



# Programme Performance







## 2.1 Voted Funds

Appropriation	Main Appropriation	Adjusted Appropriation	Actual Amount Spent	Over/Under Expenditure
Equitable Share	91 651	(99)	91 029	523
Conditional Grant	27 670	99	27 587	182
<b>Responsible Minister</b>	Mrs SK Mnumzana, Executive Authority of the Department of Sport, Arts, Culture, Science and Technology			
<b>Administering Department</b>	Department of Sport, Arts, Culture, Science and Technology			
<b>Accounting Officer</b>	Mrs BR Sempe, Superintendent-General			

### Aim of Vote

#### Vision

To enhance the quality of life of the Free State people through sport, arts, culture, science and technology.

#### Mission

Effective service delivery to the people of the Free State through:

- collaboration with all relevant stakeholders,
- a committed workforce,
- implementation of departmental policies and sustainable programmes and people-centered development,

thereby raising the profile of Sport, Arts, Culture, Science and Technology.

## 2.2 Key measurable objectives, programmes and achievements

### 2.2.1 Key measurable objectives

Strategic Objective per goal:

#### i) Administration

##### To render Management and Administrative Support Services

- a) To render human resource management services.
- b) To render financial and procurement services
- c) To render administrative auxiliary services.
- d) To facilitate and manage skills development.
- e) To provide an internal and external communication strategy.
- f) To introduce special programmes (gender, youth, disability, HIV/AIDS) in the Department.
- g) To render labour relations and advice services
- h) To provide IT support services to the Department and affiliated institutions;

all of these being the support base of the different line functions.



**ii) Cultural Affairs**

To render and manage arts and cultural affairs and heritage services in the Province

- a) To promote and co-ordinate performing art services to people development and job creation.
- b) To promote and co-ordinate visual and creative art services to ensure skills development, job creation and contribute towards poverty alleviation.
- c) To administer declared cultural institutions to ensure people development, skills development and job creation.
- d) To render museum and heritage services to ensure people development and social cohesion.
- e) To implement the national mandate to establish the Provincial Geographical Names Committee and the Provincial Heritage Resources Authority.
- f) To render language development services to ensure the constitutional rights of the people are met by the utilization of the main languages of the Province.

**iii) Library and Information Services**

To manage library and information services

- a) Provide technical support to 161 affiliated libraries.
- b) Provide library and information services to communities in terms of the Free State Provincial Library and Information Services Act, 1999 (Act No 5 of 1999).
- c) Rendering of information technology services to the Department and promote knowledge and the use of science and technology in communities.
- d) To render a record management service to governmental bodies
- e) To manage archival records at repositories.

**iv) Sport and Recreation**

To promote sport and recreation development

- a) To render community sport and recreation development services in terms of the approved White Paper on Sport and Recreation.
- b) To do research on the needs in communities for sport development.
- c) Marketing of sport development programmes.
- e) Rendering of sport and recreation development services in communities by promotion of mass sport participation within disadvantaged communities in development sport activities in conjunction with local municipalities.
- f) To provide equipment for sport and recreation development.
- g) To support the Free State Sport Science Institute.
- h) To administer the Phakisa Major Sport Events and Development Corporation Act, 1997 (Act No 4 of 1997).





## 2.2.2 Programmes

Programme	Sub-programme
1. Administration	1.1 Office of the MEC (including Management) 1.2 Corporate Services
2. Cultural Affairs	2.1 Management 2.2 Arts and Culture - Visual and Performing Arts - Musicon - Mmabana Arts and Culture Centres 2.3 Museum and Heritage Resource Services - National Museum Services - Provincial Museum Services - Basotho Cultural Village - Provincial Geographical Names Committee (PGNC) and Provincial Heritage Resources Authority (PHRA) 2.4 Language and Translation Services
3. Library and Information Services	3.1 Management 3.2 Library Services - Professional Support Services - Community Library Services 3.3 Archive Services 3.4 Technology Services
4. Sport and Recreation	4.1 Management 4.2 Sport 4.3 Recreation 4.4 School Sport 4.5 Phakisa Major Sport Events and Development Corporation

## 2.2.3 Achievements

### Transformation and restructuring in line with equity policies of Government

- ❖ The allocation of R10.53 million (plus R10 million in lieu of a part of the conditional grant for the infrastructure) above the MTEF-baseline allocation 2005/06 – 2007/08.
- ❖ Strengthening of management with the appointment of the following:
  - Senior Manager: Financial Services
  - Senior Manager: Cultural Affairs
  - Senior Manager: Community Sport
  - Executive Manager: Cultural Affairs and Library Services
  - Executive Manager: Sport and Recreation

### Administration (Corporate governance)

- ❖ A turning of the sod ceremony was held in Trompsburg on 8 April 2005 to mark the start of the project to develop a one-stop departmental service centre in the Xhariep District.
- ❖ Establishment of a full-fledged Supply Chain Management Unit within the Department.
- ❖ Establishment of a Departmental database system for all the service providers in the Free State.
- ❖ The previous Risk Management Plan of the Department was reviewed during a Risk Management workshop in February where current risks were evaluated, new risks and risk levels identified to come up with the updated risk management plan.
- ❖ The Fraud Prevention Plan has been completed.
- ❖ The Risk Management Committee and the Risk Manager were also appointed to ensure the implementation of the Risk Management and the Fraud Prevention Plans.
- ❖ The Customer Care Charter was launched with success.
- ❖ The Department moved from the 11 buildings to 2 main office buildings to bring together the MEC's and Head of Department's Offices, Executive and Senior Management, Cultural Affairs management and Sport management under one roof and Financial Administration and Corporate Services under the other.





## Cultural Affairs

### Improvement of arts and culture activities in the Province

- ❖ **Major Cultural Events**  
The department has succeeded in leading celebrations: Folkloric (Thaba – Nchu, Heritage Day (Vredefort) and MACUFE – Art Market (Bloemfontein), where the department received support from other provincial and national departments and communities.
- ❖ **Mmabana Cultural Centre and Satellite Community Art Centres**  
Mmabana Foundation Act has been repealed, enabling the eventual integration of Mmabana Cultural Centre into the Department.
- ❖ **NALN /NSLN**  
Process has started for the establishment, development and management of the National Sesotho Literary Museum (NSLM). Training of first appointed staff members and development of musicological procedures are in progress.
- ❖ **Provincial Geographical Names Committee (PGNC)** produced a first report, with public inputs on names that need change process. Efforts are continued to enlist the cooperation and support of local municipalities in facilitating the process at local level. Adverts were placed in the electronic and print media to inform and request public comments on some proposed name changes.
- ❖ **The Provincial Heritage Resource Agency's (PHRA) provincial committee** regularly holds meetings and has had a strategic planning session with a resulting programme of action
- ❖ **Interim Provincial Arts and Culture Council (PACC)**  
A proposed amendment to the Bill was ratified with the Interim Structure and the document is ready for public comments.
- ❖ **Museums**  
The process to transform museums was started and an assessment of Museum Services was conducted to be followed by a proposal on a transformation implementation plan.
- ❖ **Consultative workshops** for Districts of Motheo, Xhariep; Lejweleputswa and Fezile Dabi were conducted to obtain inputs from stakeholders. Inputs are to guide the policy and programmes for advancing the arts and culture sector by the department.
- ❖ **Language Services**  
Established an interdepartmental language policy working committee
  - a briefing session and subsequent meetings have been held.
  - a draft language policy (MIDP) has been produced
  - Translation services are being provided for all Government Departments on request.
  - Vacant posts for Sesotho translators were filled.

## Library and Information Services

### Rendering of access to libraries for communities through the building and upgrading of facilities and provision of information and communication technology services.

- ❖ **World Book and Copyright Day** was celebrated at libraries throughout the Province with the main event at the Meloding Public Library on 20 April 2005.
- ❖ **The Living Heritage Oral History Project** was launched successfully by the Provincial Archives in five towns during the first term and was concluded for 2005 with functions honouring local heroes in Tweespruit and Maokeng, Kroonstad on 29 November and 7 December 2005 respectively. One of the winners of the Tweespruit Local Heroes Competition, Father Frans Claerhout, was honoured with a function at his home on 24 November because he could not attend the function in Tweespruit due to poor health.
- ❖ **The Living Heritage Oral History Project**, in five towns during the first term, was continued with the Local Heroes Competition in the towns of Maokeng (Kroonstad), Borwa (Tweespruit), Meloding (Virginia), Meqheleng (Ficksburg) and Roleleathunya (Rouxville). Local Heroes functions were held at three towns during Heritage Month, namely in Meloding, Meqheleng and Roleleathunya where the first Local History Corner in a public library was officially opened by the MEC on 21 September 2005.
- ❖ **A Literacy Section** to support adult literacy learners was established at the Mahlatswetsa Public Library (Excelsior) and officially opened on International Literacy Day, 8 September 2005.
- ❖ **The Department** was successful in obtaining a grant of 7500 euros from the Government of the Province of Antwerp for the CITC in Welkom. The grant money will be used for IT training of 50 unemployed young people of which 20 will be female and 15 disabled.
- ❖ **The upgrading of the Zamdela Public Library** was completed. At the moment the book stock of this library is being prepared for the computerized system and the electronic security system.





- ❖ The upgraded Zamdela Public Library in Sasolburg was officially opened on 17 March 2006. The upgrade was a partnership project between the Department and Sasol Gas. The Department contributed R2,1 million and Sasol Gas R1,6 million to the project. The Sasol contribution consisted of, inter alia, a fully equipped computer room, making the library one of few in the Province with an ICT infrastructure.
- ❖ The building of two new libraries (Fateng Tse Ntsho and Qalabotjha) progressed but was somewhat delayed due to continuous rain during the reporting period. The Fateng Tse Ntsho Library will be completed by the end of April 2006 (a month's delay) while the contractor on the Qalabotjha project is confident that lost time will be made up to meet the due dates in 2006. After a delay with the awarding of the contract, building operations started on the Selosesha Library at the beginning of January 2006.
- ❖ Officials from the National Library of South Africa visited the R J R Maseia Public Library in Phuthaditjhaba on 12 December 2005 to evaluate the library's application to be declared an official publications depository.
- ❖ The application to have the R J R Maseia Public Library in Phuthaditjhaba declared an Official Publications Depository was approved by the Minister of Arts and Culture, making this library the first public library in the country to be designated an OPD. Having an OPD in the rural areas of Qwaqwa will improve access to government information. The official launch of the Phuthaditjhaba Library as OPD took place on 11 March 2006, an event attended by the Minister, Hon. Dr Pallo Jordan and the Head of the National Library of South Africa, Mr John Sebe,
- ❖ The Provincial Library Service co-hosted the national launch of Library Week with the Free State Branch of LIASA (Library and Information Association of South Africa) and the Maluti A Phofung Municipality. This event co-incided with the designation of the R J R Maseia Library as OPD on 11 March 2006. National representatives from all spheres of the library profession attended this event.
- ❖ On 1 December, International Aids Day was commemorated at public libraries throughout the Province. A promotional package consisting of AIDS ribbons, a poster and bibliography was distributed to every library.
- ❖ Library Week was celebrated successfully throughout the Province with a programme to teach children more about the national symbols in a fun way.
- ❖ The Annual General Meeting of Free State public libraries took place on 9-10 February 2006, hosted by the Department. The National Librarian of South Africa attended this event and a workshop on library services to persons with disabilities was presented by LIASA Free State. The highlight of the two-day event was the announcement of the winners of the Library of the Year Award. The provincial winner was the Virginia-Meloding Library Network which was also the winner in the Lejweleputswa District. The other district winners were Koffiefontein Library (Xhariep District), Borwa Library (Motho District), Fouriesburg- Mashaeng (Thabo Mofutsanyana District) and Tswelopele Library in Maokeng, Kroonstad (Fzile Dabi District).
- ❖ The Free State Archives Regulations were promulgated and all governmental bodies were informed that records management should be practised in terms of the Regulations.
- ❖ The Archives gained a valuable addition to its collection with the donation of the records of the Free State Branch of the National Council of Women. The collection was handed over at a function on 24 March 2006.

## Sport and Recreation

### Provision of access to and facilitation of mass participation in sport by communities through building of sport facilities, training and transformation

- ❖ The Free State Sport Science Institute planned and undertook a trip from the 22 June – 6 July 2005, involving 15 elite athletes from different Free State Schools who participated in several training camps and competitions that were hosted by the French and Belgium Athletic Federations in Belgium
- ❖ Over a period of 9 months the newly established Sport Development and Training Centre presented 113 sport specific development courses, trained 121 coaches, 363 educators and 5437 people, mostly youths, benefited from the outreach programmes.
- ❖ 4 345 persons were assisted with sport science and exercise rehabilitation services at the High Performance Centre. Of the 4 345 persons, 1 890 (43%) were historically disadvantaged athletes. Bearing in mind barriers such as transport, many of our sporting communities are prevented from fully utilizing our service at the world-class facility.
- ❖ The finalization of the unique "Volunteer Involvement Programme" (VIP) in September 2005. This programme consists of 14 modules focusing on the empowering of volunteers who are







actively involved in the management of sport-related activities throughout the Free State. The programme commenced on 1 October 2005 with the following results: the training of 150 volunteer in four municipalities, training of 130 teachers and 27 mass participation activity coordinators. The Free State Sport Science Institute assisted the Northern Cape Department Academy of Sport, by training 25 mass participation officials.

- ❖ On the international front we again hosted the Flemish top-sport athletes and cyclists as well as, at the request of Minister M Stofile, 2 Cuban sport scientists, Dr Carlos Alonzo and Dr Celia Hernandez on biomechanics, kinantropometry and talent identification models.
- ❖ In December 2005 the MEC signed a new 3-year sport development agreement with the Flemish Minister, Mr Bert Anciaux, for € 92 000.00 per year.
- ❖ A formal agreement between the Department of Sport, Arts and Culture and South African National Defence Force was signed. The South African National Defence Force will focus on exercise rehabilitation services while the Free State Sport Science Institute will concentrate on sport science services as well as coaching development. A new exercise rehabilitation facility at a cost of R2,8 million will be added to the already existing sport science facility. This partnership will not only ensure inter-governmental cooperation but will also complement both departments regarding service delivery to our communities.
- ❖ The FSSSI HPC presented 4 International sport development clinics Sasolburg, Bethlehem, Bethulie and Welkom, with the turn-up of 622 participants.
- ❖ On 3 – 14 January 2006, the International Athletics Workshop for school coaches was held in Sasolburg, Qwa-Qwa and Bloemfontein with 144 coaches.

#### 2.2.4 Overview of the service delivery environment for 2005/06

The Free State is a sprawling province with the population concentrations in different and demarcated areas where a variety of sport, cultural and information needs have to be addressed across a wide spectrum of diversity. This poses the following challenges to the Department:

- a) Equitable assistance to various cultural groups in the areas of performing and visual arts, as well as to ensure cultural interaction with the other provinces and on a national level.
- b) Utilising the cultural and artistic environment to develop a provincial arts market.
- c) Lack of infrastructure to support the diversity of services, such as the lack of IT infrastructure.
- d) Backlogs in the equitable provision of an up-to-date, needs-based collection of library materials to public libraries from the urban to rural areas.
- e) Library service agreements between government and local municipalities, which have been hampered due to funding problems.
- f) Provision of ICT to all public libraries.
- g) The announcement by both the Ministers of Finance and Arts and Culture that an amount of R1 billion will be allocated to public library services in the country over a period of 3 years starting in 2007/08, brought hope to the sector and will address some of the challenges mentioned above. Uncertainties regarding the exact purpose, for which the funding may be used, still remain, however, while questions about governance of public libraries and a suitable model for distribution of funds must still be investigated
- h) The extent to which the Department can influence Municipalities to budget for sport and recreation programme and facilities
- i) The development of sport and recreation programme create enthusiasm and a culture of mass participation
- j) The coordination of local sport bodies to be in line with the national sport structures
- k) The extent of control to ensure effective accountability and cooperation amongst sport and recreation structures
- l) Revamping of the Mass Participation delivery structures to ensure maximum participation
- m) The identification of community needs and the translation thereof into achievable sport and recreation programmes
- n) The operationalization of the newly establish Centre for Sport Development and Training in order to meet critical sport development needs

Not only does the Department seek to add value to people's lives through sport, arts, culture, and information, but also to make a contribution to reducing poverty through innovative means such as craft development and any other new business opportunities.







## 2.2.5 Overview of the organisational environment for 2005/06

During the year under review the Department was functioning at an average capacity of only 49 %, with a vacancy rate of 53.6 %. This means that the Department was severely under-resourced. It is evident, however, that even with a lack of personnel, there is a significant impact on the development of sport, arts, culture and libraries in the Province.

In order to address the problem of critical posts which cannot be filled, the Department made inputs to the MTEF-budget cycle for 2005/06 – 2007/08, where building of capacity was addressed. The result was an extra allocation of R20.573 million for the Department's 2005/06 operational budget, which would enable the Department to fill 90 extra posts during the 2005/06 year. The organogram of the Department was also amended and re-aligned to take effect from 1 April 2005. During the year about 53 % of these extra posts were filled and the balance is expected to be filled during 2006/07.

With the filling of the extra funded posts, priority was given to the strengthening of management which was completed with the following:

- Executive Manager: Cultural Affairs and Library Services
- Executive Manager: Sport and Recreation
- Senior Manager Cultural Affairs
- Senior Manager: Finance Administration
- Senior Manager: Community Sport
- Manager: Supply Chain Management

During the 2006/07 year attention will be given to the following 2 management posts:

- Senior Manager: Corporate Services
- Manager: Finance Administration

The administration comprising the Office of the MEC, Corporate Services and Management, consists of 159 approved posts, of which only 78 were filled. There were 81 vacancies at this stage. A major part of these vacancies is unfunded. The incumbents of the posts are faced with the challenges of improving service delivery as well as client satisfaction in spite of a shortage of human resources. Another challenge is to limit auditor inquiries and to perform all the functions needed to make the department efficient and effective, considering that certain functions have been decentralized without appointing additional staff. Personnel throughout the department focus much of their time on support structures such as the Transport Unit, procedures on acquisition of goods and services and others, which limits the time available for their own service delivery initiatives.

Within the various cultural programmes there was an approved staff establishment of 470 posts, with 227 posts filled and 243 (mainly unfunded) posts vacant. The majority of the posts require scarce skills, and due to the shortage of filled posts, pressure is placed on existing staff members for effective service delivery. The diversity of the various components (i.e. cultural services, music schools, museums, etc) requires an understanding of the nature of the services and clients, placing further pressure on the existing staff members for effective service delivery, exacerbated by the fact that local municipalities are not funding local museums and subsequent transferring of the staff to Provincial Museum Services.

The Library, Information and Technology Services Directorate staff had an establishment of 196 posts, with 94 posts filled and 102 vacant (the majority being unfunded). The challenge for this directorate was to attain all targets projected throughout the year despite the shortage of human and financial resources. Another challenge is the service agreements between government and local municipalities, which have been hampered due to funding problems. The lack of IT infrastructure in libraries, which could be funded in a very limited way, has led to a growing gap in this vital area.

Sport and Recreation had an approved staff establishment of 74 posts, of which, due to budget constraints, currently only 37 posts are filled – a vacancy rate of 50 %. The challenge facing this programme remains a concern, as these posts require scarce skills. The effect of this situation (lack of human and financial resources) is that sporting communities do not receive sport and recreation services and that critical support cannot be rendered to organized sport and recreation structures.





## 2.2.6 Strategic overview and key policy developments for the 2005/06 financial year

It was emphasised by the MEC that the strategic thrust of the department in all the programmes should also focus on:

- Strengthening of the Batho Pele principles
- Increased involvement of youth in the strategic objectives.

### Programme 1: Administration

The overview of the organisational environment is provided in Paragraph 2.2.5 regarding this programme. Mainly, the Department managed to establish a fully-fledged Supply Chain Management Unit on 1 January 2006.

### Programme 2: Cultural Affairs

Given the diversity of this programme and the fact that it addresses multi-cultural aspects of arts and cultural activities, the services provided are in great demand by the general public, where the importance of an African Renaissance has been stressed by the President, Mr Thabo Mbeki. Considering the fact that the Programme is severely understaffed, its achievements have been reasonable. This programme addresses human resource development and job creation, which ensures that the need for these services will increase annually.

The greatest challenge for this programme has been the staff vacancy rate and insufficient funds to initiate new projects, as well as the following policies, priorities and strategic objectives:

- a) There are numerous policies that give direction to this diverse programme, which is mentioned under the sub-programmes.
- b) Given the importance of nurturing our multi-linguistic and multi-cultural heritage as captured in the constitution and related national legislation, and given national priorities of nation-building and mutual respect for cultural diversities, including the rediscovery of the African cultural and spiritual wealth, it is of strategic importance that due attention be given to all components of this Programme. There are sufficient policies and procedures to guide the execution of service delivery in the various divisions, with the exception of a Provincial Arts and Culture policy, which would, otherwise, assist with integrating and coordinating of the diverse services.
- c) The Executive Manager: Cultural Affairs and Library Services is in the process of assisting the department in eventually moving towards one-stop district facilities.
- d) National Museum Services
  - More than five years after the establishment of the National Sesotho Literary Museum (NSLM) had been officially announced in the Free State Legislature; the establishment of this envisaged museum could now be made with additional funds and the filling of 3 posts.
  - On the other hand, the slow progress, lack of systematic planning and co-ordination, as well as other problems concerning the renovation of the building in which the component and its museums are housed, had an immense impact on both the day to day functions and the special projects that could be undertaken.
- e) Provincial Museum Services

A major issue that is affecting service delivery in community museums is the unresolved question of funding of community museum services at municipal level. Although the rendering of museum services has been designated an exclusive provincial competence in terms of the National Heritage Bill and Municipal Structures Act, no funds have been forthcoming to remunerate municipalities for the administration of community museums at local level.

The lack of funding leads to Municipalities not being able to fund the museum posts any longer, nor to honour the agreements reached in the 1970's in this regard. The Division has foreseen this problem and has created posts for the community museums on its microstructure in 2000. Subsequently, the Provincial Museum Service has to divert the funds originally allocated for the filling of critical vacancies at the head office, to the funding of community museum curator posts on an emergency basis.







## Programme 3: Library and Information Services

### a) Library Services

The major issue affecting service delivery is the unresolved question of the funding of public library services at municipal level. Although the rendering of public library services has been designated an exclusive provincial competence, no funds have been forthcoming to remunerate municipalities for the administration of public library services at local level. Because it has become increasingly difficult for municipalities to fund this service, a scaling down of staff and fewer library hours were introduced. In addition, a number of municipalities are charging user fees for public library services. This resulted in a decrease in the use of libraries, as is evident in the user figures.

Due to the decline in service delivery, EXCO was approached for approval to take over the administration of public libraries from municipalities over a five year period. Treasury was approached at the same time for the funds for this purpose. No funds were allocated to Library Services for this purpose for 2006/07 but the announcement of about R1 billion allocated to public library services in the country from 2007/08 might address the challenges outlined above.

The lack of an adequate ICT infrastructure at all public libraries hampers service delivery because the full potential of electronic information resources cannot be tapped.

The “EXCO meets the people campaign” revealed a need in communities for improved access to government information. As a result, the Economic, Employment and Investment Cluster resolved that strategic plans and annual reports of all departments, as well as the Provincial Tender Bulletin, must be distributed to all public libraries in the Province. The Library Service component is busy implementing this resolution. Information posters with contact details of key government offices have also been distributed to libraries.

During a speech at the Heritage Day celebrations at the Roleleathunya Library, the MEC indicated that libraries should become more involved in community projects aimed at poverty alleviation and job creation. Ideas that will be investigated and developed into projects are, inter alia, community vegetable gardens at libraries and book restoration training and projects. Vegetable gardens were established at two libraries, namely the Phuthaditjhaba Children’s Library and the Meloding Public Library. The Archives Sub-directorate will start with book restoration training project in 2006/07

### b) Archive Services

Archive Services will embark on a programme to raise awareness of the importance of proper records management practices at governmental bodies. A submission in this regard was made to the Governance and Administration Cluster during this quarter.

The Living Heritage Oral History Project, launched during the first quarter, will strengthen existing oral history projects and will contribute to the national programme to redress imbalances in the recorded history of our country and province.

## Programme 4: Sport and Recreation

The restructuring of the Directorate Sport and Recreation (DSR) in order to meet the delivery of sport and recreation service to communities was realized though the approval of the new micro structure on the 15 April 2005 by the MEC for the Department of Sport, Arts, Culture, Science and Technology, whereby the Chief Directorate: Sport and Recreation (CDSR) was established.

The new structure creates a platform through the establishment of two major service delivery Directorates, namely Community Sport and Free State Sport Science Institute to respond to the needs of the communities with regard to sport development, training, advance sport and recreation services and monitoring and utilization of sport and recreation facilities. The CDSR is established within the framework of the national sport and recreation strategy. R10 million was invested by the Department towards the upgrading of the Oranje Hospital Sport Complex into the Free State Sport Science Institute. R3, 4 million from National Lottery Distribution Agency was acquired for high performance







equipment for the Free State Sport Science Institute. An amount of R10 million over 3-years has been earmarked for future infrastructural development of the Free State Sport Science Institute.

## 2.3 Departmental revenue, expenditure, and other specific topics

### 2.3.1 Collection of departmental revenue

	2002/03 Actual	2003/04 Actual	2004/05 Actual	2005/06 Target	2005/06 Actual	% deviation from target
<b>Non-tax revenue</b>	293	198	198	222	164	(26.1 %)
Sales of Goods and Services	18	187	164	212	150	(29.2 %)
Interest, dividends and rent on land	107	11	34	10	14	40 %
<b>Financial transactions (Recovery of loans and advances)</b>	21	101	76	15	47	113 %
<b>TOTAL DEPARTMENTAL RECEIPTS</b>	314	299	274	237	211	12.3 %

### 2.3.2 Departmental expenditure

Programmes	Voted for 2005/06	Roll-overs and adjustments	Virement	Total voted	Actual Expenditure	Variance
Programme 1 : Administration	20 170	426	(41)	20 555	20 368	187
Programme 2 : Cultural Affairs	40 113	(1 034)	(864)	38 215	37 919	296
Programme 3 : Library and Information Services	43 292	439	(225)	43 506	43 468	38
Programme 4 : Sport and Recreation	15 746	169	1 130	17 045	16 861	184
<b>Total</b>	<b>119 321</b>	<b>-</b>	<b>-</b>	<b>119 321</b>	<b>118 616</b>	<b>705</b>

During the 2005/06-financial year budget pressures were experienced in especially Programme 1: Administration, Programme 3: Library and Information Services and Programme 4: Sport and Recreation which were addressed as follows:

#### Shifting of funds

From programme R thousand	Amount	To programme	Amount
2 Cultural Affairs	1 898 000	1 Administration	385 000
		3 Library and Information Services	214 000
		4 Sport and recreation	1 299 000

#### Details of underspending

##### Programme 2: Cultural Affairs

Underspending of R1.898 million are mainly due to funded vacancies which were added for the first time to the 2005/06-budget, which had first to be subjected to the job evaluation and subsequent recruitment processes which were still on track during the first nine months of the financial year.

#### Utilisation of underspending to augment the above programmes

##### Programme 1: Administration

R385 000 was used to defray recruitment and resettlement expenses to accommodate new staff additions, as well as the cost of relocating the management and financial staff to new office premises.

##### Programme 3: Library and Archival Services

R214 000 was used to defray shifting of the infrastructure projects in terms of the conditional grant for the construction of new and upgrading (roofing and security fencing) and maintenance of libraries as a result of the other projects in respect of sport complexes, which could not be fully expended during the current financial year.

##### Programme 4: Sport and Recreation

A net amount of R1.299 million to supplement extra pressures on the budget with regard to the following:

- Strengthening of the executive management in Sport and Recreation.





- legal fees for Phakisa Major Sport Events and Development Corporation
- Interim costs regarding the forensic investigation (Phakisa)
- 2010 preparation meeting held (costs shared with Municipality)
- Outstanding resettlement expenses for sport officials.

## 2.3.3 Transfer payments

Name of Institution	Amount Transferred	Estimate Expenditure
Phakisa Major Sport Events and Development Corporation	2 413	2 413
Mmabana Arts and Culture Centre	365	365
PACOFs	1 000	1 000
CITC	600	600
Free State Academy of Sport	500	500
Provincial Arts and Culture Council	12	12
Provincial Sport and Recreation Council	100	100
<b>TOTAL</b>	<b>4 990</b>	<b>4 990</b>

Section 38 (1)(j) of the PFMA requires the Accounting Officer of the Department to ensure that “before transferring any funds to an entity within or outside government, he must obtain written assurance from the entity that the entity implements effective, efficient and transparent financial management and internal control systems, or, if such written assurance is not or cannot be given, render the transfer of the funds subject to conditions and remedial measures requiring the entity to establish and implement effective, efficient and transparent financial management and internal control systems.”

The written assurances were obtained from the five major entities and audited annual financial statements were received, which outlined how the transfer payments were utilised in the pursuance of the entities major strategic objectives.

## 2.3.4 Conditional grants and earmarked funds

### Summary of Conditional grants for 2005/06

Conditional Grant	Total allocation	Total payments
Infrastructure (construction and maintenance of library, sport complex and museum buildings)	R25.099 million	R25.099 million
Sport and Recreation SA (for Mass Sport Participation)	R2.67 million	R2.488 million
<b>TOTAL</b>	<b>R27.769 million</b>	<b>R27.587 million</b>

Out of the payments of R25.099 million for Infrastructure the following were done:

- Upgrade of Bloemfontein Military Museum
- Upgrade of Bloemfontein Presidency Museum
- Upgrade of NALN Museum Phase 1
- Renovations to the following libraries:
  - o Welkom
  - o Phillipolis
- Upgrade of the following libraries:
  - o Bloemfontein Regional Public Library
  - o Sasolburg and Zamdela Libraries
  - o Excelsior Library
  - o Ladybrand Manyatseng Library
  - o Excelsior Mahlatswetsa Library
  - o Ladybrand Library
  - o Phillipolis Library
  - o Welkom Library
  - o Hennenman Phomolong Library
  - o Virginia Meloding Library
- Repairs and maintenance to 102 libraries
- Qwaqwa Basotho Cultural Village Restaurant and Conference Centre
- Upgrading of the Musicon building
- Additions to the Free State Sport Science Institute



- Upgrade of various library roofs, fencing and security
- Planning and building of the following libraries:
  - o Paul Roux Fatseng Tse Ntsho Library
  - o Thaban Nchu Selosesha Library
  - o Villiers Qalebotjha Library
  - o Jacobsdal Ratanang Library
  - o Deneysvill Refenkgotso Library
  - o Wepener Quibing Library
  - o Soutpan Ikgomotseng Library
  - o Trompsburg Madikgetla Library and Offices

### 2.3.5 Capital investment, maintenance and asset management plan

#### Capital investment

- a) With regard to the upgrading and maintenance of the buildings, which house the libraries and museums, the baseline allocation of funds for the MTEF-period includes the following conditional grants:

2005/06	R25.099 million
2006/07	R26 million
2007/08	R27.3 million

- b) The capital investment plan was developed and will be kept up to date on an annual basis in such a way that once prioritisations have been made, the funds from the conditional grants will be spent according to specific timeframes, which should minimize the rollover of funds to the following years.
- c) The infrastructure programme is aligned with the Free State Growth and Development Plan. The Preferential Procurement System is applicable on the Department's entire infrastructure programme and preference is being given to local SMME's and HDI companies and individuals.
- d) The construction of buildings is labour intensive and promotes the creation of jobs, estimated to be 4017 over the whole infrastructure programme within the MTEF-period.
- e) The following processes are being implemented on building construction projects to realize the objectives of the EPWP:
- where practical, enforcing labour intensive construction methods to provide employment opportunities to local unemployed people; (i.e. manufacturing roof trusses on site)
  - providing training or skills development to those locally employed workers;
  - building cost-effective and quality assets.

The main target groups for the above will be:

- women;
  - youth between the ages of 18 and 25; and
  - persons with disabilities
- c) See also paragraph 2.3.4 above for the progress report on the upgrading and maintenance of the buildings.

#### Asset management

- a) Assets under the control of the Department comprise equipment (computer and office equipment) and music instruments.
- b) Funds were utilised to maintain the necessary equipment on a priority basis
- c) The asset management administration was incorporated into the LOGIS-system, which is centralising the asset register records of the Department. A full reconciliation of the asset





register is currently in process, and all the assets in the Department have been marked on an unique basis for easy identification from and to the asset register and for stocktaking purposes.

- d) Annual stocktaking, as well as quarterly spot-checks, are conducted of all the assets under the Department's control.
- e) Motor vehicles of the Department were transferred to the Government Motor Transport so that old vehicles can be replaced on a regular basis from a central pool, and that vehicles are available to the Department as and when necessary.

## Maintenance

- a) Assets are purchased as and when necessary in order to make provision for the necessary infrastructure to support the filling of key vacancies and to replace some obsolete assets.
- b) The majority of the Department's assets are in a fair condition.
- c) Although buildings occupied by the Department are under the control of the Department of Public Works but it has become apparent that the maintenance of the buildings is the responsibility of the Department. Some of the buildings are nearing a state of dilapidation. Thanks to the conditional infrastructure grants over the MTEF period of 2005/06 – 2007/08, the maintenance needs have been incorporated into the capital investment plan, as mentioned above.