639	48 392	50 779	61 914	57 672	61 515	65 331
National Heritage Council	46 165	48 435	46 665	47 323	50 063	53 043	56 262
South African Heritage Resources Agency	31 382	33 845	36 204	85 526	41 037	43 666	46 417
Transformation of Heritage Institutions	2 482	–	–	–	–	–	–
Northern Flagship Institution	44 977	49 015	51 242	54 411	58 417	62 450	66 350
Afrikaanse Taalmuseum: Paarl	3 195	3 506	3 970	4 226	4 528	4 832	5 132
Freedom Park: Pretoria	194 000	250 984	187 757	58 403	62 301	66 372	70 470
Luthuli Museum: Stanger	5 375	5 900	6 233	6 621	7 030	7 465	7 922
Natal Museum: Pietermaritzburg	11 418	12 905	13 501	14 310	15 325	16 359	17 376
National Museum : Bloemfontein	21 475	23 401	24 462	30 960	34 677	37 380	39 695
Nelson Mandela Museum : Mthatha	13 964	14 758	32 454	18 456	17 586	18 631	19 763
Robben Island Museum: Cape Town	69 072	49 925	51 771	54 981	58 876	62 843	66 749
National English Literary Museum: Grahamstown	5 821	6 395	6 686	7 101	7 622	8 148	8 657
Voortrekker Museum: Pietermaritzburg	8 169	8 834	9 261	9 835	10 529	11 236	11 935
War Museum of the Boer Republics: Bloemfontein	5 557	6 052	6 464	6 737	7 212	7 697	8 176
William Humphreys Art Gallery: Kimberley	4 059	4 422	4 655	4 941	5 271	5 613	5 960
Capital	298 950	178 656	142 082	233 793	232 950	289 512	305 083
Heritage Institutions: Capital works	298 950	178 656	142 082	233 793	232 950	289 512	305 083

Table 14.9 Heritage Promotion (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Details of transfers and subsidies							
Non-profit institutions							
Current	205	216	232	246	259	273	289
Engelenburg House art collection: Pretoria	205	216	232	246	259	273	289
Households							
Other transfers to households							
Current	24 213	14 805	11 888	10 758	11 439	13 867	14 614
Projects that promote heritage	24 213	14 805	11 888	9 258	8 439	9 367	9 844
Bursaries for Non-employees	–	–	–	1 500	3 000	4 500	4 770

Expenditure trends

Expenditure decreased from R863.8 million in 2008/09 to R766.7 million in 2011/12, at an average annual rate of 3.9 per cent, due to the completion of the construction of Freedom Park and a once-off additional allocation in 2009/10 for capital works at the park.

In 2010/11, the department co-hosted Heritage Day celebrations with the KwaZulu–Natal provincial government at a cost of R4.4 million.

Over the medium term, expenditure is expected to increase to R884.8 million, at an average annual rate of 4.9 per cent, due to increased transfers to heritage institutions for operations and increased capital works spending from 2013/14.

This programme expects to appoint 2 consultants at a cost of R4.2 million between 2012/13 and 2014/15 to assist with the implementation of the heritage infrastructure projects.

Programme 6: National Archives and Library Services

Objectives and measures

- Provide efficient management of archival resources by:
 - empowering citizens and the state by improving access to information resources created in and about South Africa
 - increasing understanding, use and appreciation of the archival, library and information services
 - providing infrastructural facilities and tools in support of quality library and archival service
 - improving the regulatory framework for archives and libraries by 2012/13.
- Ensure more equitable access to library resources over the MTEF by:
 - developing a policy framework for norms and standards for community libraries
 - acquiring 25 per cent more reading material, including in indigenous languages, and hiring staff in libraries where there is insufficient stock and staff by 2014/15
 - building 53 additional libraries by 2014/15.

Subprogrammes

- *National Archive Services* acquires, preserves, manages and makes accessible public and non-public records with enduring value. This subprogramme had a staff complement of 124 and a total budget of R54.6 million in 2011/12, of which 52.1 per cent was used for compensation of employees. In 2010/11, 4 officials were trained on the access to information training framework, and the annual national oral history conference was hosted in Mpumalanga. Approved budget cuts in 2012/13 of R2.1 million have been identified from goods and services, and transfers to households.

- *National Library Services* funds libraries and institutions, and develops related policy. This subprogramme had no staff complement and a total budget in 2011/12 of R87.5 million, 78.1 per cent of which was transferred to the National Library of South Africa, and 15.4 per cent to the South African Library for the Blind and Blind SA. No approved budget cuts in 2012/13 have been made in this subprogramme.
- *Community Library Services* transfers funds to provincial departments for the community library services conditional grant for constructing libraries, hiring personnel and purchasing library materials. This subprogramme had no staff complement and a total budget of R569.9 million in 2011/12, which was transferred in full to provinces based on business plans for the construction of new libraries. Approved budget cuts in 2012/13 of R6.2 million have been made to the community library services grant.
- *Capital Works of Libraries* provides and administers capital grants to libraries for maintenance and other capital projects. This subprogramme had no staff complement and a total budget in 2011/12 of R8 million, which was transferred in full to libraries based on business plans. No approved budget cuts in 2012/13 have been made in this subprogramme.

Expenditure estimates

Table 14.10 National Archives and Library Services

Subprogramme	Audited outcome			Adjusted appropriation 2011/12	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
R thousand							
National Archive Services	45 390	51 647	46 271	54 555	48 044	50 936	54 029
National Library Services	65 915	70 448	65 631	87 475	86 853	93 425	99 262
Community Library Services	344 646	440 600	462 445	569 934	564 574	597 786	631 614
Capital Works of Libraries	–	–	5 399	8 002	100 000	40 000	50 000
Total	455 951	562 695	579 746	719 966	799 471	782 147	834 905
Change to 2011 Budget estimate				25 514	79 536	21 955	29 101

Economic classification

	38 038	47 868	43 995	52 493	45 976	48 558	51 517
Current payments							
Compensation of employees	22 596	27 600	29 181	28 400	30 559	32 415	34 407
Goods and services	15 442	20 268	14 814	24 093	15 417	16 143	17 110
of which:							
Administrative fees	–	37	2	247	255	269	285
Advertising	452	730	328	1 405	1 500	1 583	1 678
Assets less than the capitalisation threshold	409	226	–	1 075	1 139	1 207	1 279
Audit cost: External	–	564	281	–	–	–	–
Bursaries: Employees	–	83	55	–	–	–	–
Catering: Departmental activities	348	199	178	186	200	211	224
Communication	1 194	954	831	1 785	1 800	1 899	2 013
Computer services	–	733	661	–	–	–	–
Consultants and professional services: Business and advisory services	–	3	5	3 412	3 474	3 662	3 882
Consultants and professional services: Legal costs	–	104	–	–	–	–	–
Contractors	–	–	3 207	9	10	11	12
Agency and support / outsourced services	1 702	6 533	3 919	4 000	–	–	–
Entertainment	15	–	21	32	25	26	27
Inventory: Fuel, oil and gas	9	2	1	21	25	26	27
Inventory: Materials and supplies	–	–	67	3 788	3 800	4 009	4 250
Inventory: Medical supplies	–	–	1	–	–	–	–
Inventory: Other consumables	155	676	196	21	25	26	28
Inventory: Stationery and printing	1 500	1 119	921	465	470	496	525
Lease payments	–	–	22	–	–	–	–
Travel and subsistence	8 504	7 551	3 863	1 442	1 670	1 608	1 704
Training and development	653	118	117	–	–	–	–
Operating expenditure	–	43	110	3 247	–	–	–
Venues and facilities	501	593	28	2 958	1 024	1 110	1 176

Table 14.10 National Archives and Library Services (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Economic classification							
Transfers and subsidies	417 755	512 953	534 139	666 626	752 606	732 650	782 393
Provinces and municipalities	344 646	440 600	462 445	569 934	564 574	597 786	631 614
Departmental agencies and accounts	61 263	65 599	65 822	89 690	180 777	127 015	142 467
Non-profit institutions	4 652	4 849	5 208	5 787	6 076	6 410	6 795
Households	7 194	1 905	664	1 215	1 179	1 439	1 517
Payments for capital assets	131	1 468	1 575	847	889	939	995
Machinery and equipment	131	1 468	1 575	847	889	939	995
Payments for financial assets	27	406	37	–	–	–	–
Total	455 951	562 695	579 746	719 966	799 471	782 147	834 905

Details of transfers and subsidies

Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	61 263	65 599	60 423	81 688	80 777	87 015	92 467
National Library of South Africa	39 647	42 254	45 081	65 358	63 096	68 117	72 387
South African Library for the Blind	10 616	11 345	11 992	13 478	14 579	15 626	16 612
National Library of South Africa: Community libraries	11 000	12 000	3 350	2 852	3 102	3 272	3 468
Capital	–	–	5 399	8 002	100 000	40 000	50 000
Libraries: Capital works	–	–	5 399	8 002	100 000	40 000	50 000
Non-profit institutions							
Current	4 652	4 849	5 208	5 787	6 076	6 410	6 795
Blind South Africa	4 652	4 849	5 208	5 787	6 076	6 410	6 795
Households							
Other transfers to households							
Current	7 194	1 905	664	1 215	1 179	1 439	1 517
Projects that conserve archival material	7 194	1 905	664	1 215	1 179	1 439	1 517
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	344 646	440 600	462 445	569 934	564 574	597 786	631 614
Community library services grant	344 646	440 600	462 445	569 934	564 574	597 786	631 614

Expenditure trends

Expenditure increased from R456 million in 2008/09 to R720 million in 2011/12, at an average annual rate of 16.4 per cent, mainly due to increased spending on capital works of libraries. The bulk of this increase is reflected in transfers to the National Library of South Africa, which increased from R39.6 million in 2008/09 to R65.4 million in 2011/12, at an average annual rate of 18.1 per cent.

Over the medium term, expenditure is projected to grow to R834.9 million, at an average annual rate of 5.1 per cent, driven mainly by reprioritised funding within the department for libraries capital works. Spending on capital works for libraries is expected to increase from R8 million in 2011/12 to R50 million in 2014/15, at an average annual rate of 84.2 per cent, mainly for upgrading of the National Archives fire system and old library.

In 2010/11, 10 libraries were built and 56 upgraded at a cost of R302 million. In addition, R5.4 million was spent on capital works for libraries.

This programme expects to appoint consultants at a cost of R11 million between 2012/13 and 2014/15 to assist the department to investigate the production of Braille books for community libraries.

Public entities and other agencies

Freedom Park

Overview: 2008/09 – 2014/15

Freedom Park was declared a cultural institution by the Minister of Arts and Culture in terms of the Cultural Institutions Act (1998) in 2009. The park is situated on a 52ha site on Salvokop Hill in Pretoria. Freedom Park's role as a memorial and museum is to contribute to reconciliation, social cohesion and nation building. The objective of Freedom Park is to establish visible cultural structures that celebrate and commemorate diverse and important South African events, spanning pre-history to colonisation to the struggle for democracy, and ending with a vision for the future. It tells the story of South Africa's reconciliation process and the advancement of human rights entrenched in the Constitution.

The park has three elements: a garden of remembrance; commemorative spaces; and //hapo, which includes information resources and hospitality facilities. Phase 2 of the construction and development of the park was planned for completion in 2010/11. The //hapo phase will be completed in 2011/12, and will tell the history of Southern Africa in narrative and visual form, covering 3.6 billion years. The trust will continue to promote access to commemoratively diverse and important South African events relating to the struggle for democracy and providing a vision for the future.

Performance

In 2010/11, the park catalogued and accessioned 2 072 materials as part of the archival system on heritage collections, and captured 152 000 names of indentured Indians, 2 827 names on the Wall of Names and 13 names on the Gallery of Leaders with biographies on the database. The health and safety administration was completed in accordance with the Occupational Health and Safety Act (1993) in preparation to make the park 100 per cent functional. In 2011/12, the park implemented a ticketing system, developed an IT governance framework and established a registry office at //hapo. Over the medium term, the park will focus on the installation of exhibitions in //hapo as well as minor construction projects. R31 million of a total budget of R114 million has been spent to date on the installation of exhibitions in //hapo. The exhibition is scheduled for completion in 2012/13. The park intends to improve communication to the public through media alerts and developing and implementing a tourism marketing plan. The park also aims to improve visitors' experiences at the park. Additional income will be generated by opening a shop that sells arts, crafts and books, and a restaurant to coincide with the opening of //hapo.

The number of exhibitions and community gatherings planned and arranged per year are expected to grow from 10 in 2011/12 to 30 in 2014/15. The number of temporary exhibitions is expected to decrease from 4 in 2011/12 to 2 in 2014/15 as the park completes exhibitions in the various locations. The indicators that do not reflect growth over the medium term relate to research and educational activities, which are qualitative in nature. Research papers and articles relate to new projects and are not repeated over the medium term.

Selected performance indicators

Table 14.11 Freedom Park

Indicator	Programme/Activity/Objectives	Past ¹			Current	Projections		
		2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Number of research articles on history, culture and spirituality conducted per year	Research articles on elements	-	-	-	4	4	4	4
Number of temporary exhibitions developed per year	Research papers and plans	-	-	-	4	2	2	2
Number of events planned and arranged at Freedom Park per year	Events per national holiday	-	-	-	5	7	7	7
Number of exhibitions and community gatherings planned and arranged per year	Community gatherings affected as identified	-	-	-	10	15	25	30
Number of indigenous knowledge systems research projects undertaken per year	Research products completed and available	-	-	-	5	5	5	5
Number of educational programmes and activities developed and presented per year	Educational activities developed and approved	-	-	-	48	48	48	48

1. The park was under construction and became fully operational from 2011/12.

Programmes/activities/objectives

Table 14.12 Freedom Park

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Events per national holiday	1 068	892	687	593	542	1 008	1 134
Research products completed and available	136	113	87	75	69	128	144
Educational activities developed and approved	3 343	3 969	4 027	4 923	4 388	4 322	4 655
Administration/ Operations	55 742	56 198	55 726	55 726	61 334	64 581	69 324
Research papers and articles on elements	67	57	44	37	34	64	72
Community gatherings affected as identified	7 604	16 403	10 368	7 255	8 148	8 205	4 623
Total expense	67 960	77 632	70 939	68 609	74 515	78 308	79 952

Freedom Park had a total budget of R68.6 million in 2011/12, of which 61.1 per cent was used for compensation of employees.

Savings and cost effectiveness measures

Cost saving measures will be implemented over the MTEF period to ensure that available funds are used effectively to meet the institution's predetermined objectives. Some of these measures had been implemented between 2008/09 and 2011/12 to reduce spending on communication and consumables. Further measures were implemented in 2010/11 include: limit the number of people issued with and allowed to use company cell phones, keep catering for internal meetings and events to a minimum, and use the park's facilities instead of outside venues for internal events and meetings. This has resulted in savings on goods and services at an average of R5.2 million each year. Savings were mainly used to fund and maintain additional posts from 2007/08. In addition, the park's management accepted a 5 per cent annual salary increase in 2010/11, which was lower than that awarded in the public service. Measures implemented are expected to yield savings of R15.6 million are expected over the medium term.

Expenditure estimates

Table 14.13 Freedom Park

Statement of financial performance	Audited outcome			Revised estimate	Medium-term estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
R thousand							
Revenue							
Non-tax revenue	14 959	9 612	11 021	2 952	4 065	3 730	4 859
Sale of goods and services other than capital assets	171	340	611	1 152	1 965	3 030	4 579
<i>of which:</i>							
Administration fees	171	340	611	1 152	1 965	3 030	4 579
Other non-tax revenue	14 788	9 272	10 410	1 800	2 100	700	280
Transfers received	178 888	204 999	191 390	215 672	101 774	75 801	73 470
Total revenue	193 847	214 611	202 411	218 624	105 839	79 531	78 329
Expenses							
Current expenses	67 960	77 632	70 939	68 609	74 515	78 308	79 952
Compensation of employees	25 343	31 969	38 027	41 923	44 476	47 892	51 149
Goods and services	35 013	29 260	22 544	19 431	21 891	22 211	24 180
Depreciation	7 604	16 403	10 368	7 255	8 148	8 205	4 623
Total expenses	67 960	77 632	70 939	68 609	74 515	78 308	79 952
Surplus / (Deficit)	125 887	136 979	131 472	150 015	31 324	1 223	(1 623)

Expenditure trends

The spending focus over the medium term will be on installing exhibitions in //hapo that would contribute to the emancipation of the African voice and minor construction works.

Freedom Park receives on average 95.2 per cent of its funding from a transfer for operations from the Department of Arts and Culture. In addition, the park generates its own revenue from entrance fees, renting its premises out for events and interest income. Transfers received increased from R178.9 million in 2008/09 to R215.7 million in 2011/12, at an average annual rate of 6.4 per cent, mainly due to increased allocations for construction, which also accounts for the 14.6 per cent increase in transfers received in 2009/10.

Transfers received between 2011/12 and 2014/15 include deferred revenue for capital works. Transfers received are projected to decrease from R215.7 million in 2011/12 to R73.5 million in 2014/15, at an average annual rate of 30.2 per cent. The amounts recorded as transfers received include deferred revenue released to income. Deferred revenue will reduce over the medium term as capital projects are completed, accounting for the 30.2 per cent decrease in transfers received over the medium term.

The parks' administration fees revenue grew from R200 000 in 2008/09 to R1.2 million in 2011/12, at an average annual rate of 81.7 per cent, as greater portions of the park become operational. Administration fee revenue is expected to increase to R4.6 million over the medium term, at an average annual rate of 56.5 per cent, following the opening of the //hapo exhibition. The decrease in other non-tax revenue over the medium term relates to a decrease in interest revenue as the available capital funds are spent and most of the capital projects wind down in 2012/13.

Expenditure grows from R68 million in 2008/09 to R80 million in 2014/15, at an average annual rate of 2.7 per cent. This marginal growth is as a result of decreased spending on goods and services between 2008/09 and 2011/12 due to cost saving measures implemented by the park.

R484 000 in 2011/12 was spent on consultants, which is the equivalent of 1.2 per cent of the total spent on compensation of employees. Consultants are used on an ad hoc basis for at most three months per project to manage payroll systems.

By the end of 2012/13, the park will have assets valued at approximately R854.2 million and deferred revenue realised to income will decrease over the MTEF period. Depreciation expense will also increase over the same period. As a result, the park forecasts a deficit for 2014/15.

Personnel information

Table 14.14 Freedom Park

	Personnel post status as at 30 September 2011			Number of personnel posts filled / planned for on funded establishment						
	Number of posts on approved establishment	Number of funded posts	Number of vacant posts	Actual			Mid-year ¹	Medium-term estimate		
				2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Executive management	3	3	1	2	3	3	2	3	3	3
Senior management	7	7	1	8	7	6	6	7	7	7
Middle management	4	4	–	4	4	4	4	4	4	4
Skilled	37	37	1	23	27	35	36	37	37	37
Semi-skilled	25	25	2	12	26	25	23	25	25	25
Very low skilled	31	31	–	36	29	31	31	31	31	31
Total	107	107	5	85	96	104	102	107	107	107
Compensation (R thousand)				25 343	31 969	38 027	41 923	44 625	48 049	51 313
Unit cost (R thousand)				298	333	366	411	417	449	480

1. As at 30 September 2011.

The park had an approved establishment of 107 posts, all of which are funded. The number of filled posts increased from 85 in 2008/09 to 102 posts in 2011/12 as vacant posts were filled. The number of filled posts is expected to increase to 107 in 2012/13 and remain constant over the MTEF period as the park reaches optimal operations. Administration and support staff constitute more than half of the staff complement and are mostly in

the skilled, semi-skilled and very low skilled levels. The park had five vacant positions spread across the semi-skilled to executive levels.

South African Heritage Resources Agency

Overview: 2008/09 – 2014/15

The South African Heritage Resources Agency is a statutory body, established in terms of the National Heritage Resources Act (1999) as the national administrative management body for the protection of South Africa's cultural heritage. The agency's main functions include identifying, conserving, assessing, and managing the national estate through partnerships with other bodies to promote an integrated heritage resources management system.

The agency allocates a significant portion of its budget to support functions due to legislation compliance requirements and adherence to policies and procedures. The National Heritage Resources Act (1999) requires that permits be issued for archaeology, palaeontology, meteorites, heritage objects and burials that are to be disturbed, altered, affected or destroyed due to mining, development or research. In addition, objects that are requested for export also require a permit. Owing to the increase in applications for mining and development in South Africa, there has been an increase in the number of permits issued for mitigation and destruction of sites. This trend is set to continue over the medium term.

The agency's priorities over the medium term include: delivering heritage conservation and management as legislated in the National Heritage Resources Act (1999) with a specific focus on formal protection; maximising the performance and effectiveness of the agency's management and employees; and implementing good corporate governance.

Performance

In 2010/11, the agency supported the development and maintenance of 10 heritage site projects at a cost of R2.2 million. Due to the high consultancy fees required to develop and maintain heritage sites, the agency has implemented a project management approach, which allows for phases, thus ensuring the sustainable allocation of heritage resources to site development and maintenance. The agency issued 115 permits in 2010/11 at a cost of R10 000. The incremental increase in permits that will be issued over the medium term relates to all areas of heritage resources. It may increase as compliance with legislation improves. In 2010/11, only 4 sites were graded and declared at a cost of R1.8 million. The grading and declaration of heritage resources depends on the nature and extent of the resource involved. Due to the complexity of declaring an extensive heritage resource such as Robben Island a world heritage site, only a limited number of sites can be considered. The declaration process can take up to four times longer than the grading process.

Selected performance indicators

Table 14.15 South African Heritage Resources Agency

Indicator	Programme/Activity Objective	Past			Current	Projections		
		2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/2015
Number of projects assisted financially per year	Heritage resources management	8	10	10	14	18	22	23
Number of permits issued per year	Heritage resources management	155	150	115	180	190	200	210
Number of sites graded and declared per year	Heritage resources management	3	3	4	4	3	4	4

Programmes/activities/objectives

Table 14.16 South African Heritage Resources Agency

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Administration / Operations	26 480	22 426	28 475	27 138	27 724	28 315	30 156
Heritage resources management	11 832	13 469	19 303	17 671	19 404	21 460	22 616
Total expense	38 312	35 895	47 778	44 809	47 128	49 775	52 772

The South African Heritage Resources Agency had a total budget of R44.8 million in 2011/12, of which 58.9 per cent was used for compensation of employees.

Savings and cost effectiveness measures

The agency has begun implementing a cost saving plan. Since 2010/11, the agency has been closing some provincial offices and shifting the work to the Cape Town office, thus reducing operational costs such as office rentals, photocopies, fuel, water, and electricity. In addition, the head office has reduced stationery costs by implementing processes for bulk ordering of stationery. These initiatives have amounted to reprioritised savings of R1 million per year over the medium term.

Expenditure estimates

Table 14.17 South African Heritage Resources Agency

Statement of financial performance				Revised estimate	Medium-term estimate		
R thousand	Audited outcome				2011/12	2012/13	2013/14
	2008/09	2009/10	2010/11				
Revenue							
Non-tax revenue	1 148	1 721	1 661	707	762	819	879
<i>Other non-tax revenue</i>	1 148	1 721	1 661	707	762	819	879
Transfers received	33 832	34 546	42 574	44 102	46 366	48 956	51 893
Total revenue	34 980	36 267	44 235	44 809	47 128	49 775	52 772
Expenses							
Current expenses	38 312	35 895	47 778	44 809	47 128	49 775	52 772
Compensation of employees	18 350	20 416	26 692	26 413	27 033	29 570	31 474
Goods and services	18 865	14 214	20 011	17 557	19 593	19 675	20 759
Depreciation	1 097	1 265	1 075	839	502	530	539
Total expenses	38 312	35 895	47 778	44 809	47 128	49 775	52 772
Surplus / (Deficit)	(3 332)	372	(3 543)	-	-	-	-

Expenditure trends

The spending focus over the medium term will be on devolving some functions and responsibilities to the provinces, developing a heritage resources information system, launching audit projects to ensure the growth of the national inventory, digitising the agency's files related to heritage resources management and developing strategic partnerships with organisations that can contribute to the agency's mission and objectives. Over the medium term, the number of projects assisted financially is expected to grow from 14 in 2011/12 to 23 in 2014/15, and is accounted for under goods and services.

The agency is funded mainly from transfers from the department. The transfers make up 98.4 per cent of total revenue over the medium term. The agency also generates revenue from other sources, such as the National Lotteries Board, donor funding and own income. Transfers from the department increased from R31.4 million in 2008/09 to R44.1 million in 2011/12, at an average annual rate of 12.0 per cent, due to the realisation of deferred revenue, which will be used for capital projects. Revenue generated from other non-tax revenue decreased from R1.1 million to R707 000 between 2008/09 and 2011/12, at an average annual rate of 14.9 per cent, due to fluctuations in interest earned. The agency has embarked on a process of debt collection, which is expected to result in increased recovery of rent received. Other non-tax revenue is expected to grow by 7.5 per cent over the MTEF period as a result.

Spending on compensation of employees grew from R18.4 million in 2008/09 to R26.4 million in 2011/12, at an average annual rate of 12.9 per cent, due to the filling of vacant posts. The 30.7 per cent increase in spending on this item in 2010/11 is due to a large payment to the South African Revenue Service for penalties and interest for late submissions of PAYE tax. Spending on goods and services grew by 40.8 per cent in 2010/11, due to increased audit costs, lease payments and the use of consultants.

Consultants are mostly used to advise on the restoration of heritage sites such as the Old Gaol building in Grahamstown and debt collection for rentals. R400 000, or 1.5 per cent of the total spent on compensation of employees, was spent on consultants in 2011/12.

Personnel information

Table 14.18 South African Heritage Resources Agency

	Personnel post status as at 30 September 2011			Number of personnel posts filled / planned for on funded establishment						
	Number of posts on approved establishment	Number of funded posts	Number of vacant posts	Actual			Mid-year ¹	Medium-term estimate		
				2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Executive management	7	6	1	4	5	5	6	6	6	6
Middle management	15	13	4	19	18	16	17	17	17	17
Professionals	31	28	15	34	26	26	29	29	29	29
Semi-skilled	18	18	8	18	20	18	22	22	22	22
Very low skilled	9	9	3	12	17	9	13	13	13	13
Total	80	74	31	87	86	74	87	87	87	87
Compensation (R thousand)				18 350	20 416	26 692	26 413	27 605	30 545	32 639
Unit cost (R thousand)				211	237	361	304	317	351	375

1. As at 30 September 2011.

As at 30 September 2011, the agency had an approved establishment of 80 posts, 74 of which are funded. The number of filled posts decreased from 87 in 2008/09 to 74 in 2010/11, due to resignations, retirement and the conclusion of some staff members' contracts. The agency has 13 additional posts to its establishment, which are funded from within the agency's budget. The agency is presently finalising a restructuring process, which may influence both the number of staff and the staff structure of the agency over the medium term. The ratio of support to line function staff is 1:0.5 and of consultants to staff is 1:5.1.

National Arts Council of South Africa

Overview: 2008/09 – 2014/15

In terms of the National Arts Council Act (1997), the National Arts Council of South Africa facilitates opportunities for people to practise and appreciate the arts. The council also promotes the general application of the arts in the community, fosters the expression of national identity by means of the arts, promotes freedom in the practice of the arts, and gives historically disadvantaged people greater access to the arts. Other functions include addressing historical imbalances in the provision of infrastructure, and promoting opportunities for artists nationally and internationally.

As the main arts funding agency in South Africa, the council funds a wide range of projects, including bursaries and initiatives in crafts, dance, literature, music, theatre and the visual arts. These items constitute the majority of the council's budget, and will account for 72 per cent of total expenditure in 2012/13.

Over the medium term, the council will place greater emphasis on initiating and supporting the development of projects aimed at redressing past imbalances; and changing the demographics of the arts sector in line with the diversity of the South African population. The department and sector stakeholders have identified the council as one of the implementing agencies for selected proposed programmes emanating from the Mzansi Golden Economy strategy, which will involve providing job creation opportunities for arts organisations and practitioners, facilitating skills development through partnerships with sector organisations, awarding bursaries; and developing the capacity of arts organisations to function as independent entities.

Performance

The number of arts and culture projects supported per year increased from 423 in 2008/09 to 600 in 2011/12 and is expected to grow to 650 by 2014/15. The number of performing arts company projects supported per year declined from 68 in 2008/09 to 38 in 2011/12, and is expected to remain at 38 over the MTEF period.

Selected performance indicators

Table 14.19 National Arts Council of South Africa

Indicator	Programme Activity/Objective	Past			Current	Projections		
		2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Number of arts and culture projects supported per year	Grants allocated	423	475	550	600	650	650	650
Number of performing arts companies' projects supported per year	Grants allocated	68	38	38	38	38	38	38

Programmes/activities/objectives

Table 14.20 National Arts Council of South Africa

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Grants allocated	69 550	46 471	49 286	52 846	65 432	65 679	68 963
Administration/Operations	18 521	21 260	22 497	17 705	25 461	25 856	27 027
Total expense	88 071	67 731	71 783	70 551	90 893	91 535	95 990

The National Arts Council of South Africa had a total budget of R70.6 million in 2011/12, of which 74.9 per cent was used for transfers to arts and culture projects supported by the council.

Savings and cost effectiveness measures

In an effort to contain costs, the council in 2011/12 reduced the number of board meetings and began holding the meetings at its own offices to eliminate venue hire and catering costs. The entity has also begun to monitor overtime worked by employees and has set telephone call cost limits for every employee. In addition, the council endeavours to use its available skills and competencies to avoid contracting external service providers. As a result of these measures, reprioritised savings of R982 500 per year have been identified in 2011/12.

Expenditure estimates

Table 14.21 National Arts Council of South Africa

Statement of financial performance				Revised estimate	Medium-term estimate		
R thousand	Audited outcome			2011/12	2012/13	2013/14	2014/15
	2008/09	2009/10	2010/11				
Revenue							
Non-tax revenue	10 424	7 242	6 471	2 066	3 366	3 481	2 625
<i>Other non-tax revenue</i>	10 424	7 242	6 471	2 066	3 366	3 481	2 625
Transfers received	78 679	88 549	72 004	68 485	87 527	88 054	93 365
Total revenue	89 103	95 791	78 475	70 551	90 893	91 535	95 990
Expenses							
Current expenses	18 521	21 260	22 497	17 705	23 294	25 343	25 618
Compensation of employees	8 534	10 713	11 612	12 287	12 917	13 769	14 574
Goods and services	9 347	9 843	8 847	4 874	9 560	10 871	10 306
Depreciation	640	704	1 012	544	680	580	609
Interest, dividends and rent on land	–	–	1 026	–	137	123	129
Transfers and subsidies	69 550	46 471	49 286	52 846	67 599	66 192	70 372
Total expenses	88 071	67 731	71 783	70 551	90 893	91 535	95 990
Surplus / (Deficit)	1 032	28 060	6 692	–	–	–	–

Expenditure trends

The spending focus over the medium term will be on facilitating access to the arts, particularly in disadvantaged communities, by providing grants to practitioners whose proposals for funding meet the set criteria and by allocating more resources to projects and grants to promote and showcase South African art and artists. In

2010/11, the council transferred bursary grants to 101 individual beneficiaries in multiple disciplines, including crafts, music and theatre, at a cost of R49.3 million.

Over the MTEF period, the council receives 96.7 per cent of its total revenue from transfers from the Department of Arts and Culture. Other income generated by the council is from investments, rental and donations. Total revenue is expected to grow from R70.6 million in 2011/12 to R96 million in 2014/15, at an average annual rate of 10.8 per cent, due to increased transfers from the department. Transfers received decreased from R78.7 million in 2008/09 to R68.5 million in 2011/12, at an average annual rate of 4.5 per cent, due to the conclusion of the donor support for the Mmino project, which was funded by the Norwegian ministry of foreign affairs in June 2011.

The decrease of 44.9 per cent in spending on goods and services in 2011/12 is attributed to the reprioritisation of funds over the MTEF period towards the purchase of new furniture and for maintenance. Expenditure is expected to increase from R70.6 million in 2011/12 to R96 million in 2014/15 over the medium term, at an average annual rate of 10.8 per cent. The key cost driver over the MTEF period is transfers and subsidies to individuals and arts related companies. These transfers comprise funding for projects and grants to promote and showcase South African art and artists.

Consultants are used to advise the council on the management of grants and internal audit services. R125 000 was spent on consultants in 2011/12. Spending on consultants is the equivalent of 1 per cent of spending on compensation of employees.

Personnel information

Table 14.22 National Arts Council of South Africa

	Personnel post status as at 30 September 2011			Number of personnel posts filled / planned for on funded establishment						
	Number of posts on approved establishment	Number of funded posts	Number of vacant posts	Actual			Mid-year ¹	Medium-term estimate		
				2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Executive management	3	3	–	3	3	1	3	3	3	3
Senior management	3	3	–	3	3	3	3	3	3	3
Middle management	16	16	2	10	14	16	14	16	16	16
Skilled	5	5	–	5	5	5	6	6	6	6
Very low skilled	1	1	1	1	1	1	–	1	1	1
Total	28	28	3	22	26	26	26	29	29	29
Compensation (R thousand)				8 534	10 713	11 613	12 287	12 917	13 769	14 574
Unit cost (R thousand)				388	412	447	473	445	475	503

1. As at 30 September 2011.

The council has 28 approved and funded posts on its establishment. The council has 2 vacancies at middle management level and 1 at the very low skilled level. The number of filled posts increased from 22 in 2008/09 to 26 in 2011/12 and is expected to increase further to 29 posts over the medium term. One of the posts at the skilled level filled over the medium term will be funded from reprioritisation within budget. The ratio of support staff to line staff is 1:2 and that of consultants to total staff is 1:1.5.

National Film and Video Foundation

Overview: 2008/09 – 2014/15

The National Film and Video Foundation was established in terms of the National Film and Video Foundation Act (1997) to develop and promote the film and video industry in South Africa. It provides for and encourages the creation of opportunities for people from disadvantaged communities to participate in the industry. The foundation also promotes local film and video products, supports the development of and access to the industry, and addresses historical imbalances in infrastructure, skills and resources in the industry.

The priorities that inform the foundation's strategy over the medium term include: spearheading the development of the South African film and video industry, focusing mainly on increasing funding for film and television industry initiatives; creating access to local film and video products for all citizens; increasing the

volume of film production; and providing training and skills development opportunities. The foundation will also fund bursaries to develop the areas of scriptwriting, producing, directing, wildlife and animation. It will also continue to support local film festivals and support local filmmakers in international festivals and markets.

The foundation also plans to continue with its drive to position South Africa globally at international markets as a choice location for film and television production, thereby providing the platform for both the foundation and the department to create job and skills development opportunities. In addition, the foundation will provide opportunities for negotiations around cultural agreements and co-production treaties, which will benefit South African producers by enabling access to international funding for their films in other countries.

Performance

Funding for production has increased from R6.9 million in 2009/10 to R8.7 million in 2010/11 and scheduled financial support has been introduced for projects. The foundation has tripled the number of documentary production projects it supports from 4 in 2009/10 to 13 in 2010/11. For every documentary film completed at a budget of R500 000, at least 10 direct jobs are created.

The number of local content scripts developed per year is expected to increase from 14 in 2010/11 to 43 in 2011/12, and will be funded from additional allocations provided in the 2011 budget. These allocations also increased the number of local content films produced per year to 44 in 2011/12. The foundation will attempt to attend more international platforms to contribute to discussion and promote South Africa as a filming location. Completed films are entered into competitions at the various festivals, which the foundation will attend to support filmmakers, address issues and participate in discussions.

Selected performance indicators

Table 14.23 National Film and Video Foundation of South Africa

Indicator	Programme/Activity/Objective	Past			Current	Projections		
		2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Number of bursaries provided for various elements of film and video studies per year	Education and training	63	54	52	59	62	62	62
Number of local content scripts developed per year	Script development	15	28	14	43	49	59	70
Number of local content films produced per year	Production	24	19	19	44	64	78	90
Number of policies produced per year	Policy and research	1	1	1	2	2	3	2
Number of international films festivals hosted and participated in per year.	Global positioning and audience development	10	10	10	20	20	20	20

Programmes/activities/objectives

Table 14.24 National Film and Video Foundation of South Africa

	Audited outcome			Revised estimate	Medium-term estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
R thousand							
Education and training	6 523	4 484	4 212	10 800	12 920	14 800	14 800
Script development	2 007	1 900	1 461	9 500	10 800	13 000	13 900
Production	6 311	6 859	8 692	21 900	26 400	39 300	39 700
Policy and research	576	540	768	2 000	2 000	2 000	2 000
Global positioning and audience development	21 035	14 753	9 333	13 688	15 024	15 466	18 411
Administration/ Operations	14 251	15 581	17 104	28 711	20 918	22 327	24 627
Total expense	50 703	44 117	41 570	86 599	88 062	106 893	113 438

The National Film and Video Foundation had a total budget of R86.6 million in 2011/12, of which 78.4 per cent was used for transfers for financial support to film projects.

Savings and cost effectiveness measures

The foundation negotiated with various service providers, including external auditors, to keep inflationary increases to a minimum. The foundation also implemented more stringent internal cost control measures in

respect of the use of telephones, making photocopies and procuring stationery. Savings of R732 000 are expected over the MTEF period.

Expenditure estimates

Table 14.25 National Film and Video Foundation of South Africa

Statement of financial performance				Revised estimate 2011/12	Medium-term estimate		
R thousand	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
Revenue							
Non-tax revenue	8 181	2 387	672	720	720	720	900
Sale of goods and services other than capital assets of which:	70	6	–	–	–	–	–
Sales by market establishments	70	6	–	–	–	–	–
Other non-tax revenue	8 111	2 381	672	720	720	720	900
Transfers received	42 013	41 371	40 938	85 879	87 342	106 173	112 538
Total revenue	50 194	43 758	41 610	86 599	88 062	106 893	113 438
Expenses							
Current expenses	14 251	15 581	17 104	18 711	20 918	22 327	24 627
Compensation of employees	7 740	9 254	10 370	11 723	13 173	14 206	15 847
Goods and services	5 998	5 854	6 153	6 449	7 121	7 435	8 025
Depreciation	513	473	581	539	624	686	755
Transfers and subsidies	36 452	28 536	24 466	67 888	67 144	84 566	88 811
Total expenses	50 703	44 117	41 570	86 599	88 062	106 893	113 438
Surplus / (Deficit)	(509)	(359)	40	–	–	–	–

Expenditure trends

The spending focus over the medium term will be on improving the functionality of provincial offices by setting up cinemas in community arts centres, awarding post-graduate bursaries, developing the local film industry further and developing of scriptwriters, editors, producers and other film crew. In 2010/11, the foundation supported the production and development of 10 films at a cost of R8.7 million.

The foundation will receive 99.2 per cent of its total revenue from the departmental transfer over the medium term. The foundation also receives grants for partnership programmes such as the Bojanala platinum district municipality project and funding from private donors. Total revenue is projected to grow from R50.2 million in 2008/09 to R113.4 million in 2014/15, at an average annual rate of 14.6 per cent. This growth is attributed to increased transfers from the department for greater development of the local film industry and the development and training of script writers, editors, producers and other film crew. Other non-tax revenue declined from R8.1 million in 2008/09 to R720 000 in 2011/12, at an average annual rate of 55.4 per cent due, to fluctuating interest earned and decreased private donor contributions.

Between 2008/09 to 2011/12, expenditure increased from R50.7 million to R86.6 million, at an average annual rate of 19.5 per cent. Spending on goods and services between 2008/09 to 2011/12 grew from R6 million to R6.4 million, at an average annual rate of 2.4 per cent. The lower than inflation growth rate was mainly due to the implementation of cost efficiency measures to reduce outsourced services and communication. Over the medium term, spending on goods and services is estimated to grow to R8 million, at an average annual rate of 7.6 per cent, mainly due to the appointment of consultants to assist with improving the provision of cinemas in rural communities.

Over the MTEF period, spending on compensation of employees is expected to grow from R11.7 million in 2011/12 to R15.8 million in 2014/15, at an average annual rate of 10.6 per cent, and includes the appointment of additional staff. Spending on transfers and subsidies paid over this period is expected to grow from R67.9 million in 2011/12 to R88.8 million in 2014/15, at an average annual rate of 9.4 per cent. This growth is due to increased spending on transfers and subsidies paid as a result of the additional funds the foundation received in 2011/12.

Consultants are used to provide internal audit, recruitment and website administrator's services. R569 000 was spent on consultants in 2011/12, which is the equivalent of 4.9 per cent of the total spent on compensation of employees.

Personnel information

Table 14.26 National Film and Video Foundation of South Africa

	Personnel post status as at 30 September 2011			Number of personnel posts filled / planned for on funded establishment						
	Number of posts on approved establishment	Number of funded posts	Number of vacant posts	Actual			Mid-year ¹	Medium-term estimate		
				2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Executive management	7	6	–	7	7	6	6	6	6	6
Middle management	5	4	–	4	4	4	4	5	5	5
Professionals	14	14	–	13	14	14	14	14	14	14
Semi-skilled	1	1	–	1	1	1	1	1	1	1
Very low skilled	1	1	–	1	1	1	1	1	1	1
Total	28	26	–	26	27	26	26	27	27	27
Compensation (R thousand)				7 740	9 254	10 370	11 723	13 173	14 206	15 847
Unit cost (R thousand)				298	343	399	451	488	526	587

1. As at 30 September 2011.

The agency had an establishment of 28 approved posts, 26 of which are funded. Between 2008/09 and 2011/12, the number of filled post remained at 26. An additional post was filled in 2009/10, increasing the establishment to 27. However, in that year a staff member resigned and another is to be appointed over the medium term. The ratio of support staff to line-function staff is 1:4.3 and the ratio of consultants to staff is 1:1.6.

Pan South African Language Board

Overview: 2008/09 – 2014/15

The Pan South African Language Board is a constitutional institution that promotes awareness of multilingualism as a national resource and supports previously marginalised languages. It is mandated by the Pan South Africa Language Board Act (1999) to investigate complaints about language rights violations from any individual, organisation or institution. The board fosters language development through its national lexicography units and national language bodies. The organisation also ensures multilingualism and the use of the official languages, and Xhosa, Nama, San and South African Sign Language, through its provincial language committees. It funds research and projects on all language matters.

The board does this by, for example, making recommendations on legislation, policy, or practices relating to language matters at any level in government, and advising on the coordination of language planning in South Africa. The board's major projects include literature development, the administration of national language bodies and provincial language committees, and developing dictionaries.

Activities over the medium term will focus on: developing dictionaries at 11 national lexicography units; establishing reading clubs in indigenous languages; ensuring that municipalities adopt the principle of multilingualism and accommodate the languages of their region; and supporting the national lexicography units and provincial language committees to promote and protect the official languages.

Performance

In 2010/11, the board developed a database of stakeholders; provided language support to Microsoft for the Windows 7 interface pack and Office language interface packs for northern Sotho, Tswana, Afrikaans, Xhosa and Zulu; organised an International Mother Language Day celebration; and hosted creative writing workshops in various provinces. The cost of providing these outputs was approximately R1.1 million.

The Pan South African Language Board will review language policies and dictionaries for each of the 11 official languages as well as Khoi and San, and Sign language. The board also has 13 language bodies to advise it on matters relating to that particular language.

Selected performance indicators

Table 14.27 The Pan South African Language Board

Indicator	Programme/Activity/Objective	Past			Current	Projections		
		2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Number of language policies reviewed per year	Provincial language committees (meetings and projects)	9	9	11	13	13	13	13
Number of dictionaries reviewed per year	Lexicography units	11	7	12	13	13	13	13
Number of language bodies in place (structures) per year	National language bodies (meetings and projects)	13	13	13	13	13	13	13
Number of reading clubs established per year	National language bodies (meetings and projects)	3	3	4	4	4	4	4
Number of journal projects completed per year	National language bodies (meetings and projects)	-	1	4	4	4	4	4

Programmes/activities/objectives

Table 14.28 The Pan South African Language Board

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Provincial language committees (meetings and projects)	1 500	4 161	3 328	9 521	10 093	10 698	11 340
National language bodies (meetings and projects)	2 002	2 554	3 218	7 146	7 575	8 030	8 432
National lexicography units	11 201	11 758	12 613	13 929	14 765	15 651	16 590
Administration/Operations	41 783	37 333	46 216	35 894	37 212	43 966	47 300
Total expense	56 486	55 806	65 375	66 490	69 645	78 345	83 662

The Pan South African Language Board had a total budget of R66.5 million in 2011/12, of which 57 per cent was used for compensation of employees.

Savings and cost effectiveness measures

As a result of cost containment measures implemented in 2009/10 for the administrative functions, the entity expects to realise savings of R850 000 in each year of the MTEF period. The nine provincial offices were given a directive to handle all projects and programmes at the provincial level to avoid unnecessary travel by head office staff. Telephone and other administration expenses have also been reduced without compromising delivery and targets.

Expenditure estimates

Table 14.29 The Pan South African Language Board

Statement of financial performance				Revised estimate	Medium-term estimate		
R thousand	Audited outcome			2011/12	2012/13	2013/14	2014/15
	2008/09	2009/10	2010/11				
Revenue							
Non-tax revenue	2 610	2 569	1 572	775	165	165	165
Sale of goods and services other than capital assets	296	602	391	400	90	90	90
<i>of which:</i>							
<i>Sales by market establishments</i>	296	602	391	400	90	90	90
<i>Other non-tax revenue</i>	2 314	1 967	1 181	375	75	75	75
Transfers received	49 077	52 127	55 243	56 119	69 480	78 180	83 497
Total revenue	51 687	54 696	56 815	56 894	69 645	78 345	83 662
Expenses							
Current expenses	56 362	55 806	65 375	66 490	69 645	78 345	83 662
Compensation of employees	28 037	33 174	35 441	37 899	41 291	43 748	45 121
Goods and services	27 435	21 502	28 727	27 168	26 842	32 993	36 856
Depreciation	799	931	940	1 153	1 222	1 293	1 374
Interest, dividends and rent on land	91	199	267	270	290	310	310
Transfers and subsidies	124	-	-	-	-	-	-
Total expenses	56 486	55 806	65 375	66 490	69 645	78 345	83 662
Surplus / (Deficit)	(4 799)	(1 110)	(8 560)	(9 596)	-	-	-

Expenditure trends

The spending focus over the medium term will be on reviewing the language committees and establishing reading clubs in indigenous languages, ensuring that municipalities adopt the principle of multilingualism and accommodate the languages of their region, and supporting the national lexicography units and provincial language committees to promote and protect the official languages.

The board will receive 99.8 per cent of its total revenue over the medium term from a transfer from the department. The board also generates revenue from private donors, interest, and sales of books and CDs. Between 2011/12 and 2014/15, total revenue is estimated to grow from R56.9 million to R83.7 million, at an average annual rate of 13.7 per cent due to an additional R41.5 million allocated to the board to address operational shortfalls over this period. Non-tax revenue decreased from R2.6 million in 2008/09 to R775 000 in 2011/12, at an average annual rate of 33.3 per cent, due to decreased sales and interest earned.

Expenditure grew from R56.5 million in 2008/09 to R66.5 million in 2011/12 at an average annual rate of 5.6 per cent mainly due to increased spending on compensation of employees, which grew from R28 million to R37.9 million, at an average annual rate of 10.6 per cent, in the same period as the board grew its staff complement. Total spending is expected to grow to R83.7 million over the medium term, at an average annual rate of 8 per cent driven mainly by increased spending on operational expenses relating to language committees. Spending on goods and services in 2010/11 grew by 32.9 per cent due to higher legal fees and increased spending on communications for advocacy.

Consultants are used to provide bar coded asset audit services for the asset register and to provide advisory services to the board. R2 million was spent on consultants in 2011/12, which equates to is 5.3 per cent of the total spent on compensation of employees.

Personnel information

Table 14.30 The Pan South African Language Board

	Personnel post status as at 30 September 2011			Number of personnel posts filled / planned for on funded establishment						
	Number of posts on approved establishment	Number of funded posts	Number of vacant posts	Actual			Mid-year ¹	Medium-term estimate		
				2008/09	2009/10	2010/11		2011/12	2012/13	2013/14
Executive management	5	3	2	3	3	3	4	5	5	5
Senior management	15	4	11	4	4	4	4	7	7	7
Middle management	18	18	–	12	12	12	12	12	12	12
Professionals	78	89	2	89	89	89	89	89	89	89
Very low skilled	18	10	8	10	10	10	11	11	11	11
Total	134	124	23	118	118	118	120	124	124	124
Compensation (R thousand)				28 037	33 174	35 441	37 899	41 291	43 748	45 121
Unit cost (R thousand)				238	281	300	316	333	353	364

1. As at 30 September 2011.

As at 30 September 2011, the board had an approved establishment of 134 posts, 124 which are funded. The ratio of support staff to line function staff is 1:10 and that of consultants to staff is 1:60.

National Heritage Council

Overview: 2008/09 – 2014/15

The National Heritage Council was officially constituted in February 2004 in terms of the National Heritage Council Act (1999). Since its inception, the council has engaged heritage stakeholders in public and private institutions, including the various organs of civil society, mobilising debates and building awareness about heritage.

In line with its strategic plans, the council's four main pillars are: providing policy advice to the Minister of Arts and Culture; linking heritage with social cohesion and nation building; positioning the heritage sector as a significant contributor to socioeconomic development; and creating public awareness, education and stakeholder relations.

Over the medium term, the council will develop policy frameworks on the repatriation of heritage resources, heritage conservation and development, access to heritage institutions; and the introduction of a heritage levy, and professional standards and ethics. In addition, the council will coordinate stakeholder input to implement the national liberation heritage route projects. This is a national memorial designed as a collection of sites that depict the stories associated with the national liberation struggle. These stories will be narrated at separate but linked sites across the country, and provides potential for cultural tourism.

Performance

In 2010/11, each provincial office held preparatory meetings to provide a resolution of support for the rollout of the national liberation heritage route. In addition, marketing and communication material such as pamphlets and DVDs were developed and distributed for all the liberation heritage route provincial summits. The council also gained approval from the African World Heritage Fund Board to extend the project into the Southern African Development Communities countries.

Selected performance indicators

Table 14.31 National Heritage Council

Indicator	Programme/Activity/Objective	Past			Current	Projections		
		2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Number of Heritage projects financially supported per year	Funding	21	10	34	23	25	25	25

Programmes/activities/objectives

Table 14.32 National Heritage Council

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Grants allocated	9 003	7 139	6 843	7 074	9 299	9 857	10 448
Heritage projects	19 344	30 955	35 722	28 040	17 434	18 480	19 589
Executive and marketing	9 898	10 577	8 705	15 235	10 930	10 712	10 621
Administration/Operations	17 192	23 486	10 833	13 675	13 077	14 943	16 715
Total expense	55 437	72 156	62 103	64 024	50 740	53 992	57 373

The National Heritage Council of South Africa had a total budget of R64 million in 2011/12, of which 74.3 per cent was used for goods and services.

Savings and cost effectiveness measures

The council has employed various mechanisms to reduce administrative costs, including holding meetings at a central location to reduce travelling and accommodation cost. In addition, telephone and other administration expenses have also been reduced without compromising delivery targets. Savings of R9.8 million are expected to be realised over the medium term.

Expenditure estimates

Table 14.33 National Heritage Council

Statement of financial performance				Revised estimate	Medium-term estimate		
R thousand	Audited outcome			2011/12	2012/13	2013/14	2014/15
	2008/09	2009/10	2010/11				
Revenue							
Non-tax revenue	1 422	833	375	8 686	676	949	1 112
<i>Other non-tax revenue</i>	1 422	833	375	8 686	676	949	1 112
Transfers received	46 743	68 318	67 854	55 338	50 063	53 043	56 262
Total revenue	48 165	69 151	68 229	64 024	50 739	53 992	57 374
Expenses							
Current expenses	55 437	72 156	62 103	64 024	50 739	53 992	57 374
Compensation of employees	8 531	11 723	14 376	15 566	16 469	17 425	18 383
Goods and services	46 275	59 503	47 010	47 571	33 376	35 693	38 221
Depreciation	560	763	532	679	664	623	477
Interest, dividends and rent on land	71	167	185	208	230	251	293
Total expenses	55 437	72 156	62 103	64 024	50 739	53 992	57 374

Expenditure trends

The spending focus over the medium term will be on linking heritage with social cohesion and nation building, positioning the heritage sector as a significant contributor to socioeconomic development, and public awareness, education and stakeholder relations. This is done through funding to heritage projects and programmes for which R60.2 million over the MTEF period has been allocated. The budget allows an average of 25 heritage projects per year to be supported financially over the MTEF period.

The council also receives revenue from interest on investments and the National Lottery Board. Over the medium term, the council receives 95.4 per cent of its total revenue from the Department of Arts and Culture. Transfers received grew from R46.7 million in 2008/09 to R55.3 million in 2011/12, at an average annual rate of 5.8 per cent, mainly due to a once-off allocation of R8.3 million in 2010/11 for the national liberation heritage route project. This also accounts for the projected decrease in total revenue, which declines from R64 million to R57.4 million over the medium term, at an average annual rate of 3.6 per cent.

Expenditure grew from R55.4 million in 2008/09 to R64 million in 2011/12, at an average annual rate of 4.9 per cent, mostly due to higher spending on compensation of employees, and is expected to decrease over the medium term to R57.4 million, at an average annual rate of 3.6 per cent. Spending on compensation of employees grew from R8.5 million in 2008/09 to R15.6 million in 2011/12, at an average annual rate of 22.2 per cent, mainly due to the filling of vacant posts in the middle management and professional levels. Over the medium term, spending on goods and services is expected to decrease from R47.6 million to R38.2 million, at an average annual rate of 7 per cent, mainly due to reduced audit costs, travel and substance and decreased use of consultants.

Consultants are used mainly for marketing, event management such as South African traditional music awards and the implementation of projects such as the liberation heritage route provincial summits. R3 million was spent on consultants in 2011/12, which equates to 19.4 per cent of the total spent on compensation of employees.

Personnel information

Table 14.34 National Heritage Council

	Personnel post status as at 30 September 2011			Number of personnel posts filled / planned for on funded establishment						
	Number of posts on approved establishment	Number of funded posts	Number of vacant posts	Actual			Mid-year ¹	Medium-term estimate		
				2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Executive management	1	1	–	1	1	1	1	1	1	1
Senior management	8	8	–	7	8	9	8	8	8	8
Middle management	5	5	–	5	5	5	5	7	7	7
Professionals	6	6	–	4	5	6	6	9	9	9
Skilled	1	1	–	1	1	1	1	1	1	1
Semi-skilled	2	2	–	2	2	2	2	2	2	2
Total	23	23	–	20	22	24	23	28	28	28
Compensation (R thousand)				8 531	11 723	14 376	15 566	16 469	17 425	18 383
Unit cost (R thousand)				427	533	599	677	588	622	657

1. As at 30 September 2011.

The council had an approved establishment of 23 posts, all of which are funded. The number of posts increased from 20 in 2008/09 to 23 in 2011/12. Over the medium term, the council plans to increase its staff complement to 28 posts mostly in the middle management and professional levels for the implementation of national liberation heritage route and the Ubuntu honour projects. These posts will be funded through reprioritisation of funds. The ratio of support staff to line function staff is 1:7 and that of consultants to staff is 1:1.

Arts institutions

Overview: 2008/09 – 2014/15

The arts institutions promote and support the arts through activities such as staging productions, cultural capacity building in the industry, and training and development. The following arts institutions receive annual

transfers from the department: the State Theatre, the Playhouse Company, Artscape, the Market Theatre, the Performing Arts Council of the Free State and the Windybrow Theatre. In addition to the annual transfer from the department, these entities also generate their own revenue through entrance fees, donor assistance, and sponsorships.

Over the MTEF period, the arts institutions will focus on maximising income from rental of venues and production related income to facilitate writing programmes that identify talent and to increase public awareness of the products and services of the institutions.

Performance

In 2011/12, the institutions collectively anticipate staging 383 productions, while 1 237 people are projected to attend the drama course. The number of festivals or shows decreased from 465 in 2008/09 to 420 in 2011/12 due to lower demand from audiences. A further aim is to increase the number of festivals staged to 455 by 2012/13 and maintain that over the MTEF.

Selected performance indicators

Table 14.35 Arts institutions consolidation

Indicator	Programme/Activity/Objective	Past			Current	Projections		
		2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Number of festivals staged per year	Productions	465	384	395	420	455	455	455
Number of productions staged per year	Productions	360	321	334	383	387	387	387
Number of individuals attending the drama course per year	Outreach programmes, training and development	1195	1286	1377	1237	1297	1297	1297
Number of individuals attending the photography training courses per year	Outreach programmes, training and development	268	166	203	217	231	231	231

Programmes/activities/objectives

The arts institutions had a total budget of R440.8 million in 2011/12, of which 63.1 per cent was used for goods and services.

Savings and cost effectiveness measures

In 2009/10, the playhouses embarked on a number of measures to reduce costs and improve productivity, including: improving systems and controls to closely monitor performance, renovating buildings to optimise operational space and enhance internal efficiencies, curtailing subsistence and travel costs and only allowing the most important trips to be undertaken, and holding meetings and conferences in-house in order to reduce venue hire expenditure.

Expenditure estimates

Table 14.36 Arts institutions consolidation

Statement of financial performance				Revised estimate	Medium-term estimate		
R thousand	Audited outcome			2011/12	2012/13	2013/14	2014/15
	2008/09	2009/10	2010/11				
Revenue							
Non-tax revenue	51 928	58 368	65 938	59 075	61 404	62 466	65 139
Sale of goods and services other than capital assets	23 825	27 394	35 301	25 973	27 415	29 315	31 042
<i>of which:</i>							
<i>Sales by market establishments</i>	23 102	26 485	34 375	25 373	26 755	28 622	30 314
<i>Other sales</i>	723	909	926	600	660	693	728
<i>Other non-tax revenue</i>	28 103	30 974	30 637	33 102	33 989	33 151	34 098
Transfers received	171 945	230 715	306 054	410 635	255 382	252 553	301 457
Total revenue	223 873	289 083	371 992	469 710	316 786	315 019	366 596
Expenses							
Current expenses	218 165	250 836	307 701	440 808	305 247	322 124	343 349
Compensation of employees	86 635	98 536	106 889	123 522	132 543	140 606	148 737
Goods and services	113 042	134 158	183 833	278 145	145 568	154 586	163 792
Depreciation	16 559	17 664	16 290	38 920	27 071	26 864	30 748
Interest, dividends and rent on land	1 928	478	689	221	65	68	71
Total expenses	218 165	250 836	307 701	440 808	305 247	322 124	343 349
Surplus / (Deficit)	5 707	38 247	64 291	28 902	11 539	(7 105)	23 248

Expenditure trends

The spending focus over the medium term will be on staging productions, cultural capacity building in the industry, and the training and development of theatre production staff. This will allow the playhouses to support and promote the appreciation, understanding and enjoyment of the performing arts to the general public.

Transfers received from the department make up 82 per cent of total revenue over the seven-year period and are the largest contributor to the funding the establishment of productions, shows and festivals. Total revenue increased from R223.9 million in 2008/09 to R469.7 million in 2011/12, at an average annual rate of 28 per cent. This increase is attributed to higher transfers from the department for capital projects such as refurbishing existing facilities and upgrading equipment. These higher transfers also account for the anticipated surplus of R28.9 million in 2011/12 due to uncompleted projects. Total revenue is projected to decline to R366.6 million over the medium term, at an average annual rate of 7.9 per cent, due to the conclusion of certain capital projects.

Expenditure increased from R218.2 million in 2008/09 to R440.8 million in 2011/12, at an average annual rate of 26.4 per cent, mainly due to repair and maintenance costs at various institutions, particularly Artscape and the Windybrow theatre. Spending over the medium term is expected to decrease to R343.3 million, at an average annual rate of 8 per cent, as the budgeted repair and maintenance projects conclude. The surpluses in 2012/13 and 2014/15 are due to the realisation of deferred transfers for capital projects at the Playhouse Company. The deficit in 2013/14 is due to a shortfall in revenue at the same institution that will be funded through cash reserves.

Heritage institutions

Overview: 2008/09 – 2014/15

The following heritage institutions receive annual transfers from the department: Die Afrikaanse Taalmuseum, Paarl; Northern Flagship Institutions, Pretoria; Iziko Museum, Cape Town; Natal Museum, Pietermaritzburg; National Museum, Bloemfontein; The National English Literary Museum, Grahamstown; Voortrekker Museum, Pietermaritzburg; War Museum of the Boer Republics, Bloemfontein; William Humphrey Arts Gallery, Kimberley; Luthuli Museum, Stanger; Nelson Mandela Museum, Mthatha; and Robben Island Museum, Cape Town. These institutions are largely dependent on annual transfers from the department but also generate their own revenue through entrance fees, donor assistance, and sponsorships.

Over the MTEF period, the entities will focus on a range of activities such as publishing articles in peer-reviewed journals, hosting holiday art workshops, enhancing visitor experience by developing virtual educational resources, maintaining standards of conservation and curation, and managing collections.

Performance

The number of exhibitions per year is expected to increase from 581 in 2011/12 to 667 in 2014/15, with the number of visitors projected to increase to 1.1 million over the same period. The heritage institutions are expected to collectively procure 73 124 heritage assets or artefacts annually by 2014/15.

Selected performance indicators

Table 14.37 Heritage institutions

Indicator	Programme/Activity	Past			Current	Projections		
		2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Number of exhibitions held per year	Exhibitions: present and interpret heritage collection	448	502	562	581	604	643	667
Number of visitors at exhibitions per year	Exhibitions: increase access to heritage collection	898 654	893 058	978 528	1 019 811	1 061 094	1 102 377	1 143 660
Number of new publications or articles per year	Research publications	113	114	118	129	142	156	164
Number of heritage assets or artefacts acquired per year	Collection management	50 587	63 488	64 960	68 184	68 184	71 034	73 124
Number of educational interactions with schools per year	Education, outreach, planetarium, public programmes	127 539	121 761	128 463	134 494	140 521	146 541	148 642

Performance/activities/objectives

The heritage institutions had a total budget of R382 million in 2011/12, of which 61.1 per cent was used for compensation of employees.

Savings and cost effectiveness measures

The largest expenditure item for the museums is compensation of employees. There have been no new appointments since 2009/10 and resignations were only filled if critical. Museums negotiate discounts with their service providers, use museums facilities such as conference rooms for meetings, and limit travelling where appropriate.

Expenditure estimates

Table 14.38 Heritage institutions consolidation

Statement of financial performance	Audited outcome			Revised estimate	Medium-term estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
R thousand							
Revenue							
Non-tax revenue	70 382	74 514	91 710	101 171	108 159	114 199	123 874
Sale of goods and services other than capital assets	43 377	47 386	72 401	61 837	65 630	69 168	72 438
<i>of which:</i>							
Administration fees	3 630	3 804	4 128	4 508	4 867	5 314	5 797
Sales by market establishments	39 747	43 582	68 273	57 329	60 763	63 854	66 641
Other non-tax revenue	27 005	27 128	19 309	39 334	42 529	45 030	51 435
Transfers received	270 483	252 866	271 692	280 822	288 380	307 638	325 799
Total revenue	340 865	327 380	363 402	381 993	396 540	421 836	449 673
Expenses							
Current expenses	294 174	327 566	389 002	381 993	396 540	421 836	449 672
Compensation of employees	176 684	185 016	215 341	233 497	251 837	267 758	283 011
Goods and services	105 292	123 524	150 649	128 479	124 551	133 423	144 547
Depreciation	11 965	14 236	16 958	16 738	16 676	16 970	18 208
Interest, dividends and rent on land	233	4 790	6 054	3 280	3 476	3 685	3 906
Total expenses	294 174	327 566	389 002	381 993	396 540	421 836	449 672
Surplus / (Deficit)	46 691	(186)	(25 600)	-	-	-	-

Expenditure trends

The spending focus over the medium term will be on exhibiting acquired artefacts, facilities maintenance, and upgrading and continuous support of education and outreach public programmes. Heritage institutions aim to increase the number of exhibitions held and celebrate the diversity of the country's cultural and natural heritage and making this accessible to all South Africans.

Over the seven-year period, heritage institutions receive on average 73.8 per cent of their total revenue from transfers from the department. These funds are used for operational costs, establishing exhibitions, publishing research, and acquiring new heritage assets or artefacts. Total revenue increased from R340.9 million in 2008/09 to R382 million in 2011/12, at an average annual rate of 3.9 per cent. The increase was moderate mainly due to an increase in capital transfers for upgrading and maintaining of museum facilities. Over the medium term, total revenue is projected to grow to R449.7 million, at an average annual rate of 5.6 per cent, for improvements in conditions of service. Revenue from sales by market establishment, which comprises mainly of entrance fees, increased from R39.7 million in 2008/09 to R57.3 million in 2011/12, at an average annual rate of 13 per cent, driven mainly by tour sales to Robben Island Museum. Over the medium term, other non-tax revenue is expected to grow from R39.3 million in 2011/12 to R51.4 million in 2014/15, at an average annual rate of 9.4 per cent, due to an expected increase in donor funds.

Expenditure grew from R294.2 million in 2008/09 to R382 million in 2011/12, at an average annual rate of 9.1 per cent, driven mainly by spending on compensation of employees and spending on maintaining and upgrading museum facilities infrastructure. Spending on compensation of employees grew from R176.7 million in 2011/12 to R233.5 million in 2014/15 at an average annual rate of 9.7 per cent due to the Robben Island Museum hiring 90 low level contract workers. Spending over the medium term is expected to grow to R449.7 million, at a slower average annual rate of 5.6 per cent, due to inflation related adjustments.

Libraries

Overview: 2008/09-2014/15

Apart from overseeing the National Library of South Africa, a statutory body, the department oversees smaller libraries serving sectors of society that have special needs in terms of accessing public information, including the South African Library for the Blind and Blind South Africa. Together, the various libraries preserve national documentary heritage, promote awareness of it and provide for related matters, and they will continue with these activities over the medium term.

The National Library of South Africa will continue to: work towards building a complete collection of published and unpublished documentary heritage; act as a national bibliographic agency in order to accomplish bibliographic control of South African documentary heritage and make it accessible; facilitate access to published documentary heritage by providing efficient and effective reference and information services; promote and train other libraries on preservation and conservation; and promote a culture of reading, writing, and publishing in South Africa via the Centre for the Book.

The South African Library for the Blind produces documents in special mediums such as Braille and audio formats, develops standards for the production of such documents, and acquires and disseminates the technology required by people with print disabilities. The library will continue with its job creation programme of producing hand crafted tactile books for young children, as well as its project of digitising reading materials and attending to copyright problems related to converting texts to alternative formats.

Blind South Africa, a non-profit Braille production house in Johannesburg, which receives funding from the department, is investigating ways of increasing its Braille output at a lower cost to make Braille materials as affordable as possible. A department funded investigation into Braille production and related matters in 2010/11 and 2011/12 is addressing some of the challenges. In 2011/12, the South African Library for the Blind added 350 audio and 325 Braille titles to its collection, and also converted 540 titles from audio analogue to digital format at a cost of R1.6 million.

Between 2012 and 2017, 600 computers will be replaced at the National Library of South Africa at a cost of R7.5 million. The ICT programme will continue to manage, support, and enhance National Library of South Africa infrastructure to ensure business continuity and continuous improvement of the library and information services, in line with technological developments. In order for the collections to be preserved for prosperity, relevant programmes like digitisation will be expanded.

Performance/activities/objectives

The libraries had a total budget of R92.5 million in 2011/12, of which 59.9 per cent was used for compensation of employees.

Savings and cost effectiveness measures

The libraries kept salary increases to a minimum and only filled critical vacant posts. As far as possible, overhead expenses are diligently controlled without negatively affecting service delivery mandates.

Expenditure estimates

Table 14.39 Libraries consolidation

Statement of financial performance	Audited outcome			Revised estimate	Medium-term estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
R thousand							
Revenue							
Non-tax revenue	24 497	7 065	7 396	4 786	4 544	4 758	4 965
Other non-tax revenue	24 497	7 065	7 396	4 786	4 544	4 758	4 965
Transfers received	69 251	68 669	67 685	87 743	86 277	92 565	98 067
Total revenue	93 748	75 734	75 081	92 529	90 821	97 323	103 032
Expenses							
Current expenses	93 670	75 144	77 721	92 529	90 821	97 323	103 032
Compensation of employees	34 368	37 764	41 553	55 457	59 378	64 686	68 672
Goods and services	55 216	30 639	29 011	34 261	28 876	30 326	32 053
Depreciation	3 855	6 690	7 142	2 791	2 542	2 281	2 272
Interest, dividends and rent on land	231	51	15	20	25	30	35
Total expenses	93 670	75 144	77 721	92 529	90 821	97 323	103 032
Surplus / (Deficit)	78	590	(2 640)	-	-	-	-

Expenditure trends

The spending focus over the medium term will be on expanding the ICT capacity of the National Library of South Africa and the South African Library for the Blind to facilitate access to their own collections and to materials in community libraries across the country; promoting a culture of reading and writing by stimulating the publication of reading materials in African languages, and assisting libraries to preserve their collections by holding disaster planning workshops.

Transfers from the Department of Arts and Culture make up 90.8 per cent of total revenue over the seven-year period. These funds allow the libraries to preserve the large number heritage collections, provide a bibliographic service, add new titles to their collections and fund operational expenses. In 2010/11, the South African Library for the Blind added 184 audio and 325 Braille titles to its collection at a cost of R241 000.

Revenue decreased from R93.7 million in 2008/09 to R92.5 million in 2011/12, at an average annual rate of 0.4 per cent. In 2009/10, revenue from other non-tax revenue decreased by 71.2 per cent due to the community library services grant funding being deferred from previous years. Over the medium term, revenue is projected to grow to R103 million, at an average annual rate of 3.6 per cent.

Total expenditure decreased from R93.7 million in 2008/09 to R92.5 million in 2011/12, at an average annual rate of 0.4 per cent. The decline is due to higher expenditure on equipping the national library with furniture, office equipment and computers in 2008/09. Total expenditure is expected to grow to R103 million over the medium term, at an average annual rate of 3.6 per cent. Spending on compensation of employees is expected to increase from R55.5 million to R68.7 million over this period, at an average annual rate of 7.4 per cent, due to additional allocations for improvements in conditions of service. Consultants are used to assist with internal audit functions. R4.3 million has been allocated for spending on consultants over the MTEF period.

Personnel information

Table 14.40 Libraries consolidation

	Personnel post status as at 30 September 2011			Number of personnel posts filled / planned for on funded establishment						
	Number of posts on approved establishment	Number of funded posts	Number of vacant posts	Actual			Mid-year ¹	Medium-term estimate		
				2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Senior management	3	3	1	2	2	2	2	3	3	3
Middle management	9	9	1	8	8	7	8	9	9	9
Professionals	–	–	–	4	5	5	–	–	–	–
Skilled	20	20	1	20	20	20	19	22	22	22
Semi-skilled	13	13	–	4	7	7	13	16	16	16
Very low skilled	2	2	–	2	2	2	2	2	2	2
Total	47	47	3	40	44	43	44	52	52	52
Compensation (R thousand)				34 368	37 764	41 553	55 457	59 378	64 686	68 672
Unit cost (R thousand)				859	858	966	1 260	1 142	1 244	1 321

1. As at 30 September 2011.

The libraries have an approved establishment of 47 posts, all of which are funded and 3 are vacant, due to staff turnover. The number of filled posts increased from 40 in 2008/09 to 44 in 2011/12 and is expected to grow to 52 over the MTEF period to facilitate service delivery. As far as possible, these additional posts will be funded through reprioritisation of funds. The ratio of support staff to line function staff is 1:2.5 and the ratio of consultants to total staff is 1:45.

Additional tables

Table 14.A Summary of expenditure trends and estimates per programme and economic classification

Programme	Appropriation		Audited outcome	Appropriation			Revised estimate
	Main	Adjusted		Main	Additional	Adjusted	
R thousand	2010/11		2010/11	2011/12			2011/12
Administration	154 568	178 026	190 798	178 757	18 215	196 972	192 431
Performing Arts	365 980	466 263	530 799	549 379	31 800	581 179	581 029
National Language Services	93 483	93 974	92 207	101 570	(1 300)	100 270	100 070
Cultural Development	167 849	187 089	138 863	180 717	(8 873)	171 844	151 644
Heritage Promotion	993 943	884 266	716 406	763 702	3 000	766 702	666 552
National Archives and Library Services	630 897	631 627	579 746	694 452	25 514	719 966	719 466
Total	2 406 720	2 441 245	2 248 819	2 468 577	68 356	2 536 933	2 411 192

Economic classification

Current payments	318 094	380 261	361 218	392 900	90 715	483 615	473 661
Compensation of employees	149 007	152 907	152 833	164 804	2 558	167 362	167 362
Goods and services	169 087	227 354	208 385	228 096	88 157	316 253	306 299
Transfers and subsidies	2 082 048	2 054 406	1 885 161	2 069 271	(22 359)	2 046 912	1 932 825
Provinces and municipalities	512 660	512 660	462 445	543 420	26 514	569 934	569 934
Departmental agencies and accounts	1 325 138	1 315 138	1 235 616	1 317 382	–	1 317 382	1 217 382
Non-profit institutions	11 304	11 304	11 304	12 258	–	12 258	12 258
Households	232 946	215 304	175 796	196 211	(48 873)	147 338	133 251
Payments for capital assets	6 578	6 578	2 208	6 406	–	6 406	4 706
Machinery and equipment	6 578	6 578	2 193	6 406	–	6 406	4 706
Heritage assets	–	–	15	–	–	–	–
Payments for financial assets	–	–	232	–	–	–	–
Total	2 406 720	2 441 245	2 248 819	2 468 577	68 356	2 536 933	2 411 192

Table 14.B Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Compensation of employees (R thousand)	126 848	146 271	152 833	167 362	180 030	191 807	203 499
Training expenditure (R thousand)	4 533	3 251	2 810	1 693	1 780	1 897	2 013
Training as percentage of compensation	3.6%	2.2%	1.8%	1.0%	1.0%	1.0%	1.0%
Total number trained in department (headcount)	122	135	291	231			
<i>of which:</i>							
Employees receiving bursaries (headcount)	82	90	102	88			
Internships (headcount)	86	100	–	–			

Table 14.C Summary of conditional grants to provinces and municipalities¹

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Conditional grants to provinces							
National Archives and Library Services							
Community library services grant	344 646	440 600	462 445	569 934	564 574	597 786	631 614
Total	344 646	440 600	462 445	569 934	564 574	597 786	631 614

1. Detail provided in the Division of Revenue Act (2012).

Table 14.D Summary of donor funding

Donor	Project	Departmental programme name	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate 2011/12	Medium-term expenditure estimate	
							2008/09	2009/10	2010/11		2012/13	2013/14
R thousand												
Foreign In cash												
Swedish government	Swedish International Development Agency partnership programme	Cultural Development	3 years	12	Households	Support 25 art and culture organisations to establish 15 sustainable projects	882	-	-	-	-	-
United Nations Educational, Scientific, and Cultural Organisation	Underwater cultural heritage workshop	Heritage Promotion	1 year	161	Goods and services	Workshop on underwater cultural heritage	161	-	-	-	-	-
Total				173			1 043	-	-	-	-	-

Table 14.E Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate	
				2008/09	2009/10	2010/11		2012/13	2013/14
R thousand									
Infrastructure transfers to other spheres, agencies and departments									
Department of Arts and Culture public entities: Capital works	Building, maintenance and upgrading of infrastructure in various heritage institutions, playhouses, libraries and archives	Various	4 655 952	267 063	249 686	3 13 826	455 613	482 950	509 512
National Library of South Africa, Pretoria campus: Construction of new building	New building for the Pretoria campus of the National Library of South Africa	Handed over	374 000	14 487	-	-	-	-	-
Archives building: Expansion	Expanding the National Archives building	Design	503 188	23 000	-	-	-	-	-
Freedom Park	Freedom Park	Construction	700 000	144 000	200 000	134 000	-	-	-
Total			6 233 140	448 550	449 686	447 826	455 613	482 950	509 512
									540 083

National Treasury
BUDGET 2012
ESTIMATES OF NATIONAL EXPENDITURE

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