**2. Report of the Portfolio Committee on Sport, Arts and Culture on consideration of the Budget Vote 40: Sport and Recreation, Dated 09 July 2019.**

The Committee has the powers and functions conferred to it by the Constitution, legislation, Rules and resolutions of the House. The Portfolio Committee on Sport, Arts and Culture (hereinafter referred to as the Committee), having considered the 2015/16 – 2019/20 Strategic Plan, the 2019/20 Annual Performance Plan (APP) and budget of the Department of Sport, Arts and Culture, reports as follows:

**1. INTRODUCTION AND MANDATE OF THE COMMITTEE AND THE DEPARTMENT**

**1.1. Introduction**

Section 42(3) of the Constitution of the Republic of South Africa, 1996 bestows the oversight function over the national executive to the National Assembly (NA). The National Assembly Committees are required in terms of Section 5 of the Money Bills Amendment Procedure and Related Matters Act, 2009 (Act No. 9 of 2009) to annually assess the performance of each national department, and to thereafter submit a Budgetary Review and Recommendation Report, which will provide an assessment on the department’s service delivery performance given available resources; an assessment on the effectiveness and efficiency of the departments use and allocation of available resources; and may include recommendations on the forward use of resources.

**1.2. Mandate of Committee**

Section 55(2) of the Constitution of the Republic of South Africa, 1996 stipulates that “the National Assembly (NA) must provide for mechanisms (a) to ensure that all executive organs of state in the national sphere of government are accountable to it; and (b) to maintain oversight of (i) national executive authority, including the implementation of the legislation; and (ii) any organ of state”.

The Committee oversees the implementation of the following Acts:

South African Boxing Act, 2001 (Act No. 11 of 2001), South African Institute for Drug-Free Sport Act, 1997 (Act No. 14 of 1997 as amended), The Public Finance Management Act, 1999 as amended by Act No. 29 of 1999, Occupational Health and Safety Act, 1993 (Act No. 85 of 1993), National Sport and Recreation Act, 1998 (Act No 110 of 1998 as amended), Public Service Act, 1994 (Act No. 103 of 1994 as amended), Safety at Sports and Recreational Events Act, 2010 (Act No. 2 of 2010), Bidding and Hosting of International Sport and Recreational Events Regulations, 2010 and the Recognition of Sport and Recreation Bodies Regulations, 2011.

**1.3. Purpose of this Budget Vote 40 Report**

The purpose of this report is to account in accordance with Rule 166 of the Rules of the National Assembly (NA) for work done by the Committee in considering the 2015/16 – 2019/20 Strategic Plan, the 2018/19 Annual Performance Plan and budget of the Department submitted in accordance with Public Finance Management Act, 1999 (Act. No 29 of 1999), Section 27 (1); and as referred by the Speaker of the National Assembly to the Committee in terms of Rule 338 for consideration and reporting.

**1.4. Methodology and the Work Breakdown Structure**

In preparation for the consideration of the Strategic Plan 2015/16 – 2019/20 and the Annual Performance Plan 2019/20 of the Department, the Committee considered key government policy documents relevant to the work of the Department, and the entities, including, among others, the National Development Plan vision 2030 (NDP) / the 2014 – 2019 Medium Term Strategic Framework (MTSF), and the 2019 State of the Nation Address (SONA), the Departments of Sport and Recreation 2018 Budgetary and Review Recommendation Report (BRRR).

The Committee has convened briefing sessions with the Auditor-General of South Africa (AGSA) on the audit outcomes of the Sport and Recreation Portfolio for the 2018/19 Annual Performance Plans. On the 20th of March 2019, the office of the Auditor General met with the Acting chairperson of the Portfolio Committee on Sport and Recreation to highlight the performance of the Department of Sport and Recreation South Africa (SRSA) and its entities for the 2018-19 financial year. The purpose of the meeting was to provide a brief summary on the outcome of the review of the 2019-20 Annual performance plan (APP) of SRSA. The report focused on the key audit matters such as the potential risks identified during the 2018-19 audits as well as progress and commitments made by the department. The report is aimed at assisting with the handing over of key issues that should be brought to the attention of the Portfolio Committee on Sport and Recreation in the sixth parliament.

**2. OVERVIEW OF THE KEY RELEVANT POLICY FOCUS AREAS**

**2.1. Relevant Government policy documents**

**2.1.1. The National Development Plan (NDP), Vision 2030**

Social cohesion and transformation framework are feathered in the NDP. It encourages sports and physical education participation. They are an integral part of the holistic development of a learner. Schools are where talent is identified, career choices made (including careers in sport) and habits learnt. Given the growing problem of obesity, the habit of leading an active life-style can be developed at a young age through participation in sport. Working with the Department of Sport and Recreation, the Department of Basic Education has reintroduced school sport. This positive initiative needs to be expanded.

It further defines sport as a discipline teaching mechanism and an integral component of a healthy lifestyle and enables South Africans to share common space. Unfortunately, instead of sharing common spaces, and developing common loyalties and values through sport, South Africans and South African sport were systematically segregated and underdeveloped under apartheid. The transformation vision for sports in 2030 is that: Participation in each sporting code begins to approximates the demographics of the country. South Africa’s sporting results are as expected of a middle-income country with a population of about 50 million and with historical excellence in a number of sporting codes.

For the vision of the National Development Plan to be realised, school sports must be adequately resourced. The government must ensure, that there are adequate facilities for the majority of the population to play sport and that these are adequately maintained. This does not need expensive buildings, but recreational environments with basic facilities that can function as community hubs. Communities should organise sporting events, leagues, championships and generally look after the sports facilities once they are installed or developed. Corporate investments in grassroots sport should also be encouraged.

**2.1.2**. **The 2014 – 2019 Medium Term Strategic Framework (MTSF)**

The MTSF is structured around 14 priority outcomes which cover the focus areas identified in the NDP and Government’s electoral mandate. The Outcome 14: “A diverse, socially cohesive society with a common national identity”. MTSF is meant to address the sharing of common space across race, space and class will be enabled through instituting sustained community dialogues, improving public spaces and services and elevating sports at both community and school levels.

Outcome 14 of the MTSF, sport and recreation is featured prominently. The society still remain unequal and skewed opportunities. Exclusion of people with disabilities in programmes (sport included).

**2.1.3. State of the Nation Address (SONA) 2019**

During the 2019 State of the Nation Address (SONA), the President of the Republic of South Africa, Hon Cyril Ramaphosa spoke about the Health Summit that took place in October 2018 that was aimed at addressing the numerous challenges facing the South African health system and to work towards strengthening the health system.

This was in line with what the former President, Hon JG Zuma has alluded in his State of the Nation Address (SONA) in 2017, where he indicated that government needed to confront lifestyles diseases such as high blood pressure, diabetes, cancers and cardiovascular diseases. Physical activity is known as a strong intervention to combat non-communicable diseases. Physical activity is the mandate of SRSA to keep the communities healthy and active through its programmes.

One of the four critical burden of disease facing the health sector is Non-communicable diseases of which the Sport and Recreation sector can assist through the promotion of physical activity within communities and schools. Participation in community sport and physical activity programmes will help in mitigating the burden of Non-communicable diseases. This also called for the cooperation between government departments sharing the similar causes to promote healthy lifestyle among the citizens of this country.

**3. STRATEGIC PLAN OF THE DEPARTMENT OF SPORT AND RECREATION 2015/16 – 2019/20**

There were minor technical adjustments made to the Strategic Plan 2015-2020 of the Department of Sport and Recreation. These did not change the intent of the plan but rather improved the indicators and targets. Most revisions and adjustments were done in the 2016/17, the 2017/18 and the 2018/19 Annual Performance Plans because there was a need to ensure strategic alignment of indicators.

**3.1. STRATEGIC GOALS (2015-2020)**

The Department of Sport and Recreation Strategic Plan 2015-2020 stated that the Department will put its resources toward the following six strategic outcome-orientated goals:

* **Strategic Goal 1:**

Citizens access sport and recreation activities - Citizens access sport and recreation activities such that there is an increase of 10% in sport and recreation participation of citizens in selected activities by 2019/20.

* **Strategic Goal 2:**

Sport and recreation sector adequately transformed - 80% of recognised NFs meeting their transformation targets by 2019/20.

* **Strategic Goal 3**:

Athletes achieve international success – Athletes and teams achieve success at international events as a result of them being supported by high-performance interventions. Success is qualified as an improvement in South Africa’s performance at selected multi-coded events; or an improvement and/or maintenance of world rankings in selected sports codes.

* **Strategic Goal 4:**

Enabling mechanisms to support sport and recreation - An integrated system of enablers (i.e.: facilities; sports confederations; an academy system; a sports house; a sports information centre; beneficial international relations and supportive sports broadcasting and sponsorships) established and fully operational by 2019/20.

* **Strategic Goal 5:**

Sport used as a tool to support SA government and global priorities – 5% increase by 2019/20 in the perception of sport being recognised by the South African population as contributing to nation building. Sport used as a tool to contribute to a minimum of four global priorities by 2019/20.

* **Strategic Goal 6**:

An efficient and effective organisation - Implement internal processes to ensure that SRSA annually receives an unqualified audit report and a Management Performance Assessment Tool (MPAT) rating of 4 within 5 years.

**3.2.** **Summary of the 2018/19 expenditure summary as of 31 December 2018**

Table 1: Expenditure summary as of 31 December 2018

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **R million** | **Main**  **Appropriation** | **Available**  **Budget** | **Q3**  **Actual**  **expenditure** | **Expenditure**  **as % of**  **Available**  **budget** |
| **Administration** | 142,3 | 125,3 | 94,5 | 75,4% |
| **Active Nation** | 696,8 | 717,3 | 578,3 | 80,6% |
| **Winning Nation** | 79,8 | 69,8 | 63,9 | 91,6% |
| **Sport Support** | 158,1 | 166,6 | 139,8 | 83,9% |
| **Sport Infrastructure Support** | 13,8 | 11,8 | 5,4 | 45,9% |
| **Total** | **1090,8** | **1090,8** | **881,8** | **80,8%** |
| **Economic Classification** |  |  |  |  |
| **Current Payments** | 278,6 | 278,6 | 231,4 | 82,2% |
| **Compensation of employees** | 111,5 | 111,5 | 75,5 | 67,7% |
| **Goods and Services** | 167 | 167 | 155,9 | 91,7% |
| **Interest and rent on land** | 0 | 0 | 0 |  |
| **Transfers and Subsidies** | 809,8 | 809,8 | 648,8 | 80,4% |
| **Payments for Capital Assets** | 2,4 | 2,4 | 1,6 | 67,9% |
| **Payment of Financial Assets** | 0,0 | 0,0 | 0,0 |  |
| **Total** | **1090,8** | **1090,8** | **881,8** | **80,8%** |

Source: Treasury and Modified[[1]](#footnote-1)

Table 1: shows that by the end of December, the Department of Sport and Recreation South Africa (SRSA) had spent R881.8 million or 80.8 per cent of the total budget for the financial year, which is R5.4 million more than they had projected to spend. The purpose of the report was to provide an overview of what transpired in the 3rd quarter of the financial year (2018/19).

The higher than projected spending was mainly under goods and services in programmes 2 and 3, but this is off-set by lower than projected spending in programme 4 under transfers and subsidies. The Department of Sport and Recreation have not tabled the Annual reports for national department hence the information related to performance over the last financial year was only taken from the in-year quarterly operational and financial reports.

The review of progress made on the 2018/19 budget only focussed on the first three quarters of the year under review. Overall achievement of 64.3% was based on 18 Achieved/Total of 28 Targets; and not on the average of each programme’s achievement percentage.

**3.2.1. TARGETS THAT WERE NOT ACHIEVED IN THE Q3 (2018/19 financial year)**

**Programme 1:**

1.1 Performance assessments moderated for the previous financial year.

1.3. Number of client satisfaction survey reports presented at MANCO.

1.4 Percentage of invoices paid within 30 days.

**Programme 2:**

2.4 Number of people actively participating in sport promotion campaigns and events per year.

2.8 Number of people actively participating in organised sport and active recreation events.

2.9 Number of learners participating in school sport tournaments at a district level – Annual target is achieved

2.10 Number of schools, hubs and clubs provided with equipment and/or attire as per the established norms and standards per year.

**Programme 3:**

3.1 Number of SASCOC MOU progress reports evaluated.

3.3 Number of athletes supported through scientific support programmes.

**Programme 4:**

4.2 Number of sport and recreation bodies receiving financial and non-financial support

4.4 Number of Multi-purpose sports courts built.

**Programme 5:**

5.1 Number of community gyms and children's play parks constructed.

**3.2.2. Expenditure Analysis for (Quarter Three) 2018/19:**

**Programme One: Administration:**

Expenditure under this programme is higher by R900 000 or 1.0 per cent, mainly in line with projections to spend.

**Programme Two: Active Nation**

This programmehas spent R14.8 million, or 2.6 per cent more than projected. The higher than expected expenditure was mainly for contractors under goods and services due to the increased participation at the Ministerial Outreach programmes, Indigenous Games, National Recreation Day and the Big Walk.

**Programme Three: Winning Nation**

This programmehas spent R8.6 million or 15.6 per cent more than projected. The variance is under goods and services for contractors, mainly because invoices for the South African Sports Awards were paid in quarter 3 rather than in January 2019 as projected.

**Programme Four: Sport Support**

This programmehas spent R18.4 million or 11.7 per cent lower than projected. The variance is under transfers to the sport federations, due to the non-compliance of the federations to submit the required documentation (e.g. financial statements). Most of the federations should submit these financial statements which will facilitate the transfer of funds to the federations in the fourth quarter.

**Programme Five: Sport Infrastructure Support**

This programmehas spent R500 000 or 8.8 per cent lower than projected. This variance is mainly under compensation of employees. The department is in the process of filling these vacancies. Virements.

**3.3. Budget Vote 40: Sport and Recreation (2019/2020)**

The Executive Authority is required to submit the draft Annual Performance Plans and Budget to the Parliament and for the referral to the Committee at least one month before they are submitted to the National Treasury. Whilst on the other hand, the Money Bills requires the Parliament to consider, draft Strategic Plans, Annual Performance Plans and budget after the Minister of Finance tabled the Appropriation Bill in February. The motive behind the consideration of the afore-said documents is to pass the Appropriation Bill. After the Parliament through its Portfolio Committee on Sport and Recreation has considered, the draft Strategic Plans, Annual Performance Plans and the Budget, the Committee then produce a Budget Vote Report, which the House debates them in the case of the National Assembly Committees.

In terms of economic classification, the apportionment of the Department’s 2019/20 budget allocation of R 1 153.6 billion as compared to R 1 090.5 billion in 2018/19 and comprises Current payments of R296.4 million, Transfers and subsidies of R854.7 million and Payments for capital assets of R2.5 million. Currently, the organisational structure which consisted of 222 funded positions, which also included the new Infrastructure Support Unit, but will now be replaced by a new organisational structure which consists of 372 positions. The 2019/20 APP of the Department of Sports, Arts and Culture elaborated that the compensation budget for employees is inadequate; hence, the Department will reprioritise critical positions to be filled within the current budget allocation.

In terms of transfers and subsidies, in 2019/20 the Department also allocated the amount of R 620. 016 million of Mass Participation and Sport Development Grant to all nine (9) Provincial Sport Departments as compared to R587,386 million allocated in 2018/19. LoveLife was allocated R 45.2 million in the 2019/20 financial year compared to R 42.8 million in 2018/19. Sport Trust was allocated R23. 918 million in the 2019/20 as compared to R 22.649 million in the 2018/19 which is an increase. South African Institute for Drug Free Sport was allocated R25.6 million as compared to R24.3 million in the 2018/19.

The South African Sports Confederation and Olympic Committee was allocated R11.0 million in 2019/20 as compared to R 10.4 million they received in 2018/19. Boxing South Africa was allocated the amount of R12.8 million in the 2019/20 as compared to R12.3 million in the 2018/19 financial year. Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority (CATHSSETA) was allocated the amount of R 97 million in 2019/20 as compared to R92 million in the 2018/19 financial year. There were increases in the 2019/20 allocations per programme.

**Budget allocation per Programme - 2019/20**

The Department’s budget funds five major programmes, namely:

* + Programme 1 – Administration
  + Programme 2 – Active Nation
  + Programme 3 – Winning Nation
  + Programme 4 – Sport Support
  + Programme 5 – Sport Infrastructure Support

The Department received a voted allocation of R 1 153.6 billion for 2019/20 with the increase of 5.8% in nominal terms, and an increase 0.56% in real terms when looking at the inflation from the 2018/19 adjusted appropriation of R 1 090.5 billion. The projected expenditure per programme which reflects the overall budget increase of less than R63.1 million. The Department of Sport and Recreation’s programmes fulfil its mandate of realising the full potential of sport and recreation. There was a significant increase in budget allocation for Programme One (1), programme Three (3), and programme Four (4), the budget increase is below the projected inflation and not enough budget was allocated accordingly.

Programme two (2) of Active Nation was given a high priority in terms of budget, receiving the most budget allocation. Programme five (5) for Sport infrastructure support was allocated the lowest budget of all the programmes.

**Sport and Recreation South Africa Medium Term Allocation Trends**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Programme** | **Budget** | | | | **Nominal Rand change** | **Real Rand change** | **Nominal % change** | **Real % change** |
| R million | **2018/19** | **2019/20** | **2020/21** | **2021/22** | **2018/19-2019/20** | | **2018/19-2019/20** | |
| Programme 1: Administration | 127.4 | 145.7 | 155.6 | 165.1 | 18.3 | 11.1 | 14.36 per cent | 8.71 per cent |
| Programme 2: Active Nation | 715.6 | 744.1 | 784.9 | 828.8 | 28.5 | - 8.3 | 3.98 per cent | -1.16 per cent |
| Programme 3: Winning Nation | 71.1 | 83.7 | 88.4 | 93.7 | 12.6 | 8.5 | 17.72 per cent | 11.90 per cent |
| Programme 4: Sport Support | 164.7 | 164.9 | 174.3 | 186.9 | 0.2 | - 8.0 | 0.12 per cent | -4.83 per cent |
| Programme 5: Sport Infrastructure Support | 11.7 | 15.2 | 16.2 | 17.2 | 3.5 | 2.7 | 29.91 per cent | 23.49 per cent |
| **TOTAL** | **1 090.5** | **1 153.6** | **1 219.4** | **1 291.7** | **63.1** | **6.1** | **5.79 per cent** | **0.56 per cent** |

**Programme 1: Administration**

Purpose of this programme is toprovide strategic leadership, management and support services to the Department. Programme 1 comprises of the following sub-programmes: Ministry; Management; Strategic Support; Corporate Services; Office of the Chief Financial Officer and Office Accommodation.

The medium-term expenditure estimates of the Programme 1 sub-programmes. Programmes 1, which is the Administration programme consists of 6 sub-programmes. sub-programme 4, which is about Corporate Services, is the highest spending sub-programme followed by sub-programme 1 which is about Ministry work. The lowest spending sub-programme is sub-programme 3, which is about Strategic Support.

Sub-Programme Expenditure Estimates:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Programme 1: Administration** | | | | |
|  |  |  |  |  |
| Data Input | Medium-term expenditure estimate | | | |
| **R million** |  |  |  |  |
| Programme | Budget | | | |
|  | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|  |  |  |  |  |
| Sub-programme 1: Ministry | 26,5 | 30,3 |  |  |
| Sub-programme 2: Management | 15,8 | 19,2 |  |  |
| Sub-programme 3: Strategic Support | 6,4 | 8,5 |  |  |
| Sub-programme 4: Corporate Services | 43,3 | 44,5 |  |  |
| Sub-programme 5: Office of the Chief Financial Officer | 20,4 | 23,7 |  |  |
| Sub-programme 6: Office Accommodation | 12,9 | 19,5 |  |  |
| TOTAL | 125,3 | 145,7 |  |  |

Source: National Treasury and Modified

**Programme 2: Active Nation**

Purpose of programme two is to support the provision of mass participation opportunities in sport and recreation. Programme 2 comprises of the following sub-programmes: Active Recreation, Community Sport, School Sport, Provincial Sport Support and Coordination. The medium-term expenditure estimates of Active Nation sub-programmes. The highest projected expenditure was in sub-programme 5 of provincial sport support and coordination, which was R620 million followed by sub-programme 3 on Community Sport with the amount of R83,3 million. The lowest projected expenditure was in sub-programme 2 of active recreation, which was R1.3 million. The total medium-term expenditure estimates for this Programme 2 in the 2019/20 is R 744,1 million.

Sub-programme Expenditure Estimate

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Programme 2: Active Nation** | | | | |
|  |  |  |  |  |
| **Data Input** | **Medium-term expenditure estimate** | | | |
| **R million** |  |  |  |  |
| **Programme** | **Budget** | | | |
|  | **2018/19** | **2019/20** | **2020/21** | **2021/22** |
|  |  |  |  |  |
| Sub-programme 1: Programme Management: Active Nation | 4,2 | 5,8 |  |  |
| Sub-programme 2: Active Recreation | 1,2 | 1,3 |  |  |
| Sub-programme 3: Community Sport | 92,6 | 83,3 |  |  |
| Sub-programme 4: School Sport | 31,9 | 33,7 |  |  |
| Sub-programme 5: Provincial Sport Support and Coordination | 587,4 | 620,0 |  |  |
| TOTAL | 717,3 | 744,1 |  |  |

Source: National Treasury and Modified

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  |  |  |  | |
| **Data Input** | **Medium-term expenditure estimate** | | | |
| **R million** |  |  |  |  | |
| **Programme** | **Budget** | | | |
|  | 2018/19 | 2019/20 | 2020/21 | 2021/22 | |
|  |  |  |  |  | |
| Sub-programme 1: Programme Management: Winning Nation | 2,4 | 3,8 |  |  | |
| Sub-programme 2: Scientific Support | 41,7 | 47,3 |  |  | |
| Sub-programme 3: Major Events Support | 5,8 | 11,6 |  |  | |
| Sub-programme 4: Recognition Systems | 19,9 | 21,0 |  |  | |
|  |  |  |  |  | |
| TOTAL | 69,8 | 83,7 |  |  | |

**Programme 3: Winning Nation**

Purpose of this programme is to support the development of elite athletes. This programme has comprises of the following sub-programmes which include: Winning Nation, Scientific Support, Major Events Support and Recognition Systems. The sub-programme medium term expenditure estimates of the programme 3 sub programmes. The highest expenditure estimates of R47,3 million was provisioned towards sub-programme 2 of Scientific Support followed by sub-programme 4 of Recognition Systems with R21,0 million. The lowest expenditure estimates of R3.8 million was towards sub-programme 1 of programme management: Winning Nation. The total medium-term expenditure estimates for this Programme 3 in the 2019/20 is R83, 7 million.

**Programme 4: Sport Support**

Purpose of this programme is to develop and support an integrated system to enhance the delivery of sport and recreation. This programme has two sub-programmes which include: Sport and Recreation Service Providers and International Relations.

The sub-programme medium term expenditure estimates of the programme 4 sub-programmes. The highest expenditure estimates of R155.9 million was provisioned towards sub-programme 3 of Sport and Recreation Service Providers. The lowest expenditure estimates of R4.1 million was towards sub-programme 1 (Programme Management: Sport Support).

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Programme 4: Sport Support** | | | | |
|  |  |  |  |  |
| **Data Input** | **Medium-term expenditure estimate** | | | |
| **R million** |  |  |  |  |
| **Programme** | **Budget** | | | |
|  | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|  |  |  |  |  |
| Sub-programme 1: Programme Management: Sport Support | 4,9 | 4,1 |  |  |
| Sub-programme 2: International Relations | 11,9 | 5,0 |  |  |
| Sub-programme 3: Sport and Recreation Service Providers | 149,8 | 155,9 |  |  |
|  |  |  |  |  |
| TOTAL | 166,6 | 164,9 |  |  |

Source: from National Treasury and Modified

**Programme 5:**

Purpose of this programme is to regulate and manage the provision of sport and recreation facilities. This programme has two sub-programmes which include: Sport and Recreation Facility Planning and Sport and Recreation Facility Management. The medium-term expenditure estimates of the Programme 5 sub-programmes. Programmes 5, which is the Sport and Infrastructure Support programme consists of 3 sub-programmes. Sub-programme 2, which is about Sport and Recreation Facility Management, is the highest spending sub-programme with R9.3 million followed by sub-programme 3 which is about Sport and Recreation Facility Planning with the estimated allocation of R 3,3 million.

The lowest spending sub-programme is the Programme Management: Infrastructure Support (sub-programme 1), with an estimated expenditure of R2.6 million. The total medium-term expenditure estimates for this Programme 3 in the 2019/20 is R15, 2 million.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Programme 5: Sport Infrastructure Support** | | | | |
|  |  |  |  |  |
| **Data Input** | **Medium-term expenditure estimate** | | | |
| **R million** |  |  |  |  |
| **Programme** | **Budget** | | | |
|  | **2018/19** | **2019/20** | **2020/21** | **2021/22** |
|  |  |  |  |  |
| Sub-programme 1: Programme Management: Infrastructure Support | 0,4 | 2,6 |  |  |
| Sub-programme 2: Sport and Recreation Facility Management | 3,4 | 9,3 |  |  |
| Sub-programme 3: Sport and Recreation Facility Planning | 7,9 | 3,3 |  |  |
| **TOTAL** | **11,7** | **15,2** |  |  |

Sourced from National Treasury and Modified

**4. Committee Observations and Deliberations**

The Department of Sport and Recreation has managed to come up with a comprehensive strategic plan followed by the Annual Performance Plan (APP) in order to address service delivery to the nation as well as the expectations from the sector. This report ensures that the unlimited needs are prioritised in order of importance.

This allows one to plan expenditure in such a way that priority areas such as improvement in the sport infrastructure, transformation of sport, priority on recreation, promotion of school sports and other important sub-programmes within the department can be met. In concluding its deliberations on Budget Vote 40: Sport and Recreation, the Committee noted the following:

* The Committee received the report and commended the Department of Sport and Recreation for the work they do and for formulating coherent strategic and performance plans that will result in the delivery of programmes in an efficient manner.
* There was a need to continue to prioritise Recreation programmes in order to promote a healthy lifestyle and enhance the social cohesive society.
* The Department to raise awareness among relevant stakeholders on the challenges experienced by government departments in the payment process with regard to outsourced services. The Department to meet and discuss late payment with service providers to avoid legal battles.
* The Department need to facilitate the identification of bottlenecks in the payment of service providers and the fast-tracking of the process.
* The Committee acknowledged that It was a good feeling to see that the Department had plans to work with other stakeholders in the establishment of sport development programme for Early Childhood Development (ECD).
* The Department need to support all nine (9) provinces with regards to the reporting for the performance indicator dealing with people actively participating in organised sport and active recreation events. The Department has not achieved this target and going forward, more planning was needed to promote both organised sport as well as the active recreational events like the National Recreation Day and the Big Walk.
* The Department need to carefully guide the management and implementation of the Mass Participation and Sport Development Conditional Grant, which is implemented in all nine Provinces as well as the reporting on targets that were adopted.
* The Department should continue to support Caster Semenya as she challenges a female classification rule imposed by the International Association of Athletics Federation (IAAF) at the Court of Arbitration for Sport (CAS).
* The Department has to finalise the plans for the Sport Indaba in order to address the challenges within the sector.
* It was important that the Department presents that South African Sport Confederation and Olympic Committee (SASCOC) report to the Committee so that the new members will understand the issues at hand.
* The Department need to capacity its own staff members in order to do the work on its own rather than relying on contractors. Skills audit was very critical to address this matter.
* The Department need to present the National Sport and Recreation Amendment Bill (Section 76) to the Committee for further engagements. Public participation engagements must continue at community level to promote mass participation in sport and recreation activities.

1. **Committee Recommendation**

Having considered the Budget Vote No 40 of the Department of Sport and Recreation, the Portfolio Committee on Sport and Recreation recommends that the House support the Budget Vote 40: Sport and Recreation and further recommends that,

*The Minister of Sport, Arts and Culture, within the current financial year should:*

* Advocate “Recreation” equally as they have for “Sport” and brief the Committee on the progress made regarding the implementation of the Ministerial Advisory Committee on Recreation (MACRe).
* Continues to lobby for more funding to construct and revamp sport infrastructure in previously disadvantaged communities and in rural areas.
* Provides the Committee with a detailed briefing on its financial position, which should also include the effects of the budget breakdown on its programmes and the activities of Boxing South Africa (BSA) and the South African Institute for Drug Free Sport (SAIDS).
* Continues to lobby for more funding for the two entities.
* Have budget for the implementation of the National Sport and Recreation Plan (NSRP) vision 2020.
* Implement the memorandum of understanding (MoU) with the Department of Basic Education (DBE) on school sport.
* Encouragement the holistic approach in the transformation of sport and recreation sector.
* For the 2019/2020 the Minister of Sport, Arts and Culture needs to prioritise on the following risk factors:
* **Performance Management**: Performance management is a significant risk for SRSA as they are reliant on Provincial departments for information showing the accuracy and completeness of actual numbers reported in the departments APP. SRSA did not achieve all planned targets as a result of provinces not submitting the required supporting documents required in terms of the technical indicators descriptions 2018/19. Late submissions by the provincial departments resulted in material adjustments to numbers reported in the annual performance report of the department.
* **Compliance:** Transfers to provinces and federations are not being used for the intended purpose. Risk of not complying with the provisions of the divisions of revenue act and mass participation and sport development framework. i.e. Federations; provinces and municipalities using these funds for other purposes than intended for.
* Involves the traditional leadership in order to promote rural sport development programmes.
* Works with South African Football Association (SAFA) on a funding model to support women’s football league in the country and to do roadshows to convince Corporate South Africa to support women football.

1. **Conclusion**

Constitutionally, the Portfolio Committee on Sports, Arts and Culture will continue to fulfil its mandate as guided by the Parliamentary rules in conducting the oversight on the functioning, financial and operational activities of the Department of Sport, Arts and Culture and the entities.

The Committee recommends that the House adopt the Budget Vote Report of Vote 40: Department of Sports and Recreation..

**Report to be considered.**

1. National Treasury (2018) SCOA first quarter expenditure report [↑](#footnote-ref-1)