

**UPDATE ON PROGRESS WITH REGARD TO THE IMPLEMENTATION OF THE SETTLEMENT AGREEMENT BETWEEN THE DEPARTMENT OF ARTS AND CULTURE AND THE SOUTH AFRICAN ROADIES ASSOCIATION**

**17th AUGUST 2016**

**1. Summary report on progress to date**

| **ACTIVITY** | **ACTION BY** | **STATUS** | **TIMEFRAMES** |
| --- | --- | --- | --- |
| **PROPOSAL: LIVE EVENTS TECHNICAL AND PRODUCTION SERVICES (LETPC) FOR 2016/17/18.** | DAC | **Supported:**  The project was supported; SARA hosted the event successfully at the Sunnyside Park Hotel in Johannesburg as part of the Africa Month programme. The DAC officials attended and made presentations. An interim sector committee was set up to oversee that the conference resolutions are implemented. | 12-14th May 2016 |
| **INTERNATIONAL INTERACTION PROGRAMME** for 2016/17 Activities | DAC | **Ongoing Processing of First Payment for 3rd Year**:  SARA submitted its reports for the 2nd year activities of the International Interactions programme. The process of transferring the 1st payment for the final 2016/17 cycle of the International Interactions Programme is underway. | Payment will be effected by the end August 2016 |
| **NATIONAL ARTS COUNCIL (NAC)**  Audit. | DAC | **Ongoing:**  The investigation has been completed and a report submitted for approval at Ministry; after-which, the outcome will be communicated to relevant parties. | By the end of August 2016. |
| **RENOVATIONS FOR SARA BUILDING** |  |  |  |
| **Funding allocation for Building Renovations Proposal.** | DAC | **Ring-fenced funds:**  The Department confirmed an amount of R15 million allocated towards funding the SARA building renovations proposal in formal correspondence to SARA. | Funds set aside for implementation in 2016/17 |
| **Implementation of Building Renovations Proposal.** | DAC & SARA | **Ongoing**  The two parties reached an impasse on the approach of implementing the building renovations. In this case the DAC proposed to transfer the allocated funds to SARA to coordinate and appoint a Project Manager supported by a professional team of relevant expertise in the built environment.  SARA declined the proposal and a protracted exchange of letters and discussions ensued, subsequently a meeting was called by the Portfolio Committee which was held on the 3rd May 2016 whereby the DAC and SARA made presentations.  The meeting resolved that the two parties should find ways of working together and find common ground. It was also queried on what basis DAC agreed to fund SARA. As such the DAC was required to provide a Legal Opinion to respond to the latter.  **Presentation of Legal Opinion to the PC: Completed:**  The DAC followed up on the request for DAC to provide the Portfolio Committee with a Legal Opinion in relation to the DAC’s funding of SARA’s **Building Renovations** and the **Settlement Agreement,** between DAC and SARA.  In this regard the DAC consulted with the Office Of The State Attorney which has since submitted a report on the matter. A copy has been provided to the Portfolio Committee attached to correspondence signed by the Acting DG on 10 August 2016.  The legal opinion report provides numerous issues around whether or not is the DAC obliged to embark on acquisition of third party immovable property. | The matter should be settled 2016/17 Financial year. |
| **Backstage Academy Proposal** | SARA | **Completed:**  SARA introduced Sir John Botham (OBE) of Semperior Ltd from the UK to the DAC to present a proposal for the development of a Backstage Academy in South Africa**.**  Subsequent to the presentation and request for funds the DAC responded to SARA and indicated that the Department would not provide funding to SARA as requested but would undertake a Skills Audit of the Live Events & Technical Production Services sector incorporating a feasibility study for an academy structure. The findings will inform the way forward for government and the sector on training needs and appropriate programmes that need to be undertaken. The terms of reference are being drafted as part of a planned open tender process. | Ongoing 2016/17  Study to be completed by the end of the financial year. |
| **Relations between SARA and DAC** | DAC and SARA | **Ongoing:**  Relations between the parties remain strained and the DAC has on two occasions cautioned SARA with regard to its means, methods and tone of communication given the stipulations in the Settlement Agreement. | Ongoing |