

## **Report of the Portfolio Committee on Sport, Arts and Culture on Budget Vote 37: Department of Sport, Arts and Culture, dated 10 May 2022**

The Portfolio Committee on Sport, Arts and Culture (hereinafter referred to as the “Committee”), having considered the 2020 – 2025 Strategic Plan, the 2022/23 Annual Performance Plan (APP), and the budget of the Department of Sport, Arts and Culture, Vote 37, reports as follows:

### **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 Committee considered the 2022/23 budget of the Department of Sport, Arts and Culture (DSAC) as part of its oversight function over the Department as mandated by Public Finance Management Act (No. 1 of 1999) and Money Bills Amendment Procedure and Related Matters Act (No. 9 of 2009). The Department briefed the Committee on its 2022/23 budget and 2022/23 APP on 04 May 2022.

For the 2022/2023 financial year, the Department has committed to focusing on the following projects, among others:

- opportunities that will drive the transformation agenda and new business models for the Sector,
- the identification and development of the historically marginalised and under-resourced provinces that do not have theatre facilities,
- supporting the professional sport system by finding new and innovative solutions to mitigate the negative effect of COVID-19 in the field of sport, ensuring that talent is encouraged to emerge from all communities in an equitable manner, and is nurtured and supported,
- seeking new ways of forming strategic collaboration by mobilising the resources, knowledge, creativity and concern of all role-players to increase social cohesion on a partnership basis.
- promotion of the national symbols, and pride in and appreciation of our shared heritage sites. One key project here is the construction of the Monumental Flag, which forms part of the Social Cohesion and Nation Building programme of action.
- Building on the current work of the development of the Cultural and Creative Industries Masterplan and the implementation of the revised White Paper on Arts, Culture and Heritage by putting forward bold plans to channel investment in the areas of innovation, enhancing business skills and creation of access to new markets; and;
- Ensuring that the country is on track in its preparation for the Netball World Cup that will be staged in Cape Town in 2023 and the Table Tennis World Championships to be hosted in Durban, also in 2023.

In September 2021 the National Technical Planning Forum (NTPF) shared delivery priorities that they have developed for 2022/23. These areas will ensure that government continues to manage and mitigate the impact of the pandemic while also planning for recovery. The following four key focus areas were identified to provide a strategic focus to the priorities: (1) Manage the pandemic, (2) Drive economic recovery, (3) Employment support and relief, and (4) Enhance state capacity to deliver. Although at first glance it could appear that DSAC can contribute to all four priorities, very specific interventions have been identified by the NTPF. During 2022/23 DSAC will focus on supporting the creative industry through the Mzansi Golden Economy (MGE) programme.

To this end, long-term plans will be developed to focus on job opportunities and to come up with sustainable interventions to prevent the loss of income experienced in the sector. In the 2021/22 financial year, the Department announced an MGE Open Call for applications for funding for Cultural Events, Public Art and Touring Ventures. When the Open Call for applications closed at the end of June 2021, a total of 3 550 applications had been received. The MGE Guidelines have been adjusted and aligned to the current protocols imposed by the impact of COVID-19, which meant that online and live-streaming became the new norm. This initiative is set to continue in 2022/23. It must be emphasised that the MGE does not create jobs but provides an enabling environment for job opportunities in various cultural and creative genres through several work streams.

The purpose of this document, therefore, is to table the Committee report after scrutiny of the budget allocated to Vote 37: Sport, Arts and Culture in the 2022 Estimates of National Expenditure (ENE). This Budget Report thus provides a comprehensive analysis of the Department's allocated budget.

## **2. Purpose of the Budget Vote:37**

The purpose of the Vote is to provide an enabling environment for the sport, arts and culture sector by developing, transforming, preserving, protecting and promoting sport, arts and culture at all levels of participation to foster an active, winning, creative and socially cohesive nation.

## **3. Method**

The Committee met to consider the 2020 – 25 Strategic Plans and 2022/23 APPs and budgets of the Department, and Athletics South Africa (ASA). These were considered against the background of key government policy documents, including, amongst others, the National Development Plan (NDP), the 2019 – 2024 Medium Term Strategic Framework (MTSF), and the 2022 State of the Nation Address (SONA). With national lockdown restrictions and the Parliament fires that took place in January 2022, all meetings were held on virtual platforms.

## **4. Strategic Overview of the Department of Sport, Arts and Culture**

Cabinet adopted the National Development Plan: Vision 2030 (NDP) in 2012 as a long-term vision and plan for the country. This broad policy is regarded as the road map to deal with the challenges of unemployment, poverty and inequality by 2030.

The Vision 2030 is conceptualised as standing on three policy pillars:

1. Achieving a more capable state;
2. Driving a strong and inclusive economy; and
3. Building and strengthening the capabilities of South Africans.

These are underpinned by seven Government priorities, as contained in the 2019-2024 MTSF, namely:

- Priority 1: Building a capable, ethical and developmental state
- Priority 2: Economic Transformation and Job Creation
- Priority 3: Education, Skills and Health
- Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services
- Priority 5: Spatial Integration, Human Settlements and Local Government
- Priority 6: Social Cohesion and Safe Communities
- Priority 7: A better Africa and World

Within that broad policy framework, the Department has to ensure that its outcomes and that of the entities reporting to the Minister are aligned to these seven broad policy priorities. This alignment ensures a direct focus of the work of the Department and its entities over the next five years as part of a capable, ethical and developmental state. This is a prerequisite for sector transformation, job creation and targeted strategies to facilitate nation-building and social cohesion.

To this end, the Department responds to Chapter 15 of the NDP: Transforming society and uniting the country. This chapter draws together what is needed to transform the South African society to be prosperous, non-sexist, non-racial and democratic, which are key values enshrined in the Constitution. In relation to the national priorities for the MTSF, with the exception of Priorities 4 and 7, the Department contributes to the remaining Government priorities with a sharp focus on increasing the market share of and job opportunities created in the sector, and building a diverse, socially cohesive society.

In its effort to translate the broad policy statements into implementable programmes, the Department has stated the following as predetermined outcomes linked to the MTSF:

- Outcome 1: Increased market share of and job opportunities created in sport, cultural and creative industries.
- Outcome 2: A diverse, socially cohesive society with a common identity.
- Outcome 3: Transformed, capable and professional sport, arts and culture sector.
- Outcome 4: Integrated and accessible SAC infrastructure and information.
- Outcome 5: Compliant and responsive Governance/Administration.

In support of these outcomes, the Department has developed focus areas categorised into the following ten points:

1. Create job opportunities and support entrepreneurs.
2. Increase market share of sport, cultural and creative industries.
3. Capacitate and professionalise the sport, arts and culture sector.
4. Increase access to infrastructure and information.
5. Establish a common national identity.
6. Engender compliant and responsive governance.
7. Strengthen sport and cultural diplomacy.
8. Accelerate social cohesion.
9. Promote official languages.
10. Implement the emergency response plan on gender-based violence and femicide.

The Department has devised a range of high impact projects to respond to the outcomes and focus areas. These include, among others, the amalgamation of entities; the provision of Government support to anti-doping agencies; support high-performance athletes to achieve success at international events; and support to practitioners through the SAC academies, centres of excellence and incubators.

Over the MTSF, the Department's policy and legislative programme is be guided by two White Papers. The White Paper for Arts and Culture needs to be implemented so that it can contribute to the transformation of the sector. The White Paper for Sport and Recreation will co-exist with that of Arts and Culture. The APP notes that the Department is in the process of developing and/or reviewing the following policies and framework documents:

- Athletes Support Policy;
- South African Sports Academies Strategic Framework and Policy Guidelines;
- The Prioritisation of Sport and Recreation Bodies Policy;
- Women in Sport Policy;
- Infrastructure Policy;
- Implementation Framework of the South African Language Practitioners' Council Act;
- National Strategy for the development and promotion of a South African literary culture;
- Visual Arts Strategy;
- Arts and Culture Promotion and Development (ACPD) Funding Policy;
- Craft Strategy;
- Cultural and Creative Industries Masterplan;
- International Relations;
- Repatriation and restitution of human remains and heritage objects policy; and
- National Policy Framework on the Digitisation of Heritage Resources.

The Department has embarked on a process that sees the temporary deprioritisation of some programmes and projects that do not directly support relief measures. It has refocused the integrated medium-term planning for resilience and inclusive development and has focused efforts to improve the capacity and capability of the state to deliver efficiently and effectively. The intention of the MTSF is to integrate all key plans into a results-based framework. This will assist with coordination and ensure that important interventions and milestones are monitored to support delivery and accountability.

## 5. Summary of budget expenditure (2022/23)

The total budget allocation for the 2022/23 financial year is R6.29 billion. The Department organises its expenditure under four programmes, these are:

- Programme 1: Administration (R453.2 million);
- Programme 2: Recreation Development and Sport Promotion (R1.46 billion);
- Programme 3: Arts and Culture Promotion and Development (R1.75 billion); and
- Programme 4: Heritage Promotion and Preservation (R2.63 billion).

The table below reflects the budget allocation for 2022/23 and over the medium term.

**Table 1: Overall Budget Allocation 2021/22 – 2024/25**

	2021/22	2022/23	2023/24	2024/25
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R million		Total	Total	Total	Total
<b>MTEF allocation</b>					
1: Administration	Purpose: Provide strategic leadership, management and support services to the Department.	458,2	453,2	454,9	474,8
2: Recreation Development and Sport Promotion	Purpose: Support the provision of mass participation opportunities, the development of elite athletes, and the regulation and maintenance of facilities.	1 467,3	1 462,8	1 482,7	1 549,4
3: Arts and Culture Promotion and Development	Purpose: Promote and develop arts, culture and languages, and implement the national social cohesion strategy.	1 287,3	1 749,8	1 778,2	1 375,5
4: Heritage Promotion and Preservation	Purpose: Preserve and promote South African heritage, including archival and heraldic heritage. Oversee and transfer funds to libraries.	2 534,6	2 629,3	2 631,5	2 749,8
<b>Total expenditure estimates</b>		<b>5 747,3</b>	<b>6 295,1</b>	<b>6 347,2</b>	<b>6 149,5</b>

Source: National Treasury ENE, 2022

The following points are for noting when considering the budget over the medium term:

- Total expenditure is expected to increase at an average annual rate of 2.3 per cent, from R5.7 billion in 2021/22 to R6.1 billion in 2024/25. Transfers and subsidies account for an estimated 80.7 per cent (R15.1 billion) of the Department's spending over the medium term.
- The Department's total budget over the medium term is R18.8 billion after a baseline increase of R7.8 million for salary adjustments in 2022/23, and a total of R902 million in the first two years of the MTEF period for the presidential employment initiative for the creative industry.

For the 2022/23 financial year, the total budget allocation is R6.29 billion. This is projected to increase to R6.34 billion in 2023/24 and to R6.14 billion in 2024/25. Transfers and subsidies amount to R5.08 billion, or 80.7 per cent, of the budget allocation for 2022/23. When comparing the nominal amounts for the budget allocation across the MTEF, allocations show a year-on-year increase until 2023/24. However, when the projected inflation rates (2022/23: 4.5 per cent; 2023/24: 4.4 per cent; and 2024/25: 4.5 per cent) are taken into consideration, the cumulative growth rate between 2021/22 and 2024/25 is -2.1 per cent.

The highest allocation is towards Programme 4: Heritage Promotion and Preservation which will receive R2.6 billion or 41.8 per cent of the total budget to the Department. The lowest allocation is towards Programme 1: Administration, which will receive R453 million or 7.2 per cent of the total budget in 2022/23. The highest percentage change in the budget will be in Programme 3: Arts and Culture Promotion and Development with a 5.4% change in allocation.

The report will now turn to budgetary allocations per programme.

*Programme 1: Administration*

This programme plays an important role in giving effect to first priority of the NDP, that is, to build a capable, ethical and developmental state. This priority is also expressed in the MTSF for the five-year term 2019-2024, as a crucial mode that is required to achieve Vision 2030. The outputs delivered in Programme 1 contribute predominately to DSAC Outcome 3: Transformed, capable and professional sport, arts and culture sector and Outcome 5: Compliant and responsive governance.

**Table 2: Programme 1 Budget Allocation 2021/22 – 2022/23.**

Sub-programme	Budget	Nominal	Real Rand	Nominal	Real per
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			Rand change	change	per cent change 2022/23	cent change 2022/23
R million	2021/22	2022/23	2021/22 – 2022/23		2021/22 – 2022/23	
1: Ministry	5,7	4,5	-1,2	-1,4	-21 %	-24,5%
2: Management	79,9	71,9	-8,0	-11,1	-10,%	-13,9%
3: Strategic Management and Planning	23,4	21,8	-1,6	1,6	-6,8%	-10,9%
4: Corporate Services	166,5	161,6	-4,9	-11,9	-2,9%	-7,1%
5: Office of the Chief Financial Officer	62,3	68,1	5,8	2,9	9,3%	4,6%
6: Office Accommodation	120,3	125,4	5,1	-0,3	4,2%	-0,3%
<b>TOTAL</b>	<b>458,2</b>	<b>453,2</b>	<b>-4,8</b>	<b>-24,3</b>	<b>-1,0%</b>	<b>-5,4%</b>

Source: National Treasury ENE, 2022/23

For the 2022/23 financial year, the budget allocation for this programme is R453.2 million. Compared to the previous financial year, this represents a nominal decrease of R5.6 million, or 1.2 per cent. When considering the inflation rate of 4.5 per cent into account, the allocation has decreased by R25.1 million or 5.5 per cent.

### **Programme 2: Recreation Development and Sport Promotion**

The outputs delivered in Programme 2 contribute predominately to DSAC Outcome 2: A diverse, socially cohesive society with a common national identity; Outcome 3: Transformed, capable and professional sport, arts and culture sector; and Outcome 4: Integrated and accessible SAC infrastructure and information.

**Table 3: Programme 2 Budget Allocation 2021/22 – 2022/23.**

Sub-programme	Budget		Nominal Rand change	Real Rand change	Nominal per cent change 2022/23	Real per cent change 2022/23
R million	2021/22	2022/23	2021/22 – 2022/23		2021/22 – 2022/23	
1: Winning Nation	278,9	263,8	-15,1	-26,5	-5,4%	-9,5%
2: Active Nation	708,9	727,8	18,9	-12,4	2,7%	-1,8%
3: Infrastructure Support	479,5	471,1	-8,4	-28,7	-1,8%	-6%
<b>TOTAL</b>	<b>1 467,3</b>	<b>1 462,8</b>	<b>-4,5</b>	<b>-67,5</b>	<b>-0,3%</b>	<b>-4,6%</b>

Source: National Treasury ENE, 2022/23

When compared to the 2021/22 financial year this programme's budget allocation has decreased by R4.5 million or 0.3 per cent in nominal terms. However, over the medium term, the estimated allocation represents an increase of 1.8 per cent increase in nominal terms, but a 2.5 per cent decrease if inflation adjusted.

The highest change in allocation was seen in sub-programme 1: Winning Nation which sees a reduction of R15.1 million from R278.9 million in 2021/22 to R263.8 million in 2022/23. This represents a real percent change in the budget of 9.5 per cent. Sub-programme 2: Active Nation is the only sub-programme with an increase in budget allocation from R708.9 million in 2021/22 to R727.8 million in 2022/23. This represents a 1.8 per cent real change in budget.

This programme will ensure that:

- athletes are supported through a range of interventions including the scientific support programme, the sports academies and the ministerial sports bursary programme;
- people participate in organised sport and active recreation events;
- the Department embarks on sport and recreation promotion campaigns and events;
- schools, hubs and clubs provided with equipment and/or attire;
- school sport is supported at district and national level;
- National Federations meet 50 percent or more of all prescribed Charter transformation targets; and

- the Department supports and facilitates the implementation of sport and heritage infrastructure projects.

*Programme 3: Arts and Culture Promotion and Development*

The outputs delivered in Programme 3 contribute to all five departmental outcomes. These outputs will ensure:

- the promotion and development of official languages, and the support to efforts to increase qualified language practitioners through language bursaries;
- the development of the Cultural and Creative Industries (CCIs) through supporting practitioners and their enterprises in various cultural and creative sectors to gain access to both local and international markets;
- capacity-building projects are financially supported to enhance the ability of practitioners and enterprises to participate effectively in various stages of the value chain of their sector;
- provincial community arts development programmes have implemented that position and organise, community arts development to align with the overarching Government objectives of access and participation in the arts by South Africans; and
- the coordination of international engagements on the continent and globally;
- the promotion and support of programmes and partnership that foster nation-building and social cohesion, including Gender-Based Violence (GBV) and anti-femicide programmes;
- the increase in support to the creative industry, including placement of artists in schools to promote and support arts education through the MGE Strategy.

**Table 4: Programme 3 Budget Allocation 2021/22 – 2022/23.**

Sub-programme	Budget		Nominal Rand change	Real Rand change	Nominal per cent change 2022/23	Real per cent change 2022/23
	2021/22	2022/23	2021/22 – 2022/23		2021/22 – 2022/23	
R million						
1: National Language Services	56,0	54,8	-1,2	-3,6	-2,1%	-6,4%
2: Pan South African Language Board	120,9	123,1	2,2	-3,1	1,8%	-2,6%
3: Cultural and Creative Industries Development	114,3	121,9	7,6	2,4	6,7%	2,1%
4: International Cooperation	41,8	42,5	0,7	-1,1	1,7%	-2,7%
5: Social Cohesion and Nation Building	62,7	69,3	6,6	3,6	10,5%	5,8%
6: Mzansi Golden Economy	291,8	747,3	455,5	423,3	156,1%	145,1%
7: Performing Arts Institutions	300,3	318,6	18,3	4,6	6,1%	1,5%
8: National Film and Video Foundation	145,9	149,2	3,3	-3,1	2,3%	-2,1%
9: National Arts Council	153,5	123,0	-30,5	-35,8	-19,9%	-23,3%
<b>TOTAL</b>	<b>1 287,2</b>	<b>1 749,8</b>	<b>462,6</b>	<b>387,2</b>	<b>35,9%</b>	<b>30,1%</b>

Source: National Treasury ENE, 2022/23

For the 2022/23 financial year, the budget allocation for this programme is R1.7 billion, which is a R462 million increase from 2021/22. The highest allocation for Programme 3 was in sub-programme 6: Mzansi Golden Economy (MGE) which is allocated R747 million (or 42.7 per cent) of the total budget for the programme, an increase from R291 million in the 2021/22 financial year. The highest percentage change in allocation within the programme was also in sub-programme 6: Mzansi Golden Economy, shows a 20 per cent total change as the allocation. The lowest allocation in the programme is towards sub-programme 4: International Cooperation, which will receive a R41.8 million or 2.4 per cent allocation.

The allocation to sub-programme 9: National Arts Council (NAC) decreased from R153.5 million in 2021/22 to R123.0 million in 2022/23. This is in fact a result of the once-off allocation to the council in 2021/22 for the disbursement of Presidential Employment Stimulus Programme (PESP)

funds to artists and artistic programmes. The declaration of the Mandela Bay Theatre Complex (MBTC) a cultural institution, brings the number of performing arts institutions reporting to the Department to six. This new entity will receive an allocation of R20 million for the 2022/23 financial year.

*Programme 4: Heritage Promotion and Preservation*

Purpose: Preserve and promote South African heritage, including archival and heraldic heritage. Oversee and transfer funds to libraries.

The outputs delivered in Programme 4 contribute predominately to DSAC Outcome 2: A diverse, socially cohesive society with a common national identity; Outcome 3: Transformed, capable and professional sport, arts and culture sector; and Outcome 4: Integrated and accessible SAC infrastructure and information.

Through its sub-programmes, this Programme will:

- support and implement a range of projects including awarding heritage bursaries; books documenting Living Human Treasures; development of heritage policies, as well as the promotion of national identity utilising the flag at national days, major cultural and sporting events in schools, the Monument Flag Project and “I am the Flag” Campaign;
- upgrade national archives infrastructure to address infrastructure challenges in relation to space, technology and processes;
- financially support newly built and/or modular libraries; and
- transform and standardise of geographical names.

**Table 5: Programme 4 Budget Allocation 2021/22 – 2022/23.**

Sub-programme	Budget		Nominal Rand change	Real Rand change	Nominal per cent change 2022/23	Real per cent change 2022/23
	2021/22	2022/23	2021/22 – 2022/23		2021/22 – 2022/23	
R million						
1: Heritage Promotion	66,8	50,3	-16,5	-18,7	-24,7%	-27,9%
2: National Archive Services	57,3	62,2	4,9	2,2	8,6%	3,9%
3: Heritage Institutions	606,9	627,2	20,3	-6,7	3,3%	-1,1%
4: National Library Services	143,1	146,6	3,5	-2,8	2,5%	-2,0%
5: Public Library Services	1 524,6	1 601,4	76,8	7,8	5,0%	0,5%
6: South African Heritage Resources Agency	58,7	62,8	4,1	1,4	7,0%	2,4%
7: South African Geographical Names Council	4,9	5,3	0,4	0,2	8,2%	3,5%
8: National Heritage Council	72,2	73,6	1,4	-1,8	1,9%	-2,5%
<b>TOTAL</b>	<b>2 534,6</b>	<b>2 629,3</b>	<b>94,7</b>	<b>-18,5</b>	<b>3,7%</b>	<b>-0,7%</b>

Source: National Treasury ENE, 2022/23

Programme 4 receives the bulk of the total departmental budget, just over R2.6 billion or 44.1 per cent. When compared to the 2021/22 financial year this programme’s budget allocation has increased by R94.7 million, or 3.7 per cent in nominal terms. Adjusted for inflation, the programme however sees a real decrease of R18.5 million, or 0.7 per cent. There have been no major changes to the percentage allocation of the total programme budget per sub-programme with the exception of sub-programme 1: Heritage Promotion. This sub-programme’s allocation has decrease from R66.8 million in 2021/22 to R50.3 million in 2022/23 which represents a nominal decrease of 24.7 per cent of the allocation compared to the previous financial year.

Of this programme allocation for 2022/23, R2.5 billion, or 95.8 per cent, is classified as Transfers and subsidies. Through this programme, the Department funds a significant number of entities including, but not limited to, national museums, the National Heritage Council (NHC), the South African Heritage Resources Agency (SAHRA), and public

library services. The latter (sub-programme 5 in the budget structure), transfers funds to Provincial Departments for conditional allocations through the Community Library Services Grant (CLSG) for constructing and upgrading libraries, hiring personnel and purchasing library materials. Thus the CLSG accounts for the bulk of this programme.

The main aim of the CLSG is to transform urban and rural library infrastructure and services through targeting previously disadvantaged communities. This Grant primarily contributes to Government Priority 6: Social cohesion and safe communities. The allocation for 2022/23 is R1.6 billion, or 60.9 per cent, of the total budget allocation for this programme.

In respect of the CLSG, this grant is allocated to the relevant provincial department and administered by that department or through a service-level agreement with municipalities. In collaboration with provincial Departments of Basic Education, the grant also funds libraries that serve both schools and the general public. Funds from this grant may also be used to enable the shift of the libraries function between provinces and municipalities. The grant is allocated R4.8 billion over the next three years which will see 96 new libraries built, 135 community libraries upgraded and 310 000 library materials procured.

The outputs for the CLSG for the 2022/23 financial year includes, among others:<sup>1</sup>

- 25 new library structures completed;
- four new dual-purpose library structures completed;
- 10 upgraded library structures completed;
- 2 495 existing contract library staff maintained in all provinces; and
- 68 new staff appointed at public libraries to support the shifting of the function to provinces.

## **6. Engagements with entities and/or federations**

The Committee engaged Athletics South Africa (ASA) which receives an annual grant from the Department to enable them to contribute towards implementing the mandate of the Department as an extension of its service delivery network. An overview of the engagement is presented below.

### **6.1. Athletics South Africa (ASA)**

Athletics South Africa (ASA) is the national governing body for the sport of athletics (including track and field, cross country, road running and race walking) in South Africa, recognised by the World Athletics, and also a member of Confederation of African Athletics. The organisation reports to the South African Sports Confederation and Olympic Committee (SASCOC). Athletics South Africa falls under Programme 2 of the Department as a Departmental agency. ASA is based in Johannesburg, South Africa and comprises 17 provincial associations (with the nine provinces), 1 012 athletics clubs, 304 000 registered athletes and approximately 500 000 unregistered athletes. The organisation is controlled by a board of directors led by a president.

Since its inception in 1992, ASA focused on four main objectives:

- To unify all athletics in South Africa;
- To develop the sport of athletics in South Africa, particularly at grassroots level,;
- To facilitate the participation of previously disadvantaged communities in athletics; and
- To prepare athletes for participation in international events.

#### **6.1.1. DSAC support provided to ASA**

The Committee met with ASA in the presence of the Department on 19 April 2022. The following was noted with regard to departmental support provided to the federation:

- The Department provides financial support to ASA on an annual basis.
- In 2021/22 DSAC gave R5.75 million financial support to Athletics SA to fund these programmes:
  - Federation's capacity development
  - Administration support
  - School Sport capacity development

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<sup>1</sup> Division of Revenue Bill (2022), p.188.

- National Coaches Support programmes
- Technical Officials Training
- Administration training
- Senior and underage National Championships
- An additional R4.2 million was transferred in 2021/22 towards Ms Caster Semenya's legal challenge of the Differences of Sex Development (DSD) Regulations.

6.1.2. The following was highlighted by ASA in their presentation on the 2022 APP:

*Leadership and Management*

- Effective leadership is the core recipe for success in sport. The lack of resources, skills and effective leadership needs to be addressed to achieve ASA's objectives in the next five years.
- Provincial and local structures have to be transformed to provide strategic leadership.
- Capacity building in ASA will focus on empowering leadership and management of provincial structures through regular training to increase effectiveness.
- Provincial and local structures will be empowered to direct, supervise, encourage, inspire, and co-ordinate, and in doing so, facilitate action and guide change.

*Capacity Building*

- Technical Official Training: Without qualified and competent officials, the integrity of competitions and competition results will be compromised. ASA will therefore recruit new officials and provide theoretical and practical training to enable them to officiate at national level competitions.

*Competition Organisation*

- Using athletics competitions to provide a simple and logical athlete development pathway, with transparent criteria for progression to the next level;
- Encouraging recruitment, retention and performance improvement through competitions;
- Turning competitions into contemporary events which have flexible, innovative, and shorter formats with easy entry methods and improved communication reflecting the lives of young people;
- Increasing entertainment content of competitions to attract more spectators;
- Setting mandatory participation standards for all licensed athletes; and
- Support school sports competitions.

*High Performance*

1. The programme aims to support, encourage, develop and optimise the talent of each athlete towards achieving the goals of ASA in winning medals at international competitions. The programme includes the hosting of a series of national competitions and training camps for all athletics disciplines, as well as youth and junior development training camps.

*Anti-Doping*

2. ASA is serious about anti-doping matters and will implement aggressive communication and education plan. A whistleblower hotline is available through SAIDS to encourage athletes, coaches, agents and the public to report individuals suspected of using banned substances/drugs.

*Broadcasting*

3. Following several engagements with SABC and Supersport, ASA's broadcasting consultant eventually recommended Supersport as the official broadcaster of ASA events. Nevertheless, ASA continues to try engaging with SABC on broadcast agreements. The agreement will include live content and highlights packages covering road running, track and field and cross-country events.

## **7. Committee observations**

Having considered and examined the Departmental 2020 – 2025 Strategic Plan and 2022/23 Annual Performance Plan with associated budgets, the Committee made the following observations:

### **7.1. Observations in relation to the Department of Sport, Arts and Culture**

- 7.1.1. Language rights: The Committee noted that the Department is at the centre of the protection, promotion, usage and equality of all national languages and enquired what mechanisms the Department has in place to monitor this.
- 7.1.2. Digital content: The Committee sought to establish how the Department's planning will assist digital content creators.
- 7.1.3. Employment equity targets: The Committee noted that the target for the employment of people with disabilities hovers around two per cent and enquired if there are any plans to increase this target in the near future.
- 7.1.4. Merging of the two departments: The Committee asked how the Department is managing division of labour in order to avoid redundant staff.
- 7.1.5. Appropriated budget versus the sector mandate: The Committee asked the Department to elucidate what percentage of its total allocation is transferred outside of the Department and whether this is adequate to implement the mandate and core business of the Department.
- 7.1.6. Interdepartmental partnerships: The Committee sought to establish what partnerships have been established with other Government departments to ensure that the Department can fully implement its mandate.
- 7.1.7. COVID-19 Recovery Plan: The Committee enquired how the Department's APP takes this Plan into consideration.
- 7.1.8. Legislative and policy review: The Committee requested information on the status of this within the Department.
- 7.1.9. Court rulings: The Committee noted the High Court order of 2018 in favour of the South African Roadies Association (SARA) respect of the implementation of the Settlement Agreement between the Department and SARA.
- 7.1.10. Fourth Industrial Revolution (4IR): The Committee sought to establish how the Department has taken the implementation of the 4IR into consideration in its planning.

### **7.2. Observations in relation to Athletics South Africa**

- 7.2.1. The Members congratulated Mr Moloi's (The ASA President) on his appointment to the World Implementation Working Group by World Athletics.
- 7.2.2. Members wanted an update on Caster Semenya's court case on Differences in Sexual Development (DSD) with World Athletics.
- 7.2.3. Members wanted to know how many athletes were supported by the COVID-19 relief fund.
- 7.2.4. Members wanted to know the mechanisms that DSAC use to monitor sports gatherings since the return to sport was enabled.
- 7.2.5. The Members wanted to know the annual budget ASA receives from the National Lottery Commission (NLC).
- 7.2.6. Members wanted an update with regards to the Special Investigating Unit (SIU) investigation which implicates the Acting CEO of ASA in the NLC's stadium infrastructure corruption case.
- 7.2.7. Members wanted to know the current the state of school's athletics as well as the relationship between ASA and the South African School Athletics (SASA) as there appeared to be some friction between the two.
- 7.2.8. Members wanted to know how will ASA ensure talented athletes who qualify for national championships are not disadvantaged from competing due to financial challenges.
- 7.2.9. Members wanted to know on the non-participation by Northern Cape in National Athletics and School championship events.
- 7.2.10. Members wanted historical records indicating all the funding allocated to ASA by the NLC for infrastructure projects, so it can be established if the funds were used for their intended purpose.
- 7.2.11. Members enquired about the availability and functioning of the Safe Guarding policy at ASA.

- 7.2.12. Members wanted to know more about the broadcasting deal between ASA and Supersport and why ASA used consultants instead of negotiating directly with the broadcasting providers.
- 7.2.13. On the critical role of school athletics for athlete development and transformation, Members wanted to know what ASA and the Department of Basic Education are doing to support learners who have the potential to be competitive.

## **8. Recommendations**

It is requested that the Minister of Sport, Arts and Culture considers the following recommendations and reports back to the Committee by no later than the end of the 2022/23 financial year, i.e. 31 March 2023.

### **8.2. Recommendations in relation to the Department of Sport, Arts and Culture**

- 8.2.1. Language rights: The Department to ensure that the South African Language Practitioners' Council is established to advance the promotion and protection of language practice in the country.
- 8.2.2. Digital content: With the finalisation of the Department of Communication's Digital Economy Master Plan, the DSAC and the South African Broadcasting Corporation (SABC) should ensure the issue of content creation is addressed.
- 8.2.3. Legislative and policy review: The Department to submit an overview of how it plans to implement its legislative and policy review, including the National Strategy for Women and Sport South Africa by the end of the second quarter of the 2022/23 financial year.
- 8.2.4. Court rulings: The Department to provide further insight into the implications of this court order between DSAC and SARA by the end of the first quarter of the 2022/23 financial year.
- 8.2.5. COVID-19 Recovery Plan: The Department to continue to support cultural and creative workers and athletes.

### **8.3. Recommendations in relation to Athletics South Africa**

- 8.3.1. ASA needs to continue to support Caster Semenya in all efforts against World Athletics when the case is presented to the European Court for Human Rights.
- 8.3.2. ASA needs to ensure that athletes are adequately prepared and supported towards the 2022 Commonwealth Games in Birmingham.
- 8.3.3. ASA needs to ensure that the schools athletics becomes more functional and inclusive of all demographics in order to achieve transformation.
- 8.3.4. ASA should ensure that the broadcasting partnership with Supersport benefits the athletes. The federation also needs to continue to reach out to the national broadcaster (SABC) to ensure that it secures broadcasting rights to reach a wider audience.
- 8.3.5. ASA to provide an update on the way forward regarding its Acting CEO's implication in the SIU investigation into the NLC funds meant to build an athletics stadium in Kimberly by the end of the second quarter of the 2022/23 financial year.
- 8.3.6. ASA should maintain good working relationships with SASA in order to promote school athletics.

## **9. Conclusion**

Having satisfied itself in its engagement with the Department of Sport, Arts, and Culture, and its entities on their Annual Performance Plans and the Budget, the Portfolio Committee on Sport, Arts and Culture recommends that the House approves Budget Vote 37.

**Report to be considered.**