



Annual Performance Plan

for the financial years
2020/2021 – 2022/2023



an agency of the
Department of Arts and Culture

TABLE OF CONTENTS

	Page
i Accounting Authority Statement	1 - 2
ii Accounting Officer Statement	3 - 4
iii Official Sign-Off	5
PART A: OUR MANDATE	6
1. Update to the Relevant Legislative and Policy Mandates	6
2. Update to Institutional Policies and Strategies	6
3. Update to Relevant Court Rulings	6
PART B: OUR STRATEGIC FOCUS	7
4. Updated Situation Analysis	7
4.1 External Environmental Analysis	7
4.1.1 Economic Climate	7
4.1.2 Physical Environment	8
4.2 Internal Environmental	8
4.2.1 The Approved Organizational Structure of the KwaZulu-Natal Museum	8
4.2.2 Organisational Environment: The Structure	8 - 9
4.2.3 Equity Table in 2019/2020	10
4.2.4 Proposed Equity Table in 2022/2023	10
PART C: MEASURING OUR PERFORMANCE	11
5. Institutional Performance Information	11
a) Programme 1: Administration	11
b) Programme 2: Business Development	11
c) Programme 3: Public Engagement	11
d) Alignment to DAC outcomes	12
e) Outcomes, Outputs, Performance indicators and Targets	13 - 16
6. Explanation of Planned Performance over the Medium Term Period	17 - 22
7. Program Resource Considerations	23
7.1 Budget Estimate: 2020/2023	23
7.2 Narrative	24
8. Updated Key Risks	24 - 25
9. Infrastructure Projects	26
PART D: TECHNICAL INDICATOR DESCRIPTION (TID)	27 - 32
Annexure A: KZN Museum Policies	33 - 34
Annexure B: Materiality / Significant Plan	35 - 41
Annexure C: Council Charter	42 - 48

i. ACCOUNTING AUTHORITY STATEMENT

FOREWORD

The Annual Performance Plan (APP) of the KwaZulu-Natal Museum reflects the Museum's commitment to addressing government and stakeholder priorities for the 2020/2021 – 2021/2022 financial years. It is the outcome of the KwaZulu-Natal Museum's five year planning to address government's mandate during the five-year term of the current executive for 2020 – 2025. The APP focusses on programmes undertaken by the Museum to advance its heritage mandate, responding to the development and management of cultural and natural heritage for nation building and social cohesion. The APP is revised and adapted within the South African Covid-19 legislative frameworks and WHO prescripts.

It identifies the effects that the Covid-19 has had on the operations of the heritage sector and the socio-economic impacts that the Covid-19 response plans have had in the country and the world. The Covid-19 response plans have not only resulted in general hardship, but have also highlighted the long road that the country has to travel to a realisation of an inclusive, transformed and socially cohesive society.

Council is committed to and supports the Museum's legislative mandate and requirements to contribute to the realisation of the government's and the Minister's priorities. The Museum identified five priorities which are integrated into its programmes. The priorities are Economic transformation and job creation; Education, skills and health; Social cohesion and safe communities; Capable, ethical and developmental state; and a Better Africa and a better world. The previous central objective of Outcome 14, Social Cohesion, will now be addressed under Social cohesion and safe communities. Council has committed to working closely with the Department and the Ministry to promote and realise the Minister's Priority Programmes, the 10-Point Plan, that prioritize African Unity and national pride.

The Museum continues to serve the people of South Africa by interpreting material evidence of the natural and cultural world in order to increase knowledge, understanding and appreciation of the nation's wealth of history and biodiversity. Through this focus, the Museum aims to contribute to economic transformation through the creation of "an efficient, effective and development-oriented public service and an empowered, fair, creative and inclusive citizenship" for the nation.

Council formally ratified the original Annual Performance Plan for 2020/2021 financial year at its February 2020 meeting. Immediately after that, on 5 March 2020, the first positive case of Covid-19 coronavirus was reported in the province of KwaZulu-Natal in South Africa. It is worth mentioning that the KwaZulu-Natal Museum took proactive steps to contain the virus as early as 17 February 2020 when gallery guides staff started lessons on coronavirus and measures to prevent its spread and that of other viruses to all organised groups and individuals that visited the Museum. Awareness and safety programmes were conducted to alert the public about the coronavirus pandemic and measures that could be taken to prevent its spread. In line with the regulations issued by the President and the National Coronavirus Command Council, the Museum started to limit the number of visitors and cancelled various programmes that would have resulted in large gatherings of people. Due to the coronavirus pandemic, the Museum closed to the public on 24 March 2020.

This Revised APP focuses on the significant role that the KwaZulu-Natal Museum assumes in the conservation and promotion of the nation's heritage, the promotion of national imperatives and priorities of the Government. These include job creation, social cohesion, nation building; empowerment of women, disabled, youth and children, the awareness of HIV/AIDS and the fights against other social ills such as xenophobia and gender-based violence. The complex challenges of poverty, unemployment and gender-based violence make fighting the coronavirus pandemic even more complicated for South Africa.

While traditional programmes like research, conservation and exhibitions of both the natural and cultural heritage continue being the focus of the Museum, educational outreach programmes and youth empowerment programmes will provide the key vehicle to discharge the Minister's priorities during the FY2020/2021. The National Science Week and Sabalala Nolwazi Environmental Youth Club continue to provide the KwaZulu-Natal Museum with a competitive edge in reaching out to the majority of learners and the youth. The Natural Sciences Collections Facility Project will enhance the Museum's ability to improve its collections management and create further opportunities for employment, economic self-sufficiency through internship and learnership programmes. These programmes will add value in fighting the Covid-19 pandemic.

The Council of the KwaZulu-Natal Museum is grateful to the Minister and the Ministry for the guidance and thought leadership during this difficult period. We thank the Department for the support and continuation of funding and implementation of the New Museum Project. Council commits itself to supporting management of the Museum in the implementation of this revised Annual Performance Plan and to discharge its oversight and monitoring role in all functions of the Museum.

Professor Fikile N. M. Mazibuko



Chairperson

Date: 15 July 2020

ii. ACCOUNTING OFFICER STATEMENT

KWAZULU-NATAL MUSEUM REVISED ANNUAL PERFORMANCE PLAN 2020 – 2021

Directors Overview

Like all public and private entities, the KwaZulu-Natal Museum has been severely affected by the outbreak of the coronavirus pandemic. On the 17 February 2020, the Museum started to develop programs that were aimed at promoting awareness about the coronavirus pandemic and educating the public about measures to prevent its spread. Further precautionary measures like sanitizing, social distancing and limiting numbers of visitors to the Museum as well as downsizing on all public programs were implemented.

In terms of the legislation, the KwaZulu-Natal Museum as an entity of the Department of Sports, Arts and Culture (DSAC) is required to develop a strategic plan that is aligned to the Department's program of action. The development of this KwaZulu-Natal Museum Revised Annual Performance Plan 2020 – 2021 was guided by need for government and its entities to align their programs with the regulations and directive issued by the President, the National Coronavirus Command Council and the Minister of Sports, Arts and Culture to respond to the spread of the coronavirus pandemic. Due to the coronavirus pandemic, the Museum closed to the public on 24 March 2020. Since the start of the national lockdown on 26 March 2020, the Museum has remained closed to the public and only essential staff is required to work. Council will soon decide on a date to open the Museum for full operations in line with the Government Gazette, No 43507 issued by the Minister of Sports, Arts and Culture on 6 July 2020

As a result of the national lockdown, there has been a significant loss generated income through visitors and outreach programs. The core research outputs of the Museum that have assisted to generate substantial revenue through research funding in previous years were also affected. The Museum incurred further costs through the procurement of protective equipment and products that would protect staff and visitors against the coronavirus pandemic.

The Revised APP focuses on the significant role that the KwaZulu-Natal Museum assumes in the conservation and promotion of the nation's heritage, the promotion of national imperatives and priorities of the Government during this difficult period in the history of South Africa. These include job creation, social cohesion, nation building; empowerment of women, disabled, youth and children, the awareness of HIV/AIDS and the fights against other social ills such as xenophobia and gender-based violence. The complex challenges of poverty, unemployment and gender-based violence make fighting the coronavirus pandemic even more complicated for South Africa.

While the Museum's traditional programmes like research, conservation and exhibitions of both the natural and cultural heritage will continue to be the focus of the Museum, educational outreach programmes and youth empowerment programmes will provide the key vehicle to discharge the Minister's priorities during the FY2020/2021 and provide stimulus to the fight against the coronavirus pandemic. The Museum's projects like National Science Week and Sabalala Nolwazi Environmental Youth Club continue to provide the KwaZulu-Natal Museum with a competitive edge in reaching out to the majority of learners and the youth. The projects continue to be offered in virtual forms. The Africa and Youth Months' virtual projects and exhibitions raised awareness of the coronavirus pandemic and other viruses that have long inflicted great suffering to Africa and Africans. They have shown how these viruses, just like the coronavirus pandemic, took advantages of the gaps in socio-economic systems of the continent. Funds earmarked through the Natural Sciences Collections Facility Project and the JRS Biodiversity Foundation will enhance the Museum's ability to improve its collections management and create further opportunities for employment, economic self-sufficiency through internship and learnerships programmes that add value in fighting the Covid-19 pandemic.

The coronavirus pandemic enhanced the Museum's migration to digital technology that will help minimise the loss of income that the Museum would have otherwise harshly felt. Council has supported holding virtual meetings during the rest of the financial year in order to save costs. Our staff has also agreed to limit travel and improve on technological

usage. Many projects that relate to the Museum's maintenance will be done in house to ensure that funds are reprioritized for major operational work that enhance the Museum's response to the coronavirus pandemic.

In light of the recent evidence of polarization in racial relations and gender-based violence in the country, the KZN Museum will bolster its programmes to address social cohesion and safe communities. The celebration and commemoration of significant national days will promote interracial and intercultural virtual gatherings that are central to social cohesion. Promotion of national symbols that promote a common identity will be a central activity of the nation building agenda. In his address to the Chairpersons of all Arts and Culture entities, the Minister of Sports, Arts and Culture, the Hon Nathi Mthethwa emphasized the need to promote an understanding of Africa for South Africans, first as citizens of the continent and to enhance active involvement in the development of Africa and its rich heritage. The KwaZulu-Natal Museum will dedicate the rest of the financial year programs that address the complex challenges of poverty, unemployment and gender-based violence that make fighting the coronavirus even more complex for South Africa.

I am grateful to the Chairperson and the Council of the KwaZulu-Natal Museum for their support and active engagement in the development and the subsequent revision of the KwaZulu-Natal Museum's Annual Performance Plan 2020 - 2021. I also thank the Department of Sports, Arts and Culture for the support and guidance as the Museum strives to support government's action plan in the fight against the coronavirus pandemic.



Mr L. J. Maphasa
Accounting Officer

iii. OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan was developed by the management of the KwaZulu-Natal Museum under the guidance of the Council. It takes into account all the relevant policies, legislation and other mandates for which the KwaZulu-Natal Museum is responsible. It accurately reflects the strategic outcome-oriented goals and objectives which the KwaZulu-Natal Museum will endeavour to achieve over the period 2019/2020 – 2020/2021.



Mr Siphamandla Dlamini
Manager: Finance & Administration
Date: 15 July 2020



Mr Luthando Maphasa
Director
Date: 15 July 2020



Professor Fikile N. M. Mazibuko
Chairperson
Date: 15 July 2020

PART A: OUR MANDATE

1. Updates to the relevant legislative and policy mandates

The KwaZulu-Natal Museum was declared under the Cultural Institutions Act 1998 (Act No. 119 of 1998). In terms of the Act (Section 8), the Institution's mandate and responsibilities are:

- To formulate policy,
- To hold, preserve and safeguard all movable and immovable property of whatever kind placed in the care of or loaned or belonging to it,
- To receive, hold, preserve and safeguard specimens, collections and other movable property under its care and management under section 10(1),
- To raise funds for the institution,
- To manage and control the moneys received by the Museum and to utilize those moneys for defraying expenses in connection with the performance of its functions,
- To keep a proper record of the property of the Museum, to submit to the Director-General any returns required by him/her in regard thereto and to cause proper books of account to be kept,
- To determine, subject to the Act and the approval of the Minister, the objectives of the declared institution, and to generally carry out the objects of the institution.

2. Updates to Institutional Policies and Strategies

The KwaZulu-Natal Museum Council has approved various policies that relate to the work of the Museum and its compliance with the Cultural Institutions Act of 1998 and the PFMA of 1999. The policies that have been approved during the past five years are listed under Annexure A.

3. Updates to Relevant Court Rulings

No specific court rulings impacting on the operations or service delivery obligations.

PART B: OUR STRATEGIC FOCUS

4. Updated Situation Analysis

In the development of the strategic plan, the KZN Museum ensured that there is alignment with all the key planning processes that had to be followed. The KZN Museum ensured strategic alignment of all processes in consultation with all relevant stakeholders at programme and organizational level. The Sector-Wide Strategic Planning Session of the Department of Sports, Arts and Culture (DSAC) that took place on the 12 – 13 September 2019 guided the alignment of the KwaZulu-Natal Museum's Programs to the National Government's Priorities and the Minister of Sports, Arts and Culture's priorities.

4.1. External Environmental Analysis

The key issues in the delivery environment were identified based on the changing environment in which Museums operate, the need to create inclusive participation and to address government programs of action. A number of external factors influence the operations of the KZN Museum. These external factors include political, economic, social and technological factors. These factors are often outside the control of the Museum.

4.1.1 Economic Climate

Probably the greatest external factor is the economic climate. Museums generally are not self-sustainable. They normally depend on government support mainly through financial assistance (i.e. grants) for sustainability. The KwaZulu-Natal Museum is no different. In the current unfavourable economic climate, the KZN Museum, and others, have to compete with service delivery requirements for resources. It is imperative that the Museum is able to demonstrate its significance in society. The KZN Museum has to demonstrate that its research activities can play a significant role in areas of agriculture, tourism and dealing with issues of environmental management and climate change. It is the responsibility of the KZN Museum to ensure that this contribution is understood and appreciated by the relevant authorities and governance structures. The use of practices that contribute to sustainability enhancement is also regarded as a key obligation of the Museum.

COVID-19 has emerged as a serious threat to the attainment of the goals and objectives of the Museum. The Museum currently operates within lockdown regulations and arrangements due to the unpredictable nature of rates of infection, which presents challenges to normal planning. Social and physical distancing and other protocols related to COVID-19 have a negative impact on the ability of the KZN Museum to exercise its constitutional mandate. These protocols are understood and respected as national directives.

4.1.2 Physical Environments

Physical environments are important in museums as they are unique places where customers interact with exhibitions in a limited architectural space. In the case of the KZN Museum, the key internal environmental challenges include inadequate (in terms of space and specifications) heritage collections storerooms, lack of parking and inadequate space for exhibitions, offices and other public facilities. These challenges may be regarded as internal challenges. However, they become external as the Museum requires external assistance to be able to address them. It has been established that these challenges cannot be resolved in the current site. A new property is required in order to ensure that they are addressed properly.

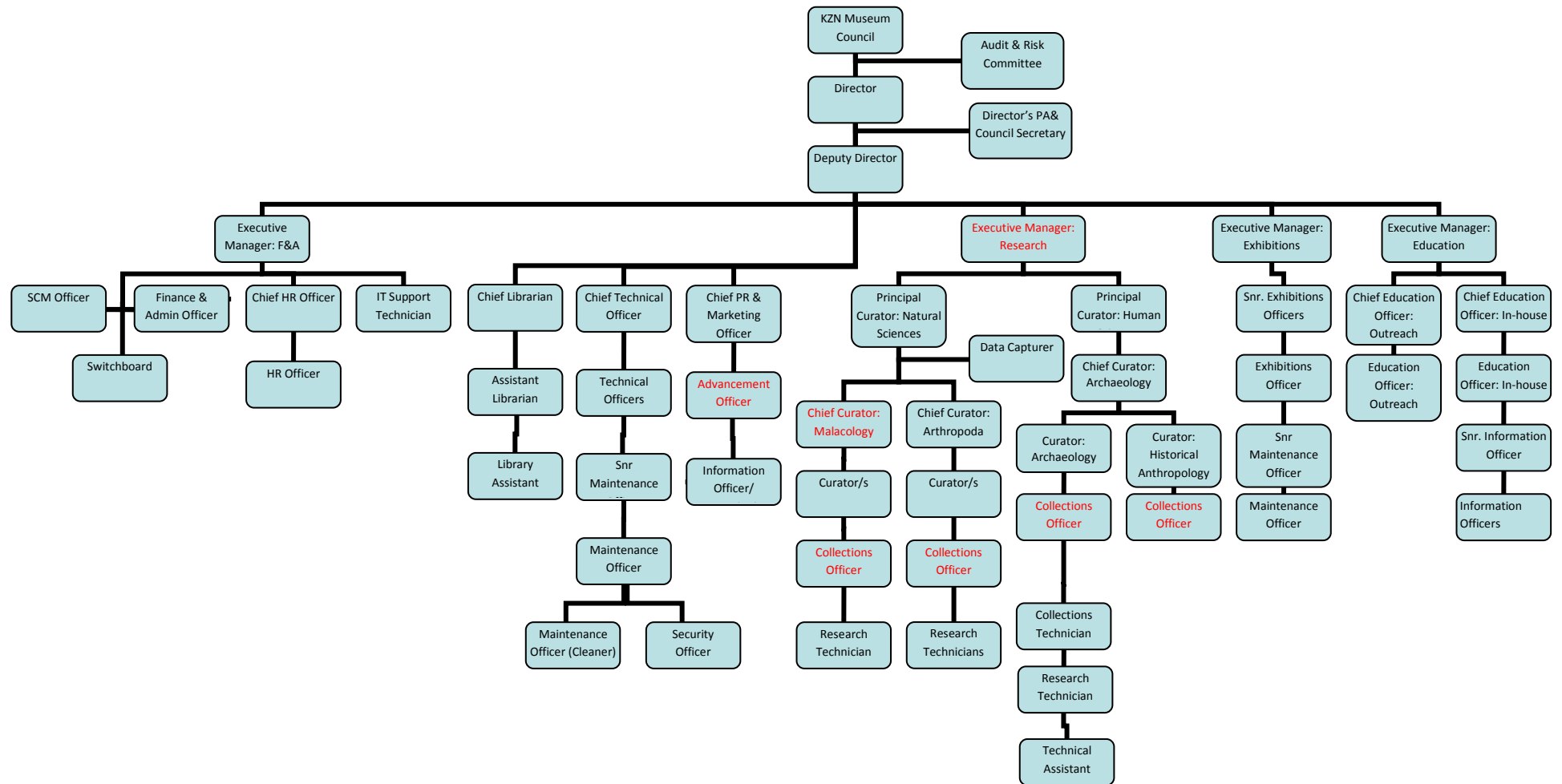
4.2. Internal Environmental

4.2.1. The approved organizational structure of the KwaZulu-Natal Museum

The organizational structure of the KwaZulu-Natal Museum consists of the Executive Authority who is the political head, assisted by the Council which is the Accounting Authority and the Accounting Officer who is the administrative head.

4.2.2. Organisational Environment: The Structure

During its restructuring process, the Council identified a structure that would balance the delivery on core functions of the Museum and at the same time address the challenges it faces through maximizing its opportunities. Although there are few posts that have not been filled due to budgetary constraints, the structure ensures that adequate standards are set in the implementation of the Museum's programmes of Administration, Business Development and Public Engagement.



NOTE: Positions in red font are vacant. Most are not funded, except for Advancement Officer position.

4.2.3 Equity Table in 2019/2020

Post level	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	2	0	0	0	0	0	0	0	2
Management	3	0	1	3	2	0	1	0	10
Middle management & high level specialist	1	0	0	3	1	0	1	3	9
Supervisor & high level skilled/ clerical	9	0	1	0	7	0	1	2	20
Lower level skilled/ clerical	12	0	0	0	14	0	0	0	26
Total	27	0	2	6	24	0	3	5	67

4.2.4 Proposed Equity Table in 2022/2023

Post level	Male					Female					Total
	African	Coloured	Indian	White	Disability	African	Coloured	Indian	White	Disability	
Senior Management	2	0	0	0	0	0	0	0	0	0	2
Management	3	1	1	2	0	2	0	1	1	0	11
Middle management & high level specialist	1	0	0	2	0	1	0	1	4	0	9
Supervisor & high level skilled/ clerical	10	0	1	0	0	7	0	0	0	1	19
Lower level skilled/ clerical	11	0	0	0	0	15	0	0	0	0	26
Total	27	1	2	4	0	25	0	2	5	1	67

PART C: MEASURING OUR PERFORMANCE

5. INSTITUTIONAL PROGRAM PERFORMANCE INFORMATION

a. Programme 1: Administration

The purpose of this programme is to:

- ensure sound financial sustainability of the Museum, the effective and efficient management, administrative and operational activities,
- ensure best governance, financial and human resource practices within the Museum to enhance compliance with applicable legislation,
- render institutional support to the Museum's core functions by broadening the sphere of influence of the Museum,
- promote public awareness of the Museum's services and amenities through publicity and events,
- provide professional library services to serve the scientific community and the general public,
- Ensure proper maintenance of the Museum building and to provide technical support to internal departments.

b. Programme 2: Business Development

The purpose of this programme is to:

- properly manage and maintain the natural and cultural heritage collections,
- serve as centres for promotion of research and development,
- Ensure that the Museum remains a centre of research excellence by publishing research output in accredited scientific journals.

c. Programme 3: Public Engagement

The purpose of this programme is to:

- design and produce state of the art exhibitions and public programmes that showcase the Museum's programmes,
- address national imperatives through exhibitions and public programmes,
- accelerate skills development in the heritage sector by providing mentorship and training opportunities,
- develop and implement education and outreach programmes for learners that are aligned to the Curriculum Assessment Policy Statement (CAPS) and National Curriculum Statement (NCS) and enhance heritage knowledge and education,
- Develop and strengthen local and international partnerships to advance the objectives of the Museum.

d. Alignment to DAC Outcomes

Planned Strategies	Link to Government Priorities
1. To conduct cultural and natural history research to increase public understanding and appreciation of the country's rich and diverse heritage.	MTSF Priority 6: Social Cohesion and Safe Communities; <u>Outcome:</u> A diverse socially cohesive society with a common identity; <u>Intervention:</u> Improve research output and popular presentations.
2. To implement efficient and effective collections management practices in line with international standards.	MTSF Priority 1: Building a Capable, Ethical & Developmental State; <u>Outcome:</u> Honest and capable state with professional and meritocratic public servants; <u>Intervention:</u> Develop and maintain collections to improve their relevance and significance.
3. To provide quality education and outreach programmes.	MTSF Priority 3: Education, skills and health; <u>Outcome:</u> A diverse socially cohesive society with a common identity; <u>Intervention:</u> To align educational programmes with NCS and increase audience base.
4. To design and produce transformative, state of the art exhibitions.	MTSF Priority 6: Social Cohesion and Safe Communities; <u>Outcome:</u> A diverse socially cohesive society with a common identity; <u>Intervention:</u> To ensure that the museum's exhibitions showcase the country's rich heritage and address national imperatives.
5. To promote good governance by adhering to the PFMA.	MTSF Priority 1: Building a Capable, Ethical & Developmental State; <u>Outcome:</u> Honest and capable state with professional and meritocratic public servants; <u>Intervention:</u> Improve the compliance profile of the Museum.
6. To be a leading training institute in Africa and South Africa.	<p>MTSF Priority 1: Building a Capable, Ethical & Developmental State; <u>Outcome:</u> Honest and capable state with professional and meritocratic public servants; <u>Intervention:</u> To increase the number of in-service students trained and supervised</p> <p>MTSF Priority 3: Education, skills and health; <u>Outcome:</u> A diverse socially cohesive society with a common identity; <u>Intervention:</u> To introduce a credible outcome focused training, through the learner tracking system.</p> <p>MTSF Priority 7: A better Africa & better world; <u>Outcome:</u> Increase appreciation of the country's rich heritage; <u>Intervention:</u> Conduct research and training to increase understanding and appreciation of African heritage locally and abroad.</p>
7. Conduct Supply chain management compliance assessments, Policy and Contract Management.	MTSF Priority 1: Building a Capable, Ethical & Developmental State; <u>Outcome:</u> Honest and capable state with professional and meritocratic public servants; <u>Intervention:</u> Improve financial governance.
8. Create employment through capital works programmes and growth in the Museum.	MTSF Priority 2: Economic Transformation & Job Creation; <u>Outcome:</u> Increased market share of job opportunities in sport, cultural and creative industries; <u>Intervention:</u> Increased government spend on local firms & set asides for historically disadvantaged groups and SMMEs.

e. OUTCOMES, OUTPUTS, PERFORMANCE INDICATORS AND TARGETS

Programme 1: Administration

5.1

Outcomes	Outputs	Output Indicators	Annual Targets						
			Audited / Actual Performance			Estimated Performance			
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Improved Audit Outcomes.	Audit opinion.	Unqualified audit outcomes with no matters.	Qualified audit opinion due to non-compliance with the valuation aspect of GRAP 103: Heritage Assets. The heritage Assets were not valued due to unavailability of resources.	Unqualified audit report.	Unqualified audit.	Unqualified audit outcomes with no matters.	Unqualified audit outcomes with no matters.	Unqualified audit outcomes with no matters.	Unqualified audit outcomes with no matters.

5.2

Outcomes	Outputs	Output Indicators	Annual Targets						
			Audited / Actual Performance			Estimated Performance			
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Increased Appreciation of the country's Rich Heritage.	Visitor numbers	Visitor numbers.	81 563 visitors.	74 841 visitors.	74 758 visitors.	89 080 visitors.	20 000 visitors.	60 000 visitors.	80 000 visitors.

Programme 2: Business Development

5.3

Outcomes	Outputs	Output Indicators	Annual Targets						
			Audited / Actual Performance			Estimated Performance			
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Improved Research Output.	Peer reviewed articles	Number of articles published	15 papers	A total of eight (8) research papers were produced.	7 papers published.	7 Original research papers	8 Original research papers.	8 Original research papers.	8 Original research papers.
	Research Papers presented at Conferences.	Number of Research Papers presented at Conferences.	Research papers presented at conferences and workshops.	3 presentations.	Total of 5 research papers and 1 poster presentation made.	13 Presentations	10 Presentations	10 Presentations	10 Presentations

5.4

Outcomes	Outputs	Output Indicators	Annual Targets						
			Audited / Actual Performance			Estimated Performance			
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Preserved Collections	Database.	Maintained collections to International Museum standards.	None	None	None	Unqualified Audit Outcome	Unqualified Audit Outcome	Unqualified Audit Outcome	Unqualified Audit Outcome
	Field trips.	Number of field trips conducted by the research departments.	9 field trips.	11 field trips.	11 field trips.	14 Field Trips	9 Field Trips	9 Field Trips	9 Field Trips

Programme 3: Public Engagement

5.5

Outcomes	Outputs	Output Indicators	Annual Targets						
			Audited / Actual Performance			Estimated Performance			
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Increased cultural and natural heritage awareness.	Temporary exhibition.	Number of Temporary exhibition produced.	Hosted and assisted in the production of 'Safe Spaces', a temporary exhibition by the Gay and Lesbian Network.	2 exhibitions produced: Africa - a celebration The National Symbols Exhibition	Host one temporary exhibition.	2 exhibitions produced.	2 exhibitions produced.	2 exhibitions produced.	2 exhibitions produced.
	Permanent exhibitions.	One permanent exhibition produced.	None	None	None	1 exhibition produced.			1 exhibition produced.

5.6

Outcomes	Outputs	Output Indicators	Annual Targets						
			Audited / Actual Performance			Estimated Performance			
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Improved participation in the Museum's education and outreach programmes.	Number of learners.	Number of learners.	27 307 learners.	21 785 learners visited the Museum.	20 052 learners.	26 467 learners	13 895 learners.	20 426 learners.	21 447 learners.

Outcomes	Outputs	Output Indicators	Annual Targets						
			Audited / Actual Performance			Estimated Performance			
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
A diverse socially cohesive society with a common identity.	National Days Commemoration.	Number of National Days Commemorated.	10 days observed/celebrated: Biodiversity Day, Youth Day, Mandela Day, Women's Day, Arbor Week, Heritage Day, 16 Days of activism for No Violence Against Women and Children, World Aids Day, Human's Rights Day.	10 days observed/celebrated: Freedom Day, Biodiversity Day, Africa, Youth Day, Mandela Day, Arbor Day, Heritage Day, 16 Days of Activism for no Violence Against Women and Children, World Aids Day, Human Rights Day.	10 days commemorated.	10 days commemorated.	10 days commemorated.	10 days commemorated.	10 days commemorated.

6 Explanation of Planned Performance over the medium term period.

Programme 1: Administration

6.1

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Unqualified audit outcomes with no matters.	Unqualified audit report.	Prepare Quarterly Report for quarter ending 31 March 2020, Prepare AFS and Annual Report for 2019/20, hold Council Meeting and Audit and Risk Committee Meetings to approve draft AFS.	Prepare Quarterly Report for quarter ending 30 June 2020, submit ENE/MTEC database, prepare and Submit to DAC draft APP for 2021/22 and Strategic Plan for 2020 – 2025.	Prepare Quarterly Report for quarter ending 30 September 2020, hold Council Meeting and Audit and Risk Committee Meetings to approve AFS, submit 2 nd draft APP to DAC. Interim Internal Audit Report issued.	Prepare Quarterly Report for quarter ending 31 December 2020, hold Council Meeting and Audit and Risk Committee Meetings.

Planned Performance over the medium term period.

The objective of the sub-programme is to ensure sound financial sustainability of the Museum, the effectiveness and efficiency of management, administrative and operational activities by implementing sound governance, financial and human resource practices within the Museum to comply with applicable legislation.

The identified outcome of improved audit outcomes in the Museum contributes to the MTSF (2020-2025) MTSF Priority 1: Building a Capable, Ethical & Developmental State; Outcome: Honest and capable state with professional and meritocratic public servants; Intervention: Improve the compliance profile of the Museum. Furthermore, it is part of the Administration Program to ensure efficient and effective use of financial resources, promote accountability, reduce risks and ensure clean audit outcomes.

The indicator of unqualified audit outcome with no matters will be used to track improvement compliance with the PFMA, GRAP, Treasury Regulation and Internal Controls of the Museum over the next five-year period. Annual audit performance of the Museum will definitely improve if the above regulations are adhered to.

The enablers required to achieve the five-year targets are commitment and cooperation; transfer of skills strategy in Institution; ethical and accountable Institutional Heads, legislative compliance, adequately skilled and highly efficient work force that is readily available.

6.2

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Visitor numbers	46 767 visitors	0 visitors	15 589 visitors	15 589 visitors	15 589 visitors

Planned Performance over the medium term period.

Museums collect objects and materials of cultural, religious and historical importance, preserve them, research into them and present them to the public for the purpose of education and enjoyment. Museums are pillars of culture and learning where people can explore different traditions, new ideas, and unique art forms. They are also engaging and constantly changing. It is important for Museum to work on retaining their customer base as well as bring in new visitors to the Museum.

The identified outcome of Increased Appreciation of the country's Rich and Diverse Heritage contributes to the MTSF Priority 6: Social Cohesion and Safe Communities; Outcome: A diverse socially cohesive society with a common identity; Intervention: To ensure that the museum's exhibitions showcase the country's rich natural and cultural heritage and address national imperatives.

The enablers required to achieve the five-year targets are stakeholder engagement, collaborations with other institutions and vigorous advertising and engagement on all media platforms. Varied advertising and promotional tools are required to reach different audiences as each target group receives information differently. It is also important to engage with all stakeholders in obtaining feedback in the form of customer satisfaction surveys, to know what visitors respond to and the impact it has on the end result, which is increase in visitor numbers.

Outcomes are measured by the number of people who are recorded as having been reached, either by visiting the museum or those who are reached through the various programmes and offerings that are presented by the Museum.

Programme 2: Business Development

6.3

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of articles published	7 Original research papers	2 Original research papers.	2 Original research papers.	1 Original research papers.	2 Original research papers.
Number of presentation or poster delivered	13 Presentations	4 Presentations	4 Presentations	2 Presentations	3 Presentations

Planned Performance over the medium term period.

This programme is made up of two departments; the Natural Sciences Department and Human Sciences Department. The objective of this programme is to properly manage and maintain the natural and cultural heritage collection to serve as centres for promotion of research and development. To be the centre of research excellence by publishing research output in accredited scientific journals.

The identified outcome of *Publication of Original Research* contributes to the MTSF Priority 1: Building a capable, ethical and developmental state and to the DSAC outcome: Skilled and ethical sport, arts and culture civil service.

Within the context of the knowledge economy, it falls on the museum’s research-curators to produce original knowledge in the form of peer-reviewed journal articles, book sections, edited volumes and complete books that contributes to the Human Sciences in South Africa. This knowledge is used in tertiary education and research both locally and internationally and contributes to the upskilling of citizens who read the material. The target is established as one scholarly publication per research-curator per annum—a target similar to many universities in the country.

The identified outcome of *Research Papers/Posters Presented* contributes to the MTSF Priority 1: Building a capable, ethical and developmental state and to the DSAC outcome: Skilled and ethical sport, arts and culture civil service.

Along with knowledge production, research-curators disseminate this knowledge to global academic communities through presenting research papers at conferences. This dissemination enhances the country’s scientific prestige and also markets the country’s heritage assets; in turn, these attract local and foreign students to work on South African material and also makes the global museum community aware of the nation’s heritage assets. As with publication, each research-curator is expected to present one conference paper per annum.

6.4

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Maintained collections to International Museum standards.	Unqualified Audit Outcome.	Progress Reports.	Unqualified Audit Outcome. Progress reports.	Progress Reports.	Progress Reports.
Number of field trips conducted by the research departments.	14 Field Trips	3 Field Trips	7 Field Trips	1 Field Trip	3 Field Trips

Planned Performance over the medium term period.

The identified outcome of *Heritage Assets: Administer to achieve a clean audit* contributes to the MTSF Priority 1: Building a capable, ethical and developmental state and to the DSAC outcome: Strengthen relations and efficiency in government. The nation’s heritage assets are an integral part of the nation’s heritage and wealth. It is the first duty of curators to curate these heritage assets on behalf of the nation and in a manner that complies with GRAP103 processes.

The identified outcome of *Fieldwork to grow collections* contributes to the MTSF Priority 1: Building a capable, ethical and developmental state and to the DSAC outcome: Improved service delivery in sport, arts and culture – SOCIAL COMPACTS. The nation’s heritage assets are not only kept within museums but many are at undocumented heritage sites throughout the country. Fieldwork is required to document, map and selectively collect items of the nations’ heritage. Each curator/ collections staff is expected to spend -7 days in the field per annum documenting or collecting heritage assets.

Programme 3: Public Engagement

6.5

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Temporary exhibitions produced.	2 temporary exhibitions produced.	-	Exhibitions produced.	Exhibitions produced.	-
Permanent exhibitions produced.	1 Permanent exhibitions produced.	Report on work in progress.	Report on work in progress.	Report on work in progress.	Report on work in progress.

Planned Performance over the medium term period.

New Exhibitions are of crucial importance to the Museum for not only do they attract new audiences and increase visitor numbers, they are aligned to the school curriculum and form a foundation for education programs both within the Museum and externally in outreach programmes. Exhibitions directly contribute to Priority 3 (education, skills and health) as the interaction between the audience and exhibitions directly results in the development of education, skills and knowledge. With this comes the capability to foster wellbeing for both the self and environment, directly influencing health.

New permanent exhibitions like the *Invertebrates* and *Rise of the Zulu Kingdom* also create awareness around social cohesion and safer communities. *The Rise of the Zulu Kingdom* is one of our many examples within the Museum of how learning about one's own heritage and culture enables cultural awareness and acceptance of others. The *Invertebrate's* exhibition is focused on the appreciation and conservation of our natural habitats, no matter how small, taking care of one's environment will directly lead to healthy ecosystems and a healthy and safe environment for all.

Temporary exhibitions have a much shorter life span, generally lasting a year. These short-term exhibitions have a high social impact as they are often developed together with the public and confront topics that are pertinent and relevant to public interest – directly tackling social and environmental ills. The education programme outcomes for these exhibitions and displays have endless possibilities, such as taking the exhibited information further into communities by way of travelling displays.

All new exhibitions are developed with technical advances and innovations in mind. The departmental staff are continually researching new creative methods of relaying information. Exhibitions are developed to remain on par with international practices and trends. The Exhibitions Department also directly contributes towards skills development by hosting interns who need work experience within the creative industry.

Due to the outbreak of the Coronavirus, the national level 5 lockdown brought the production of permanent exhibitions to a halt, however it also increased the research and productivity of the production of temporary displays with the production of digital media displays showcased over social media and other digital platforms. The effects of lockdown have slowed production in terms of the fabrication and delivery of raw materials such as timber, comatex and printing materials needed for the manufacture of displays, this will have a knock on effect in the delivery of production based exhibitions.

The pandemic has also directly impacted the manner in which the museum audience interacts with the displays. A new key undertaking in the Exhibitions Department is the research, production and implementation of safety measures and precautions to be utilised in the galleries: such as up-to-date coronavirus social measures in the form of signage and posters, social distancing markers, screens and the reconceptualising of hands-on interactive and multimedia displays. This will be an ongoing practice as stipulations and levels around the

pandemic are altered and will pose a threat to the deadlines of new exhibitions, however it is important to note that production will continue with the aforementioned factors in place, however they may have time implications.

Commitment, appropriate funds and sound project management will ensure that the five-year targets are managed appropriately and delivered within the required time frames. Improved and better resourced projects will invariably deliver better outcomes.

Outcomes are measured by the delivery of exhibitions within the appropriate timeframes and that are of a high quality, and most importantly educate the museum audience. During the process of delivering the exhibitions, ethical and accountable financial management is required during the project, this also includes making use of industries that support economic growth.

6.6

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of learners.	13 895 learners.	625 learners (actual)	4 168 learners	3 196 learners	3 890 learners

Planned Performance over the medium term period.

The objective of this programme is to develop and implement education and outreach programmes for learners that are aligned to the National Curriculum Statement (NCS) and enhance heritage knowledge and education. Provide mentorship and training opportunities to accelerate skills development in the heritage sector.

These programmes address the issues of lack of infrastructure in previously disadvantaged schools by taking the Museum artefacts to schools. The programme also enhances the quality of education by conducting lessons which are curriculum based to these schools. Furthermore, learners are taught skills such as recycling and art and crafts which can become sources of income for learners thus resulting in self-sufficient individuals. It promotes Museum to the communities situated on the outskirts of the city resulting in a Museum that is striving for inclusivity equality and accessibility to the Museum.

The identified outcome of improved participation in the Museum's education and outreach programmes contributes to MTSF Priority 3: Education, skills and health; Outcome: A diverse socially cohesive society with a common identity; Intervention: To align educational programmes with NCS and increase audience base.

These outcomes were chosen based on the gap that was identified showing that schools in rural and semi-rural areas do not frequent the museum when compared to schools closer to the cities. Equipping learners with practical skills will create employment opportunities.

The programmes assist educators in the pass rate of students, this is based on the feedback from schools.

The resources required to achieve the targets are, vehicles to travel to the various schools, facilitators to conduct and facilitate lessons, venues to conduct lessons, good relationship with the education department.

The performance for Q1 was zero feet through the door due to the lockdown as a result of the Covid-19 pandemic. However, the Youth Month Online Competition which was aimed at high school learners was received very well. We had 625 entries for the competition which equates to our reach for quarter 1. Subsequent targets were revised down by 50% as there are

still some lockdown restrictions in place and schools are not allowed to travel to safeguard the health of the learners and also to make up for lost time so they can finish the curriculum. Furthermore, the Museum is not allowed to visit schools to conduct outreach programmes as use of schools by other stakeholders is prohibited during lockdown. The Museum will endeavour to try and reach more learners via online platforms.

6.7

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of National Days Commemorated.	10 days commemorated.	3 days commemorated.	3 days commemorated.	3 days commemorated.	1 day commemorated.

Planned Performance over the medium term period.

Special days are celebrated and commemorated to create awareness and educate about different issues. Activities are conducted to promote social cohesion through the celebration of Africa Day and Human Rights Day. There are also programmes that target women where women are equipped with craft skills and also encouraged to take leadership skills. Moreover, women are encouraged to further their studies so that they can occupy spaces that are traditionally occupied by men. Entrepreneurship is also encouraged by inviting young business women to share their stories of success. Some special days target people with disabilities to promote accessibility and inclusivity and also to promote social cohesion.

The identified outcome of a diverse socially cohesive society with a common identity in the Museum contributes MTSF Priority 6: Social Cohesion and Safe Communities; Outcome: A diverse socially cohesive society with a common identity; Intervention: improving the Museum's liaison with the communities and robustly advertise National Days.

Outcomes are chosen to fulfil the mandate of the Museum and to address the priority areas outlined by the Department of Arts, Culture and Sport. These outcomes also address pertinent issues that need to be remedied by the country as a whole.

For the programmes to be successful we rely on a number of enablers. Partnership with stakeholders to cut cost. Human resources to plan and implement the programme is also vital.

Upcoming National Days will be observed guided by regulations on social gatherings under current lockdown regulations. If physical gatherings are not possible online platforms will be utilised to commemorate these special days.

7 Program Resource Considerations

7.1 BUDGET ESTIMATE: 2020/2023

	<u>2016/2017</u> <u>AUDITED</u>	<u>2017/2018</u> <u>AUDITED</u>	<u>2018/2019</u> <u>AUDITED</u>	<u>2019/2020</u> <u>PROJECTED</u>	<u>2020/2021</u> <u>PROJECTED</u>	<u>2021/2022</u> <u>PROJECTED</u>	<u>2022/2023</u> <u>PROJECTED</u>
	(Rand)	(Rand)	(Rand)	(Rand)	(Rand)	(Rand)	(Rand)
REVENUE	35 423 417	48 396 390	52 285 540	52 856 516	85 324 010	162 556 242	215 693 045
DAC - SUBSIDY	19 138 000	27 495 000	30 023 000	30 646 000	31 361 000	35 196 000	36 506 000
DAC - MUNICIPAL CHARGES	4 346 337	4 691 000	4 963 000	4 272 000	4 511 000	4 755 450	4 931 000
DAC - PARKING - LEASE	242 527	222 899	239 000	258 000	278 000	293 000	303 000
DONATIONS	2 890	4 623	5 135	6 009	2 628	5 518	5 783
INTEREST	570 326	753 771	1 449 287	772 846	983 956	1 033 153	1 082 745
JOURNALS	94 950	46 311	42 212	36 406	61 484	64 558	67 656
ENTRANCE CHARGES	109 189	118 383	118 561	151 763	103 750	228 987	239 978
SCHOOL ENT CHARGES	43 679	43 446	44 934	52 265	46 217	97 054	101 713
LRC INCOME	112 736	97 572	114 676	66 600	59 250	130 771	137 048
MUSEUM SHOP	44 127	40 442	49 310	43 185	27 424	57 590	60 354
VENDING MACHINE	31 284	35 802	47 974	33 579	-	51 602	54 079
HOLIDAY PROGRAMME	15 400	59 090	58 780	70 001	37 500	62 548	65 550
HALL BOOKINGS			0	23 650	45 248	99 866	104 659
OTHER INCOME *	215 728	133 653	84 213	1 069 894	2 427 714	1 194 863	1 688 400
DPW - SERVICES - IN - KIND: RENTAL **	9 439 944	10 305 396	11 129 828	11 719 707	12 317 412	12 933 283	13 554 080
PROJECT FUNDS: RESEARCH & EXHIBITIONS	1 016 300	4 349 002	3 915 631	3 634 612	33 061 427	106 352 000	156 791 000
EXPENDITURE	(35 517 741)	(46 933 702)	(50 281 120)	(54 679 718)	(85 324 010)	(162 556 242)	(215 693 045)
PERSONNEL COSTS	(16 106 763)	(21 711 966)	(24 876 478)	(28 164 629)	(29 983 426)	(31 031 253)	(32 520 753)
OTHER OPERATING EXPENDITURE	(8 712 207)	(10 426 688)	(10 529 332)	(11 559 042)	(9 961 745)	(12 239 706)	(12 827 212)
SERVICES IN KIND - RENTAL **	(9 682 471)	(10 528 295)	(11 129 828)	(11 719 707)	(12 317 412)	(12 933 283)	(13 554 080)
GRANTS & PROJECT FUNDS EXPENDITURE	(1 016 300)	(4 266 753)	(3 745 482)	(3 236 340)	(33 061 427)	(106 352 000)	(156 791 000)
NET SURPLUS / (DEFICIT)	(94 324)	1 462 688	2 004 420	(1 823 202)	-	-	-

* In the financial periods 2020/2021 to 2022/2023, a depreciation estimate averaged at about R448, 333 per annum has been provided for, though the depreciation is a non-cash item. An equivalent amount has been included in the "Other Income" to avoid budgeting for a deficit. However, the Museum will utilize its reserves to set it off. Furthermore, the Museum needs to raise an average amount of R1, 770, 326 per annum as additional funding to finance its projected operating expenditure in the said financial periods.

** Services-in-kind arise from the related party transactions between the Department of Sports, Arts and Culture (DSAC) and the Department of Public Works (DPW). In terms of the Cultural Institutions Act, the DPW has made available land and buildings to the Museum at no consideration. It is the policy of the Museum to disclose the fair value of the rental benefit.

7.2 Narrative

Since 31 December 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, businesses were forced to cease or limit operations for long or indefinite periods. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

The South African government responded with monetary and fiscal interventions to stabilise economic conditions. On 17 June 2020, the Department of Sports, Arts and Culture, as part of the National Government Budget reprioritisation strategy, reduced the 2020/2021 budget allocations for all its entities. The Museum's budget allocation was reduced by 6% or R2 000, 000. Although the Museum's is a going concern, the impact of COVID-19 has put a strain on revenue collection and added pressure on expenditure as the Museum has had to reprioritize funds to support government initiatives.

The Museum budget provides for the implementation of three programmes: Programme 1 (Administration) is divided into two sub-programmes; Entity Management and Governance and Support Services; Programme 2 (Business Development) focuses on conservation and research development; and Programme 3 (Public Engagement) consists of two sub-programmes; Exhibitions and Education and Outreach Programme. The total budget for the 2020/21 amounts to R85,324 million. Included in this amount is the services in kind item amounting to R12, 317 million as well as the grants and project funding expenditure that totals R33, 061 million.

The operating budget for 2020/21 amounts to R39, 945 million. This amount excludes grants and project funding for specific projects and the services in kind items. The operating budget will be distributed as follows: - Programme 1: Administration (47%), Programme 2: Business Development (30%), Programme 3: Public Engagement (23%). The main item driving the budget distribution of 47% in favour of Programme 1: Administration is the municipal charges item at R4, 511 million in 2020/21, rising to R4, 755 million in 2021/22. The main contributor to the grants and project funding expenditure item is the New Museum Project grant. The projected expenditure throughout the MTEF period is based on the stages of the infrastructure projects lifecycle. The Museum envisages that the 2020/21 period will see the implementation of the project inception stage, which takes about 5% of the total project lifecycle. In subsequent years, the project matures to the concept and viability as well as the design and development stages, hence the increased projected expenditure.

8 Updated Key Risks

Outcome	Key Risk	Risk Mitigation
Improved Audit outcomes.	Non-compliance with legislation and regulatory prescripts. Non-compliance with Supply Chain Management framework.	<ul style="list-style-type: none"> • Sound internal controls systems are in place. • The Museum set aside 1% of the personnel budget, for staff development i.e. formal and informal. • The Museum is set to appoint a permanent SCM Officer in the 2020/21 financial year.
Number of visitors.	Museum not reaching its entire targeted audience as per Museum Strategic Plan.	<ul style="list-style-type: none"> • The Museum mainly uses print media for its advertising. It has also moved towards advertising on social media platforms. • The new structure provides for the augmentation of the Public Relations division. • The Museum set aside a budget for advertising.

Outcome	Key Risk	Risk Mitigation
Improved Research Output.	<p>Lack of resources i.e. scientific equipment, vehicles.</p> <p>Loss of key personnel in the Research Department.</p>	<ul style="list-style-type: none"> • Collaborate with other institution and use the MoU with the UKZN. • The Museum set aside 1% of the personnel budget, for staff development. Furthermore, the Museum introduced a Recognition of Improved Qualification, in order to encourage staff to study.
Preserved Collections.	<p>Lack of funding could result in inability to improve collections and ensure proper management.</p> <p>Security could be compromised.</p> <p>Inadequate space to house the collections; more importantly the wet collections. Conditions not ideal for storage of some collections especially wet collections.</p>	<ul style="list-style-type: none"> • Funding being raised through applied research and NRF. • New technology to be added to improve security. • New Museum would address shortcoming due to structure of current building.
Number of temporary exhibitions produced.	No space for new exhibitions. Deteriorating exhibitions.	<ul style="list-style-type: none"> • New Museum would address shortcoming due to structure of current building • The Museum set aside a budget for the minor maintenance.
Number of permanent exhibitions produced.	No funds to develop new exhibition from DAC's main grant.	<ul style="list-style-type: none"> • The Museum to apply for funding from National Lotteries Commission and DAC to fund the exhibitions projects. Continue to collaborate with other institutions within region on social cohesion projects.
Number of learners.	<p>Inability to expand the Museum's education and outreach programmes.</p> <p>Lack of personnel to run the education and outreach programmes.</p> <p>Prohibition of schools to undertake excursions due to Covid-19.</p>	<ul style="list-style-type: none"> • The Museum to liaise with the schools, in order to plan ahead and cater for the target audience. • The Museum to house 16 in-service students every financial year. The long term solution is that, the Museum need to hire more permanent staff. • Online programmes will be considered as travelling of schools is not allowed due to lockdown. Social media platforms will be utilized to reach schools. Recording of educational programmes that will be disseminated to schools is also being considered.
Number of National Days Commemorated.	<p>Poor communication between the Museum and the DSAC i.e. providing the themes for the National Days.</p> <p>Poor audience turn out.</p> <p>Restrictions on gatherings due lockdown regulations.</p>	<ul style="list-style-type: none"> • The Museum to strengthen the relations with the DSAC and liaise with other stakeholders in order to make sure the themes are received on time. • The Museum to liaise with the communities and robustly advertise National Days. • Online campaign will be utilized to supplement the physical events or to commemorate the day where hosting of an event is impossible.

9. Infrastructure Projects

No	Project Name	Programme	Project description	Outputs	Project start date	Project completion date	Total Estimated cost	Current year expenditure
1.	Upgrading and Conversion of the St Anne's Hospital Building into the New KwaZulu-Natal Museum	Administration	The project entails upgrading and altering the Old St Anne's Hospital building to make it conducive for the relocation of the KwaZulu-Natal Museum to the property. This entails the construction of purpose-built museum facilities such as exhibition/ display areas, collections storage facilities, education/ lecture facilities and other support facilities. Adequate parking with landscaping will be provided within the rest of the site.	New Museum Building	29 March 2020	March 2024	R336 260 000,00	R38 318 000,00
2.	Facilities Management for the Kwazulu-Natal Museum	Administration	To obtain repair & maintenance services from a reputed, experienced, and qualified contractor who shall provide efficient repair, refurbishment and maintenance services to the KZN Museum as per the UAMP.	Well maintained building	01 April 2020	31 March 2023	R3 520 000,00	R1 646 000,00

PART D: TECHNICAL INDICATOR DESCRIPTION (TID)

Indicator title	Unqualified audit outcomes with no matters.
Short definition	Unqualified audit outcomes each financial year.
Purpose/importance	Unqualified audit outcomes indicate that the financials of the institution meet with the required standards.
Source/collection of data	Report of the Auditor-General of South Africa.
Method of calculation	The Auditor-General must specify that the audit report is unqualified.
Assumptions	Full compliance with policies and procedure manuals by all staff of the Museum.
Reporting cycle	Annual progress against the five year target.
Desired performance	The KwaZulu-Natal Museum to acquire unqualified audit reports with no findings from the Auditor-General.
Indicator responsibility	The Director and Executive Manager: Finance and Administration.

Indicator title	Number of visitors
Short definition	The number of visitors reached by the Museum in all categories of programmes and services offered, as well as visitors to the Museum exhibitions.
Purpose/importance	Museums need visitors to prosper and to fulfil the purpose for its existence. Stakeholders consume the education and information that a museum offers and also to contribute economically to the Museum.
Source/collection of data	Visitor statistics, entrance fees, attendance registers.
Method of calculation	Headcount of all categories of visitors

Assumptions	Visitors will respond positively to visiting the museum and supporting planned programmes and offerings by the Museum.
Reporting cycle	Quarterly against annual target.
Desired performance	To retain current customer base, to grown the number of visitors and to attract new visitors.
Indicator responsibility	Chief Public Relations & Marketing Officer

Indicator title	Number of original research papers published
Short definition	Research articles n peer-reviewed journals/edited volumes/books
Purpose/importance	Dissemination of scholarly knowledge
Source/collection of data	Journal websites/volumes
Method of calculation	Count no. of published articles
Assumptions	Manuscripts are published
Reporting cycle	Annual
Desired performance	7 per annum
Indicator responsibility	Assistant Director: DNS & Assistant Director: DHS

Indicator title	Number of research papers presented at conferences
Short definition	Research presented at conferences

Purpose/importance	Dissemination of knowledge
Source/collection of data	Conference programme
Method of calculation	Count
Assumptions	Funding raised for conference attendance
Reporting cycle	Annually
Desired performance	7
Indicator responsibility	Assistant Director: DNS & Assistant Director: DHS

Indicator title	Properly administer heritage assets to achieve unqualified audit outcome
Short definition	Maintain collections to international museum standards
Purpose/importance	Maintain the national estate
Source/collection of data	DNS and DHS databases
Method of calculation	Audit criteria
Assumptions	Date entered correctly
Reporting cycle	Annually
Desired performance	Complete databases
Indicator responsibility	Assistant Director: DNS & Assistant Director: DHS

Indicator title	Number of Field trips conducted
Short definition	Number of days spent in the field
Purpose/importance	Expand and develop collections
Source/collection of data	Vehicle forms & Business leave forms
Method of calculation	Days per researcher
Assumptions	Funding for fieldtrips
Reporting cycle	Annuals
Desired performance	60 days
Indicator responsibility	Human Resources

Indicator title	Number of temporary exhibitions produced
Short definition	Short-term based exhibitions which include: displays, social media exhibitions, online exhibitions, posters and digital media designs, pop-up exhibitions that can have a display duration of 1 week to 1 year.
Purpose/importance	To deliver current information to the public, often used for outreach as traveling exhibitions.
Source/collection of data	Completed JPEG's of the generated designs and photographic evidence of the final display or exhibition in its location.
Method of calculation	Concept designs of future displays, exported JPEG's of the generated designs and photographic evidence of the final product once completed.
Assumptions	Completed displays and exhibitions of a high educational and aesthetic standard.

Reporting cycle	Quarterly and annual progress against the five year target.
Desired performance	High quality exhibitions that are completed within their desired timeframes that directly contribute to Priority 2 (education, skills and health).
Indicator responsibility	Assisting Director: Exhibitions.

Indicator title	Number of permanent exhibitions produced
Short definition	Long term based exhibitions that have a duration of 5 years and longer.
Purpose/importance	Exhibitions that are aligned to the school curriculum and form a foundation for education programs both within the Museum and externally for outreach programmes.
Source/collection of data	Location preparation- the designated area in the Museum needs to be repurposed to house a new exhibition. Minutes for meetings discussing intended ideas. Concept designs – hand drawn or digitally generated images of the future space and displays. Information generation and research undertaken for the display. Work in progress – JPEGs and photographic evidence of the display work in progress this could be sculpturally or graphic design based. Finished product – the completed exhibition can be located in its intended area and/photographed.
Method of calculation	Concept designs, minutes for meetings, exported JPEG's of the designs and photographic evidence of the final product one completed.
Assumptions	Completed displays and exhibitions of a high educational and aesthetic standard.
Reporting cycle	Annual progress against the five year target.
Desired performance	High quality exhibitions that are completed within their appropriate timeframes and directly contribute to Priority 2 (education, skills and health).
Indicator responsibility	Assisting Director: Exhibitions.

Indicator title	Number of learners
Short definition	Number of learners that the museum interacts with on various outreach programmes and in-house programmes.

Purpose/importance	Numbers indicate that the museum provides programmes that are relevant to the needs of the schools.
Source/collection of data	Registers, registration forms and pictures.
Method of calculation	Headcount/ Online participants
Assumptions	Numbers will decrease due to lockdown restrictions as schools are discouraged from undertaking excursions.
Reporting cycle	Quarterly against annual target.
Desired performance	To achieve all set targets and to surpass them where possible.
Indicator responsibility	Assistant Director: Education

Indicator title	Number of National Days Commemorated
Short definition	National Days are commemorated to educate, create awareness and to foster good relations between the South African citizens.
Purpose/importance	National Days assists the museum to contribute towards nation building and social cohesion.
Source/collection of data	Event registers and pictures.
Method of calculation	Headcount/ Online participants
Assumptions	Numbers will be negatively impacted by restrictions on social gatherings and in equalities in the accessibility of online media platforms that will be utilised where physical gatherings are not possible
Reporting cycle	Annual against the five year plans
Desired performance	To produce good programmes that leave a lasting impacts in the lives of participants.
Indicator responsibility	Assistant Director: Education

Annexure A
KZN Museum Policies

Policy	Last Review Date	Next Review Date
1. Fraud Prevention Policy	February 2019	2022/2023
2. Service Charges Guidelines	February 2019	2022/2023
3. Appointment of Casual Labour Policy	February 2019	2022/2023
4. Recognition of Improved Qualification Policy	February 2019	2022/2023
5. Corporate Governance of ICT Framework Policy	May 2019	2020/2021
6. IT Disaster Recovery Plan	May 2019	2020/2021
7. IT Facilities Usage Policy	February 2019	2020/2021
8. IT Strategy	May 2019	2020/2021
9. IT Security Policy	May 2019	2020/2021
10. Enterprise Risk Management Policy	November 2017	2020/2021
11. Collections Management: Ethics and Standards	November 2017	2020/2021
12. Supply Chain Management Policy	November 2017	2020/2021
13. Code of Ethics and Legal Framework	2017	2020/2021
14. Travel and Subsistence Rates and Guidelines	November 2017	2020/2021
15. Performance Assessment and Review System	February 2018	2020/2021
16. Performance Management and Development Policy	February 2018	2020/2021
17. Heritage Assets Valuation Policy	February 2018	2020/2021
18. Heritage Assets Management Policy	February 2018	2020/2021

19.	Volunteers Policy	August 2018	2021/2022
20.	Capacity Management Policy	August 2019	2022/2023
21.	Financial Procedures Manual	May 2018	2021/2022
22.	Employee Reward Policy	May 2018	2021/2022
23.	Employment Related Policy	May 2018	2021/2022
24.	Employee Relations Policy	May 2018	2021/2022
25.	Library Collections Manual	May 2018	2021/2022
26.	Natural Sciences Collections Manual	May 2018	2021/2022
27.	Human Sciences Collections Manual	May 2018	2021/2022
28.	Policy on Hardware Usage & Data Security	May 2018	2021/2022
29.	HIV/AIDS Policy	May 2018	2021/2022
30.	Employee Assistant Programme Policy	November 2019	2022/2023
31.	Policy on Granting of Emergency Financial Assistance to Staff Members	November 2019	2022/2023
32.	Gender Equity Policy	August 2019	2022/2023

ANNEXURE B: MATERIALITY / SIGNIFICANT PLAN

INTRODUCTION AND BACKGROUND

In terms of the Public Finance Management Act (PFMA) and the Treasury Regulations (TR), all public entities should develop a materiality framework for management and reporting purposes.

The Treasury Regulations (part 9, 28.1.5) state that, for purposes of material [as applicable to sections 50(1), 55(2) and 66(1) of the Act] and significant [as applicable to section 54(2) of the Act], **the accounting authority must develop and agree a framework of acceptable levels of materiality and significance** with the relevant executive authority in consultation with the external auditors, the terms are, however, not defined in the Act nor the Treasury Regulations.

The Treasury Regulations (28.2.1) further requires that the annual report of the public entity shall detail the materiality/significant framework applied during the financial year. These requirements are meaningful to the user of such financial statements if it is also accompanied with the materiality/significant framework adopted by the audit and risk committee for the purposes of external audit although not required by the Treasury Regulations.

1. Purpose of Materiality Framework

The purpose of materiality framework is:

- 1.1 To establish a threshold/framework within which accounting officers can effectively discharge its management and reporting responsibilities emanating from the specific sections of the PFMA.
- 1.2 It will also assist management to design, develop and implement a proper (reasonable) framework of policies, procedures and controls to effectively manage business risk.
- 1.3 The framework will also help the KwaZulu-Natal Museum to establish proper structures of Accountability to the Executive Authority and proper delegation of Authority to executive management.

2. Defining the concept of Materiality

The Council of the KwaZulu-Natal Museum defines the Materiality/significant framework as a measure of the materiality for management accountability and reporting purposes. The measure is applied by the Accounting Authority to design, develop and implement reasonable management policies and procedures to be able to discharge its responsibilities in terms of the PFMA. The materiality/significant framework is a judgement of the level at which errors (intentional/unintentional), either individually or in aggregate, might be considered material/significant in relation to the KwaZulu-Natal Museum's annual financial statements taken as a whole.

Interpretation- "Material: means anything that is significant in relation to circumstances applicable to each company; and materially shall have the same meaning."

While the objective of setting materiality framework in an audit of financial statements is to enable the auditor to express an opinion as to whether or not the financial statements fairly present, in all material respects, the PFMA and the TR do not expressly provide motivation for this requirement. This requirement is mainly for assisting the entity's management to reasonably discharge its accountability and reporting responsibilities. Furthermore, existing literature postulates that the assessment of what is material is a matter of professional judgment. For the purposes of this requirement, it suffices to say management will have to exercise their judgement as to what is material/significant in their business, both qualitatively and quantitatively.

The concept of materiality does not deal only with monetary information (amount) but also addresses the non-monetary (nature) characteristics of the information. Therefore, the KwaZulu-Natal Museum's materiality/significant framework will detail both quantitative and qualitative materiality characteristics. Materiality may be influenced by considerations such as legal

and regulatory requirements, and considerations relating to individual financial statement account balances and relationships. This process may result in different materiality levels, depending on the aspect of the financial statements being considered.

Examples of qualitative misstatements would be:

- (a) Inadequate or improper description of the entity's accounting policy when it is likely that a user of the financial statements would be misled by the description, and
- (b) Where an entity fails to disclose the breach of regulatory requirements when it is likely that the consequent imposition of regulatory restrictions will significantly impair operating capability.
- (c) Failure to report/disclose perpetuated fraudulent activities by senior officials of the entity.

The materiality/significant framework is considered from both a quantitative and qualitative viewpoint. The size of the item and its nature is therefore considered when determining its materiality.

In determining materiality, management will consider a number of factors, including the following:

- the risk management,
- financial risks (both internal and external),
- the internal review function and scope, and
- the system of internal controls,
- The nature of the item.

The KwaZulu-Natal Museum will develop a materiality/significant framework (measurable/quantifiable) for each of the relevant section by sub-element as below:

3. Fruitless and Wasteful Expenditure:

Defining Fruitless and wasteful expenditure in the KZN.M's view:

The Council of the KwaZulu-Natal Museum, for the purposes of this Act defines fruitless and wasteful expenditure as expenditure which:

- Failed to achieve its anticipated objectives/benefits, and
- Would not have been incurred had reasonable judgement been exercised at the time.

Whether or not the expenditure is fruitless and wasteful may be determined based on the subsequent review of the expenditure. The Act does neither define the threshold/materiality framework of the expenditure that should be subject to such review, nor does it allow a materiality threshold to be applied in the evaluation of this expenditure. As a result, all expenditure that is not trivial should be subject to post review. The proposal is that the KwaZulu-Natal Museum consider and adopt a framework within which fruitless and wasteful expenditure should be dealt with regards to PFMA and the Treasury Regulations reporting requirements. The Treasury Regulations requires that such framework be considered and approved by the KwaZulu-Natal Museum's Executive Authority.

However, due to the nature of the KwaZulu-Natal Museum's business and the volume of the transactions making up the entity's expenditure, it may be impractical to implement cost effective procedures to review the effectiveness of all expenditure incurred on a transaction-by-transaction basis. Furthermore, it must be noted that naturally, the benefits generated by such expenditure are often enjoyed/realised considerably after that expenditure is incurred. This fact therefore renders any post expenditure review extremely complicated to perform. The Council may therefore not be in a position to favourably comment as to whether all fruitless and wasteful expenditure actually incurred will be detected. However, it should be noted that the treatment of irregular, fruitless and wasteful expenditure would depend on internal control policies and procedures designed and implemented by the KwaZulu-Natal Museum.

2. Background on KwaZulu-Natal Museum expenditure framework:

The Council of the KwaZulu-Natal Museum continues to improve the soundness of its system of internal controls governing the procurement of both goods and services classified as operating expenditure and for capital projects. Within this framework, various principles have been integrated to form robust internal control policies and procedures, some of which are listed below:

- (a) The KwaZulu-Natal Museum will have a strategic plan and business plan that is derived from its annual budget and capital budget;
- (b) All expenditure will be properly authorised prior to it being incurred in terms of properly delegated authorities and where it warrants it, by one of the following review committees:
 - Management Committee;
 - Finance and Procurement Committee;
 - Audit and Risk Committee; and
 - Council.

To discharge its responsibility, the KwaZulu-Natal Museum will, through its internal audit function perform a run of all its significant single expenses and subject these to rigorous audit to establish if there are any fruitless and wasteful expenditure.

Notification in terms of Section 51 (2) of the Act:

Due to the fact that section 51 (2) is not regulated by Treasury Regulation 28.1.5 – Materiality/significance framework, this letter should therefore act as the notification in terms of Section 51 (2) that the council, in its capacity as the Accounting Authority may not be able to confirm that:

- a) Processes to prevent and detect all fruitless and wasteful expenditure as contemplated in the Act are in place;
- b) Any fruitless and wasteful expenditure has accordingly been prevented or detected as required;
- c) All disciplinary actions as envisaged by the Act, following the occurrence of fruitless and wasteful expenditure have been undertaken; and
- d) The disclosures required in the annual report in terms of fruitless and wasteful expenditure have been made.

Except where this is material in terms of the framework detailed herein.

The KwaZulu-Natal Museum's system of internal control are/will be designed to prevent unauthorised expenditure and that as part of the cost savings programmes being implemented in order to actively drive down the cost of operations in the various business units, which will reduce the opportunity for material fruitless and wasteful expenditure.

We can further assure you that through the accountability framework of line management and through the Audit & Risk Committee processes:

- a) Internal control weaknesses identified by management, the internal and the external auditors are followed up to ensure that the underlying systems are improved;
- b) Any material criminal conduct identified is subject to the appropriate procedures and sanctions.

Developing Materiality/Significance Framework

Management would have to adopt a very conservative approach in carrying out their fiduciary duties described by the PFMA in an attempt to establish a set of financial statements that are cost effectively accurate or reasonable under the circumstances. In direct contrast with the External Auditors approach, management is expected to adopt a more conservative approach, as they will seek to achieve high level of assurance to the stakeholders of the reporting entity and to achieve fair presentation. For each individual audit finding, management should consider the possibility that it is material because of its value, its nature or because of the context in which it arises. Typically, management's quantification might be represented by a more stringent approach by management i.e.

PFMA Requirement	Materiality Significance	Policies, procedures and Controls in place	Non Compliance Implication
Requirements of the section 54(2) of the Act, in terms of this section of the Act, the Accounting Authority of the KwaZulu-Natal Museum is required to submit information, documents, explanations and motivations to the relevant treasury and its executive authority for approval before they engage in the following activities:			In terms of section 86(2) of the Act, an accounting authority is guilty of an offence and liable on conviction to a fine or imprisonment
a. Establishment or participation in the establishment of a company.	None	Not participating	
b. Participation in a significant partnership, Trust, incorporated Joint Venture or similar management	None	Not participating	
c. Acquisition or disposal of a significant shareholding in company.	None	Not participating	
d. Acquisition or disposal of a significant asset.	<ul style="list-style-type: none"> • Acquisition/disposal of an asset in excess of R100 000 or > 5% of total asset at cost at a time of transaction. Or • Acquisition/disposal in excess of 5% of the asset category concerned. 	Supply Chain Management Policy	
e. Commencement or cessation of a significant business activity.	None	Not participating	
f. Significant change in the nature or extent of the KwaZulu-Natal Museum's interest in a significant partnership, Trust, unincorporated joint venture or similar arrangement	None	Not participating	
In terms of section 50 (1) of the Act, the Council must:			
a) Exercise the duty of our most care to ensure reasonable protection of assets and records of the public entity	<ul style="list-style-type: none"> • Any breach of management controls is considered material by its nature. • Breach committed by KZN.M officials, suppliers and customers/clients is 	<ul style="list-style-type: none"> • Adequate Insurance cover of all fixed assets. • Retention of records for 5 years in compliance of the Treasury Regulations 	

PFMA Requirement	Materiality Significance	Policies, procedures and Controls in place	Non Compliance Implication
	<p>considered material for management purposes.</p> <ul style="list-style-type: none"> Any breach of code of conduct by management and executives is considered material for this purpose. 	<ul style="list-style-type: none"> Design, develop and implement a sound system of internal controls over assets (FA policy, Collection Management Policy). Regular independent reviews by Internal Audit. 	
<p>b) Act with fidelity, honesty, integrity and in the best in interests of the public entity in managing the financial affairs of the public entity</p>	<ul style="list-style-type: none"> Any breach of management controls is considered material by its nature. Breach committed by KZN.M officials, suppliers and customers/clients is considered material for management purposes. Any breach of code of conduct by management and executives is considered material for this purpose. 	<ul style="list-style-type: none"> Strict screening process in respect for hiring of new personnel to ensure that only people of integrity are employed. The internal audit function provides an independent risk based approach, objective assurance on the effectiveness of the KwaZulu-Natal Museum's system of internal control. The Audit and Risk Committee is an independent committee responsible for oversight of the KwaZulu-Natal Museum's internal control, governance and risk management. Delegated Authority Framework. 	
<p>c) On request, disclose to the executive authority responsible for that public entity or legislature to which the public entity is accountable, all material facts including those reasonable discoverable, which in any way may influence the decisions or actions of the executive authority or that legislature, and</p>	<ul style="list-style-type: none"> Anything which contravenes the laws and regulations applicable to the KZN.M will constitute material fact as envisaged by this section. Anything which undermines or compromises the KZN.M from delivering in terms of its mandate will constitute a material fact. Any misconduct/misbehaviour by any official in management of the KZN.M resources will constitute material fact. All the above will be disclosed in the Council's report if applicable. 	<p>Systems of internal control (policies and procedures – finance, human resources, logistical, administration).</p>	

PFMA Requirement	Materiality Significance	Policies, procedures and Controls in place	Non Compliance Implication
d) Seek, within the sphere of influence of that accounting authority, to prevent any prejudice to the financial interests of the state.	<ul style="list-style-type: none"> • Register of Declaration of conflict of interest. • Direct or indirect interest by any official will be considered material for this section. 	Code of conduct developed.	
In terms of section 55 (1) (b), the Accounting Authority must prepare the financial statements for each financial year in accordance with GAAP, unless the Accounting Standards Board approves the application of general recognized accounting practice for that public entity	<ul style="list-style-type: none"> • Anything that contravenes full compliance to the relevant laws and regulations 	The appointed CFO must monitor, assess and implement such approved general recognized accounting practices.	
In terms of section 55 (1) (c), (d), the Accounting Authority must submit the financial statements within two months after the end of the financial year to the auditors. Such audited statements with an annual report and the report of the auditors on those statements must be submitted, within five months after the end of that financial year to the treasury and the executive authority.	<ul style="list-style-type: none"> • Anything that contravenes full compliance to the relevant laws and regulations 	The Director and CFO must ensure that the necessary steps are taken to ensure compliance with these subsections.	
In terms of section 55 (2), the Annual Report and financial statements of the public entity must:			
a) Fairly present the state of affairs of the public entity, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the year concerned.	<ul style="list-style-type: none"> • Anything that contravenes the delegation document will be considered a material fact for fair presentation purposes. • For the purpose of preparing the financial statements, management considers the attached framework to be material for fair presentation. (Refer to Annexure A) 	<ul style="list-style-type: none"> • Delegated Authority Framework/schedule. • Disciplinary and grievance policy in respect of financial misconduct. 	
<p>Include particulars of –</p> <ul style="list-style-type: none"> • Any material loss through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year, • Any criminal or disciplinary steps taken as a consequence of such losses or irregular expenditure or fruitless and wasteful expenditure, • Any losses recovered or written off, 	<ul style="list-style-type: none"> • For the purpose of preparing the financial statements, management considers the attached framework to be material for fair presentation. (Refer to Annexure A) 	<ul style="list-style-type: none"> • Disciplinary and grievance policy in respect of financial misconduct. • Writing off bad debts. • Writing off (disposal) of assets including collections. 	

PFMA Requirement	Materiality Significance	Policies, procedures and Controls in place	Non Compliance Implication
<ul style="list-style-type: none"> • Any financial assistance received from the state and commitments made by the state on its behalf and • Any other matters that may be prescribed and • Include the financial statements of the subsidiaries. 			
<p>Section 66 imposes Restrictions on borrowing, guarantees and other commitments. — (1) An institution to which this Act applies may not borrow money or issue a guarantee, indemnity or security, or enter into any other transaction that binds or may bind that institution or the Revenue Fund to any future financial commitment, unless such borrowing, guarantee, indemnity, security or other transaction—</p> <ul style="list-style-type: none"> a) is authorised by this Act, and b) in the case of public entities, is also authorised by other legislation not in conflict with this Act, and c) in the case of loans by a province or a provincial government business under the ownership control of a provincial executive, is within the limits as set in terms of the Borrowing Powers of Provincial Governments Act, 1996 (Act bi. 48 of 1996) 	Any borrowings with third parties will be considered material for the purpose of this section.	Disciplinary and grievance policy in respect of financial misconduct.	

Conclusion

The Council of the Museum has decided to report on any transaction covered by section 54(2) of the PFMA in excess of R5000 relating to the following:

- | | | |
|--------------|---|---|
| Materiality | - | Every amount in respect of criminal conduct |
| | - | R5000 and above in respect of irregular, fruitless and wasteful expenditure involving gross negligence |
| | - | R3000 and above being approximately 0.5% of gross revenue in respect of any other irregular, fruitless and wasteful expenditure |
| Significance | - | The acquisition/disposal of a significant asset |
| | - | The commencement/cessation of a significant business activity. |

ANNEXURE C: COUNCIL CHARTER

1. PURPOSE OF THE COUNCIL CHARTER

- 1.1 This Charter is intended to provide a concise overview of:
- a) the demarcation of the roles, functions, responsibilities and powers of the Council, the Department of Arts and Culture (Shareholder of the KwaZulu-Natal Museum), individual Councillors and officials and management of the Museum
 - b) composition of Council and the procedures for meetings
 - c) powers delegated to various Council committees of the institution
 - d) matters reserved for final decision-making or pre-approval by the Council
 - e) policies and practices of the Council in respect of matters such as corporate governance, declarations and conflicts of interest, council meeting documentation and procedures relating to the nomination, induction, training and evaluation of Council and members of the Council committees.

1.2 The Council Charter also:

- a) provides a strategic and supportive roadmap for the Executive Management to perform operational, management and accounting roles to Council as informed by the Cultural Institutions Act, Act 119 of 1998.
- b) Reaffirms the need to adhere to good corporate governance.

2. THE COUNCIL'S PURPOSE, COMPOSITION, COMMITTEES, APPOINTMENTS AND RESIGNATIONS

2.1 Purpose of the Council

The Council's purpose is to ensure that the **KwaZulu-Natal Museum** is a sustainable organization capable of fulfilling its objectives, statutory and otherwise. In order to fulfil this purpose, the Council must provide oversight on the direction and control of the business of the Institution. Council owes a fiduciary duty to the KwaZulu-Natal Museum both under the Cultural Institutions Act (Act 119) of 1998; the Public Finance Management Act, 1999 (Act No. 1 of 1999), "the PFMA" and is accountable to the Department of Arts and Culture, the Shareholder and eventually the Government of the Republic of South Africa. Council is also responsible, within the structures of corporate law and legislation, to the other stakeholders of the Museum. Council members are required to exercise due care, skill and utmost good faith in the performance of their duties.

2.2 Composition of the Council

- a) In terms of the Cultural Institutions Act, Act 119 of 1998 the Council may consist of a minimum of seven members and the Director.
- b) The Minister of Arts and Culture may call for the nomination of members of the public to serve on the Council.
- c) The Minister is responsible for the appointment of all members of the Council.
- d) The term of office for Council members appointed by the Minister expires after three (3) years or otherwise as stipulated. However, the Council may be eligible for re-appointment.

2.3 Council Committees

2.3.1 In terms of the King II, III & IV Reports and the Protocol on Corporate Governance, the Council has the power to appoint Council Committees and to delegate powers to such Committees.

2.3.2 The Council recognizes and accepts the legal principle that whilst certain powers are capable of delegation to individuals and/or committees the ultimate accountability for the matters delegated remains with the Council.

2.3.3 Authorities delegated by the Council accordingly always entail a simultaneous requirement of reporting to the Council and an obligation on the Council to monitor and evaluate the activities of committees and individuals with delegated authority.

2.3.4 The Council shall approve the formation of the following Committees:

- a) Finance & Procurement Committee (FPC)
- b) Audit and Risk Committee (ARC)
- c) Human Resources & Remuneration Committee (HRRC)
- d) Institutional Advancement and Ethics Committee (IAEC)

2.3.5 The Council shall approve the formation of any other committee/s and/or working group/s that it deems vital for the enhancement of the Museum's strategic goals.

2.4 **Appointments and Removals**

2.4.1 The Council shall:

- a) Appoint the Chairpersons and Members of Committees
- b) Approve the appointment and/or removal of the Director
- c) Ensure an adequate induction programme for new members of Council.
- d) Where applicable and on the recommendation of the Director, approve the appointment and/or removal of other senior management staff.
- e) Where applicable, make recommendations to the Minister for the removal of a Council member.

2.5 **Council Meetings and Council Documentation**

- a) The Council must have a minimum of 4 meetings per year.
- b) Additional meetings may be convened as and when necessary.
- c) Papers for consideration by the Council will be submitted, in the normal course, at least five days before the meeting to enable members to study the documentation in preparation for the meeting.
- d) The quorum shall be 50% plus 1 of the members of the Council

3. **GENERAL POWERS AND AUTHORITY**

The Council shall:

- 3.1 Approve the strategic plan for achieving the objectives contemplated in the Act.
- 3.2 Annually review the Institution's corporate governance process and assess achievement against objectives;
- 3.3 Review the mandate of the Entity, at least annually, and approve recommended changes;

- 3.4 Determine the terms of reference and procedures of all Council Committees and review their reports and minutes;
- 3.5 Consider reports submitted by the Director and/or the senior management.
- 3.6 Review and monitor the performance of the Director and members of senior management via the Director;
- 3.7 Establish, review periodically and approve major changes to the Institution's policies on, *inter alia*:
 - (a) collections management
 - (b) research
 - (c) education and outreach
 - (d) financial management
 - (e) human resources and administration
 - (f) risk management
 - (g) delegation of authority to management
 - (h) quality control measures
 - (i) occupational health and safety
 - (j) code of ethics.

- 3.8 Approve, on the recommendation of the Museum's Human Resources and Remuneration Committee and with the concurrence of the Department of Arts and Culture, the remuneration to be paid to all staff.
- 3.9 Ensure that an adequate budget and planning process exists, that performance is measured against budgets and business plans and approve annual budgets and the Annual Performance plan for the Museum;
 - 3.9.1 Approve, subject to the Department's approval as may be required in law, significant acquisitions, mergers and new strategic alliances by the Museum.
 - 3.9.2 Consider and approve, on the recommendation of the Museum's Audit & Risk Committee, any significant changes proposed in accounting policy, the external audit fee and budgeted audit fee, and consider any other recommendations of the Museum's Audit & Risk Committee.
 - 3.9.3 Consider and approve the annual financial statements, interim statements and notices to the Department, and consider and agree the basis for considering the Museum to be a going concern.
 - 3.9.4 Have ultimate responsibility on oversight for systems of financial, operational and internal controls, the adequacy and review of which shall be delegated to the relevant committees of the Council, provided that the Council ensures that reporting on such matters is adequate.
 - 3.9.5 Have ultimate responsibility for regulatory compliance and ensure that reporting to the Council is comprehensive.
 - 3.9.6 Review non-financial matters that have not been specifically delegated to a subcommittee. Such review to include the following items that would be included in the Museum's sustainability report:
 - (a) Code of ethics
 - (b) Environmental issues
 - (c) Social issues.

- 3.9.7 Have authority to:
 - a) access to any information they need to fulfil their responsibilities
 - b) seek independent advice at the Museum's expense
 - c) investigate matters within the Council's mandate.

- d) Delegate to the Director or, with the concurrence of the Director, any other employee of the Institution, any of the powers, authorities and discretions vested in the Council, including, to the extent permissible in law, the power of sub-delegation. Further sub-delegation must be in concurrence with the Council or Chairperson of the Council.
- e) Delegate similarly such powers, authorities and discretions to any committee as may exist or be created from time to time; A delegation in terms of this clause does not prevent the Council from exercising such power or performing such duty, as the case maybe itself.

4. THE CHAIRPERSON

The Chairperson provides leadership at Council level, represents the Council to the Minister and is responsible for ensuring the integrity and effectiveness of the Council and its committees. To this end the Chairperson is required to:

- 4.1 maintain a regular dialogue with the Director in respect of all material matters affecting the Museum and to consult with the other Council members promptly where considered appropriate;
- 4.2 ensure that material matters in respect of the business or governance of the Museum that he/she is aware of, are tabled at Council meetings;
- 4.3 act as facilitator at meetings of the Council to ensure that material issues for consideration are tabled and ventilated effectively to ensure optimal Council decision-making and governance;
- 4.4 be available for the Director between Council meetings to provide counsel and advice.
- 4.5 represent the Museum in official ministerial fora and events organized by the Minister.
- 4.6 communicate with the Minister on behalf of the Council

The Chairperson does not have any executive or management responsibilities.

5. THE DIRECTOR

The Director is the Accounting Officer and provides executive leadership and is accountable to the Council for the implementation of the strategies, objectives and decisions of the Council within the framework of the delegated authorities, values and policies of the Museum. The Director is appointed by the Council, in conjunction with the Department. To this end the Director is accountable to the Council to amongst other things:

- 5.1 develop and recommend to the Council the long-term strategy and vision of the Museum and its quantified expression by way of critical performance targets
- 5.2 develop and recommend to the Council the annual performance plans and budgets that support the Museum's long-term strategy
- 5.3 ensure that the Museum has an effective management team and management structures

- 5.4 ensure appropriate Institutional policies are formulated and implemented
- 5.5 ensure that effective internal institutional controls and governance measures are deployed
- 5.6 serve as the chief spokesperson of the Museum.

6. THE RIGHTS AND DUTIES OF INDIVIDUAL COUNCIL MEMBERS

The Council exercises its functions jointly and no member has any authority to severally perform any act on behalf of the Museum or the Council unless specifically authorized or requested by the Council or authorized nominees of the Council. Council members are jointly accountable for the decisions of the Council.

Council members have a legal obligation to act in the best interest of the Museum, to act with due care in discharging their duties as Council members, to declare and avoid conflicts of interest with the Museum and to account to the Museum for any advantages gained in discharging their duties on behalf of the Museum.

Members may at any time request a meeting with the Chairperson and may in any event annually be invited by the Chairperson for an individual meeting to discuss Council and institutional matters. Council is of the view that the interests of the Museum are better served if the Council functions as a team rather than a fractious, uneasy coalition of Council and independent factions.

Members have access to senior management for advice about the governance of the Museum and Council procedures and may after consultation with the Chairperson obtain such external advice as they may consider necessary to properly discharge their duties to the institution.

Costs related to procuring external advice should be within the approved Council budget; extra costs should be motivated and approved by Council.

7. REMUNERATION OF COUNCIL MEMBERS

7.1 Council members are remunerated based on the rates and guidelines determined by the Minister of Finance for Schedule 3A Public Entities.

7.2 Any authorized extra costs incurred in the pursuant of the functions of Council shall be reimbursed upon submission of proof of payment and/or expenditure.

7.3 Any unauthorized extra costs incurred in the pursuant of the functions of Council shall be reimbursed upon submission of proof of payment and/or expenditure supported by a motivation approved by Council.

7.4 No acting allowances and/or rates are paid unless such acting role/s have been sanctioned by the Minister.

8. THE COUNCIL SECRETARY SERVICES

The Director's Personal Assistant is responsible for providing secretarial services to the Council. These include:

- 8.1 Keeping of Council members' records.
- 8.2. Reminding Council members of Council and Committee meetings.
- 8.3 Requesting information from Council members for the compilation of reports for Council.
- 8.4 Making relevant travel and accommodation arrangements for Council members.
- 8.5 Ensuring that the minutes of all Council meetings and meetings of the Committees are properly recorded.

9. POLICY IN RESPECT OF CORPORATE GOVERNANCE

It is the policy of the Museum to comply with the King II, III & IV Codes of Corporate Practices and Conduct. In addition, the Museum's corporate governance practices should be reviewed frequently in view of changes in the Institutional, national and international developments in respect of corporate governance in order to proactively adapt the corporate governance practices of the Institution should it be in the best interests of the Institution to do so.

10. ACCOUNTABILITY OF COUNCIL

Council members are appointed by the Minister of Arts and Culture in terms of Section 5 of the Cultural Institutions Act, Act No. 119, 1998. Council members are accountable to the Minister and provide overall oversight role to the Museum's management. Council should provide the Minister with the following documents:

- a) A five-year Strategic Plan that is aligned to the government's term of office.
- b) An Annual Performance Plan and budget identifying key strategic thrusts of each financial year.
- c) A Shareholder Compact outlining linked Outcome Oriented Goals of the Museum for each financial year.
- d) Annual Financial Statements for each financial year as required by Section 55 of the Public Finance Management Act.

11. DISCLOSURE AND CONFLICT OF INTERESTS

11.1 In terms of the PFMA and Treasury Regulations, Protocol on corporate governance in the Public Sector and the King Code II, III and IV, Council members are obliged to promptly disclose their direct or indirect interest in:

- a) any company, partnership, trust or legal entity; or
- b) any contract or proposed contract which is of significance to the business of the Museum and which is entered into or to be entered into:
 - i. in pursuance of a resolution taken or to be taken at a meeting of Council; or

ii. by any member or officer of the Museum who has been authorized by the Council or management of the Museum to enter into such contract.

11.2 Full disclosures of the above should be made in writing and be submitted to the Council Secretary who will submit it to the Chairperson of the Human Resources and Remuneration Committee and the Council at the first subsequent Committee or Council meeting respectively. Disclosures should be made at the beginning of each calendar year. General disclosures of this nature are only effective until the end of the financial year in which the disclosures had been made. Enduring, material conflicts of interest are regarded by the Council as incompatible with the fiduciary duties of Council. Failure to make disclosures of interest constitutes a criminal offence in terms of the Companies Act.

11.3 The Human Resources and Remuneration Committee is required to:

- (a) consider all declarations of interest
- (b) report to the Council any conflicts of interest which require specific action by the Council
- (c) recommend to the Minister which members should be categorized for governance purposes.

12. PERFORMANCE EVALUATION: COUNCIL, COMMITTEES AND INDIVIDUAL MEMBERS AND MEMBERS OF COMMITTEES

The Chairperson and Deputy Chairperson shall be responsible to annually review the effectiveness of the Council, Committees and individual Council members. For this purpose, they shall make use of the Council Evaluation Framework developed by the Department (Executive Authority) for all Institutions. Council should also use a peer review system to evaluate each other and the effectiveness of Council as a whole on an annual basis. The Chairperson of the Council will be evaluated by the Minister or other delegated person or Committee set up by the Ministry.



an agency of the
Department of Arts and Culture

1.RP45/2020
ISBN: 978-0-621-48147-1