



arts & culture

Department:  
Arts and Culture  
REPUBLIC OF SOUTH AFRICA

**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**

**15 November 2016**

As requested in the Portfolio Committee, the table below represents the funding allocated to SARA since the signing of the Settlement Agreement in 2013:

<b>Year</b>	<b>Allocation</b>	<b>Project</b>	<b>Amount</b>	<b>Status</b>
2013	3 year funding	SARA International Interactions	R 2 838 920.80	Contract ends in 2016/17. Final report expected at the end of the financial year. On receipt of a satisfactory report the final payment will be made.
2015	1 year allocation	Live Events & Technical Production Conference	R 800 000.00	Project complete.
2015 (revised in 2016)	1 year allocation	Renovation of SARA House	R15 000 000.00	Under dispute (see report below).
2016	3 year allocation	Live Events & Technical Production Conference	R 2 500 000.00	1 <sup>st</sup> year project and payments concluded.
<b>TOTAL</b>			<b>R21 138 920.80</b>	



1. Summary report on progress to date

ACTIVITY	ACTION BY	STATUS	TIMEFRAMES
<p><b>PROPOSAL: LIVE EVENTS TECHNICAL AND PRODUCTION SERVICES (LETPC) FOR 2016/17/18.</b></p>	<p>DAC</p>	<p><b>Payments:</b> The final payment for the 1<sup>st</sup> year 2016/17 has been made. The next transaction is the first payment for the 2<sup>nd</sup> year 2017/18.</p> <p><b>Note: Other related activity:</b> The sector practitioners attending the LETPC 2016 called for a skills audit to be conducted in the sector. In response to the latter, the Department committed to conduct a feasibility study into the “Human Capital Development” programme of the Events Technical and Production Services sector strategy. This process has been included as part of the feasibility study for a dedicated live events &amp; technical services training institution. The tender has closed and administration and evaluation processes are underway.</p>	<p>N/A</p> <p>31 March 2017</p>
<p><b>INTERNATIONAL INTERACTION PROGRAMME</b> for 2016/17 Activities</p>	<p>SARA</p>	<p><b>First Payment for 3<sup>rd</sup> Year programme:</b> The 1<sup>st</sup> payment for the final 2016/17 cycle of the International Interactions Programme was transferred.</p>	<p>2nd Payment due at end of financial year as per MOA.</p>
<p><b>NATIONAL ARTS COUNCIL (NAC)</b>  Investigation into allegations.</p>	<p>DAC</p>	<p><b>Ongoing:</b> The investigation has been completed and the report has been circulated SARA and the NAC. The report found no wrong doing on the part of the NAC, however recommendations were made to strengthen some policy instruments at the NAC. A copy of the report has been sent to the Portfolio Committee. SARA is disputing the findings.</p>	<p>Finalised.</p>



ACTIVITY	ACTION BY	STATUS	TIMEFRAMES
<b>RENOVATIONS FOR SARA BUILDING</b>			
<b>Funding allocation for Building Renovations Proposal.</b>	DAC	<b>Ring-fenced funds:</b> <ul style="list-style-type: none"> <li>The Department confirmed an amount of R15 million allocated towards funding the SARA building renovations proposal in formal correspondence to SARA.</li> </ul>	Funds set aside for implementation in 2016/17
<b>Implementation of Building Renovations Proposal.</b>	DAC & SARA	<b>Ongoing</b>  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 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 3 <sup>rd</sup> 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.	No firm commitment can be made.



ACTIVITY	ACTION BY	STATUS	TIMEFRAMES
		<p><b>Presentation of Legal Opinion to the PC: Completed:</b></p> <p>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 <b>Building Renovations</b> and the <b>Settlement Agreement</b>, between DAC and SARA.</p> <p>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.</p> <p>The legal opinion report provides numerous issues around whether or not is the DAC obliged to embark on acquisition of third party immovable property. An allocation has not been made for 2017/18 given the lack of progress in finalising the contractual relations.</p>	
<b>Backstage Academy Proposal</b>	SARA	<p><b>Feasibility study:</b></p> <p>A public tender for a study on human capital needs and the feasibility of establishing a dedicated training institution for the live events and technical production sector has been advertised and closed on the 4<sup>th</sup> November 2016. (See above)</p>	31 March 2017





ACTIVITY	ACTION BY	STATUS	TIMEFRAMES
<p><b>Relations between SARA and DAC</b></p>	<p>DAC and SARA</p>	<p><b>Ongoing:</b>  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. The DAC referred the matter of SARA's tone and manner of communication, especially on social media to the South African Human Rights Commission for consideration.</p> <p>At the request of the Deputy Public Protector's Office, an updated report on the implementation of the Settlement Agreement was provided on 14 October 2016.</p>	<p>Ongoing</p>

